

TULARE COUNTY BOARD OF EDUCATION

10/09/2024 [03:00 PM]

REGULAR BOARD MEETING

For the Regular Board Meeting of October 9, 2024, at 3:00 p.m., in the Redwood Conference Center at the Jim Vidak Education Center, 6200 S. Mooney Blvd., Visalia, California.

1. CALL TO ORDER

- a. Pledge of Allegiance
- b. Welcome

2. ADA ACCOMMODATION REQUIREMENT

Persons who are in need of a disability-related modification or accommodation in order to participate in the board meeting must make a request in writing to the Office of the County Superintendent of Schools, 6200 South Mooney Boulevard, Visalia, California, P.O. Box 5091, 559/733-6301. A request for accommodation should specify the nature of the modification or accommodation requested, including any necessary auxiliary aids or services required and the name and telephone number of the person making the request. The written request should be made as soon as possible and no later than 2 days before the meeting. The agenda, agenda packet and any written documents distributed to the board during a public meeting will be made available in appropriate alternative formats upon request by a person with a disability as required by the Americans with Disabilities Act.

Written documents concerning agenda items are available for public inspection during normal business hours within 72 hours of a regular board meeting at the Tulare County Office of Education, 6200 South Mooney Boulevard, Visalia, California.

3. PUBLIC COMMENTS

Members of the public may address the board on any agenda item, or other item of interest within the subject matter jurisdiction of the board during the public comment period. Agenda items may also be addressed by the public at the time they are taken up by the board. The board is not able to discuss or take action on any item not appearing on the agenda. A five-minute time limit can be imposed on public input for individuals/issues as deemed necessary.

4. ACTION ITEMS

- a. TCOE/Department Presentation -- The Dream Center, Courtney Venegas
- b. Routine Matters
 - 1. Consent Calendar

- a. Approval of Minutes for the Regular Board Meeting of September 11, 2024
- b. Authorization of Countywide Registration of Credentials
- c. Authorization of Temporary County Certificates
- d. Authorization of Countywide Emergency Permit Applications
- e. Approval of Donation from Rick's Vending and Distributing (\$983.18) for AcCEL, CBI Tulare
- f. Approval of Donation from Rick's Vending and Distributing (\$1,147.51) for AcCEL, CBI Akers
- g. Approval of Donation from Rick's Vending and Distributing (\$350) for AcCEL, CBI Caldwell
- h. Approval of Donation from Charities Aid Foundation America (\$500) for AcCEL, L.B. Hill
- i. Approval of Donation from Pat Hunt Construction (\$750) for Liberty Campus

c. New Business

1. Consideration and Approval, Adopt Resolution 24/25-06, Proclaiming October 21-26, 2024, as National CHARACTER COUNTS! Week -- **Kelley Petty**

2. Consideration and Approval, Adopt Resolution 24/25-05, Proclaiming October 2024 as Character Education Month -- **Kelley Petty**

3. Consideration and Approval, Grant Agreement for California Department of Education -- Nani Dodson

4. Consideration and Approval, Adopt Resolution 24/25-14 Grant Agreement Amendment #1 California Department of Public Health-Office of Problem Gambling -- **Nani Dodson**

5. Consideration and Approval, Grant Agreement for Office of Traffic Safety -- Nani Dodson

6. Consideration and Adoption, Resolution No. 24/25-09, TCOE Red Ribbon Week, October 21 through October 25, 2024 -- Jennifer Fisher

7. Public Hearing for Adoption of Extended School Year Waiver for Tulare County/District Special Education Local Plan Area (SELPA) -- **Sarah Hamilton**

8. Consideration and Adoption, Extended School Year Waiver -- Sarah Hamilton

9. Consideration and Approval, Adopt Resolution 24/25-12, Submission of Application to SJVAD for New Alternative Vehicle Grant -- **Dianne Shew**

10. Consideration and Approval, Adopt Resolution 24/25-13 Authorizing Amanda Driver as Administrator to Implement New Alternative Vehicle -- **Dianne Shew**

11. Consideration and Adoption, Resolution No. 24/25-10 for Establishing Appropriations Limits (GANN) -- Jody Arriaga

12. Consideration and Approval, Selection of Lease-leaseback Contractor for the Administration Facility Expansion Project - **Jeff Ramsay**

13. Consideration and Approval, Adopt Resolution No. 24/25-11, Authorizing the Execution, Delivery and Sale of Certificates of Participation & Approving Related Documents & Actions -- **Dr. Fernie Marroquin**

5. Information (Non-Discussion Items)

- a. Letters and Communication/Correspondence
- b. Reports from Superintendent and Staff
- c. Reports from Board, Information and Questions

6. Next Scheduled Board Meeting

November 13, 2024, 3:00 p.m.

7. Adjournment



TULARE COUNTY BOARD OF EDUCATION

09/11/2024 [03:00 PM]

REGULAR BOARD MEETING

For the Regular Board Meeting of September 11, 2024, at 3:00 p.m., in the Redwood Conference Center at the Jim Vidak Education Center, 6200 S. Mooney Boulevard, Visalia, California.

1. CALL TO ORDER

Joe Enea welcomed everyone and called the meeting to order at 3:00 p.m. Chris Reed led the Pledge of Allegiance. President Enea also requested a moment of silence for the 9-11 victims, those that passed away and for those that are still suffering. Board member Judy Coble was not present.

2. Board Members and Staff Present

Board members present: President Joe Enea, Vice President Debby Holguin, Tom Link, Celia Maldonado-Arroyo, Chris Reed, Tony Rodriguez, and Ex-Officio Secretary Tim A. Hire. Board member absent: Judy Coble. Staff members present: Jose Bedolla, Julie Berk, Tammy Bradford, John Davis, Robert Herman, Brook Killingsworth, Dr. Fernie Marroquin, Chris Meyer, Dr. Helen Milliorn-Feller, Marlene Moreno, Anthony Paz, Freddy Reyes, and Dedi Somavia. Guests present: Mr. and Mrs. Kadam, Sarvadnya Kadam, Desiree Serrano, Taylor Todd, and Mike Waters.

3. 2024 Spelling Bee Presentation -- Chris Meyer

Chris Meyer spoke about Sarvadnya Kadam, 7th grader from Oak Grove Elementary School. Mr. Meyer said that not only is Sarvadnya an excellent speller and wonderful young man, but he also worked hard to be the spelling champion. Mr. Meyer presented Sarvadnya with a certificate and a scrap book/photo album as a memento for this past year's accomplishments as a Tulare County Spelling Champion.

Mr. Kadam thanked the Board and Superintendent Hire. This was his second trip to D.C. to compete nationally. Sarvadnya mentioned that English is his third language. He thanked everyone for the opportunity which was given to him. He also reminded everyone that he has one more year to study and perhaps be Tulare County's spelling champion for one last time.

4. ADA ACCOMMODATION REQUIREMENT

5. PUBLIC COMMENTS

No public comments were received.

6. ACTION ITEMS

6.a. Routine Matters

6.a.a. Consent Calendar

Vote Results

Yea: 6 Joe Enea, Debby Holguin, Tom Link, Celia Maldonado-Arroyo, Chris Reed, Tony Rodriguez
Nay: 0
Abstain: 0
Not Cast: 1 Judy Coble
Motion: Tom Link Second: Tony Rodriguez

6.b. Old Business

6.b.a. Consideration and Approval, Second Reading of Board Policy (BP) and Administrative Regulation (AR) 5125 Student Records; Confidentiality --Tammy Bradford

Tammy Bradford asked for the Board's approval on the Board Policy (BP) and Administrative Regulation (AR) 5125 Student Records; Confidentiality.

Vote Results

Yea: 6 Joe Enea, Debby Holguin, Tom Link, Celia Maldonado-Arroyo, Chris Reed, Tony Rodriguez

Nay: 0

Abstain: 0 Not Cast: 1 Judy Coble

Motion: Tom Link Second: Tony Rodriguez

6.b.b. Consideration & Approval, Second Reading of Board Policy & Administrative Regulation 5145.3 - Nondiscrimination/Harassment -- Dedi Somavia

Dedi Somavia requested the Board's approval on the Board Policy & Administrative Regulation 5145.3 - Nondiscrimination/Harassment.

Vote Results

Yea: 6 Joe Enea, Debby Holguin, Tom Link, Celia Maldonado-Arroyo, Chris Reed, Tony Rodriguez

Nay: 0

Abstain: 0

Not Cast: 1 Judy Coble

Motion: Chris Reed Second: Celia Maldonado-Arroyo

6.b.c. Consideration and Approval, Second Reading of Administrative Regulation 5145.71 - Title IX Sexual Harassment Complaint Procedures -- Dedi Somavia

Dedi Somavia asked the Board to approve the Administrative Regulation 5145.71 - Title IX Sexual Harassment Complaint Procedures.

Vote Results

Yea: 6 Joe Enea, Debby Holguin, Tom Link, Celia Maldonado-Arroyo, Chris Reed, Tony Rodriguez

Nay: 0

Abstain: 0

Not Cast: 1 Judy Coble

Motion: Celia Maldonado-Arroyo Second: Chris Reed

6.b.d. Consideration and Approval, Second Reading of Board Policy (BP) 5141.21 Administering Medication and Monitoring Health Conditions -- Julie Berk

Julie Berk sought the Board's approval on Board Policy (BP) 5141.21 Administering Medication and Monitoring Health Conditions.

Vote Results

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    Yea: 6 Joe Enea, Debby Holguin, Tom Link, Celia Maldonado-Arroyo, Chris Reed, Tony Rodriguez
    Nay: 0
    Abstain: 0
    Not Cast: 1 Judy Coble
    Motion: Tony Rodriguez
    Second: Debby Holguin
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6.c. New Business

6.c.a. Consideration and Approval of Resolution 24/25-04 on Compensation of County Superintendent -- Dedi Somavia

Dedi Somavia asked for approval on Resolution 24/25-04 regarding Compensation of County Superintendent for the 24-25 school year which will reflect a 1% increase to the annual salary. The County Superintendent's contracted days are reduced from 227 to 224 days with no reduction in salary.

Vote Results

Yea: 6 Joe Enea, Debby Holguin, Tom Link, Celia Maldonado-Arroyo, Chris Reed, Tony Rodriguez
Nay: 0
Abstain: 0
Not Cast: 1 Judy Coble
Motion: Tom Link Second: Celia Maldonado-Arroyo

6.c.b. Consideration and Approval, Proposition 2: Kindergarten Through Grade 12 Schools and Local Community College Public Education Facilities Modernization, Repair, and Safety Bond Act of 2024 -- Tim A. Hire

Tim Hire asked for the Board's approval for Proposition 2: Kindergarten through grade 12 schools and local community college public education facilities modernization, repair and safety Bond act of 2024. Each school district has to apply for their funding. Applying for this funding is ongoing and it's first come, first serve. It is not an easy process. Sometimes consultants are hired to assist Tulare County districts to apply. Eligibility is based on student enrollment. If there is hardship involved then there is more available money to get.

Vote Results

Yea: 6 Joe Enea, Debby Holguin, Tom Link, Celia Maldonado-Arroyo, Chris Reed, Tony Rodriguez

Nay: 0 Abstain: 0 Not Cast: 1 Judy Coble Motion: Chris Reed Second: Tom Link

6.c.c. Consideration and Approval, Proposition 28 - Arts and Music in Schools for University Preparatory High School -- John Davis

John Davis asked for approval on Proposition 28--Arts and Music in Schools for University Preparatory High School for the 2023-2024 school year. The funding will be budgeted in the 24-25 school year.

Yea: 6 Joe Enea, Debby Holguin, Tom Link, Celia Maldonado-Arroyo, Chris Reed, Tony Rodriguez

Nay: 0

Abstain: 0

Not Cast: 1 Judy Coble

Motion: Celia Maldonado-Arroyo Second: Chris Reed

6.c.d. Consideration and Approval, Proposition 28 - Arts and Music in Schools for La Sierra Military Academy -- John Davis

John Davis asked for approval for Proposition 28 -- Arts and Music in Schools for La Siera Military Academy. The funding will be budgeted in the 24-25 school year.

Vote Results

Yea: 6 Joe Enea, Debby Holguin, Tom Link, Celia Maldonado-Arroyo, Chris Reed, Tony Rodriguez

Nay: 0

Abstain: 0

Not Cast: 1 Judy Coble

Motion: Tom Link Second: Celia Maldonado-Arroyo

6.c.e. Presentation of 2023-2024 Unaudited Actuals Financial Report -- Jody Arriaga

Jody Arriaga presented the 23-24 unaudited actual financial report, which included the following financial reports which have been filed with the California Department of Education: CA Unaudited Actual Certification, Form 01 through 73 Fund Summaries, Form A Average Daily Attendance, ASSET Schedule of Capital Assets, DEBT Schedule of Long-Term Liabilities, NCMOE No Child Left Behind Maintenance of Effort, Form L Lottery Report, ICR Indirect Cost Rate Worksheet, PCR Program Cost Report, and PCRAF Program Cost Report Allocation Factor.

6.c.f. Consideration and Approval, Budget Revisions through June 30, 2024 -- Jody Arriaga

Jody Arriaga presented a review of the final Budget Revisions through June 30, 2024. Jody went over the following: The County School Service Fund estimated ending fund balance is \$107,195,924 with federal grant carry over of \$4,291,833 and state revenue grant carry over of \$4,036,230. La Sierra has an estimated ending fund balance of \$793,351. University Preparatory High School has estimated ending fund balance of \$1,333,767. Special Education Pass Through has an estimated ending fund balance of \$2,504. Child Development Fund has an estimated ending fund balance of \$6,336,763. Cafeteria Fund for SCICON has an estimated ending fund balance of \$61,532. Cafeteria Fund for La Sierra and University Preparatory High School estimated fund balance is \$0.00. Forest Reserve Fund estimated ending fund balance is \$223,668. The Foundation Trust Fund (Levis Trust) has an estimated ending fund balance of \$1,573,319.

Vote Results

Yea: 6 Joe Enea, Debby Holguin, Tom Link, Celia Maldonado-Arroyo, Chris Reed, Tony Rodriguez

Nay: 0 Abstain: 0

Not Cast: 1 Judy Coble Motion: Tony Rodriguez Second: Chris Reed

6.c.g. Presentation of the 2023-2024 TCOE Annual Report -- Robert Herman

Robert Herman gave a presentation to the Board of the 2023-2024 TCOE Annual Report.

6.c.h. Public Hearing – Resolution No. 24/25-07, Determination of Sufficient Instructional Materials/Textbooks for the 2024-2025 School Year (Education Code 60119) -- Julie Berk

Mr. Enea opened a public hearing at 4:30 p.m. for the Determination of Sufficient Instructional Materials/Textbooks for the 2024-2025 school year (Education Code 60119). Julie Berk presented the list of materials/textbooks for students in our county. No comments were received. Mr. Enea closed the hearing at 4:31 p.m.

6.c.i. Consideration and Approval, Resolution No. 24/25-07 for Determination of Sufficient Instructional Materials/Textbooks for the 2024-2025 School Year (Education Code 60119) -- Julie Berk

Julie Berk asked for the Board's approval on Resolution No. 24/25-07 adopting the materials/media list for the 2024-2025 school year.

Vote Results

Yea: 6 Joe Enea, Debby Holguin, Tom Link, Celia Maldonado-Arroyo, Chris Reed, Tony Rodriguez
Nay: 0
Abstain: 0
Not Cast: 1 Judy Coble
Motion: Chris Reed Second: Celia Maldonado-Arroyo

7. Information (Non-Discussion Items)

Superintendent Hire introduced a new attorney from Lozano Smith Attorneys, Taylor Todd.

Mr. Hire mentioned to the Board of the federal grant award for the teacher residency program. Our California Center on Teaching Careers (The Center) was awarded \$1.9 million a year for the next five years. We currently have programs in Humboldt State, Fresno State, TCOE and San Diego State. These students are here and are teaching in the classroom and are taking courses through these residencies. Each student receives \$40,000 to earn their single subject or special education credential, a forgivable loan if they complete the Teacher Residency for Rural Education (TRRE) project and three years of service at a high needs school program.

We have the first counseling residency program in the nation. The Center is doing amazing work. The need continues to be there.

Joe Enea announced that he, Celia, Tony and Mr. Hire will be attending a conference in Monterey, September 12 through September 13.

Mr. Hire presented on chronic absenteeism; a topic requested by our board member. A color code quick reference handout was given to the Board with a list of the districts and their last status on chronic absenteeism. One of the tools that schools use to keep track of absences is SARB (School Attendance Review Board).

CARB (Court Appointed Review Board) allows parents to be fined \$500 a day for not having their child attend school. There is a new judge in our county that handles CARB. The initial response to our submissions on this concern has been favorable. There's been success this year by partnering with District Attorney, Tim Ward.

Superintendent Hire mentioned: the 2024-2025 Student *Future Ready* Events Brochure. College Night took place on September 10 at the Visalia Convention Center. Tobacco Use Prevention Education (T.U.P.E.) will be on September 19 at Adventure Park. On the evening of September 19 is the 28th Annual Confucius Birthday Celebration at the Chinese Cultural Center honoring three Tulare County school teachers: Glenda Landin (Hope School District), Anthony Nguyen (Palo Verde Union School District), and Jacob Avila (Visalia Unified School District). Trades Day will be on September 26 at the Porterville Fairgrounds. The Excellence in Education breakfast is scheduled on October 30 to honor 30 nominated educators in three categories: Administrator/Manager, Teacher and School Employee.

Joe Enea called a recess at 4:15 pm and ordered the board meeting to resume at 4:30 p.m.

8. Next Scheduled Board Meeting

October 9, 2024, 3:00 p.m.

9. Adjournment

Meeting adjourned at 4:32 p.m.

Agenda of 10/09/2024

CREDENTIALS REGISTERED

240254865	SUBP	EM	ACUNA SAMANTHA
240221218	SUBP	EM	ADAMS MARGARET
240258101	SUBT	EM	AGUILAR GOMEZ YESENIA
240239537	SUBP	EM	AGUIRRE ANDREA
240231545	SUBP	EM	AHEDO VERONICA
240250138	SC1A	CL	ALBURN KRISTEN M
240231582	P12C	CD	ALCANTAR KATHLEEN D
240250127	SC1A	CL	ALCANTAR REJINA E
240237567	SUBP	EM	ALDACO LILIANA
240232056	TC1	P5	ALEMAN ADAM
240092465	TC1	CL	ALLEN BRIAN
240013281	TC2	P5	ALONZO MARCUS
240233837	TC2	IN	ALTAMIRANO-TORRES ALBANELI
240242099	SUBP	EM	ALVARADO BRITNEY
240234285	SUBP	EM	ALVARADO OLEA JESSICA
240252353	TC2	CL	ALVAREZ LAYCEE D
240252354	TC3S	CL	ALVAREZ LAYCEE D
240254767	CTE	CL	ALVES TIA R
240248681	TC2	P5	AMARO DE VELEZ ABRIL
240239547	SUBP	EM	ANDRADE MADALYN
240136145	SUBP	EM	ANGIOLI DAMON
240254090	SUBP	EM	ANZIVINO TAMERA E
240231850	TC14	SL	ARCEO SOLORIO MARYLYNN
240246672	TC10	SE	ARIAS JENNIFER A
240106540	TC1	P5	ARMBRUSTER CHELSEA
240114112	SUBP	EM	ARREOLA JASMIN
240256832	TC2	P5	ARREOLA RUEBEN
240238281	SUBP	EM	ARROYO MARGARET H
240253512	SC1A	CL	ATHERTON REFUGIO
240253511	SC5	CL	ATHERTON REFUGIO C
240257764	SUBP	EM	ATKINS STACY L
240239311	TC1	P5	AVILA MAKAYLA
240236683	SUBP	EM	BALDWIN DENISE
240244821	SUBP	EM	BARAHONA-FLORES HEIDI J
240231122	TC3S	IN	BARAJAS KATHLEEN

CREDENTIALS REGISTERED

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240254924	TC2	CL	BARAJAS MICHELLE
240234470	SUBP	EM	BARBERENA KARYNA
W24001319	SA14	WV	BARRIOS MARIA L
240239566	SUBP	EM	BARSOUM MARK
240233898	SUBP	EM	BEAN RIANA L
240251874	SUBP	EM	BEBB GIANINA C
240247623	SUBP	EM	BECERRA ADRIANA
240251237	SUBP	EM	BECERRA CARMEN
240236205	TC3S	CL	BECERRA JOSE
240246633	SC1A	CE	BEDOYA MONICA
240234527	TC2	CL	BELLIN JENIFER K
240234463	SUBP	EM	BELTRAN JACQUELIN
240237195	SC5	CL	BELTRAN LORENA
240243789	SUBP	EM	BENEDETTI GIANNA N
240254025	SUBP	EM	BENITEZ RUTH
240254896	SUBP	EM	BERBEREIA ASHLEY A
240181691	TC2	CL	BERGEN PHILLIP
240237462	SUBP	EM	BERNAL ISABEL M
240257406	SC1A	P5	BESS RYAN C
240165157	TC3S	P5	BLACK ALYSSA
240092936	CTE	CL	BOGNUDA VICTORIA
240255377	SUBP	EM	BOLAND JACOBI D
240251449	SUBP	EM	BOLES MARYANA S
240241290	SUBP	EM	BOLING AMBER
240244051	SC3A	CL	BORBA ANA M
240174494	SUBP	EM	BROWN NICOLE
240251588	SC1A	CL	BUENO MARIA T
240245714	TC1	CL	BUENO MARIA T
240193748	SUBP	EM	BUGNI BRITT
240247305	SUBP	EM	BURDGE-MACK ANDREW
240234789	TC2	CL	BURKE RACHEL M
240249841	TC10	SE	CABASA NORA
240243809	SUBP	EM	CABELLO SR ARTHUR A
240104287	-	P5	CALLEJAS JULIET
240241991	SUBP	EM	CALLES NANCY

CREDENTIALS REGISTERED

240235939	SUBP	EM	CALVILLO JAMES E
240246408	TC10	SE	CAMAQUIN JHENN P
240244345	SUBP	EM	CAMPOS EVELYN F
240235452	TC2	CL	CAMPOS OCTAVIO
240232623	TC3S	CL	CAMY KEVIN L
240251294	SUBP	EM	CANCINO ORTIZ JOVITA L
240241679	SUBP	EM	CANNON EDITH
240256954	SUBP	EM	CAPPUCCIO RHONDA L
240252466	SUBP	EM	CARDENAS LIRA MARISOL
240232126	SUBP	EM	CARLSON JOY E
240233545	SUBP	EM	CARRASCO KIANA
240239391	TC1	CL	CARTAGENA LUCAS A
240241858	SUBP	EM	CASAREZ ALEXIS
240237034	TC1	P5	CASTILLO III ARNULFO
240245915	SUBP	EM	CERPAS MONTERO ABRIL
240251343	SUBP	EM	CERVANTES ANGEL
240259528	TC1	IN	CHAPMAN KRISTIN
240247327	SUBP	EM	CHAVEZ CORINA M
240242865	TC1	IN	CHISM KURTIS
240246460	TC10	SL	CHRISTENSON PATIENCE
240238529	SUBP	EM	CISNEROS - RAMOS IVAN
240250253	SUBP	EM	CISNEROS CEBALLOS STEPHANIE
240228398	TC3S	P5	COFIELD VONTE
240238732	SUBP	EM	COLLINS CLAIRE
240239707	SUBP	EM	COLLINS MOLLY
240231921	TC14	SE	COLLINS STEPHANIE D
240233371	TC1	CL	CORBETT JAMES J
240255020	SUBP	EM	CORIA KARINA
240203718	SUBP	EM	CORONA TORRES MAURICIO
240238397	TC1	CL	CORONA-BARAJAS FLOR
240256293	TC1	CL	CORRALES ALBERTO B
240062890	CTE	P3	CORREA STACY
240243110	TC1	IN	CORTES CAROLINA E
240234764	SUBP	EM	CORVERA ALICIA
240244905	TC2	CL	COSTA PAMELA M

CREDENTIALS REGISTERED

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240242076	SUBP	EM	COSTNER IRENE
240251950	SUBP	EM	COUDRAY JACQUELINE
240249710	TC2	P5	CUELLAR SANCHEZ JAQUELINE
240256666	SUBP	EM	CUELLAR SANCHEZ JAQUELINE
240230475	SUBP	EM	CUEVAS ZITLALLY
240231316	SC5	CL	CUMIFORD CHELSEA G
240241075	SUBP	EM	DANISKA KARI
240252637	SC1A	CL	DAVIS ASHLEY
240235989	SUBP	EM	DAWKINS-GARCIA ASHLEY E
240254873	SUBP	EM	DE LA FUENTE FRANCISCO
240244359	SUBP	EM	DE LA TORRE LUNA JUAN J
240240764	SUBP	EM	DEGROOT SUZANNE
240252632	SC1A	CL	DEL VILLAR DANIEL A
240223117	SUBP	EM	DELGADO DAVID
240244427	TC1	CL	DENNEY SUMMERROSE
240239151	SUBP	EM	DIAZ DANIEL
240233044	SUBP	EM	DIAZ JASMIN
240243949	TC1	CL	DIETERLE PAUL E
240241982	SUBP	EM	DODSON JOSHUA W
240233030	TC4S	CL	DOHNKE FREDERICK W
240248021	TC10	SL	DOMINGCIL CALISTA E
240180576	TC2	P5	DONADO LORENA
240242316	SUBP	EM	DONALD MICHELLE A
240237694	SUBP	EM	DRAKE MADELYN
240244522	SUBP	EM	DUENAS CLAUDIA
240246905	SUBP	EM	DUFELMEIER REBEKAH W
240181571	TC2	CL	DUMRAUF LINSEY
240234179	SUBP	EM	DWELLE AMY E
240234524	SC5	CL	DYAR KARLA M
240234922	SC1A	P5	EDDINGS ROSS L
240246900	TC2	CL	ELLBERG JOEL R
240064783	TC3S	CL	ELLIOT ERIN
240242602	SUBP	EM	ENRIQUEZ FERNANDO
240252750	SUBP	EM	ESPARZA ANNA D
240236983	TC2	CL	ESPINO JOSE L

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240241105	TC2	CL	ESPINOZA ALEXIS
240248109	P12C	CD	ESPINOZA MEZA FAVIOLA
240216378	SUBP	EM	ESPINOZA PATRICIA
240248096	SUBP	EM	ESPITIA MORALES MARK
240133323	SUBP	EM	FALCON LINDA
240257892	SC1A	CL	FARMER DANIEL S
240216962	TC1	IN	FERNANDEZ JACOB
240253341	TC2	P5	FERRIERA BRUNA
240253609	STCB	CL	FIFIELD ALLAN H
240238448	SUBP	EM	FIRMALO VICTORIA
240252598	SUBP	EM	FLORES ERYKA
240240689	SUBP	EM	FLORES FLORES LILIANA
240244295	SUBP	EM	FLORES JESACA
240012339	TC2	P5	FLORES MADISON
240259955	SUBP	EM	FLORES MARIO
240237589	SUBP	EM	FLORES MARISLAYSIS
240233809	SC1A	CL	FLORES REBECCA A
240232221	TC2	CL	FLORES ROXANA
240249485	P12E	CD	FLORES TINA L
240257896	SUBP	EM	FLOREZ ONTIVEROS ANISSA R
240252609	TC2	CL	FLYNT ELIZABETH A
240241048	SUBP	EM	FRANCO KATHY
240240262	SC2B	CL	FREITAS JOHN C
240240260	TC1	CL	FREITAS JOHN C
240232450	TC10	SE	FREITAS STEVEN C
240152820	SUBP	EM	FRIES MATTHEW
240236879	TC3S	P5	FUENTES ALEJANDRINA
240245294	SUBP	EM	GALLARDO LINARES EILEEN
240252268	TC10	ML	GALLEGOS AARON
240244769	SUBP	EM	GAMEZ IRENE I
240176778	TC3S	P5	GARCIA BROOKE
240256397	SUBP	EM	GARCIA MARIA
240250724	SUBP	EM	GARCIA MARIBEL
240244545	SUBP	EM	GARCIA RAQUEL
240081647	SUBP	EM	GARCIA REGINA

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240245589	TC2	CL	GARIBAY JOCELYN
240256464	SUBP	EM	GAYTAN-LLERENAS GABRIELA K
240252131	SUBT	EM	GLEASON CAMERON M
240255432	SUBP	EM	GOBEL TAMMY L
240258097	SUBP	EM	GODINEZ TRUJILLO LESLIE C
240234394	SUBP	EM	GODOY ILIANA
240241957	SUBP	EM	GOMEZ JACQUELINE I
240241059	SUBP	EM	GOMEZ KIMBERLY
240252813	TC13	SE	GOMEZ QUINCEY B
240207550	TC2	P5	GONZALES CECILIA
240243179	TC10	SL	GONZALES DEYZHA
240243665	SUBP	EM	GONZALEZ ANDREA
230305172	SA12	CL	GONZALEZ ANGELINA
240232791	TC1	IN	GONZALEZ JOE T
240235735	SC1A	CL	GONZALEZ LAURA A
240235734	TC2	CL	GONZALEZ LAURA A
240250711	TC2	P5	GONZALEZ SORAIDA
240240712	SUBP	EM	GONZALEZ VIVIAN
240253038	TC13	ML	GRAVITT KRISTINA L
240232474	TC2	P5	GUERRERO MARTIN
240243427	SUBP	EM	GUTIERREZ ALLONDRA
240255154	SUBP	EM	GUTIERREZ ELIZABETH
240260584	TC2	CL	GUTIERREZ MARIA
W24001380	SC1A	WV	GUTIERREZ TINA R
240248518	SUBP	EM	GUTIERREZ VANESSA
240254168	P12C	CD	GUTIERREZ-ALMANZA LUMINOSA
240007939	TC2	P5	GWINN STEPHANIE
220179160	TC2	CL	HALEY NATALIE
W24001381	SC1A	WV	HALL BRENT
240248865	TC2	CL	HASH RHONDA J
240249753	TC3S	P5	HAWTHORNE TAMARA A
220017764	TC2	P5	HEFFELFINGER ANNA
240196717	TC2	CL	HEFFELFINGER ANNA
240234867	SUBP	EM	HENSLEY KATRINA R
240248727	SC5	CL	HERNANDEZ ANGELA R

CREDENTIALS REGISTERED

240258126	P12C	CD	HERNANDEZ BIRIDIANA
240233346	TC2	P5	HERNANDEZ DANIEL
240238297	SUBP	EM	HERNANDEZ IRMA
240254761	TC10	ML	HERNANDEZ KLARISSA
240158350	SUBP	EM	HERNANDEZ NATHANIEL
240256547	P12F	CD	HERNANDEZ SHEILA M
240233083	SUBP	EM	HOYT JULIA
240250032	SUBP	EM	HUFF SHELLEY A
240252219	TC10	SL	HUGHES CALLIE
240236008	SUBP	EM	HUNT CHRISTA
240247100	SUBP	EM	HUNTER TRENTON
240242657	SUBP	EM	HURTADO DIANA
240241058	SUBP	EM	HYDASH DANIEL
240244933	TC2	CL	HYLTON PATTY J
240258538	TC15	EM	IBARRA AIDE
240253942	SUBP	EM	IVEY JASMINE
240243350	SUBP	EM	JACKSON BRANDY
240231352	SUBP	EM	JIMENEZ ANDREA D
240243168	TC10	SL	JIMENEZ ISABELLA I
240237784	SUBP	EM	JIMENEZ JUAN
240241960	SUBP	EM	JOHAL PARMINDER K
240248686	TC1	P5	JONES MELINDA
240256638	SUBP	EM	KALAMA ALLISON D
230154718	TC2	CL	KASSEN DANIELLE
240257878	TC1	CL	KEATE-SANDERS KELLIE J
240169914	TC2	P5	KHALIL AMER
240232604	TC10	ML	KOONTZ CAROLINE M
240234345	SC1A	CL	KREBSBACH MARIE E
240245115	TC10	SE	KREISS BRYN A
240245244	SUBP	EM	KRUMDICK KURTIS F
240240955	SUBP	EM	LACHINO-LUNA LESLIE A
240240731	SUBP	EM	LAKE CARIN M
240238237	TC2	IN	LAMBARENA JOSHUA
240236262	SUBP	EM	LARA-HERNANDEZ KAYLEE
240247502	SUBP	EM	LEATHERS ANGELA

CREDENTIALS REGISTERED

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230176742	TC2	P5	LECHUGA DEBRA
240231996	SUBP	EM	LEDESMA TINA B
240248933	TC2	CL	LEE JILL D
240238247	TC10	SE	LEMUS NANCY R
240203034	TC1	P5	LEMUS VANESSA
240241758	SUBP	EM	LEON-TORRES CARMELITA
240237761	SUBP	EM	LEROY JORDAN T
240255006	SUBP	EM	LEWIS SAMANTHA
240251573	SUBP	EM	LIGHT HANNAH
240241241	SUBP	EM	LINDSAY REBECCA
240245958	TC2	CL	LINK VALERIE K
240254357	TC1	CL	LIU YING
240257320	TC10	SL	LOFSTEDT ERIC R
240238866	SUBP	EM	LONGORIA ISRAEL
240234635	SUBP	EM	LOPEZ AGUILAR ELIZABETH
240246653	CTE	P3	LOPEZ CHRISTINA
240250516	SC1A	CL	LOPEZ-ZAVALA OMAR
240245357	TC1	CL	LOPEZ-ZAVALA OMAR
240233065	SUBP	EM	LOZANO JULIA
240242387	TC2	CL	LUGO ZENAIDA
240244935	SUBP	EM	LUNA CHERICE A
240238873	SUBP	EM	LUPERCIO ROSARLENE D
240247547	TC2	P5	LUPERCIO ROSARLENE D
240234790	TC2	CL	LUPIAN ROBERT F
240250116	SUBP	EM	MADDOX VICTORIA
240256433	SC1A	CL	MAGALLANES AIDA
240243473	SUBP	EM	MAJARIAN RYAN
240247470	TC2	CL	MANN GARY C
240231493	SUBP	EM	MANZO EMELY
240247738	TC2	CL	MARBERRY EMILY E
240237521	SUBP	EM	MARTIN CONOR
240244340	SUBP	EM	MARTINEZ EFRAIN
240246436	TC2	CL	MARTINEZ NATALIE
240239362	TC10	SE	MARTINSON MOLLY
240245273	SUBP	EM	MATTA ALEXANDRIA R

CREDENTIALS REGISTERED

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240231518	SUBP	EM	MAYORGA JULISSA M
240257253	SC1A	P5	MC INTIRE JOSEPH M
240241403	TC2	CL	MC REYNOLDS JENNIFER K
240241404	ТС3Н	CL	MC REYNOLDS JENNIFER K
240248120	TC3S	IN	MCMILLIN REBECCA
240237002	TC13	SE	MEDEROS SHELLEY
240256347	SUBP	EM	MEJIA SOPHIA
240231517	SUBP	EM	MELANCON LAURA
240234504	SUBP	EM	MENA EMMANUEL
240238388	SUBP	EM	MENDEZ MARY
240033310	TC2	CL	MENDEZ-VAZQUEZ MARIA
240233851	SUBP	EM	MENDOZA ALYSSA D
240257205	TC2	IN	MENDOZA DIANA S
240245782	SUBP	EM	MENDOZA JOSE G
240236704	SUBP	EM	MENDOZA LESLY
240250121	SUBP	EM	MENDOZA MENDEZ MARIA
240234803	SUBP	EM	MENDOZA SILVIA
240231568	SUBP	EM	MEZA RODRIGO
240238626	SUBP	EM	MINGUELA ARIANNA
240241655	SUBP	EM	MIRAMONTES LEOBARDO
240254707	TC1	CL	MITCHELL MARY K
240222625	SUBP	EM	MOLINA JULISSA
220284307	CTE	P3	MOLINA JULISSA
240254441	SUBP	EM	MONJE PINEDA JACQUELINE
240249083	SUBP	EM	MONROY JACQUELIN
240250551	TC13	SE	MONTECINO LORENZO S
240162629	TC2	P5	MONTEJANO ALONDRA
240253583	TC10	SL	MOORE FRANCISCA L
210103565	TC1	CL	MOORE KATHRYN
240252959	TC2	CL	MOORE NANCY K
240253778	SUBP	EM	MOORE RICHARD A
240247239	SC1A	P5	MOORE SHANNON R
240250493	SUBP	EM	MOORE-BUGARIN MONICA
240244163	SUBP	EM	MORALES GARCIA JENNIFER
240244175	SUBP	EM	MORENO MATIAS

CREDENTIALS REGISTERED

240235775	SUBP	EM	MORENO SALAZAR ERLEN A
240256598	SUBP	EM	MUDAHERANWA-MAGALLON KARINA A
240245945	TC2	CL	MUELLER AMY D
240240197	SC5	CL	MULVIHILL SAMANTHA D
240253476	TC10	SL	NAVA JONATHAN D
240234530	SUBP	EM	NAVARRETE SAUL
240250930	SUBP	EM	NAVARRO JOSE A
240232439	TC2	IN	NAVARRO-LIZARDE VALERIA
220022732	SC1A	CL	NAYLON KAYTLYN
240238255	TC3S	P5	NAYLOR KEENAN T
240243342	TC2	CL	NELSON GINA M
240243543	TC2	CL	NEWLIN KENNETH M
240238927	SUBP	EM	NIX KELLY L
240241312	SUBP	EM	NUNES TIFFENY S
240253722	SUBP	EM	NUÑEZ MAKAYLA N
240250466	SUBP	EM	NUÑEZ-ORNELAS LISSETT
240241314	SUBP	EM	OCEGUERA ISAAC
240244149	SUBP	EM	OLIVAS EMMA E
240251127	TC10	SL	ORNELAS BERNADETTE A
240170510	TC2	P5	OSTREA DIVINA ROSE
240170511	TC3S	P5	OSTREA DIVINA ROSE
240243824	TC2	CL	OVERSTREET NICOLE E
240246614	SC5	IN	PACHECO RICARDO
240234242	SUBP	EM	PADILLA DESTANIE J
240258206	TC1	CL	PADILLA DOUGLAS E
240255276	TC2	P5	PADILLA JAMIE R
240241324	SUBP	EM	PARKER SAVANNAH M
240257610	SUBP	EM	PATEL KAJAL
240240584	TC1	IN	PENNINGTON SOVANNORY
240251785	TC1	CL	PENROD ASHLEY M
240241921	SUBP	EM	PERALTA ERIKA
240256835	TC2	P5	PEREZ CHRISTINA
240241156	SUBP	EM	PEREZ HERNANDEZ JENNIFER D
240248039	TC10	ML	PEREZ LILIANA M
240257360	SUBP	EM	PEREZ LUCILA B

CREDENTIALS REGISTERED

240236627	TC1	CL	PEREZ NANCY
240256254	SUBP	EM	PEREZ SAMUEL A
240258157	SUBP	EM	PERKINSON SALLY C
240240105	SUBP	EM	PILGRIM CHRISTA
240248967	SUBP	EM	PINEDA JENNIFER
240231840	TC14	ML	POWELL MEGAN F
240233494	TC3S	L2	PRATHER THERESA M
240232174	SUBP	EM	PUENTES PATRICIA
240256536	SUBP	EM	QUEZADA DARREN C
240243515	SUBP	EM	QUINONES YVONNE
240243703	SUBP	EM	RAMIREZ JONAH
240255327	SUBP	EM	RAMIREZ SIERRA VANESSA
240256153	SUBP	EM	RAMIREZ TERESA M
240236430	SUBP	EM	RAMOS GLORIA C
240251523	SUBP	EM	RAMOS LEMUS MONSERRAT
240250956	P12C	CD	RAMOS ROCIO M
240248197	SUBP	EM	RANDOLPH CYNTIA
240255110	SUBP	EM	RAUEN JEFFREY L
240254023	SUBP	EM	RAYMONDO PRISCILLA A
240250013	SUBP	EM	REECE KAREN S
240245764	TC1	CL	REID CATHY L
240253990	SUBP	EM	RENTERIA JASON
240254998	SC1A	P5	REYES DENISE
240235407	TC2	P5	RINCON JULIANNE A
240255111	SUBP	EM	RIVERA DELEON DANIELA
240134313	SUBP	EM	ROBB BETSY
240259990	SUBP	EM	ROBBINS MEGAN
240255562	TC1	CL	ROCHA JOSEPH
240241820	TC2	CL	ROCHE ERIN N
240233878	SUBP	EM	RODRIGUEZ JOSE J
240242971	SUBP	EM	RODRIGUEZ JR ROGELIO
240237389	SUBP	EM	RODRIGUEZ KASHMERE S
240186678	SUBP	EM	RODRIGUEZ ROBERT
240233141	TC1	CL	ROGERS CASEY G
240084676	TC2	P5	ROJAS PATRICIA

CREDENTIALS REGISTERED

240153257 SC5	CL	ROSALES JACQUELINE
240247524 SUBP	EM	ROSALES JACQUELINE
240251708 P12B	CD	ROSAS BUENROSTRO MARIAFERNANDA
240077205 SUBP	EM	RUELAS TATIANA
240234438 SUBP	EM	RUIZ ESTRELLA
240256593 SUBP	EM	RUIZ RAYMOND J
240244653 TC2	CL	RUPIPER SHIRK RUTH A
W24001392 SC8	WV	SA MAKAYLA R
240247191 TC10	ML	SAAVEDRA-PRECIADO AMAIRANY
240241934 SUBP	EM	SALAZAR KAMERON
240239979 SUBP	EM	SALCEDO NADIA
240250553 SUBP	EM	SALVADOR JENNIFER
240252433 P12E	CD	SANCHEZ AMY L
240250142 SUBP	EM	SANCHEZ BRENDA C
240055438 SUBP	EM	SANCHEZ CLAUDIA
240246162 SUBP	EM	SANCHEZ JOCELYN I
240240706 SUBP	EM	SANCHEZ MARISSA
240246070 TC1	P5	SANCHEZ-ABUNDIS GUSTAVO
240238960 TC1	P5	SANDOVAL-BLACK MAITE
240198821 TC1	P5	SANTANA-ZUNIGA NICOLAS
240055890 SUBP	EM	SANTANA-ZUNIGA NICOLAS
240248369 SUBP	EM	SANTOS DANNY M
240255952 AETC	P3	SANTOYO CANDELARIA
240234440 SUBP	EM	SAUCEDO RODRIGUEZ NOE
240254342 SUBP	EM	SEAMAN DALE R
240258163 SUBP	EM	SEGURA CLAUDIA I
240242542 SUBP	EM	SELIM NOUR
240008260 SUBP	EM	SELIM NOUR
230004964 TC2	CL	SEMOES DAVID
240233408 SC1A	CL	SERRANO CARMEN L
240233407 TC2	CL	SERRANO CARMEN L
240240024 SUBP	EM	SHAIBI ULYAA
240239760 SUBP	EM	SHAIBI YAHYA
240241442 TC2	CL	SHIRK BRYAN
240232663 SUBP	EM	SIMOES CHRISTOPHER M

CREDENTIALS REGISTERED

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240086061	TC1	P5	SIMON BRIANNA
240040816	SUBP	EM	SINGH DEEPTI
240140431	TC1	P5	SINGH DEEPTI
240239458	TC10	SL	SMITH CAITLYN
240238534	TC3S	L2	SMITH MELISSA A
240244412	TC1	CL	SOBOTKA BONNIE A
240237117	SUBP	EM	SOLIS CARRANZA ODALIS
240239102	SUBP	EM	SOLIS IVETH
240247699	SUBP	EM	SOLIS SAN JUANA M
240235451	TC10	ML	SOLIS STEPHANIE A
240243548	SUBP	EM	SOTO JOVANNI G
240238437	SC1A	IN	STAGG BRIAN
240258049	SC1A	CL	STAHL STEVEN
240258048	TC1	CL	STAHL STEVEN
240236021	SUBP	EM	STARK CHELSI N
240240615	TC1	IN	STEINERT DAISY
240253717	SUBP	EM	SUDANO ANDREW
240216118	SUBP	EM	SWITZER SCOTT
240248943	P12C	CD	TAPIA LILIA
240248086	TC2	CL	THOMPSON DELANE M
240235139	TC2	IN	THOMPSON TRISTIYANE A
240246164	SUBP	EM	TIGNER KENYDEE D
240244203	SUBP	EM	TILLMAN MIA E
240235745	SUBP	EM	TOBAR YESENIA G
240238823	SUBP	EM	TOBIE ALEXANDRIA R
240248939	SUBP	EM	TOMS DAVID
240242595	SUBP	EM	TORRES CEBALLOS ISRAEL
240235866	SUBP	EM	TORRES CELESTE
240249326	SUBP	EM	TOSTE-ANDRADE ERICKA D
240240586	TC2	CL	TOWNSEND DANIEL N
240262814	SUBP	EM	TREJO ERNESTO
240253182	P12C	CD	TRUJILLO DE CEBALLOS MARCELA
240247021	SUBP	EM	TRUJILLO HOPE C
240238317	SC5	CL	TUKIA BENITA N
240202693	TC2	IN	TURNER VERONICA

CREDENTIALS REGISTERED

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240244351	TC13	SE	ULLOA ALEXANDRIA N
240240602	TC2	P5	URIOSTEGUI BELEN
240236131	SUBP	EM	VALDES CORINA M
240249611	TC10	SE	VALDEZ CARLY L
240178537	SUBP	EM	VALDOVINOS SANCHEZ ENEDI
240241266	SUBP	EM	VALLADOLID JAIRO
240238226	TC10	SE	VALLE ABILENE
240158236	SC5	CL	VALLEJO ROSENDO
240065525	TC2	CL	VAN DUSEN MILES
240239184	SUBP	EM	VAN SCYOC ELORA
240244842	SUBP	EM	VANDER TUIG HEATHER
240255051	SUBP	EM	VARGAS DENNISE G
240237023	SUBP	EM	VASQUEZ MICHELLE M
240253757	SUBP	EM	VELAZQUEZ ALYSSA
240238876	SUBP	EM	VELIZ JANET
240244219	SUBP	EM	VENEMA JORDAN C
240251760	TC2	CL	VICTOR JUDY L
240251780	TC1	CL	VIEIRA MAXTON S
240241786	SUBP	EM	VILLEGAS MARIA D
240239743	TC2	CL	WALL TAMARA L
240243173	TC1	IN	WATAMURA COLIN P
240151247	TC2	CL	WHITEMAN TIMOTHY
230231785	SA12	CL	WHITEMAN TIMOTHY
240255063	SUBP	EM	WILLARD ELIZABETH A
240251409	SUBP	EM	WILLEMS DAWN
240241524	SUBP	EM	WILLIAMS TODD
240259975	SUBP	EM	WOLFE CHELSEA
240242446	TC2	CL	WOODHALL LAURA C
240253543	TC10	SE	WOODWARD PEYTON C
240248238	TC2	CL	WRIGHT DEANNA I
240248239	TC3S	L2	WRIGHT DEANNA I
240256726	TLA1	AL	WRIGHT SAMANTHA
240258266	SUBP	EM	YETTER ECHO
240210144	TC1	CL	YOCUM SETH
240236457	SUBP	EM	ZAMARRIPA-CONTRERAS NAYELI

CREDENTIALS REGISTERED

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240233563 TLA1 AL ZARAGOZA ARTURO

APPROVAL OF TEMPORARY COUNTY CERTIFICATES

	October 9 2024	
BAEZA MORGAN	STSP: MULTIPLE SUBJ	BURTON
BESS RYAN	PRELIM ADMIN SVCS	BURTON
JOHNSTON MCKENZIE	PIP: MN ED SPEC	BURTON
KELLEY HAILEY	PIP: MULTIPLE SUBJ	BURTON
LOPEZ PRISCILA	GELAP: FL-GEN SCI	BURTON
MOLINA AMANDA	GELAP: FL-GEN SCI	BURTON
MOORE FRANCISCA	DIST INTERN: ENGLISH	BURTON
ORNELAS BERNADETTE	DIST INTERN: PE	BURTON
ROGERS ABIGAIL	STSP: ENGLISH	BURTON
SALINAS-VASQUEZ ADAM	STSP: MN ED SPEC	BURTON
HERNANDEZ ISABEL	CD ASSOC TEACHER - RENEWAL	CHILD CARE
GARCIA-CARREON SINOEL	STSP: FLM	CUTLER-OROSI
GOMEZ-CONTRERAS EMMA	INT: MULTIPLE SUBJ	CUTLER-OROSI
GONZALEZ SORAIDA	PRELIM: MULTIPLE SUBJ	CUTLER-OROSI
JIMENEZ ISABELLA	DIST INTERN: PE	CUTLER-OROSI
LEON TIMOTHY	STSP: MUSIC	CUTLER-OROSI
QUINTANILLA ANTONIO	CLEAR ADMIN SVCS	CUTLER-OROSI
RODRIGUEZ JOANNE	PIP: BIO SCI	CUTLER-OROSI
VALADEZ JAQUELIN	STSP: MULTIPLE SUBJ	CUTLER-OROSI
VALDEZ ROSALBA	BIL WVR: SPANISH	CUTLER-OROSI
BURRIS ELIJAH	STSP: MUSIC	DINUBA
CAMAQUIN JHENN	DIST INTERN: MN ED SPEC	DINUBA
DOMINGCIL CALISTA	DIST INTERN: MUSIC	DINUBA
HERNANDEZ ISMAEL	TPSL: SOC SCI	DINUBA
MACK-RONEY EMI	EMERG CLAD -EXT	DINUBA
VILLAGRANA PABLO	STSP: ENGLISH	DINUBA
NEVAREZ JOSE	DIST INTERN: MULTIPLE SUBJ -EXT	DUCOR
SANCHEZ CYNTHIA	GELAP: ART	EARLIMART
VALENCIA AMY	SELAP: ECSE	EARLIMART
HUTCHESON JACQUELINE	GELAP: PE	EXETER
REED JACOB	TPSL: SOC SCI	EXETER
COLLAR AUDREY	CLEAR SS: AGRI; BIO SCI AND SPEC INS	T FARMERSVILLE
DURKEE SHONTEL	DIST INTERN: MULTIPLE SUBJ - EXT	FARMERSVILLE
MORENO-PEREZ CRYSTAL	INT: MULTIPLE SUBJ	FARMERSVILLE
DEROSA LAURA	PIP: MULTIPLE SUBJ	LIBERTY
STRONACH JACOB	DIST INTERN: MULTIPLE SUBJ - REST CH	I LIBERTY

ANDRADE JESSISTAR	CD TEACHER PERMIT	LINDSAY
WILLEY STEPHEN	SUPP AUTH: MATH	OAK VALLEY
ARREOLA RUEBEN	PRELIM MULTIPLE SUBJ	OUTSIDE CREEK
FLORES TINA	STSP: MULTIPLE SUBJ	PALO VERDE
SUNDERLAND JADA	STSP: MULTIPLE SUBJ	PIXLEY
VOSHALL LAURA	CLEAR MN ED SPEC	PIXLEY
MENDOZA DIANA		PLEASANT VIEW
SAAVEDRA-PRECIADO AMAIRANY		PLEASANT VIEW
AGUIRRE ARREGUIN MARIA	CD TEACHER PERMIT	PORTERVILLE
	PRELIM ADMIN SVCS	PORTERVILLE
ALCARAZ VICTORIA	STSP: MULTIPLE SUBJ	PORTERVILLE
ANDRADE VARGAS AGUSTIN	STSP: MULTIPLE SUBJ	PORTERVILLE
ARIAS JENNIFER	DIST INTERN: ECSE ED SPEC	PORTERVILLE
CERVANTES ANGELINA	CD TEACHER PERMIT	PORTERVILLE
CRUZ EDITH	CD SITE SUPERVISOR PERMIT	PORTERVILLE
GALLEGOS ARIEL	CD TEACHER PERMIT	PORTERVILLE
GRASMICK ZACHARY	STSP: MULTIPLE SUBJ	PORTERVILLE
KASIMOFF NAOMI	STSP: MULTIPLE SUBJ	PORTERVILLE
LAMBARENA JOSHUA	INT: MULTIPLE SUBJ	PORTERVILLE
LEMUS NANCY	DIST INTERN: ECSE ED SPEC	PORTERVILLE
LEMUS MARTINEZ FABIAN	STSP: MULTIPLE SUBJ	PORTERVILLE
LEOS STEVEN	STSP: MN ED SPEC	PORTERVILLE
LINAN VAZQUEZ NOEMI	STSP: MN ED SPEC	PORTERVILLE
LUPERCIO ROSARLENE	PRELIM MULTIPLE SUBJ	PORTERVILLE
MARTINEZ BERENICE	STSP: MULTIPLE SUBJ	PORTERVILLE
MENDOZA VILLANUEVA ALEXANDRA	PIP: MULTIPLE SUBJ	PORTERVILLE
NAVARRO MANUEL	STSP: MULTIPLE SUBJ	PORTERVILLE
OROZCO FRANCISCO	STSP: MULTIPLE SUBJ	PORTERVILLE
ROMERO VIVIANA	INT: MULTIPLE SUBJ	PORTERVILLE
TAPIA-GUILLEN JOSE	BIL WVR: SPANISH	PORTERVILLE
VALLE ABILENE	DIST INTERN: MN ED SPEC	PORTERVILLE
VARGAS-CEBALLOS DEYSI	STSP: MN ED SPEC	PORTERVILLE
VIGIL VALERY	STSP: ECSE ED SPEC	PORTERVILLE
CEBALLOS ESMERALDA	STSP: MULTIPLE SUBJ	SAUCELITO
PEREZ NEELEY SANDRA	DIST INTERN: MULTIPLE SUBJ -REST CHO	SEQUOIA UNION
PEREZ LILIANA	DIST INTERN: MULTIPLE SUBJ	STONE CORRAL
ALVAREZ RICARDO	PPS WVR	STRATHMORE
STINSON DANA	CLEAR MULTIPLE & ADMIN -RENEWALS	STRATHMORE
URIOSTEGUI BELEN	PRELIM MULTIPLE SUBJ	STRATHMORE
BABB JANELL	CLEAR SLP	TCOE
BARKLEY KAREN	SUPP AUTH: MATH	TCOE
FERNANDEZ SUSIE	PIP: ESN ED SPEC	TCOE
FLORES ISABEL	WAIVER: ADMIN SVCS - RENEWAL	TCOE
IBARRA GUADALUPE	ADDED AUTH: BIO SCI	TCOE

MACIEL CESAR GELAP: ENGLISH -EXT PETERSON KATHLEEN DIST INTERN: MN ED SPEC VALDEZ CARLY DIST INTERN: EN ED SPEC LAMPE TAMARA **CLEAR MULTIPLE SUBJ -RENEWAL** NUNEZ DANIEL STSP: MATH BAILEY AMARI PROSPECTIVE SUB PERMIT **CISERNOS PERLA** PROSPECTIVE SUB PERMIT DORADO MELODY PROSPECTIVE SUB PERMIT ENRIQUEZ CIENNA PROSPECTIVE SUB PERMIT FLORES ROLANDO PROSPECTIVE SUB PERMIT GARCIA YASMIN PROSPECTIVE SUB PERMIT PROSPECTIVE SUB PERMIT GONZALEZ DANYAILE HERRERA SABRINA EMERG 30 DAY SUB PERMIT -RENEWAL VARIOUS JIMENEZ ELOISA PROSPECTIVE SUB PERMIT **KEARNAN HANNAH** PROSPECTIVE SUB PERMIT PROSPECTIVE SUB PERMIT LIRA CARDENAS PALOMA LOPEZ MADISON PROSPECTIVE SUB PERMIT LUNA GRISELDA PROSPECTIVE SUB PERMIT MARTINEZ NATALIE SUPP AUTH: MUSIC PROSPECTIVE SUB PERMIT MATA MELANIE PROSPECTIVE SUB PERMIT MILLS-KEETER LAUREN MORENO JERREMY PRELIM SS: BIO SCI NUNEZ SANDRA PROSPECTIVE SUB PERMIT SILVA DAVID EMERG 30 DAY SUB PERMIT - RENEWAL VARIOUS STARLING ALAYJAH PROSPECTIVE SUB PERMIT PROSPECTIVE SUB PERMIT TINOCO JULIETTE **VELIZ LESLEY** PROSPECTIVE SUB PERMIT VILLALOBOS KENNETH PROSPECTIVE SUB PERMIT ALVES ANTONY STSP: MATH CABASA NORA DIST INTERN: MN ED SPEC CLARK MAEGAN DIST INTERN: MULTIPLE SUBJ - REST CHI VISALIA COLLINS JEREMY GELAP: FL MATH CUELLAR SANCHEZ JAQUELINE PRELIM MULTIPLE SUBJ FIERROS RAMOS FANUEL **GELAP: PHYSICS** GONZALEZ ESTEFANY STSP: MULTIPLE SUBJ HAWTHORNE TAMARA PRELIM MM ED SPEC HEATHERLY ALLYSON GELAP: FLM **KREISS BRYN** DIST INTERN: MN ED SPEC LANDEROS ABEL STSP: MN ED SPEC LEWELLEN NORMALINDA PIP: MATH LIZARRAGA ERIKA GELAP: ENGLISH -EXT LIU BENJAMIN GELAP: BUSINESS LOMBARDI KATRINA **GELAP: THEATRE -RENEWAL TPSL: MULTIPLE SUBJ** MALCOLM BRITTANY

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TULARE HIGH

MARQUEZ BRYANNA MARTIN BRIANA MCGUYER ASHLEY MEDEROS VICTORIA MEDINA MARIA MENDOZA ANTONIO MORAN ALVARO MORSE MACAYLA MOSLEH SAAJIDAH NUNEZ JOANNE **RIOS CRYSTAL ROCHA DERICK** SCHNEIDER LEE WILSON ANA GALLEGOS AARON DAY SAMANTHA NAVA JONATHAN

TPSL: MN ED SPEC VISALIA VISALIA PIP: ENGLISH VISALIA GELAP: ART GELAP: FL-MATH VISALIA CLEAR MULTIPLE SUBJ VISALIA **GELAP: MUSIC -EXT** VISALIA VISALIA GELAP: SCI: CHEM STSP: FL-GEN SCI VISALIA CLEAR MULTIPLE SUBJ VISALIA SELAP: MN ED SPEC VISALIA PIP: BIO SCI VISALIA DIST INTERN: MUSIC - REST CHNGE VISALIA CLEAR CLAD VISALIA STSP: MULTIPLE SUBJ VISALIA DIST INTERN: MULTIPLE SUBJ WAUKENA WOODLAKE GELAP: GEO SCI DIST INTERN: SOC SCI WOODLAKE

APPROVAL OF EMERGENCY PERMITS FOR FULL-TIME EMPLOYMENT

October 9, 2024

Emergency Permits: Online Recommendations STSP: MULTIPLE SUBJ **CUTLER-OROSI** ALCANTAR, ISAMAR STSP: EN ED SPEC TCOE ALFARO, DANIELLE STSP: MATH VISALIA ALVES, ANTONY PORTERVILLE STSP: MULTIPLE SUBJ ANDRADE VARGAS, AGUSTIN STSP: MULTIPLE SUBJ **STRATHMORE** BACA, JESSICA STSP: MN ED SPEC PORTERVILLE BAKER, AMANDA PIP: MN; ECSE ED SPEC VISALIA **BASALDUA**, MELINDA PORTERVILLE EMERG CLAD CABEJE, HERMAN STSP: MULTIPLE SUBJ NO TCC CORNETT, JENNY PIP: PE PORTERVILLE DABNEY, ALICIA **PIP: MULTIPLE SUBJ** LIBERTY DEROSA, LAURA PIP: MMSN ED SPEC NO TCC ESPINOZA, AUDRA TCOE PIP: ESN ED SPEC FERNANDEZ, SUSIE STSP: MULTIPLE SUBJ BURTON **FIORI, HEATHER** STSP: MMSN ED SPEC VISALIA FONSECA, CARLOS STSP: BIO SCI PORTERVILLE GARCIA, KATALINA STSP: MULTIPLE SUBJ PORTERVILLE GARCIA, MARIBEL STSP: FLM **CUTLER-OROSI** GARCIA-CARREON, SINOEL STSP: MULTIPLE SUBJ VISALIA GONZALEZ GALARZA, ESTEFANY EM CLAD PORTERVILLE GONZALEZ, RAQUEL STSP: MULTIPLE SUBJ PORTERVILLE **GRASMICK, ZACHARY** EM CLAD VISALIA HOWERY, BRITTANY EM CLAD-RENEWAL DINUBA HUEBERT, MICHAEL STSP: MULTIPLE SUBJ VISALIA JONES, ROSEANNA STSP: MUTLIPLE SUBJ PORTERVILLE KASIMOFF, NAOMI **PIP: MULTIPLE SUBJ** BURTON **KELLEY, HAILEY** STSP: MN ED SPEC VISALIA LANDEROS, ABEL STSP: MULTIPLE SUBJ PORTERVILLE LEMUS MARTINEZ, FABIAN STSP: MUSIC CUTLER-OROSI LEON, TIMOTHY STSP: MN ED SPEC PORTERVILLE LEOS, STEVEN **PIP: MULTIPLE SUBJ** VISALIA LEWELLEN, NORMALINDA PORTERVILLE STSP: MN ED SPEC LINAN VAZQUEZ, NOEMI STSP: MULTIPLE SUBJ TRAVER MARES, GENEVE PIP: ENGLISH VISALIA MARTIN, BRIANA STSP: MULTIPLE SUBJ PORTERVILLE MARTINEZ, BERENICE PIP: ENGLISH VISALIA MATSUMOTO, JOSHUA

PIP: MULTIPLE SUBJ STSP: FL-GEN SCI STSP: MULTIPLE SUBJ STSP: MN ED SPEC STSP: MN ED SPEC STSP: MATH STSP: MULTIPLE SUBJ STSP: MULTIPLE SUBJ STSP: MUSIC **PIP: BIO SCIENCE** STSP: ENGLISH STSP: ENGLISH STSP: MULTIPLE SUBJ STSP: MULTIPLE SUBJ STSP: MN ED SPEC STSP: ECSE STSP: ECSE

Emergency Permits: Mailed

EMERG CLAD -EXT

PORTERVILLE VISALIA PORTERVILLE FARMERSVILLE DINUBA **TULARE HIGH** PORTERVILLE STONE CORRAL VISALIA VISALIA BURTON VISALIA PIXLEY CUTLER-OROSI PORTERVILLE PORTERVILLE PORTERVILLE

MENDOZA VILLANUEVA, ALEXANDRA MORSE, MACAYLA NAVARRO, MANUEL NGUYEN, MO NICOLAS, VICTORINA NUNEZ GARCIA, DANIEL OROZCO, FRANCISCO PEREZ LOPEZ, OSCAR PEREZ, JAYDEN RIOS, CRYSTAL ROGERS, ABIGAIL SANTANA, ANGELA SUNDERLAND, JADA VALADEZ, JAQUELIN VARGAS, DEYSI VELEZ, PATRICIA VIGIL, VALERY

DINUBA

MACK-RONEY, EMI

BEFORE THE TULARE COUNTY BOARD OF EDUCATION

In the Matter of Proclaiming the week Of October 21 through October 26, 2024, As "CHARACTER COUNTS!" Week

RESOLUTION NO. 24/25-06

WHEREAS, young people will be the stewards of our communities, Nation, and world in critical times, and the present and future well-being of our society require an involved, caring citizenry with good character;

)

WHEREAS, concerns about the character training of children have taken on a new sense of urgency as violence by and against youth threatens the physical and psychological well-being of the Nation;

WHEREAS, more than ever, children need strong and constructive guidance from their families and their communities, including schools, youth organizations, religious institutions and civic groups;

WHEREAS, the character of a Nation is only as strong as the character of its individual citizens;

WHEREAS, the public good is advanced when young people are taught the importance of good character, and that character counts in personal relationships, in school, and in the workplace;

WHEREAS, scholars and educators agree that people do not automatically develop good character and, therefore, conscientious efforts must be made by youth-influencing institutions and individuals to help young people develop the essential traits and characteristics that compromise good character;

WHEREAS, character development is, first and foremost, an obligation of families, efforts by faith communities, schools, youth, civic and human service organizations also play a very important role in supporting family efforts by fostering and promoting good character;

WHEREAS, the Tulare County Office of Education encourages students, teachers, parents, youth and community leaders to recognize the valuable role our youth play in the present and future of our Nation, and to recognize that character is an important part of that future;

WHEREAS, in July 1992, the Aspen Declaration was written by an eminent group of educators, youth leaders and ethics scholars for the purpose of articulating a coherent framework for character education appropriate to a diverse and pluralistic society;

WHEREAS, the Aspen Declaration states that: "Effective character education is based on core ethical values which form the foundation of a democratic society;"

WHEREAS, the core ethical values identified by the Aspen Declaration constitute the Six Core Elements of Character;

WHEREAS, these Six Core Elements of Character are:

- 1. Trustworthiness
- 2. Respect
- 3. Responsibility
- 4. Justice and Fairness
- 5. Caring, and
- 6. Civic virtue and citizenship.

WHEREAS, these Six Core Elements of Character transcend cultural, religious, and socioeconomic differences;

WHEREAS, the Aspen Declaration states that: "The character and conduct of our youth reflect the character and conduct of our society; therefore, every adult has the responsibility to teach and model the core ethical values and every social institution has the responsibility to promote the development of good character,"

WHEREAS, the Tulare County Office of Education encourages individuals and organizations, especially those who have an interest in the education and training of our youth, to adopt these Six Core Elements of Character as intrinsic to the well-being of individuals, communities, and society as a whole; and

WHEREAS, the Tulare County Office of Education encourages communities, especially schools and youth organizations, to integrate these Six Core Elements of Character into programs serving students and children;

NOW, THEREFORE, BE IT RESOLVED, that the governing board of the Tulare County Office of Education urges the following action:

That the week of October 21 through October 26, 2024 is designated as "CHARACTER COUNTS! Week"; and The Superintendent is authorized and requested to issue a proclamation calling upon the Tulare County Office of Education and interested groups to embrace these Six Core Elements of Character and to observe the week with appropriate ceremonies and activities.

THE FOREGOING RESOLUTION WAS ADOPTED, upon the motion of

, seconded by _____, at a regular meeting held this 9th day of October, 2024, by the following votes

AYES: NOES: ABSENT:

Tim A. Hire, Tulare County Superintendent of Schools Ex-Officio Secretary, Tulare County Board of Education

BEFORE THE TULARE COUNTY BOARD OF EDUCATION

In the Matter of Proclaiming the month of October, 2024 CHARACTER EDUCATION MONTH RESOLUTION 24/25-05

WHEREAS, the American heritage and laws reflect a common core of personal and social morality that holds the citizens of this democracy responsible for acting morally and ethically, being actively involved in school and community, resolving differences peacefully, and respecting the rights, dignity and property of others;

WHEREAS, the character of our state is only as strong as the character of each individual citizen;

WHEREAS, although character development is, first and foremost, an obligation of families, the efforts of faith communities, schools, and youth, civic and human service organizations also play a very significant role in supporting family efforts by fostering and promoting good character;

WHEREAS, the common core of personal and social values, including *trustworthiness, respect, responsibility, fairness, caring, citizenship, civic virtue, honesty,* and *personal responsibility,* should be emphasized consistently and comprehensively in all curricula and instructional activities;

NOW, THEREFORE, BE IT RESOLVED, that the Tulare County Office of Education recognizes October 2024 as Character Education Month and encourages all local educational agencies throughout the county to commemorate Character Education Month and otherwise help ensure that the development of strong moral character and the promotion of responsible, ethical, civic-minded behavior are well and thoroughly integrated into each school's curriculum and program of instruction.

THE FOREGOING RESOLUTION WAS ADOPTED upon the motion of_

seconded by ______, at a regular meeting held this 9th day of October, 2024 by the following votes.

AYES: NOES: ABSENT:

Tim A. Hire, Tulare County Superintendent of Schools Ex-Officio Secretary, Tulare County Board of Education

SCO ID: 6100-CN240126

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES STANDARD AGREEMENT STD 213 (Rev. 04/2020)	AGREEMENT NUMBER	PURCHASING AUTHORITY NUMBER (If Applicable)
1. This Agreement is entered into between the Contracting Agency	and the Contractor named below	<i>r</i> :
CONTRACTING AGENCY NAME California Department of Education		
CONTRACTOR NAME Tulare County Superintendent of Schools		
2. The term of this Agreement is:		
START DATE July 1, 2024		
THROUGH END DATE		
June 30, 2026		
3. The maximum amount of this Agreement is: \$1,000,000.00 One Million Dollars and Zero Cents.		

4. The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of the Agreement.

	Exhibits	Title	Pages
	Exhibit A	Scope of Work	21
	Exhibit B	Budget Detail and Payment Provisions	15
-	Exhibit C *	General Terms and Conditions - GTC 04/2017	0
+	Exhibit D	Special Terms and Conditions	9
+	Exhibit E	Additional Provisions	2

Items shown with an asterisk (*), are hereby incorporated by reference and made part of this agreement as if attached hereto.

These documents can be viewed at https://www.dgs.ca.gov/OLS/Resources

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR

CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.)

Tulare County Superintendent of Schools

CONTRACTOR BUSINESS ADDRESS 6200 South Mooney Blvd.	CITY Visalia	STATE CA	zip 93291
PRINTED NAME OF PERSON SIGNING TITLE Tim Hire Superintendent			
CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED		

SCO ID: 6100-CN240126

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES	AGREEMENT NUMBER	R PURCHASING A	PURCHASING AUTHORITY NUMBER (If A		
STD 213 (Rev. 04/2020)	CN240126				
	STATE OF CALIFORNIA				
CONTRACTING AGENCY NAME					
California Department of Education					
CONTRACTING AGENCY ADDRESS		CITY	STATE	ZIP	
1430 N Street, Suite 2213		Sacramento	CA	95814	
PRINTED NAME OF PERSON SIGNING		TITLE	ł	1	
Leisa Maestretti		Director, Fiscal & Admi	nistrative Services I	Division	
CONTRACTING AGENCY AUTHORIZED SIGNATURE Leisa Maestretti	Digitally signed by Leisa Maestretti Date: 2024.08.20 14:59:35 -07'00'	DATE SIGNED			
CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL APPRO SEP 17 SM:: OFFICE OF LEC DEPT. OF GENE	2024 abs	EXEMPTION (If Applicable)			

TULARE COUNTY SUPERINTENDENT OF SCHOOLS CDE Agreement # CN240126

EXHIBIT A

SCOPE OF WORK

I. <u>GENERAL SCOPE:</u>

The Contractor will provide statewide network support of youth development services currently operating in 51 of the 58 counties in California, as described herein.

II. CONTRACT MONITORS:

The CDE assigns **Malini Doering**, <u>mdoering@cde.ca.gov</u>, **916-322-1565**, as the State Contract Monitor to oversee this project. Said State Contract Monitor is not authorized by the State to make any commitments or make any changes which will affect the price, terms, or conditions of this agreement without a formal contract amendment.

The Contractor assigns Adrienna (Nani) Dodson, <u>nanid@tcoe.org</u>, (559) 733-6496, as the Contractor Contract Monitor to oversee this project. Said Contractor Contract Monitor is not authorized by the State to make any commitments or make any changes which will affect the price, terms, or conditions of this agreement without a formal contract amendment.

III. PROGRESS REPORTS:

The Contractor must submit a written progress report with each invoice. The progress report shall include: Task number and title; description of Task; deliverable (if applicable); date completed; Task amount; and the results and progress of the project/work.

IV. BACKGROUND:

A primary focus of the CDE Tobacco-Use Prevention Education (TUPE) Office is to provide students with the knowledge and skills that enable them to be tobacco free. The CDE's TUPE Program, which is housed in the Whole Child Division of the Strategy, Policy, and Special Projects Branch, is charged with implementing comprehensive TUPE Program projects and strategies, as authorized by the California *Health and Safety Code (HSC)* Section 104420. TUPE Program funds are intended for tobacco-use prevention, intervention, cessation and youth development programs which have been shown to be effective in reducing tobacco-use, nicotine addiction, and vaping, ultimately providing youth with the knowledge and skills they need to live tobacco and vape-free.

The primary focus of the Tulare County Office of Education's (TCOE's) California Friday Night Live Partnership (CFNLP) Office, hereinafter referred to as the Contractor, is to oversee the Friday Night Live (FNL) Program across California. FNL's mission is to build partnerships for positive youth development projects which engage youth as active leaders in their communities. The Contractor is charged with coordination of resources for the FNL system.

The Contractor has assembled an expert implementation team consisting of well-trained staff that is uniquely positioned to bring youth and educators together, and to build capacity for youth-development and tobacco prevention, intervention, and cessation services. The Contractor will improve student outcomes by providing professional development, coaching, and technical assistance to FNL Program chapters in 50 counties; and implementing youth development tobacco prevention and intervention practices which include evidence-based universal and targeted supports. In addition, the Contractor has developed a number of collaborative partnerships that are well equipped to provide a comprehensive network of support to assist in the reduction of youth tobacco use.

The Contractor supports a statewide network of youth development services currently operating in 51 of the 58 counties in California. In each of the local counties supported by the CFNLP Office, there is a local infrastructure to engage young people in addressing issues such as alcohol, tobacco, and other drug prevention, school climate, problem gambling, and enhancement of positive youth development.

V. PURPOSE AND OBJECTIVES:

Using a proven model of project development/management, the Contractor will collaborate with the CDE to encourage the establishment of new CFNLP chapters, and provide support to existing CFNLP chapters by providing webinars, trainings, resources and other forms of technical assistance activities for grantees funded by the TUPE Office, and their partners, to ensure youth advocacy outcomes. Activities will include training adult allies to support youth in becoming peer educators, peer mentors, public speakers and advocates; and supporting policies and efforts to reduce the use of youth tobacco-use and vaping, including exposure and access to tobacco and vaping products. Materials provided by the Contractor will be linguistically and culturally appropriate to the student population.

The Contractor will provide oversight to ensure all tasks listed in Year 1 and Year 2 of the Scope of Work are accomplished as stated in the contract. The Contractor's staff will maintain contact with the CDE Contract Monitor throughout the contract period, and provide the CDE Contract Monitor with updates regarding subtasks, via email, as requested by the CDE Contract Monitor.

Staffing

Director 35% FTE Grant Coordinator 10% FTE Program Analyst 50% FTE Project Specialist 75% FTE

VI. TASKS:

YEAR 1: JULY 1, 2024 - JUNE 30, 2025

Task 1: Provide targeted outreach and technical assistance to encourage and facilitate the establishment of FNL chapters in diverse and under-resourced communities.

- 1.1 The Contractor will host statewide capacity building webinars to provide educators, adult allies, and community partners with information and resources including: (1) the importance of youth development in preventing and reducing tobacco-use and vaping, and helping young people make healthy decisions; (2) new and emerging products; (3) best practices for youth development focused tobacco-use prevention; (4) school-connectedness; (5) prevention and intervention research; and (6) implementation of the TUPE Socio-Ecological Model, and other evidence-based prevention approaches. The Contractor will continue to present/host existing webinars. Prior to hosting them, the Contractor will review the material and make any necessary updates. These webinars will be scheduled and presented based on need expressed by the FNL field and TUPE grantees. To be responsive to the needs of the field, the webinars may take place at any point in Year 1. The Contractor will host a minimum of three webinars in Year 1.
- 1.2 The Contractor will develop downloadable, digital resources (ie. webinars, guides, and toolkits) to support educators, adult allies, and community partners in the establishment and running of FNL chapters using input and guidance from the California Youth Council (CYC). The resources will provide information about vaping/ tobacco, youth led research, policy change approaches, and youth development best practices. The Contractor will develop three downloadable resources in Year 1.
- 1.3 The Contractor, in consultation with the subcontracted Youth Leadership Institute, will update three toolkits that focus on tobacco/vaping prevention strategies with relevant information to engage communities to take action:

- Time's Up on Tobacco: Builds youth expertise and literacy around the problem of underage tobacco product use, inspiring and mobilizing youth to combat underage tobacco use and youth access through environmental prevention strategies.
- Tobacco Advocacy: Builds the capacity of youth and adult allies to use media advocacy to amplify their voices and create change through policy work.
- Youth-led Photovoice Assessment: Provides guidance for youth and adult allies to facilitate a social action research project and evaluation process that looks at how youth experience and understand relevant social issues and engage in possible solutions.

The Contractor will offer the toolkits, and any relevant educational materials, in English and Spanish.

- 1.4 The Contractor will email a draft concept of each resource and/or activity developed in Task 1 to the CDE Contract Monitor, and will revise the concept to reflect the changes requested by the CDE Contract Monitor, as needed. Prior to implementation or dissemination, the Contractor will email a final version of the resources and activities to the CDE Contract Monitor for review and approval.
- 1.5 The Contractor will post digital versions of the approved webinars and resources on the Contractor's CFNLP website described below in Task 4.

Task 2: Technical Assistance and Friday Night Live Mentoring

- 2.1 The Contractor will monitor and advise FNL chapters through ongoing technical assistance (TA). In addition to TA, chapters will benefit from capacity building opportunities and existing resources offered through the general FNL infrastructure including webinars, in-person trainings, guides, toolkits, and customizable project tools (fact sheets, scripts, templates for hard copy and digital graphics, surveys, door hangers, mailers, posters, etc.). The CFNLP will respond to the needs of the FNL field, and create new resources should they be requested by program implementors.
- 2.2 The Contractor will engage Friday Night Live Mentoring (FNLM) programs across the state in tobacco and vaping prevention efforts. FNLM provides opportunities for young people to be in ongoing, mutually beneficial, caring relationships, which strengthen a young person's resiliency to challenges in life. The FNL model engages teams of older high school-aged youth to mentor teams of middle school-aged youth in a structured ongoing one-on-one relationship. Through these efforts, FNLM programs create a pipeline of youth leaders to continue the work of tobacco prevention, shift social norms, and address policies that impact their communities.
 - A. The Contractor, in consultation with the Subcontractor Next Gen Community Consulting, will update the FNLM Session Guide by updating and expanding sessions 5 and 7 (the current tobacco advocacy and education sessions) with

current information, data, and effective prevention strategies. The FNLM Session Guide is an existing resource that outlines a structured curriculum for FNL chapters implementing FNLM. The guide is divided into 16 distinct sessions that include activites for each topic.

B. The Contractor will develop FNLM-specific educational materials for advisors and mentors to implement in their work with middle school students. The materials will be age appropriate and provide young leaders with the knowledge and resources to address tobacco and vaping issues on campus and/or in their local communities. The development of educational materials in Year 1 will support the issuance of FNLM mini-grant opportunities in Year 2.

The Contractor will email a draft of materials developed in Task 2 to the CDE Contract Monitor, and will revise them as necessary, to reflect the changes requested by the CDE Contract Monitor. Prior to implementation or dissemination, the Contractor will email a final version of the materials to the CDE Contract Monitor for review and approval.

C. The Contractor will facilitate a virtual monthly meeting for counties implementing the FNLM program to offer participating counties an opportunity to receive program updates, mentoring specific training, and network with other county programs.

The Contractor will offer the updated FNLM Session Guide and supporting materials in English and Spanish.

In accordance with any recommendation(s) or order(s) contained in a Governor's executive order, an advisory or order of the California Department of Public Health, or an advisory or order of a county health department with authority over the area in which this contract is to be performed or an advisory or order of a law enforcement authority, the following applies to any and all prescheduled in-person meetings: Inperson meetings may be cancelled or changed to a virtual meeting at the discretion of the CDE. Therefore, any announcement for the event must state that the event may be in-person, virtual, or both. The CDE cannot reimburse the Contractor for any cancellation fees, deposit, or pre-payments under any circumstances, even if the CDE decides to cancel the event.

Task 3: Collaborate with the TUPE Office to identify youth advocacy and tobacco-use and vaping prevention education resources for CFNLP trainings and club activities.

3.1 The Contractor will develop fact sheets, presentation templates, and other educational materials to support students in leading tobacco and vaping prevention presentations and peer-to-peer activities in partnership with the CYC. Educational materials will incorporate proven messages about the harmful effects of tobacco, electronic cigarettes (e-cigarettes), alternative tobacco products, and second-hand smoke, provided by the CDE and CDE-approved TUPE curricula (e.g., Stanford Tobacco

Prevention Toolkit, Catch My Breath, etc.). Digital versions of the resources will be posted on the Contractor's CFNLP website described below in Task 4.

- 3.2 The Contractor will develop and provide webinar trainings to prepare students to lead advocacy activities during the annual FNL Month, FNL Advocacy Day, and in local tobacco-use and vaping prevention activities. The trainings will focus on policy development, media literacy, communication strategies, peer-to-peer education, and skills students need to participate in project-based learning activities, such as peer-to peer educational events. The trainings will be recorded and posted on the Contractor's CFNLP website described below in Task 4.
- 3.3 The Contractor will partner with the San Diego State University Center for Tobacco and the Environment (SDSU) to address the prevalence of third-hand smoke in school restrooms.
 - A. SDSU will provide 20 FNL sites with test kits to measure nicotine levels in the air and tobacco residue on surfaces in school restrooms. Samples will be collected by youth working on this project, and sent to the SDSU laboratory where SDSU staff will analyze the samples. Results of the testing will be shared with staff, administrators, boards, parent teacher associations, steering committees and communities such as elected officials, service clubs, city and county councils to raise awareness and address smoking/vaping prevention efforts. SDSU will provide reports, training, and educational materials to FNL chapters to support advocacy efforts.
 - B. The Contractor will collaborate with SDSU to deliver webinars and supporting materials for FNL youth to engage and educate schools. FNL chapters will utilize these tools to develop communication and outreach strategies to support schools in reducing tobacco use and exposure in schools.
- 3.4 The Contractor will provide stipends to 15 California Youth Council (CYC) Members for their efforts in providing youth voice, training, and advocacy related to this project.
- 3.5 The Contractor's staff will participate in the monthly calls hosted by the TUPE Office, to identify collaboration opportunities between FNL chapters and TUPE Coordinators/grantees.
- 3.6 The Contractor's staff will conduct site visits to provide in-person capacity-building opportunities (including training and TA) and to directly observe FNL chapter projects, as requested by FNL youth partners/adult allies as needed.
- 3.7 The Contractor will email a draft concept of each resource and activity developed in Task 3 to the CDE Contract Monitor, and will revise them as needed, to reflect the changes requested by the CDE Contract Monitor. During the development of the materials described in this task, the Contractor will consult with the CDE Contract Monitor and TUPE County Coordinators to ensure that messaging used in the

materials is linguistically and culturally appropriate to the student population. Prior to implementation or dissemination, the Contractor will email a final version of the resources and activities to the CDE Contract Monitor for approval.

In accordance with any recommendation(s) or order(s) contained in a Governor's executive order, an advisory or order of the California Department of Public Health, or an advisory or order of a county health department with authority over the area in which this contract is to be performed or an advisory or order of a law enforcement authority, the following applies to any and all prescheduled in-person meetings: In-person meetings may be cancelled or changed to a virtual meeting at the discretion of the CDE. Therefore, any announcement for the event must state that the event may be in-person, virtual, or both. The CDE cannot reimburse the Contractor for any cancellation fees, deposit, or prepayments under any circumstances, even if the CDE decides to cancel the event.

Task 4: Post downloadable resources on the existing CFNLP website hosted and maintained by the Contractor.

4.1 The Contractor will enhance the existing CFNLP website, which includes a TUPE specific web page where links to resources developed under this contract, and images and social media messaging developed by the Contractor will be posted. These updates will be reviewed and approved by the CDE Contract Monitor. The TUPE specific web page will be hosted and maintained by the Contractor.

The TUPE specific web page will include the following resources:

- A. Sample policies, templates, and other materials to support FNL chapters.
- B. Summaries of effective activities that were successfully implemented by FNL chapters, as "Success Stories."
- C. Recordings of webinar trainings developed under this contract.
- D. A calendar of trainings and webinars, and other TA offerings developed under this contract.
- E. Digital message boards where FNL chapters can post and share resources and information.
- F. Graphic images, social media messaging, and press releases developed by the Contractor to keep youth, community partners, parents, and families informed of local and statewide FNL events and activities.

Task 5: Conduct an FNL Youth Summit to engage FNL youth and other youth involved in TUPE related activities.

- 5.1 The Contractor will plan and host a three-day Youth Summit conference for youth and adult allies involved in local FNL chapters and TUPE related activities. The Youth Summit will increase the capacity of youth to participate in the tobacco advocacy activities by providing training and education on tobacco-use and vaping prevention, and peer-to-peer education and media literacy. Youth Summit workshops will include topics such as: assessment, outreach, and marketing strategies; policy change; public speaking skills; etc. CYC Members will serve as youth conference organizers and trainers at the Youth Summit. The Youth Summit is targeted to take place in the fall of 2024, and will serve approximately 700 youth partners and adult allies. The location of the summit has yet to be determined, however, the venue will be Americans with Disabilities Act (ADA) compliant.
- 5.2 The Contractor will email a draft agenda and workshop descriptions developed in Task 5 to the CDE Contract Monitor, and will revise them as needed, to reflect the changes requested by the CDE Contract Monitor. Prior to implementation or dissemination, the Contractor will email a final version of the agenda and workshop descriptions to the CDE Contract Monitor for approval.

In accordance with any recommendation(s) or order(s) contained in a Governor's executive order, an advisory or order of the California Department of Public Health, or an advisory or order of a county health department with authority over the area in which this contract is to be performed or an advisory or order of a law enforcement authority, the following applies to any and all prescheduled in-person meetings: In-person meetings may be cancelled or changed to a virtual meeting at the discretion of the CDE. Therefore, any announcement for the event must state that the event may be in-person, virtual, or both. The CDE cannot reimburse the Contractor for any cancellation fees, deposit, or pre-payments under any circumstances, even if the CDE decides to cancel the event. The Contractor will be responsible for refunding any unused portion of the registration fees collected, if any, if the event is cancelled or changed to a virtual meeting.

Task 6: Evaluate the effectiveness of materials used in FNL webinar trainings, and further identify additional training and capacity building needs.

6.1 The Contractor will administer existing surveys to evaluate the learning up-take of participants from FNL webinar trainings, and to obtain feedback on the effectiveness of training materials. Surveys for training participants will include an evaluation of (1) satisfaction with training content, (2) satisfaction with training experience, (3) the increase in knowledge specific to training content, and (4) requests and recommendations for additional training and or improvement. Surveys will be administered using a digital format immediately following the conclusion of the training.

6.2 The Contractor will review and analyze survey results, and use the information collected to improve the effectiveness of trainings and supplemental materials. The Contractor will include a summary of survey results and subsequent improvement strategies implemented by the Contractor in quarterly reports submitted to the CDE Contract Monitor, as described in Task 7.

Task 7: Communication

- 7.1 The Contractor will submit quarterly progress reports detailing each type of task activity and their progress toward project completion, to the CDE Contract Monitor via email, in PDF format. Invoices will be submitted along with quarterly progress reports, as specified in Article III. Progress Reports. Progress reports and invoices will be submitted according to the following schedule:
 - A. July 2024 September 2024 (due October 31, 2024)
 - B. October 2024 December 2024 (due January 31, 2025)
 - C. January 2025 March 2025 (due April 30, 2025)
 - D. April 2025 June 2025 (due July 31, 2025)

Task 8: Evaluation

The Contractor will ensure administration, analysis, and reporting oversight of the program evaluation tools for both FNL and FNLM chapters.

- 8.1 Data will be collected and evaluated through a pre-existing Friday Night Live Youth Development Survey that was developed by the Contractor, in collaboration with the subcontracted Evaluator. The survey will be administered virtually, via Survey Mokey, and in hard copy format for chapters who prefer to administer the survey via paper/pencil. The survey measures the experience of statewide youth participants, in the context of five youth development principles and practices that form the cornerstone of the FNL model. This post survey and a statewide report of this evaluation will be submitted to the CDE Contract Monitor as an attachment to the fourth quarter progress report. Additionally, each county will be emailed a report of their respective findings and recommendations, via the FNL County Coordinator, in July of 2025.
- 8.2 Participants' experiences in the Friday Night Live Mentoring program will be assessed through an existing retrospective survey that was developed in partnership with the subcontracted Evaluator. The survey evaluates participant experiences in the program at both the Mentor and Protégé level. The survey allows participants to consider and compare their knowledge, skills, and relationships (with peers, adults, and school) both before and after their FNLM involvement. The retrospective survey will be administered to both mentors and proteges in the Spring of 2025 in an electronic format. Data will be used to inform program improvement measures and program promotion efforts. The Evaluator will prepare a statewide summary of findings in addition to county level reports.

TASK TIMELINE

Year 1: July 1, 2024 – June 30, 2025

TASK	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Task 1:	Provi			utreach	and te	chnica	l assis	tance t	o enco		and fac	ilitate
the est												
1.1	Х	Х	X	Х	Х	Х	Х	X	Х	Х	Х	Х
1.2	Х	Х	Х	Х	X	Х	Х	X	X	X	X	Х
1.3	Х	Х	Х	Х	X	Х	Х	X	X	X	X	Х
1.4	Х	Х	X	Х	X	Х	Х	X	Х	Х	X	Х
1.5	Х	Х	X	Х	X	Х	Х	X	X	X	X	Х
Task 2:	Techr	nical As	sistan	ce and	Friday	Night	Live Me	entorin		-		
2.1	Х	Х	Х	Х	Х	Х	Х	Х	Х	Х	Х	Х
2.2	Х	Х	X	Х	X	X	Х	X	X	X	X	Х
Task 3:												
and va	ping p	reventi	on edu	cation	resour	ces for	CFNL	P traini		d club	activiti	es.
3.1	Х	Х	Х	Х	X	Х	Х	X	X	Х	X	Х
3.2								Х	X	Х		
3.3	Х	Х	Х	Х	X	Х	Х	Х	X	Х	X	Х
3.4	Х	Х	Х	Х	X	Х	Х	X	X	Х	Х	Х
3.5	Х	Х	Х	Х	Х	Х	Х	Х	Х	Х	Х	Х
3.6	Х	Х	Х	Х	Х	Х	Х	Х	Х	Х	Х	Х
3.7	Х	Х	X	Х	X	Х	Х	X	X	X	X	Х
Task 4:					rces or	the ex	isting	CFNLP	websi	te host	ed and	
mainta											1	
4.1	Х	X	X	X	X	X	Х	X	X	X	X	Х
Task 5: in TUP				outh Su	ımmit t	o enga	ge FNL	_ youth	and of	ther yo	outh inv	olved
5.1	Х	X	X	Х	Х							
5.2			Х	Х								
Task 6	: Eval	uate th	e effec	tivene	ss of r	nateria	ls use	d in FN	NL web	inar tr	ainings	, and
further											-	
6.1	Х	Х	X	Х	Х	X	Х	X	Х	Х	Х	Х
6.2	Х	Х	X	Х	Х	Х	Х	Х	Х	Х	Х	Х
Task 7:	Comr	nunica	tion									
7.1				Х			Х			Х		Х
Task 8:	Evalu	ation										
8.1							Х	Х	Х	Х	X	Х
8.2							Х	Х	Х	Х	Х	Х

Year 2: July 1, 2025 – June 30, 2026

Task 1: Provide targeted outreach and technical assistance to encourage and facilitate the establishment of FNL chapters in diverse and under-resourced communities.

- 1.1 The Contractor will host statewide capacity building webinars to provide educators, adult allies, and community partners with information and resources including: (1) the importance of youth development in preventing and reducing tobacco-use and vaping, and helping young people make healthy decisions; (2) new and emerging products; (3) best practices for youth development focused tobacco-use prevention; (4) school-connectedness; (5) prevention and intervention research; and (6) implementation of the TUPE Socio-Ecological Model, and other evidence-based prevention approaches. The Contractor will continue to present/host existing webinars. Prior to hosting them, the Contractor will review the material and make any necessary updates. These webinars will be scheduled and presented based on need expressed by the FNL field and TUPE grantees. To be responsive to the needs of the field, the webinars may take place at any point in Year 2. The Contractor will host a minimum of three webinars in Year 2.
- 1.2 The Contractor will develop downloadable, digital resources (ie. webinars, guides, and toolkits) to support educators, adult allies, and community partners in the establishment and running of FNL chapters using input and guidance from the CYC. The resources will provide information about vaping/ tobacco, youth led research, policy change approaches, and youth development best practices. The Contractor will develop three downloadable resources in Year 2.
- 1.3 The Contractor will disseminate the toolkits developed in Year 1 to FNL counties by posting them to the CFNLP website, sharing digital versions using file sharing platforms approved by the CDE, and by printing copies to be shared with coordinators at conferences/meetings. Training will be provided to the FNL adult allies to support their successful use of the new tools.
- 1.4 The Contractor will email a draft concept of each resource and/or activity developed in Task 1 to the CDE Contract Monitor, and will revise the concept to reflect the changes requested by the CDE Contract Monitor, as needed. Prior to implementation or dissemination, the Contractor will email a final version of the resources and activities to the CDE Contract Monitor for review and approval.
- 1.5 The Contractor will post digital versions of the approved webinars and resources on the Contractor's CFNLP website described below in Task 4.

Task 2: Technical Assistance and Friday Night Live Mentoring.

2.1 The Contractor will monitor and advise FNL chapters through ongoing TA. In addition to TA, chapters will benefit from capacity building opportunities and existing resources offered through the general FNL infrastructure including webinars, in-person trainings,

guides, toolkits, and customizable project tools (fact sheets, scripts, templates for hard copy and digital graphics, surveys, door hangers, mailers, posters, etc.). The CFNLP will respond to the needs of the FNL field, and create new resources should they be requested by program implementors.

- 2.2 The Contractor will engage FNLM programs across the state in tobacco and vaping prevention efforts. FNLM provides opportunities for young people to be in ongoing, mutually beneficial, caring relationships, which strengthen a young person's resiliency to challenges in life. The FNL model engages teams of older high school-aged youth to mentor teams of middle school-aged youth in a structured ongoing one-on-one relationship. Through these efforts, FNLM programs create a pipeline of youth leaders to continue the work of tobacco prevention, shift social norms, and address policies that impact their communities.
 - A. The Contractor will provide up to 15 mini-grant opportunities to further support FNLM chapters financially in using the sessions and materials created in Year 1, to develop and implement tobacco advocacy and educational projects. Mini grants will follow CFNLP's standard RFP application, review, and award process.
 - D. The Contractor will facilitate a virtual monthly meeting for counties implementing the FNLM program to offer participating counties an opportunity to receive program updates, mentoring specific training, and network with other county programs.

The Contractor will offer the updated FNLM Session Guide and supporting materials in English and Spanish.

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Task 3: Collaborate with the TUPE Office to identify youth advocacy and tobacco-use and vaping prevention education resources for CFNLP trainings and club activities.

3.1 The Contractor will develop fact sheets, presentation templates, and other educational materials to support students in leading tobacco and vaping prevention presentations and peer-to-peer activities in partnership with the CYC. Educational materials will incorporate proven messages about the harmful effects of tobacco, electronic cigarettes (e-cigarettes), alternative tobacco products, and second-hand smoke, provided by the CDE and CDE-approved TUPE curricula (e.g., Stanford Tobacco

Prevention Toolkit, Catch My Breath, etc.). Digital versions of the resources will be posted on the Contractor's CFNLP website described below in Task 4.

- 3.2 The Contractor will develop and provide webinar trainings to prepare students to lead advocacy activities during the annual FNL Month, FNL Advocacy Day, and in local tobacco-use and vaping prevention activities. The trainings will focus on policy development, media literacy, communication strategies, peer-to-peer education, and skills students need to participate in project-based learning activities, such as peer-to peer educational events. The trainings will be recorded and posted on the Contractor's CFNLP website described below in Task 4.
- 3.3 The Contractor will partner with the SDSU to address the prevalence of third-hand smoke in school restrooms.
 - A. SDSU will provide 20 FNL sites with test kits to measure nicotine levels in the air and tobacco residue on surfaces in school restrooms. Samples will be collected by youth working on this project, and sent to the SDSU laboratory where SDSU staff will analyze the samples. Results of the testing will be shared with staff, administrators, boards, parent teacher associations, steering committees and communities such as elected officials, service clubs, city and county councils to raise awareness and address smoking/vaping prevention efforts. SDSU will provide reports, training, and educational materials to FNL chapters to support advocacy efforts.
 - B. The Contractor will collaborate with SDSU to deliver webinars and supporting materials for FNL youth to engage and educate schools. FNL chapters will utilize these tools to develop communication and outreach strategies to support schools in reducing tobacco use and exposure in schools.
- 3.4 The Contractor will provide stipends to 15 CYC Members for their efforts in providing youth voice, training, and advocacy related to this project.
- 3.5 The Contractor's staff will participate in the monthly calls hosted by the TUPE Office, to identify collaboration opportunities between FNL chapters and TUPE Coordinators/grantees.
- 3.6 The Contractor's staff will conduct site visits to provide in-person capacity-building opportunities (including training and TA) and to directly observe FNL chapter projects, as requested by FNL youth partners/adult allies and as needed.
- 3.7 The Contractor will email a draft concept of each resource and activity developed in Task 3 to the CDE Contract Monitor, and will revise them as needed, to reflect the changes requested by the CDE Contract Monitor. During the development of the materials described in this task, the Contractor will consult with the CDE Contract Monitor and TUPE County Coordinators to ensure that messaging used in the materials is linguistically and culturally appropriate to the student population. Prior to

implementation or dissemination, the Contractor will email a final version of the resources and activities to the CDE Contract Monitor for approval.

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Task 4: Post downloadable resources on the existing CFNLP website hosted and maintained by the Contractor.

4.1 The Contractor will continue to enhance the existing CFNLP website, which includes a TUPE specific web page where links to resources developed under this contract, and images and social media messaging developed by the Contractor will be posted. These updates will be reviewed and approved by the CDE Contract Monitor. The TUPE specific web page will be hosted and maintained by the Contractor.

The TUPE specific web page will include the following resources:

- A. Sample policies, templates, and other materials to support FNL chapters.
- B. Summaries of effective activities that were successfully implemented by FNL chapters, as "Success Stories."
- C. Recordings of webinar trainings developed under this contract.
- D. A calendar of trainings and webinars, and other TA offerings developed under this contract.
- E. Digital message boards where FNL chapters can post and share resources and information.
- F. Graphic images, social media messaging, and press releases developed by the Contractor to keep youth, community partners, parents, and families informed of local and statewide FNL events and activities.

Task 5: Conduct an FNL Youth Summit to engage FNL youth and other youth involved in TUPE related activities.

5.1 The Contractor will plan and host a three-day Youth Summit conference for youth and adult allies involved in local FNL chapters and TUPE related activities. The Youth

Summit will increase the capacity of youth to participate in the tobacco advocacy activities by providing training and education on tobacco-use and vaping prevention, and peer-to-peer education and media literacy. Youth Summit workshops will include topics such as: assessment, outreach, and marketing strategies; policy change; public speaking skills; etc. CYC Members will serve as youth conference organizers and trainers at the Youth Summit. The Youth Summit is targeted to take place in the fall of 2025, and will serve approximately 700 youth partners and adult allies. The location of the summit has yet to be determined, howerever, the venue will be Americans with Disabilities Act (ADA) compliant.

5.2 The Contractor will email a draft agenda and workshop descriptions developed in Task 5 to the CDE Contract Monitor, and will revise them as needed, to reflect the changes requested by the CDE Contract Monitor. Prior to implementation or dissemination, the Contractor will email a final version of the agenda and workshop descriptions to the CDE Contract Monitor for approval.

In accordance with any recommendation(s) or order(s) contained in a Governor's executive order, an advisory or order of the California Department of Public Health, or an advisory or order of a county health department with authority over the area in which this contract is to be performed or an advisory or order of a law enforcement authority, the following applies to any and all prescheduled in-person meetings: In-person meetings may be cancelled or changed to a virtual meeting at the discretion of the CDE. Therefore, any announcement for the event must state that the event may be in-person, virtual, or both. The CDE cannot reimburse the Contractor for any cancellation fees, deposit, or pre-payments under any circumstances, even if the CDE decides to cancel the event. The Contractor will be responsible for refunding any unused portion of the registration fees collected, if any, if the event is cancelled or changed to a virtual meeting.

Task 6: Evaluate the effectiveness of materials used in FNL webinar trainings, and further identify additional training and capacity building needs.

- 6.1 The Contractor will continue to administer existing surveys to evaluate the learning up-take of participants from FNL webinar trainings, and to obtain feedback on the effectiveness of training materials. Surveys for training participants will include an evaluation of (1) satisfaction with training content, (2) satisfaction with training experience, (3) the increase in knowledge specific to training content, and (4) requests and recommendations for additional training and or improvement. Surveys will be administered using a digital format immediately following the conclusion of the training.
- 6.2 The Contractor will review and analyze survey results, and use the information collected to improve the effectiveness of trainings and supplemental materials. The Contractor will include a summary of survey results and subsequent improvement strategies implemented by the Contractor in quarterly reports submitted to the CDE Contract Monitor, as described in Task 7.

Task 7: Communication

- 7.1 The Contractor will submit quarterly progress reports detailing each type of task activity and their progress toward project completion, to the CDE Contract Monitor via email, in PDF format. Invoices will be submitted along with quarterly progress reports, as specified in Article III. Progress Reports. Progress reports and invoices will be submitted according to the following schedule:
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 - B. October 2025 December 2025 (due January 31, 2026)
 - C. January 2026 March 2026 (due April 30, 2026)
 - D. April 2026 June 2026 (due July 31, 2026)

Task 8: Evaluation

The Contractor will ensure administration, analysis, and reporting oversight of the program evaluation tools for both FNL and FNLM chapters.

- 8.1 Data will be collected and evaluated through a pre-existing Friday Night Live Youth Development Survey that was developed by the Contractor, in collaboration with the subcontracted Evaluator. The survey will be administered virtually, via Survey Mokey, and in hard copy format for chapters who prefer to administer the survey via paper/pencil. The survey measures the experience of statewide youth participants, in the context of five youth development principles and practices that form the cornerstone of the FNL model. This post survey and a statewide report of this evaluation will be submitted to the CDE Contract Monitor as an attachment to the fourth quarter progress report. Additionally, each county will be emailed a report of their respective findings and recommendations, via the FNL County Coordinator, in July of 2026.
- 8.2 Participants' experiences in the Friday Night Live Mentoring program will be assessed through an existing retrospective survey that was developed in partnership with the subcontracted Evaluator. The survey evaluates participant experiences in the program at both the Mentor and Protégé level. The survey allows participants to consider and compare their knowledge, skills, and relationships (with peers, adults, and school) both before and after their FNLM involvement. The retrospective survey will be administered to both mentors and proteges in the Spring of 2026 in an electronic format. Data will be used to inform program improvement measures and program promotion efforts. The Evaluator will prepare a statewide summary of findings in addition to county level reports.

TASK TIMELINE

Year 2: July 1, 2025 – June 30, 2026

TASK	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Task 1	: Prov			outrea	ch and	techni	cal as	sistand	ce to e	• •		
facilita	te the	estab	lishme	nt of F	NL cha	pters i	n dive	rse an	d unde	er-resc	ourced	
comm	unitie	s.										
1.1	Х	Х	Х	Х	Х	X	X	X	X	X	X	Х
1.2	Х	Х	Х	Х	Х	X	X	Х	X	Х	X	Х
1.3	Х	Х	Х	Х	Х	X	Х	Х	Х	Х	Х	Х
1.4	Х	Х	Х	Х	Х	X	Х	Х	X	Х	Х	Х
1.5	Х	X	Х	X	Х	X	X	X	X	Х	X	Х
Task 2	: Tech	nical A	Assista	nce ar	<u>nd Frida</u>	y Nigh	t Live	Mento	ring			
2.1	Х	Х	Х	Х	Х	X	Х	Х	X	Х	X	Х
2.2	Х	X	Х	Х	Х	X	X	X	X	X	X	Х
					PE Offic							
	-	ing pre	eventio	n edu	cation r	esouro	es for	CFNL	P trair	nings a	and clu	b
activiti		1	1			1		1			1	
3.1	Х	X	X	X	Х	X	X	X	X	X	X	Х
3.2								Х	X	Х		
3.3	Х	X	Х	Х	Х	X	X	Х	Х	Х	X	Х
3.4	Х	X	Х	Х	Х	X	Х	Х	Х	Х	X	Х
3.5	Х	Х	X	Х	Х	X	Х	X	Х	Х	X	Х
3.6	Х	Х	Х	Х	Х	X	Х	X	X	Х	X	Х
3.7	Х	X	X	Х	X	X	X	X	X	Х	X	Х
					ources o	on the	existir	ng CFN	ILP we	ebsite	hosted	and
mainta			1									
4.1	X	X	<u>X</u>	X	X	X	X	<u>X</u>	X	<u>X</u>		X
					h Sumn	nit to	engag	e FNL	youth	n and	other	youth
involve		1	1			1	[1		[T	
5.1	Х	X	X	X	X							
5.2		uoto th	X	X		otoric			 	inor tr		
					ess of m					mar tr	aining	s, and
	X		X	1	ng and ·				1	V		V
6.1 6.2	 X	X X	X	X X	X X	X X	X X	X X	X X	X X	X X	X X
Task 7				~						^		^
7.1				Х			X			X		Х
Task 8	· Eval	uation		~	<u> </u>					<u> </u>		~
8.1							Х	X	X	Х	X	Х
8.2							X	X	X	X	X	X
0.2							^	^	^	^	^	~

2024 Youth Summit Agenda

Dates and Location TBD

Sat	urday	Sı	ınday
8:00 am - 9:30 am	Grab & Go Breakfast	8:00 am - 9:00 am	Breakfast
10:00 am -11:15 am	Opening Session	9:00 am – 10:30 am	General Session
11:30 am – 12:30 pm	Workshop Session 1	10:30 am – 12:00 pm	FNL is Limitless!
12:30 pm – 1:30 pm	Lunch	12:00 pm	Lunch & Closing Session
1:30 pm – 2:30 pm	Workshop Session 2		
2:45 pm – 3:45 pm	Workshop Session 3		
4:00 pm	General Session		

Adrienna Dodson

Work Experience

California Friday Night Live Partnership, Tulare County Office of Education Interim Administrator, July 2023 – Present (Will begin as CFNLP Director, effective July 2025)

- Administer/manage the fiscal system for the purpose of assuring that resources are managed according to accounting principles, funding source requirements and in compliance with local, state and federal specifications.
- Collaborate with other statewide systems, organizations, and agencies for the purpose of sharing methods of implementing a youth development framework.
- Collaborate with representatives of peer-driven system to build partnerships between the administrative office and the Friday Night Live (FNL) field.
- Create an environment in which a peer driven system can thrive for the purpose of enhancing learning opportunities for peers to teach each other.
- Create a safe workplace and other learning environments for the purpose of modeling youth development principles.
- Design/implement an array of training institutes for the purpose of ensuring the transference of best prevention practices and practical applications of the FNL model and the standards of practice.
- Develop revenues for the purpose of maintaining, developing, and fostering growth of the FNL system.
- Develop/enhance partnerships for the purpose of strengthening young peoples' abilities to be active resources in their communities.
- Make public presentations for the purpose of representing the California Friday Night Live Partnership (CFNLP) at local, state, regional and national meetings, conferences and events.
- Manage/monitor contacts and consultant services for the purpose of developing and fostering partnerships with professional consultants for the benefit of the FNL system.
- Prepare reports and data as required for the purpose of ensuring compliance with local, state, and federal policies, regulations, and directives.
- Provide oversight of FNL's conceptual model for the purpose of ensuring consistency with the mission, youth development principles, best prevention practices, current research, and evaluation methodologies.
- Provide leadership for the purpose of enhancing the cultural competency of the FNL system.
- Supervise/evaluate/train/support/guide staff for the purpose of increasing the effectiveness of the work and developing the capacity of staff, youth interns and volunteers.
- Understand the political dynamics of various organizations for the purpose of integrating appropriate issues, ideas, and concerns into the development of FNL.
- Work/partner with various federal, state, and local public and private agencies and organizations.

California Friday Night Live Partnership, Tulare County Office of Education *Program Analyst* January 2007 – June 2023

- Defined training and administrative material needs for the purpose of providing information and materials for training in FNL programs to coordinators, mentors, proteges, youth, and office program staff.
- Developed county agreements FNL program expansion and development for the purpose of maintaining consistency and to assure that counties are adhering to standards of practice and minimum performance requirements.
- Developed collaborations within the CFNLP partners, the funding source, consultants, other agencies, and local counties for the purpose of insuring funding for the program providing guidance for the various statewide projects and to assure that objectives are met.
- Generated work products with consultants, technical assistants, committees, and established collaborations for the purpose of determining that training and information-gathering objectives are met.
- Monitored program expansion and development to assure that the elements meet program objectives and principles for the purpose of assuring that program components are met in accordance with current youth development research, FNL standards of practice, and appropriate program components.
- Partnered with statewide and community-based agencies for the purpose of building and strengthening collaborations which utilize a youth development approach.
- Provided training, both on-site and in retreat settings, for the purpose of developing the capacity of FNL coordinators and young people (participants).
- Supervised expenditures of grant-related funds for the purpose of assuring compliance and maintenance of correct expenditure principles as defined by the funding source.
- Created quarterly reports and submitted invoices to program funders.

Positive Attitude Outlook Foster Family Agency Social Worker January 2007 – June 2023

- Referred clients to community resources for services, such as job placement, debt counseling, legal aid, housing, medical treatment, or financial assistance, and provide concrete information, such as where to go and how to apply.
- Provided, identified, or arranged for support services, such as childcare, homemaker service, prenatal care, substance abuse treatment, job training, counseling, or parenting classes to prevent more serious problems from developing.
- Collected supplementary information needed to assist client, such as employment records, medical records, or school reports.
- Counseled individuals, groups, families, or communities regarding issues including mental health, poverty, unemployment, substance abuse, physical abuse, rehabilitation, social adjustment, childcare, or medical care.

- Arranged for medical, psychiatric, and other tests that may disclose causes of difficulties and indicate remedial measures.
- Addressed legal issues, such as child abuse and discipline, assisting with hearings and providing testimony to inform custody arrangements.
- Counseled parents with child rearing problems, interviewing the child and family to determine whether further action is required.
- Consulted with parents, teachers, and other school personnel to determine causes of problems, such as truancy and misbehavior, and to implement solutions.
- Developed and reviewed service plans in consultation with clients and perform follow-ups assessing the quantity and quality of services provided.
- Served as liaisons between students, homes, schools, family services, child guidance clinics, courts, protective services, doctors, and other contacts to help children who face problems, such as disabilities, abuse, or poverty.
- Interviewed clients individually, in families, or in groups, assessing their situations, capabilities, and problems to determine what services are required to meet their needs.
- Maintained case history records and prepare reports.

Education San Diego State University August 1996 – May 2000 Bachelor's, Psychology

Professional Affiliations & Certifications

Healing Centered Engagement (HCE), Flourish Agenda – Certified HCE Practitioner

Prevention Committee Executive Member, National Council on Problem Gambling

Strengths (Clifton Strengths Assessment)

- Analytical
- Harmony
- Empathy
- Discipline
- Includer

EXHIBIT B

BUDGET DETAIL AND PAYMENT PROVISIONS

I. INVOICING AND PAYMENT:

For services satisfactorily rendered, and upon receipt and approval of the invoices, the State agrees to compensate the Contractor for actual expenditures incurred in accordance with the rates specified herein, which is attached hereto and made a part of this agreement.

Payment of the invoice will not be made until the CDE accepts and approves the invoice. To be approved the invoice must include the level of detail described in the Budget for each task and for the fiscal year in which the expense was incurred. Further, the invoice must be easily comparable by CDE staff to the Budget contained herein. No line item invoiced may exceed the corresponding line-item amount stated in the Budget.

Invoices shall include the **Agreement Number CN240126** and shall be submitted in arrears, along with a progress report (see Exhibit A, Article III. Progress Reports), not more frequently than monthly in duplicate to:

California Department of Education Whole Child Division 1430 N Street, Suite 6408 Sacramento, CA 95814 Attention: Malini Doering Email: <u>mdoering@cde.ca.gov</u>

The Contractor may bill the CDE and be paid as the County Superintendent of Schools, the County Department of Education or the County Office of Education.

II. <u>PAYMENT:</u>

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

III. BUDGET CONTINGENCY CLAUSE (Rev. 9/12):

- A. It is mutually understood between the parties that this Agreement may have been written before ascertaining the availability of congressional or legislative appropriation of funds, for the mutual benefit of both parties in order to avoid program and fiscal delays that would occur if the Agreement were executed after that determination was made.
- B. This Agreement is valid and enforceable only if sufficient funds are made available to the State by the United States Government or the California State Legislature for the purpose of this program. In addition, this Agreement is subject to any additional restrictions, limitations, conditions, or any statute enacted by the Congress or the State Legislature that may affect the provisions, terms or funding of this Agreement in any manner.

- C. It is mutually agreed that if the Congress or the State Legislature does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.
- D. Pursuant to GC, Section 927.13, no late payment penalty shall accrue during any time period for which there is no Budget Act in effect, nor on any payment or refund that is the result of a federally mandated program or that is directly dependent upon the receipt of federal funds by a state agency.
- E. CDE has the option to terminate the Agreement under the 30-day termination clause or to amend the Agreement to reflect any reduction in funds.

IV. TRAVEL (If applicable):

All travel costs shall be reimbursed at rates not to exceed those established for CDE's nonrepresented employees, computed in accordance with and allowable pursuant to applicable California Department of Human Resources regulations.

V. PRIOR APPROVAL OF OUT-OF-STATE TRAVEL (If applicable):

All out-of-state travel by the Contractor or subcontractor(s) for purposes of this agreement is subject to prior written approval by the CDE Contract Monitor specified in this agreement.

VI. PAYMENT WITHHOLD FOR SEPARATE AND DISTINCT TASKS (3/23/2011)

In accordance with Public Contract Code section 10346, the State shall withhold ten percent (10%) of each progress payment for each separate and distinct Task. Funds withheld for each separate and distinct Task will be paid upon satisfactory completion of that Task, as determined by the State. A Task is deemed satisfactorily completed upon acceptance and written approval by the State for all deliverables or services for that Task, including submission of monthly progress reports. The progress reports shall include at a minimum: Task number and title; deliverables or services performed; dates of performance and completion; and the results and progress of the project/work. Those annual activities that are completed and repeated in their entirety each year shall be considered separate and distinct tasks that are to be paid in full following satisfactory completion in each year of the contract.

Final Payment is not a progress payment and is not subject to the 10% withholding.

Final invoice will be submitted with the Contract/Contractor Evaluation (Std. 4) form by the CDE's Contract Monitor. (See Exhibit E, Contractor Evaluation Clause)

EXHIBIT B

BUDGET SUMMARY

Object Code	Description	Year 1 7/1/24-6/30/25	Year 2 7/1/25-6/30/26	Total
2000	Classified Salaries	\$155,066.15	\$165,930.95	\$320,997.10
3000	Employee Benefits	\$97,116.95	\$107,386.30	\$204,503.25
4300	Supplies	\$2,000.00	\$985.00	\$2,985.00
5000	Operations	\$36,333.02	\$36,288.49	\$72,621.51
5200	Travel	\$1,995.00	\$2,000.00	\$3,995.00
5800	Non-Instructional Consultant Services	\$174,619.03	\$155,269.85	\$329,888.88
	Total Direct Costs	\$467,130.15	\$467,860.59	\$934,990.74
	Direct Costs NOT Subject to Indirect	\$50,000.00	\$60,000.00	\$110,000.00
	Direct Costs Subject to Indirect	\$417,130.15	\$407,860.59	\$824,990.74
7000	Indirect Costs @ 7.88%	\$32,869.85	\$32,139.41	\$65,009.26
	GRAND TOTAL	\$500,000.00	\$500,000.00	\$1,000,000.00

Contract Period: July 1, 2024 - June 30, 2026

EXHIBIT B

<u>BUDGET DETAIL</u>

Year 1: July 1, 2024 - June 30, 2025

			10 11 1201	1 cal 1. July 1, 2027 - Julie Ju, 2020	16 JU, 2020					
Object Code	Description	Task 1	Task 2	Task 3	Task 4	Task 5	Task 6	Task 7	Task 8	Total
2000	Classified Salaries									
	Director	\$7,035.42	\$7,035.44	\$7,035.44	\$7,035.44	\$7,035.44	\$7,035.44	\$7,035.44	\$7,035.44	\$56,283.50
	Grant Coordinator	\$1,085.88	\$1,085.86	\$1,085.86	\$1,085.86	\$1,085.86	\$1,085.86	\$1,085.86	\$1,085.86	\$8,686.90
	Program Analyst	\$5,287.17	\$5,287.19	\$5,287.19	\$5,287.19	\$5,287.19	\$5,287.19	\$5,287.19	\$5,287.19	\$42,297.50
	Project Specialist	\$5,974.79	\$5,974.78	\$5,974.78	\$5,974.78	\$5,974.78	\$5,974.78	\$5,974.78	\$5,974.78	\$47,798.25
	Subtotal 2000	\$19,383.26	\$19,383_27	\$19,383.27	\$19,383.27	\$19,383.27	\$19,383.27	\$19,383.27	\$19,383.27	\$155,066.15
3000	Employee Benefits									
	Director	\$3,445.25	\$3,445.25	\$3,445.25	\$3,445.25	\$3,445.25	\$3,445.26	\$3,445.26	\$3,445.26	\$27,562.03
	Grant Coordinator	\$697.23	\$697.23	\$697.23	\$697.23	\$697.23	\$697.23	\$697.24	\$697.24	\$5,577.86
	Program Analyst	\$3,441.96	\$3,441.96	\$3,441.96	\$3,441.96	\$3,441.96	\$3,441.96	\$3,441.96	\$3,441.95	\$27,535.67
	Project Specialist	\$4,555.17	\$4,555.17	\$4,555.17	\$4,555.17	\$4,555.17	\$4,555.18	\$4,555.18	\$4,555.18	\$36,441.39
	Subtotal 3000	\$12,139 <u>.</u> 61	\$12,139.61	\$12,139.61	\$12,139.61	\$12,139.61	\$12,139.63	\$12,139.64	\$12,139.63	\$97,116.95
4300	Supplies									
		\$2,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$2,000.00
	Subtotal 4300	\$2,000.00	\$0.00	\$0"00	\$0.00	\$0 ⁻ 00	\$0 [.] 00	\$0 [.] 00	\$0.00	\$2,000.00
5000	Operations, Travel, and Subcontracting									
	Operations									
	Communications	\$0.00	\$66.67	\$66.67	\$66.66	\$0.00	\$0.00	\$0.00	\$0.00	\$200.00
	Survey Monkey	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,900.25	\$1,900.25
	Rent	\$510.07	\$510.07	\$510.07	\$510.07	\$510.07	\$510.07	\$510.07	\$510.07	\$4,080.56
	Youth Summit Operations	\$0.00	\$0.00	\$0.00	\$0.00	\$30,152.21	\$0.00	\$0.00	\$0.00	\$30,152.21
	Subtotal 5000	\$510.07	\$576.74	\$576.74	\$576.73	\$30,662_28	\$510.07	\$510.07	\$2,410.32	\$36,333.02
5200	Travel									
		\$0 [.] 00	\$665.00	\$665.00	\$0 [.] 00	\$665.00	\$0.00	\$0.00	\$0.00	\$1,995.00
	Subtotal 5200	\$0.00	\$665.00	\$665.00	\$0.00	\$665.00	\$0.00	\$0.00	\$0.00	\$1,995.00
5800	Non-Instructional Consultant Services									
	Evaluator	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,000.00	\$5,000.00
	California Youth Council Members	\$0.00	\$0.00	\$22,000.00	\$0.00	\$11,250.00	\$0.00	\$0.00	\$0 [.] 00	\$33,250.00
	San Diego State University	\$0.00	\$0.00	\$75,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$75,000.00
	The Youth Leadership Institute	\$15,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$15,000.00
	Next Gen Community Consulting	\$0.00	\$15,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$15,000.00
	Audio-Visual Services	\$0 [.] 00	\$0.00	\$0.00	\$0.00	\$15,000.00	\$0 [.] 00	\$0.00	\$0.00	\$15,000.00
	Keynote Speakers	\$0 [.] 00	\$0.00	\$0.00	\$0.00	\$6,000.00	\$0 [.] 00	\$0.00	\$0.00	\$6,000.00
	Workshop Facilitators	\$0.00	\$0.00	\$0.00	\$0.00	\$3,750.00	\$0.00	\$0.00	\$0.00	\$3,750.00
	Training Facilitator	\$0.00	\$0 [.] 00	\$0.00	\$0.00	\$6,619.03	\$0 [.] 00	\$0.00	\$0.00	\$6,619.03
	Subtotal 5800	\$15,000.00	\$15,000.00	\$97,000.00	\$0.00	\$42,619.03	\$0.00	\$0 <u>.</u> 00	\$5,000.00	\$174,619.03
	Total Direct Costs	\$49,032.94	\$47,764.62	\$129,764.62	\$32,099.61	\$105,469.19	\$32,032.97	\$32,032.98	\$38,933.22	\$467,130.15
	Direct Costs NOT Subject to Indirect	\$0 <u>.</u> 00	\$0.00	\$50,000.00	\$0.00	\$0 <u>.</u> 00	\$0.00	\$0.00	\$0.00	\$50,000.00
	Direct Costs Subject to Indirect	\$49,032.94	\$47,764.62	\$79,764.62	\$32,099.61	\$105,469.19	\$32,032.97	\$32,032.98	\$38,933.22	\$417,130.15
2000	Indirect Costs @ 7.88%	\$3,863.79	\$3,763.85	\$6,285.45	\$2,529.45	\$8,310.97	\$2,524.20	\$2,524.20	\$3,067.94	\$32,869.85
	Total Year 1	\$52,896.73	\$51,528.47	\$136,050.07	\$34,629.06	\$113,780.16	\$34,557.17	\$34,557.18	\$42,001.16	\$500,000_00

EXHIBIT B

BUDGET NARRATIVE

Year 1: July 1, 2024 - June 30, 2025

2000 Classified Salaries: \$155,066.15

Director, A. Dodson: \$56,283.50

The Director will provide leadership to the organization and oversight for the project. This position is funded by this grant as a 0.35 Full Time Equivalent (FTE).

Annual Salary: \$160,810.00 x 0.35 FTE = \$56,283.50

Grant Coordinator: \$8,686.90

The Grant Coordinator will oversee contract deliverables, all aspects of reporting, fiscal oversight and other grant-related duties. The Grant Coordinator will oversee the administration of webinar surveys, focus groups, and the annual Youth Development Survey. They will also coordinate with technical assistance (TA) subcontractors to support contract deliverables.

Annual Salary: \$86,869.00 x 0.10 FTE = \$8,686.90

Program Analyst: \$42,297.50

The Program Analyst will oversee the development of technical assistance to build the capacity of youth and adults engaged through this project. They will provide expertise and oversight of webpages dedicated to this project, management of training platforms, and provision of all technical support, to ensure the success of programs and related projects.

Annual Salary: \$84,595.00 x 0.50 FTE = \$42,297.50

Project Specialist: \$47,798.25

The Project Specialist will provide clerical support staff who oversee and perform contract deliverables. They will assist in the development, implementation, maintenance, and training of all programs and related projects.

Annual Salary: \$63,731.00 x 0.75 FTE = \$47,798.25

3000 Employee Benefits: \$97,116.95

Fringe benefits include health, Medicare, dental, vision, unemployment, disability, and worker's compensation insurance, as well as Social Security and retirement.

- Director: \$56,283.50 x 48.97% = \$27,562.03
- Grant Coordinator: \$8,686.90 x 64.21% = \$5,577.86
- Program Analyst: \$42,297.50 x 65.10% = \$27,535.67
- Project Specialist: \$47,798.25 x 76.24% = \$36,441.39

4300 Supplies: \$2,000.00

Supplies include costs for items necessary for the project's function, including paper, pens, and other office supplies. (Task 1)

- Paper: \$10.00/ream x 19 reams = \$190.00
- Cardstock paper: \$15.00/ream x 10 reams = \$150.00
- Chart Paper: \$50.00/pad x 20 pads = \$1,000.00
- Markers (set of 256): \$50.00/set x 10 sets = \$500.00
- Binders (pack of 12): \$20.00/pack x 8 packs = \$160.00

5000 Operations, Travel, and Subcontracting: \$212,947.05

5000 Operations: \$36,333.02

Communications: \$200.00

Communications includes costs for landline and cell phone usage. \$200.00 (Tasks 2-4)

Survey Monkey: \$1,900.25

An annual subscription to Survey Monkey is needed for evaluation efforts. (Task 8)

\$1,900.25/year x 1 year = \$1,900.25

Rent: \$4,080.56

The Tulare County Superintendent of Schools' California Friday Night Live Partnership (CFNLP) does not provide direct student services for Tulare County, and functions as a statewide intermediary instead. The CFNLP is therefore required to pay for all operational expenses for services, including rent. Additional operational expenses are covered by indirect costs. (Tasks 1-8)

Rent is calculated as:

\$21,603.00 (Annual Rent) / 9.0 FTE (# of FTE in CFNLP Office) = \$2,400.33 per 1.0 FTE \$2,400.33 x 1.70 FTE (# of FTE in this contract) = \$4,080.56

Youth Summit Operations: \$30,152.21

The Contractor will plan and host a three-day Youth Summit conference for youth and adult allies involved in local FNL chapters and TUPE related activities Youth Summit operations costs include the venue and working meals. (Task 5)

- Working Meals: \$25.00/attendee x 700 attendees = \$17,500.00 (See meeting agenda in Exhibit A)
- Venue = \$12,652.21

5200 Travel: \$1,995.00

Travel expenditures include costs for registration, lodging, per diem, parking, and airfare, as requested by the CDE Contract Monitor. Other costs include those necessary for a site visit and training implementation. All travel costs shall be reimbursed at rates not to exceed those established for CDE's non-represented employees, computed in accordance with the CalHR approved rates. (Tasks 2, 3, and 5)

- In-person conference (registration & travel): \$250.00/person x 3 CFNLP staff x 1 trip = \$750.00
- Site visit training: \$415.00/person x 3 CFNLP staff x 1 trip = \$1,245.00

5800 Non-Instructional Consultant Services: \$174,619.03

All subcontractors will be selected through the Contractor's own competitive selection methods, and will be experts in their respective fields, in order to fully carry out the work described in the Scope of Work. Their rates are reflective of the level of expertise required in their particular field.

Evaluator: \$5,000.00

An Evaluator will be subcontracted to complete a yearly report outlining the project deliverables met, lessons learned, and materials developed. They will ensure administration, oversight, analysis, evaluation, and reporting of the student experience and youth development activities through a pre-existing post survey. (Task 8)

\$100.00/hour x 50 hours = \$5,000.00

California Youth Council (CYC) Members: \$33,250.00

No one CYC member will receive more than \$25,000.00 for their services according to the rates below.

Stipends: \$19,000.00

Stipends will be given to 11 subcontracted CYC members, and four subcontracted CYC Leadership Team members, to support their efforts to provide youth voice, training, and advocacy related to this project. (Task 3)

- \$1,000.00/stipend x 11 CYC member stipends = \$11,000.00
- \$2,000.00/stipend x 4 CYC Leadership Team member stipends = \$8,000.00

Training: \$3,000.00

15 subcontracted CYC members will convene in person, for capacity building, providing training to youth and adults across the state, and Youth Summit planning. (Task 3)

\$200.00/trip x 15 CYC members = \$3,000.00

Youth Summit: \$11,250.00

15 subcontracted CYC members' efforts related to their role as organizers and trainers at the Youth Summit in Anaheim, CA. Costs include travel, lodging, and working meals. (See meeting agenda in Exhibit A.) (Task 5)

- Travel: \$250.00/trip x 15 CYC members x 1 trip = \$3,750.00
- Lodging: \$120.00/night x 15 CYC members x 3 nights = \$5,400.00
- Working Meals: \$35.00/day x 15 CYC members x 4 days = \$2,100.00

The San Diego State University Center for Tobacco and the Environment (SDSU): \$75,000.00

SDSU will provide test kits for sampling second and third-hand smoke. The cost of the test kits includes materials for students to collect samples of nicotine levels in the air and on restroom surfaces, as well as for the samples to be analyzed in the SDSU laboratory. Once analyzed, SDSU will send a report of the results to the FNL Chapters. Additionally, San Diego State University will provide training and educational materials in addition to the testing kits, that the sites utilize in their tobacco prevention efforts. (Task 3)

- \$3,000.00/kit x 20 kits = \$60,000.00
- \$100.00/hour x 150 hours = \$15,000.00

The Youth Leadership Institute: \$15,000.00

The Youth Leadership Institute has expertise in youth development technical assistance and will be subcontracted to work as a consultant to update tobacco-specific toolkits. (Task 1)

\$80.00/hour x 187.5 hours = \$15,000.00

Next Gen Community Consulting: \$15,000.00

Next Gen Community Consulting will be subcontracted to use their expertise in FNL Mentoring (FNLM) principles and strategies to provide oversight and direction on the expansion of FNLM curriculum. (Task 2)

\$60.00/hour x 250 hours = \$15,000.00

Audio-Visual (A/V) Services: \$15,000.00

An outside Subcontractor will provide A/V services for the Youth Summit, which will include the general session stage, lighting, sound, and screen infrastructure and facilitation, breakout room projectors and/or screens, and technical support throughout the event. (Task 5)

- Staffing: \$40.00/hour x 5 staff x 20 hours = \$4,000.00
- Equipment for General Session = \$6,000.00
- Equipment for Breakout Rooms: \$250.00/room x 20 rooms = \$5,000.00

Keynote Speakers: \$6,000.00

Subcontracted Keynote speakers will facilitate and lead general session discussions/activities during the Youth Summit that engage youth partners and adult allies. Topics will include, but are not limited to, general youth development, project strategies, and inspirational storytelling. (Task 5)

\$2,000.00/speaker x 3 speakers = \$6,000.00

Workshop Facilitators: \$3,750.00

Subcontracted Workshop facilitators will lead breakout sessions during the Youth Summit. Facilitators will be experienced presenters with specific expertise in youth development, as well as ATOD prevention and education areas. (Task 5)

\$250.00/facilitator x 15 facilitators = \$3,750.00

Training Facilitator: \$6,619.03

The subcontracted Training Facilitator will work directly with members of the CYC to support their leadership, facilitation, and speaking roles at the Youth Summit. (Task 5)

\$6,619.03/facilitator x 1 facilitator = \$6,619.03

Total Direct Costs: \$467,130.15 Direct Costs NOT Subject to Indirect: \$50,000.00 Direct Costs Subject to Indirect: \$417,130.15

7000 Indirect Costs @ 7.88%: \$32,869.85

The indirect costs for this contract are at the CDE approved rate of 7.88% for Year 1 of the applicable total direct costs subject to indirect. \$417,130.15 x 7.88% = \$32,869.85

Total Contract Year 1: \$500,000.00

EXHIBIT B

BUDGET DETAIL

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Program Analyst \$5,634.25 Project Specialist \$6,452.71 Employee Benefits \$6,452.71 Employee Benefits \$5,758.36 Employee Benefits \$3,758.36 Director \$3,758.36 Program Analyst \$3,780.59 Program Analyst \$3,780.59 Program Analyst \$3,780.50 Project Specialist \$3,780.50 Project Specialist \$3,780.50 Project Specialist \$3,700.50 Subtotal 3000 \$13,423.27 Subtotal 4300 \$385.00 Project Specialist \$30,000 Subtotal 500 \$13,423.27 Subtotal 500 \$13,423.27 Subtotal 500 \$13,423.27 Subtotal 500 \$13,423.27 Subtotal 500 \$14,000 Subtotal 500 \$13,423.27 Subtotal 500 \$10,007 Su	1,157.12 \$1,157.14	\$1,157.14	\$1,157.14	\$1,157.14	\$1,157.14	\$1,157.14	\$1,157.14	\$9,257.10
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EXHIBIT B

BUDGET NARRATIVE

Year 2: July 1, 2025 – June 30, 2026

2000 Classified Salaries: \$165,930.95

Director, A. Dodson: \$59,978.10

The Director will provide leadership to the organization and oversight for the project. This position is funded by this grant as a 0.35 Full Time Equivalent (FTE).

Annual Salary: \$171,366.00 x 0.35 FTE = \$59,978.10

Grant Coordinator: \$9,257.10

The Grant Coordinator will oversee contract deliverables, all aspects of reporting, fiscal oversight and other grant-related duties. The Grant Coordinator will oversee the administration of webinar surveys, focus groups, and the annual Youth Development Survey. They will also coordinate with technical assistance (TA) subcontractors to support contract deliverables.

Annual Salary: \$92,571.00 x 0.10 FTE = \$9,257.10

Program Analyst: \$45,074.00

The Program Analyst will oversee the development of technical assistance to build the capacity of youth and adults engaged through this project. They will provide expertise and oversight of webpages dedicated to this project, management of training platforms, and provision of all technical support, to ensure the success of programs and related projects.

Annual Salary: \$90,148.00 x 0.50 FTE = \$45,074.00

Project Specialist: \$51,621.75

The Project Specialist will provide clerical support staff who oversee and perform contract deliverables. They will assist in the development, implementation, maintenance, and training of all programs and related projects.

Annual Salary: \$68,829.00 x 0.75 FTE = \$51,621.75

3000 Employee Benefits: \$107,386.30

Fringe benefits include health, Medicare, dental, vision, unemployment, disability, and worker's compensation insurance, as well as Social Security and retirement.

- Director: \$59,978.10 x 50.13% = \$30,067.02
- Grant Coordinator: \$9,257.10 x 65.42% = \$6,055.99
- Program Analyst: \$45,074.00 x 67.10% = \$30,244.65
- Project Specialist: \$51,621.75 x 79.46% = \$41,018.64

4300 Supplies: \$985.00

Supplies include costs for items necessary for the project's function, including paper, pens, and other office supplies. (Task 1)

- Paper: \$10.00/ream x 8 reams = \$80.00
- Cardstock paper: \$15.00/ream x 5 reams = \$75.00
- Chart Paper: \$50.00/pad x 10 pads = \$500.00
- Markers (set of 256): \$50.00/set x 5 sets = \$250.00
- Binders (pack of 12): \$20.00/pack x 4 packs = \$80.00

5000 Operations, Travel, and Subcontracting: \$193,558.34

5000 Operations: \$36,288.49

Communications: \$100.00

Communications includes costs for landline and cell phone usage. \$100.00 (Tasks 2-4)

Survey Monkey: \$750.25

An annual subscription to Survey Monkey is needed for evaluation efforts. (Task 8)

\$750.25/year x 1 year = \$750.25

Rent: \$4,080.56

The Tulare County Superintendent of Schools' California Friday Night Live Partnership (CFNLP) does not provide direct student services for Tulare County, and functions as a statewide intermediary instead. The CFNLP is therefore required to pay for all operational expenses for services, including rent. Additional operational expenses are covered by indirect costs. (Tasks 1-8)

Rent is calculated as:

\$21,603.00 (Annual Rent) / 9.0 FTE (# of FTE in CFNLP Office) = \$2,400.33 per 1.0 FTE \$2,400.33 x 1.70 FTE (# of FTE in this contract) = \$4,080.56

Youth Summit Operations: \$31,357.68

The Contractor will plan and host a three-day Youth Summit conference for youth and adult allies involved in local FNL chapters and TUPE related activities Youth Summit operations costs include the venue and working meals. (Task 5)

- Working Meals: \$25.00/attendee x 700 attendees = \$17,500.00 (See meeting agenda in Exhibit A)
- Venue = \$13,857.68

5200 Travel: \$2,000.00

Travel expenditures include costs for registration, lodging, per diem, parking, and airfare, as requested by the CDE Contract Monitor. Other costs include those necessary for a site visit and training implementation. All travel costs shall be reimbursed at rates not to exceed those established for CDE's non-represented employees, computed in accordance with the CalHR approved rates. (Tasks 2, 3, and 5)

- In-person conference (registration & travel): \$250.00/person x 3 CFNLP staff x 1 trip = \$750.00
- Site visit training: \$416.67/person x 3 CFNLP staff x 1 trip = \$1,250.00

5800 Non-Instructional Consultant Services: \$155,269.85

All subcontractors will be selected through the Contractor's own competitive selection methods, and will be experts in their respective fields, in order to fully carry out the work described in the Scope of Work. Their rates are reflective of the level of expertise required in their particular field.

Evaluator: \$5,000.00

An Evaluator will be subcontracted to complete a yearly report outlining the project deliverables met, lessons learned, and materials developed. They will ensure administration, oversight, analysis, evaluation, and reporting of the student experience and youth development activities through a pre-existing post survey. (Task 8)

\$100.00/hour x 50 hours = \$5,000.00

California Youth Council (CYC) Members: \$33,250.00

No one CYC member will receive more than \$25,000.00 for their services according to the rates below.

Stipends: \$19,000.00

Stipends will be given to 11 subcontracted CYC members, and four subcontracted CYC Leadership Team members, to support their efforts to provide youth voice, training, and advocacy related to this project. (Task 3)

- \$1,000.00/stipend x 11 CYC member stipends = \$11,000.00
- \$2,000.00/stipend x 4 CYC Leadership Team member stipends = \$8,000.00

Training: \$3,000.00

15 subcontracted CYC members will convene in person, for capacity building, providing training to youth and adults across the state, and Youth Summit planning. (Task 3)

\$200.00/trip x 15 CYC members = \$3,000.00

Youth Summit: \$11,250.00

15 subcontracted CYC members' efforts related to their role as organizers and trainers at the Youth Summit in Anaheim, CA. Costs include travel, lodging, and working meals. (See meeting agenda in Exhibit A.) (Task 5)

- Travel: \$250.00/trip x 15 CYC members x 1 trip = \$3,750.00
- Lodging: \$120.00/night x 15 CYC members x 3 nights = \$5,400.00
- Working Meals: \$35.00/day x 15 CYC members x 4 days = \$2,100.00

The San Diego State University Center for Tobacco and the Environment (SDSU): \$60,000.00

SDSU will provide test kits for sampling second and third-hand smoke. The cost of the test kits includes materials for students to collect samples of nicotine levels in the air and on restroom surfaces, as well as for the samples to be analyzed in the SDSU laboratory. Once analyzed, SDSU will send a report of the results to the FNL Chapters. (Task 3)

\$3,000.00/kit x 20 kits = \$60,000.00

Mini Grants: \$45,000.00

Mini grants will support 15 separate FNL Mentoring chapters in using the sessions and materials created by CFNLP in Year 1, to develop and implement tobacco advocacy and educational projects at their local sites. Individual subcontracts will be entered into with each chapter. (Task 2)

\$3,000.00/chapter x 15 chapters = \$45,000.00

Audio-Visual (A/V) Services: \$1,500.00

An outside Subcontractor will provide A/V services for the Youth Summit, which will include staff to support general session infrastructure and facilitation of all technical elements. (Task 5)

• Staffing: \$40.00/hour x 2 staff x 18.75 hours = \$1,500.00

Keynote Speakers: \$6,000.00

Subcontracted Keynote speakers will facilitate and lead general session discussions/activities during the Youth Summit that engage youth partners and adult allies. Topics will include, but are not limited to, general youth development, project strategies, and inspirational storytelling. (Task 5)

\$2,000.00/speaker x 3 speakers = \$6,000.00

Workshop Facilitators: \$2,500.00

Subcontracted Workshop facilitators will lead breakout sessions during the Youth Summit. Facilitators will be experienced presenters with specific expertise in youth development, as well as ATOD prevention and education areas. (Task 5)

250.00/facilitator x 10 Facilitators = 2,500.00

Training Facilitator: \$2,019.85

The subcontracted Training Facilitator will work directly with members of the CYC to support their leadership, facilitation, and speaking roles at the Youth Summit. (Task 5)

\$2,019.85/facilitator x 1 facilitator = \$2,019.85

Total Direct Costs: \$467,860.59 Direct Costs NOT Subject to Indirect: \$60,000.00 Direct Costs Subject to Indirect: \$407,860.59

7000 Indirect Costs @ 7.88%: \$32,139.41

The indirect costs for this contract are at the CDE approved rate of 7.88% for Year 2 of the applicable direct costs subject to indirect. \$407,860.59 x 7.88% = \$32,139.41

TOTAL CONTRACT YEAR 2: \$500,000.00

EXHIBIT D

SPECIAL TERMS & CONDITIONS

I. INFORMATION TECHNOLOGY (IT) REQUIREMENTS (Rev. 04/22/10):

For contracts that require the Contractor to develop, modify or maintain any type of Web product (which includes but is not limited to a web page, web document, website, web application, or other web service), or contracts that include a web product as a deliverable or result, Contractor hereby agrees to adhere to the following California Department of Education (CDE) standards:

- A. All website and application pages/documents that can be seen by users must be reviewed and approved as required by the CDE's DEAM 3900 process. Contractor agrees to work through the CDE Contract Monitor for this agreement to ensure the DEAM 3900 process is implemented.
- B. Websites and web applications must adhere to the appropriate CDE web standards as specified at <u>http://www.cde.ca.gov/re/di/ws/webstandards.asp</u>.
- C. Contractor must provide the application and/or website source code, collected data, and project documentation in a form to be specified by the CDE according to the following time frame:
 - 1. For new sites/applications: Within 30 days of implementation. For multi-year agreements, material must also be provided annually on the contract date anniversary during the contract period.
 - 2. For existing sites/applications: Within 90 days of the contract renewal or amendment execution. For multi-year agreements, material must also be provided annually on the contract date anniversary during the contract period.
- D. Contractor shall monitor the website/application on a monthly basis (or more frequently if necessary) to identify and correct the following issues:
 - 1. Broken links
 - 2. Dated content
 - 3. Usability issues
 - 4. Circumstances where the contractual agreement is not followed
- E. Contractor agrees to not violate any proprietary rights or laws (i.e., privacy, confidentiality, copyright, commercial use, hate speech, pornography, software/media downloading, etc.). Also, the Contractor agrees to make all reasonable efforts to protect the copyright of CDE content and to obtain permission from the CDE Press to use any potentially copyrighted CDE material, or before allowing any other entity to publish copyrighted CDE content.

- F. Contractor agrees that any web applications, websites, data or other files which may be needed to restore the system in the event of disaster are backed up redundantly, and that a detailed, tested plan exists for such a restoration.
- G. Contractor shall provide the CDE with website usage reports on a monthly basis during the contract period for each web page, document or file which can be viewed by users. Additionally, Contractor shall provide an easy mechanism for users to provide feedback on the site/application, such as a feedback form.

II. DATA MANAGEMENT (DM) REQUIREMENTS (Rev. 7/22):

A. **<u>Definitions</u>**: The following definitions apply for the purposes of this Agreement:

"Aggregated Data" means any data expressed in a summary form, for purposes such as statistical analysis to de-identify the Data and prevent unlawful or unauthorized disclosure of PII and/or Student or Individual-Level Data.

"**Confidential Information**" means Proprietary Information, Personally Identifiable Information (PII), and Student or Individual-Level Data, as each are defined below.

"**Data**" means any digital or hard copy records or information, whether Confidential or publicly available.

"Personally Identifiable Information (PII)" means information about an individual, and includes but is not limited to information that, alone or in combination, is linked or linkable to a specific student or individual in a manner that would allow a reasonable person in the community, who does not have personal knowledge of the relevant circumstances, to identify the student or individual with reasonable certainty. PII includes, but is not limited to name, address, personal identifier (e.g., Social Security number, student number, biometric record), other indirect identifiers (e.g., date or place of birth, mother's maiden name). "Biometric record" includes a fingerprint, retina or iris pattern, voiceprint, DNA sequence, handwriting sample, facial geometry or other biological or behavioral characteristic used to identify an individual.

"**Preferred Variation**" means the particular variation of the name, definition, and format for a Data element or code set that is used by CDE to maintain order and consistency in its Data. To date, hundreds of common Data elements have been specified by the CDE (contact the Data Management Division for the most recent published list of Preferred Variations).

"Proprietary Information" means information contained in materials marked "confidential," trade secrets, know-how, data and other information, in tangible and intangible form possessed by a party and having value by virtue of not being generally known or due to being obtained at significant effort or expense. Each party acknowledges that information supplied by a third-party to the other party under provisions of confidentiality shall be considered, for the purposes of this Agreement, to be the other party's Proprietary Information.

"Student or Individual-Level Data" means demographic, performance, and other information that pertains to a single student or individual but cannot be attributed to a specific student or individual. Such Data is subject to compliance with applicable laws such as, but not limited to, the Family Educational Rights and Privacy Act (FERPA), the Pupil Protection Rights Amendment (PPRA), the Children's Online Privacy Protection Act (COPPA), and the California Education Code (EC).

- B. <u>Confidentiality Conflicts and Public Record Act Requests</u>: Notwithstanding any obligation of confidentiality or non-disclosure between the parties or any "confidential," "proprietary," or "privileged," marking on documents provided by Contractor, any writing, regardless of form, containing information related to the conduct of the public's business prepared, owned, used or retained by the CDE is subject to disclosure pursuant to the Public Records Act (PRA) (Govt. Code 6250 *et. seq.*) and other applicable law, unless an exemption from disclosure applies. Contractor shall immediately notify CDE of any request for documents and/or Data that it receives and shall further work cooperatively with CDE to allow CDE to respond correctly to Public Records Act requests in a timely manner.
- C. <u>Compliance with Statutory and Contractual Requirements</u>: In the course of performing this Agreement, each of the Parties may gather or process or otherwise be intentionally or inadvertently exposed to Confidential Information belonging to the other party. Each party agrees to use, disclose, manage and protect the other Party's Confidential Information in accordance with any terms of the Agreement, the contractual provisions set forth below, as well as all applicable federal and California law. Applicable laws may include, but are not limited to: the Family Educational Rights and Privacy Act of 1984 (FERPA; 20 U.S.C. Sec. 1232g), the Protection of Pupil Rights Amendment (PPRA), the Information Practices Act (California Civil Code Sec. 1798, et seq.), the Children's Online Privacy Protection Act (COPPA), the California *Education Code* sections 49069 to 49079, and California State Administrative Manual (SAM) sections 5300 and 5399. These obligations continue even after expiration of this Agreement.
- D. <u>Contractor as CDE Authorized Representative</u>: Contractor agrees to serve as the CDE's authorized representative in the event the Agreement provides for the Contractor to be exposed to, or provided with, personally identifiable information pertaining to students or individuals in order to carry out an audit or evaluation of Federal- or state-supported education programs, or for the enforcement of or compliance with Federal legal requirements related to these programs.
- E. <u>Subcontractors:</u> CDE must, at its discretion, approve in writing each of Contractor's proposed subcontractors who may be exposed to CDE Confidential Information. Contractor shall request any such approval in advance and provide CDE with: i) a copy of the proposed subcontract; ii) background information about the subcontractor and its executives; and iii) any other information reasonably requested by the CDE.
- F. <u>Use and Disclosure/Data Security:</u> Each Party shall use the disclosing Party's Confidential Information only as necessary to perform its obligations hereunder. Each Party shall disclose Confidential Information only to its own employees and employees of its approved contractors or subcontractors who: i) have a need to know such information

for the purposes of performing obligations hereunder, ii) are under legal obligations to maintain the confidentiality and restrict the use of Confidential Information which obligations name the disclosing party as a third-party beneficiary or otherwise give the disclosing party the legal right to enforce such legal obligations, and iii) have completed training approved by the CDE on data security and privacy within the past 12 months.

Contractor and its subcontractors shall exercise all reasonable security measures, including any additional security precautions that have been approved by the CDE's Educational Data Management Division (EDMD) and Technology Services Division (TSD) to prevent unauthorized use, access, modification or disclosure/re-disclosure of any Confidential Information. Such security precautions shall include, at a minimum (and without limiting the generality of the use and disclosure restrictions set forth above):

- Securely encrypting and otherwise complying with best practices in order to securely
 protect Confidential Information that is transmitted electronically or stored on portable
 electronic devices;
- Securely locking any repository for Confidential Information;
- Provide appropriate levels of security (confidentiality, integrity, and availability) for the data based on data categorization and classification and FIPS Publication 199 protection levels.
- Properly maintaining security of any and all computer systems (hardware and software applications) used to store or process Confidential Information, including installing all security patches, upgrades, and anti-virus updates;
- Designating a Security Officer to oversee such Party's Data security program, carry out privacy programs and to act as the principal point of contact responsible for communicating on security matters with the CDE;
- Immediately reporting (within two hours of discovery) to the CDE any breach of security, as that phrase is used in California Civil Code section 1798.29(d), to:

Information Security Officer

California Department of Education Technology Services Division – Information Security Office 1430 N Street, Suite 3712 Sacramento, CA 95814-5901 Office phone: 916-327-3852 Email: ISO@cde.ca.gov

• Promptly taking corrective action to cure any breach of security, including immediately notifying the other parties and conducting an investigation of each breach and providing the other party with a written report of the investigation within thirty (30) working days of the discovery of the breach. All parties may be participants in the security breach investigation, or parties may conduct their own independent investigations, in which all parties shall fully cooperate. The party who experienced the security incident as a result of their failure to perform or negligent acts of its personnel, which resulted in a data breach shall be responsible for all costs incurred, including the costs to provide notice to the individuals whose data has been lost or breached.

- Implementing any other reasonable security protocols for PII or Student or Individual-Level Data that may be prescribed by the CDE's Technology Service Division in a written notice to Contractor.
- Making and distributing copies of Data only as necessary to perform the obligations hereunder in full compliance with the other terms hereof, keeping accurate records of any such copies (including any back-ups), and legally and physically controlling such copies in a manner that prevents unauthorized duplication, use or disclosure.

The Contractor shall retain copies of the compliance agreements, which include signed confidentiality statements, training certifications, and other documentation necessary to demonstrate compliance with the above provisions and provide copies to the CDE upon CDE's written request.

- G. Data Formatting and Delivery: All PII or Student or Individual-Level Data to be delivered from one party to the other hereunder shall i) be in a format, ii) use nomenclature, iii) be delivered in compliance with security protocols, and iv) meet any other specifications, all as set forth in Data delivery and file layout specifications approved by the CDE Education Data Management Division. As early as reasonably possible in the Data delivery process, but in no event less than 12 weeks prior to Data delivery to CDE or 6 weeks prior to Data delivery to Contractor, Contractor shall submit for CDE approval its proposed Data delivery and file layout specifications to be used. The scope of work may specify additional requirements for the proposed data delivery and file layout specifications, such as additional time between the proposed Data Delivery and file layout specification and Data delivery for those cases where a data reporting structure needs to be built, where special provisions are needed for working with other CDE Contractors, etc.
 - 1. Data Delivered to CDE: Unless otherwise agreed by the CDE in writing, Contractor shall use CDE's Preferred Variation of each data element in the proposed file layout specification for data delivery to the CDE. In the event that CDE has not yet formulated a Preferred Variation for a particular Data element, Contractor shall consult with CDE to reach a resolution. Contractor shall cooperate with CDE and shall make each change to the proposed Data delivery and file layout specification that is requested by the CDE in order to gain written approval. Thereafter, all PII and Student or Individual-Level Data shall be delivered in a file conforming to the approved Data delivery and file layout specifications, all PII and Student-Level Data deliveries to the CDE shall be accompanied by a complete Data Dictionary that describes and defines in detail the meaning of all symbols, abbreviations, codes and other descriptors contained in the file provided by Contractor to the CDE.
 - 2. <u>Data Delivered to Contractor:</u> If a scope of work specifies the delivery of PII or Student or Individual-Level Data from CDE to Contractor, Contractor shall specify its requested Data delivery and file layout specifications by submitting a proposal to the CDE for approval. The CDE will review the requested specifications for inconsistencies, data definitions that do not align with CDE's preferred variations and for data elements that do not yet exist or need extraction, redaction, compilation,

aggregation or the like. The CDE will indicate to Contractor whether the request can be met and CDE's estimated costs to meet such requirements. The parties shall revise the Data delivery and file layout specifications until mutually acceptable. Unless otherwise agreed in writing in advance, CDE may charge Contractor for its reasonable costs, including staff time, computing time and materials, in order to meet Contractor's requested specifications.

Contractor acknowledges that CDE maintains and uses Data collected from a variety of diverse sources and that compliance with these Data formatting and delivery provisions is necessary to maintain Data order and for the consistent and effective use of Data by the CDE, regardless of the source of the Data and regardless of how the Data has been collected, developed, matched, aggregated, linked, connected or otherwise generated for use by CDE.

- H. <u>De-Identification of PII:</u> Contractor may not attempt to create, use or disclose Aggregated Data or other forms of de-identified Data, except as CDE may expressly authorized in writing in the Scope of Work. Any Aggregated Data that is authorized by CDE shall be created in compliance with best practices to minimize disclosure risk (e.g., those outlined in the NCES SLDS Technical Brief "<u>Statistical Methods for Protecting</u> <u>Personally Identifiable Information in Aggregate Reporting</u>") and shall be aggregated using a methodology approved in writing in advance by the CDE.
- I. <u>Data Destruction</u>: Contractor shall return or destroy in accordance with the CDE's instructions any and all CDE Data, including, without limitation, Data: i) provided by CDE hereunder, ii) developed by Contractor for CDE hereunder, or iii) otherwise owned by CDE. Such return or destruction shall occur i) immediately upon CDE's request, ii) immediately upon termination of this agreement, or iii) prior to any merger, combination, acquisition, or other change in control of the Contractor, unless CDE, at its sole discretion, gives prior written consent to the change in control and the appropriate parties execute any additional documents CDE specifies in order to preserve or extend the obligations hereunder. Unless otherwise agreed to in writing by the CDE, such destruction shall include Data that is publicly available; however, nothing herein shall prevent the Contractor from thereafter obtaining such Data from publicly available sources. Contractor agrees to submit a letter to the CDE within thirty (30) calendar days of the destruction of the Data attesting to the destruction of all Data obtained from the CDE under this Agreement.
- J. <u>Data Ownership and Possession:</u> Contractor acknowledges that any and all Data that are collected, developed and/or generated by Contractor at CDE's expense are the sole and exclusive Proprietary Information of the CDE and may not be used or disclosed by Contractor except as expressly permitted by the CDE in writing. CDE acknowledges that software and Data previously developed by Contractor at Contractor's sole expense, without contribution or reimbursement from CDE, is Contractor Proprietary Information.
- K. <u>Subsequent Data Disclosures:</u> Notwithstanding any other provision of this Agreement, any future disclosure of PII or Student or Individual-Level Data by the CDE is subject to CDE's internal approval processes and applicable law.

III. RESOLUTION OF DISPUTES:

If the Contractor disputes any action by the CDE Contract Monitor arising under or out of the performance of this contract, the Contractor shall notify the CDE Contract Monitor of the dispute in writing and request a claims decision. The CDE Contract Monitor shall issue a decision within 30 days of the Contractor's notice. If the Contractor disagrees with the CDE Contract Monitor's claims decision, the Contractor shall submit a formal claim to the Superintendent of Public Instruction or the Superintendent's designee. The decision of the Superintendent shall be final and conclusive on the claim unless the decision is arbitrary, capricious, or grossly erroneous or if any determination of fact is unsupported by substantial evidence. The decision may encompass facts, interpretations of the contract, and determinations or applications of law. The decision shall be in writing following an opportunity for the Contractor to present oral or documentary evidence and arguments in support of the claim. The Contractor shall continue with the responsibilities under this Agreement during any dispute.

IV. <u>RIGHT TO TERMINATE:</u>

The State reserves the right to terminate this agreement subject to 30 days written notice to the Contractor. Contractor may submit a written request to terminate this agreement only if the State should substantially fail to perform its responsibilities as provided herein.

However, the agreement can be immediately terminated for cause. The term "for cause" shall mean that the Contractor fails to meet the terms, conditions, and/or responsibilities of the contract. In this instance, the contract termination shall be effective as of the date indicated on the State's notification to the Contractor.

This agreement may be suspended or cancelled without notice, at the option of the Contractor, if the Contractor or State's premises or equipment are destroyed by fire or other catastrophe, or so substantially damaged that it is impractical to continue service, or in the event the Contractor is unable to render services as a result of any action by any governmental authority.

V. <u>TERMINATION FOR TARGETS OF ECONOMIC SANCTIONS; EXECUTIVE ORDER N-6-</u> 22 – RUSSIA SANCTIONS:

On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. The EO directs state agencies to terminate contracts with, and to refrain from entering any new contracts with, individuals or entities that are determined to be a target of Economic Sanctions. Accordingly, should the State determine Contractor is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for termination of this agreement. The State shall provide Contractor advance written notice of such termination, allowing Contractor at least 30 calendar days to provide a written response. Termination shall be at the sole discretion of the State.

VI. ICT ACCESSIBILITY REQUIREMENTS (05/2018):

Unless the scope of work expressly provides that the CDE shall be responsible for all 508 compliance:

- A. Contractor shall, in accordance with California Government Code section 11135 (which requires state agencies to comply with Section 508 of the federal Rehabilitation Act of 1973 (Section 508)), ensure that any and all Information and Communications Technology (ICT) deliverables developed, procured, or maintained as a result of this contract shall comply with state and federal accessibility requirements, including: (i) the California Department of Education's (CDE) Web Content Accessibility Guidelines (WCAG) 2.0 at the AA level found at: <u>http://www.w3.org/TR/WCAG20/</u>, (ii) the CDE's Web Standards found at: <u>https://www.cde.ca.gov/re/di/ws/webstandards.asp</u>, and (iii) the CDE's Web Application Review Team (WebART) review process found at: <u>https://www.cde.ca.gov/re/di/ws/webartproc.asp</u>.
- B. The definition of "Information and Communications Technology" or "ICT" includes but is not limited to: computer hardware, software, cloud services, websites, web content, web or mobile application, office documents (e.g., MS Word, MS Excel, MS PowerPoint, PDF), multimedia, social media, email, and electronic devices.
- C. Contractor shall employ a section 508 compliance expert with qualifications and experience acceptable to the CDE to: (i) advise Contractor during ICT deliverable development, and (ii) certify in writing on behalf of Contractor that the ICT deliverables are fully compliant with the standards in subsection A above and Section 508 prior to submission to, or use by, the CDE. Such certification shall also include a statement describing precise methods by which compliance was determined, along with the results of testing. The Contractor is responsible for any costs associated with breach of such certification.
- D. Upon CDE's request, the Contractor must provide to the CDE all source files for ICT deliverables to the CDE for the purpose of improving accessibility. This may include non-proprietary code, unedited pictures and video, and original documents prior to PDF conversion among others.

VII. PROHIBITION OF DISCRIMINATION:

In addition to the non-discrimination requirements in General Terms and Conditions attached as Exhibit C, Contractor and its subcontractors shall comply with Education Code section 220, which prohibits any person from discriminating on the basis of any characteristic that is contained in the definition of hate crimes set forth in Section 422.55 of the Penal Code, including immigration status, in any program or activity conducted in connection with this contract.

VIII. <u>HEALTH AND SAFETY:</u>

Contractors are required to, at their own expense, comply with all applicable health and safety laws and regulations. Upon notice, Contractors are also required to comply with the state

agency's specific health and safety requirements and policies. Contractors agree to include in any subcontract related to performance of this Agreement, a requirement that the subcontractor comply with all applicable health and safety laws and regulations, and upon notice, the state agency's specific health and safety requirements and policies.

IX. GENAI TECHNOLOGY USE & REPORTING:

During the term of the contract, Contractor must notify the State in writing if their services or any work under this contract includes, or makes available, any previously unreported GenAl technology, including GenAl from third parties or subcontractors. Contractor shall immediately complete the GenAl Reporting and Factsheet (STD 1000) to notify the State of any new or previously unreported GenAl technology. At the direction of the State, Contractor shall discontinue the use of any new or previously undisclosed GenAl technology that materially impacts functionality, risk or contract performance, until use of such GenAl technology has been approved by the State.

Failure to disclose GenAl use to the State and submit the GenAl Reporting and Factsheet (STD 1000) may be considered a breach of the contract by the State at its sole discretion and the State may consider such failure to disclose GenAl and/or failure to submit the GenAl Reporting and Factsheet (STD 1000) as grounds for the immediate termination of the contract. The State is entitled to seek any and all relief it may be entitled to as a result of such non-disclosure.

The State reserves the right to amend the contract, without additional cost, to incorporate GenAl Special Provisions into the contract at its sole discretion and/or terminate any contract that presents an unacceptable level of risk to the State.

EXHIBIT E

ADDITIONAL PROVISIONS

I. CONTRACTOR EVALUATION (Rev. 3/06):

Within sixty (60) days after the completion of this agreement, the CDE Contract Monitor shall complete a written evaluation of Contractor's performance under this agreement. If the Contractor did not satisfactorily perform the work, a copy of the evaluation will be sent to the Department of General Services, Office of Legal Services, and to the Contractor within 15 working days of the completion of the evaluation. (Public Contract Code Section 10369)

II. CONTRACTOR'S RIGHTS AND OBLIGATIONS:

Public Contract Code Sections 10335 through 10381 contain language describing the Contractor's duties, obligations and rights under this agreement. By signing this agreement, the Contractor certifies that he or she has been fully informed regarding these provisions of Public Contract Code.

III. STAFF REPLACEMENTS:

The Contractor will be required to obtain prior approval from the CDE Contract Monitor before changing professional project personnel.

IV. <u>COMPUTER SOFTWARE COPYRIGHT COMPLIANCE:</u>

By signing this agreement, the Contractor certifies that it has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this contract for the acquisition, operation or maintenance of computer software in violation of copyright laws.

V. <u>DISPOSITION OF EQUIPMENT:</u>

Equipment purchased under the provisions of this agreement is the property of the State and shall be used for its intended purpose during the term of this agreement. An inventory of all equipment purchased under this agreement shall be maintained. After the term of this agreement, the equipment shall be returned or disposed of in accordance with instructions from the CDE.

VI. <u>PROHIBITION AGAINST OUTSIDE AGREEMENTS:</u>

The Contractor or subcontractor(s) shall not enter into agreements related to products and/or services of this contract with any out-of-state agency or organization. Any out-of-state agency or organization shall negotiate with the CDE for products and/or services pertaining to this contract.

VII. OWNERSHIP OF MATERIALS AND DATA (Rev. 1/20):

All materials and data developed under the terms of this agreement will become the property of the CDE. The Contractor may not publish, sell, disseminate or otherwise use any materials or data developed under this agreement unless specifically authorized in the statement of work, in a written amendment to this Agreement or in a separate, written agreement containing a licensing provision for such materials or data. The Contractor MUST seek review and approval from the CDE prior to any such publication, sale, dissemination or other use to ensure compliance with the authorizing provisions.

VIII. POTENTIAL SUBCONTRACTORS:

Nothing contained in this agreement or otherwise, shall create any contractual relation between the State and any subcontractors, and no subcontract shall relieve the Contractor of their responsibilities and obligations hereunder. The Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to the Contractor. As a result, the State shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

TD 213A (Rev. 4/2020)		AGREEMENTNUMBER	AMENDMENT NUMBER	Purchasing Auth	ority Number
CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED	PAGES	23-10303	A1		
	S	TATE OF CALIFORNIA			
CONTRACTING AGENCY NAME					
Department of Public Health					
CONTRACTING AGENCY ADDRESS			CITY	STATE	ZIP
1616 Capitol Avenue			Sacramento	CA	95899
PRINTED NAME OF PERSON SIGNING			TITLE		
Vanessa Manson			Chief, Contract Unit Management		
CONTRACTING AGENCY AUTHORIZED SIGNATURE			DATE SIGNED		
CALIFORNIA DEPARTMENT OF GENERAL SERVICES APPROVAL			EXEMPTION (If Applicable)		
			Per Welfare and Instituti	ons Code 4369.3	(f)

STATE OF CALIFORNIA - DEPARTMENT OF GENERAL SERVICES	Reset Form Print Form SC	O ID: 4265-2310303-	A1
STD 213A (Rev. 4/2020) CHECK HERE IF ADDITIONAL PAGES ARE ATTACHED PAGES	AGREEMENT NUMBER 23-10303	AMENDMENT NUMBER	Purchasing Authority Number
1. This Agreement is entered into between the Contracting Age		below:	
CONTRACTING AGENCY NAME Department of Public Health			
CONTRACTOR NAME Tulare County Office of Education		······	
2. The term of this Agreement is:			
START DATE July 1, 2023	·····		
THROUGH END DATE June 20, 2027			****
3. The maximum amount of this Agreement after this Amendme \$2,200,000.00 Two Million Two Hundred Thousand Dollar			

4. The parties mutually agree to this amendment as follows. All actions noted below are by this reference made a part of the Agreement and incorporated herein:

I. Purpose of amendment: This amendment amends Exhibit A and B for FY 24/25, FY 25/26, and FY 26/27 and will allow the contractor to continue providing the services as outlined in the Exhibit A Scope of Work A1. Original Program Analyst (100% FTE) has been promoted to Director (formerly "Administrator" position). This resulted in an overall reduction of personnel costs. Cost-savings have been allocated to the inclusion of the Grant Coordinator (15%), Training Coordinator (15%), and two Program Analysts (80% total FTE) and operating expenses outlined in Exhibit B A1. II. Exhibit A, Scope of Work, is replaced in its entirety with Exhibit A1, Scope of Work.

III. Exhibit A, Attachment I, is replaced in its entirety with Exhibit A1, Attachment I.

IV. Exhibit B, Budget, is replaced in its entirety with Exhibit B, Budget A1.

V. Exhibit B, Attachment I, is replaced in its entirety with Exhibit B A1, Attachment I.

VI. Exhibit D, is being replaced in its entirety with Exhibit D, A01.

All other terms and conditions shall remain the same.

IN WITNESS WHEREOF, THIS AGREEMENT HAS BEEN EXECUTED BY THE PARTIES HERETO.

CONTRACTOR				
CONTRACTOR NAME (if other than an individual, state whether a corporation, partnership, etc.) Tulare County Office of Education				
CONTRACTOR BUSINESS ADDRESS 6200 S. Mooney Blvd.	CITY Visalia		ZIP 93278	
PRINTED NAME OF PERSON SIGNING Tim A.Hire	TITLE Tulare County Supe	rintendent of Schools	<u> </u>	
CONTRACTOR AUTHORIZED SIGNATURE	DATE SIGNED			

1. Service Overview

Contractor agrees to provide to the California Department of Public Health (CDPH) the services described herein.

The purpose of Betting On Our Future (BOOF) project at the California Center for Youth Development and Health Promotion (CCYDHP)/Tulare County Office of Education (TCOE) is to increase awareness, shift social norms and impact the environment that contributes to the silent addiction of problem gambling. The BOOF program has evolved from reaching only participants at the specific project site to impacting the community through outreach, social media and environmental prevention approaches. The staff at CCYDHP/TCOE have extensive expertise in prevention strategies, not only in problem gambling, but in underage alcohol and other drug use, distracted and impaired driving, other issues raised by young people. Their evidence based youth development strategies are well suited to address problem gambling prevention. This project benefits from the leverage achieved by projects on other issues being addressed in the same office from other resources.

The BOOF project is the nation's leading youth gambling prevention program, engaging young people to communicate to their peers about problem gambling. The Staff on this project have won multiple national awards for their work in the area and are national thought leaders in youth development, youth substance abuse prevention, and youth problem gambling prevention.

The initial statewide in person training will launch sites on a trajectory of success through a series of projects over the school year. The sequence of projects will build skills in the young people while impacting the broader community. The initial training will be co-located with the Youth Summit hosted by the program staff at CCYDHP/TCOE for projects focused on underage drinking prevention and distracted and impaired driving. The alignment of the BOOF training with the Youth Summit creates a synergy between youth working on different issues all intended to improve the quality of life in their community.

The local sites projects to increase awareness will benefit from the use of social media most utilized in that community. Each site will conduct an awareness event within their project host agency and event for the broader community. Larger scale outreach will be possible by linking multiple projects together with venues like movie theaters where a broader audience can be reached that a single site cannot do alone.

Social norms messages to not provide lottery tickets to children as presents will be designed by each site. For example digital images can be created and disseminated through social media as well as printed. These efforts can be coordinated with the Lottery Holiday Gift Campaign.

Following the principles of public health, and the practices already being implemented in reducing the availability of alcohol and tobacco from local merchants, the Betting On Our Merchants campaign will be implemented by many of the projects. This will entail Staff providing training to youth on the merchant education campaign. These efforts have been shown to reduce the availability of alcohol and tobacco to minors and we believe the same thing can be done with lottery tickets.

The participants in the BOOF program represent a wide spectrum of the youth of California. Participants can range from middle school to high school. They represent special needs youth to leaders of other projects on their schools to Eagle Scout projects. The results of previous years

BOOF programs have shown significant skill building as well as the willingness to engage in assisting someone to get treatment services for their gambling addiction.

Staff on this project will be working to assist up to 30 sites throughout each year to build their skills, successfully communicate their messages and impact their community.

2. Service Location

The services shall be performed at applicable facilities throughout California. Applicable facilities are determined every fiscal year. A list of applicable facilities will be provided by the second quarter of each fiscal year.

3. Service Hours

The services shall be provided from 8:00 am-5:00 pm Monday through Friday and approved weekends.

4. **Project Representatives**

A. The project representatives during the term of this agreement will be:

California Department of Public Health	Tulare County Office of Education
Stephen Aguirre	Contract Manager
Caihla Looney	Lynne Goodwin
Telephone: (916) 572-3177 279-217-1186	Nani Dodson
E-mail: Stephen.aguirre@cdph.ca.gov	Telephone: (559) 733-6496
Caihla.looney@cdph.ca.gov	Fax: (559) 737-4231
Califia.iooney@cupii.ca.gov	E-mail: lgoodwin@tcoe.org
	nanid@tcoe.org

B. Direct all inquiries to:

California Department of Public Health	Tulare County Office of Education
Office of Problem Gambling	Attention: Lynne Goodwin
Attention: Stephen Aguirre	Nani Dodson
Caihla Looney	6200 S. Mooney Blvd.
MS 8700	Visalia, CA 93278-5091
1616 Capitol Ave., Suite 74.420	
P.O. Box 997377	Telephone: (559) 733-6496
Sacramento, CA 95899-7379	Fax: (559) 737-4231
	E-mail: lgoodwin@tcoe.org
Telephone : (916) 572-3177	nanid@tcoe.org
<u>279-217-1186</u>	
E-mail: <u>Stephen.aguirre@cdph.ca.gov</u>	
Caihla.looney@cdph.ca.gov	

C. All payments from CDPH to the Contractor; shall be sent to the following address:

Remittance Address
Contractor: Tulare County Office of Education
Attention "Cashier":
6200 South Mooney Blvd. PO Box 5091
Visalia, CA 93278-5091
559-733-6496
nanid@tcoe.org

D. Either party may make changes to the information above by giving written notice to the other party. Said changes shall not require an amendment to this agreement.

5. **Progress Reports or Meetings**

- A. Contractor shall submit progress reports or attend meetings with state personnel at intervals determined by CDPH to determine if the Contractor is on the right track, whether the project is on schedule, provide communication of interim findings, and afford occasions for airing difficulties or special problems encountered so that remedies can be developed quickly.
- B. At the conclusion of this agreement and if applicable, Contractor shall hold a final meeting at which Contractor shall present any findings, conclusions, and recommendations. If required by this agreement, Contractor shall submit a comprehensive final report.

6. Services to be Performed

Contractor shall perform the following services:

Deliverable YOUTH ADVOCACY

A. Objective

Identify and support a statewide network of up to 25 *Betting On Our Future* (BOOF) sites to raise awareness of problematic gambling behaviors through the development of one youth-led marketing campaign at each site. The BOOF project will provide participants with opportunities to develop 3-5 educational tools to inform communities on the harms, norms, and impacts of underage and problem gambling as well as the resources available through the California Office of Problem Gambling.

B. Activities

- 1) Establish annual statewide cohorts of 25 BOOF sites:
 - a) Develop a mini-grant scope of work to be used by sites
 - b) Design and disseminate the online grant application process
 - c) Conduct outreach to Tribal youth, LGBTQ2S+ youth, and youth experiencing homelessness and foster placement to introduce the BOOF project opportunity
 - d) Develop two fact sheets annually and host 1-2 virtual informational meetings, annually, on project goals and objectives, as an overview for potential sites to review in consideration of applying for the project
 - e) Identify and contract with up to 25 funded sites to develop a marketing campaign to include:
 - i. A minimum of one digital graphic, to be used in three or more of the following: videos, social media posts/stories, reels, flyers, posters, labels, postcards, door hangers, pledges
 - ii. 1-2 community engagements (with one or more of the following: lottery merchants, parents, schools) through presentations, education/awareness efforts, surveying, and media placements
 - iii. Campaign promotion utilizing one or more of the following modalities: radio, television, social media, community or school event
 - iv. Campaign products may be translated to other languages, as determined by the youth participants at that site, as an optional campaign enhancement for additional funds; languages may include Spanish, Chinese, Tagalog, Punjabi
- 2) Provide 2-3 training and technical assistance opportunities (per reporting period) to youthled BOOF project sites:
 - a) Youth participants will develop skills and grow in their roles as leaders and advocates for change in problematic gambling behaviors
 - b) Through the implementation of the project, young people will build their capacity in research, community assessment, data analysis, digital design, public speaking, community event planning, technology, and marketing.
 - i. A minimum of 1,000 surveys are to be collected statewide via an online survey tool (i.e., Survey Monkey)
 - c) Funded sites will conduct 1-2 points of outreach annually, to parents, media, schools, merchants, and other community partners to:
 - i. Impact the social norms that support underage gambling behaviors
 - ii. Highlight the influence technology and gaming have on underage gambling
 - iii. Consider the cultural activities that support underage gambling behaviors
 - iv. Educate lottery merchants to reduce access to products and prizes that appeal to young people by utilizing *Betting On Our Merchants* tools and resources
 - v. Engage business owners in *Spread the Word* activities where young people utilize an environmental prevention approach to share information and resources through label placement during high-profile gambling events (i.e., Super Bowl, March Madness)

- 3) Disseminate and promote participant-created projects through placement on radio, television, print, and digital/streaming platforms.
 - a) Placement will begin in March and may run through June
 - b) Target markets include 45-50 counties across the state
 - c) Target number of streaming radio impressions, which may include the iHeart network, is 2,000,000
 - d) Target number of social media impressions on Facebook, Instagram, Snapchat, and Tik Tok, is 1,000,000

C. Performance Measures

- 1) Number of funded sites
- 2) Number of educational tools developed
- 3) Number of community engagements/contacts
- 4) Number of surveys collected
- 5) Number of media impressions

D. Staff Responsibilities

- An Administrator <u>A Director</u> with expertise in the Friday Night Live (FNL) program will
 provide oversight of the project to ensure the integration of youth development and
 evidence-based strategies with gambling prevention efforts. The <u>Administrator Director</u>
 will expand outreach efforts to expose underage gambling prevention to groups not
 currently working on the issue. Outreach will be facilitated through the <u>Administrator's
 Director's</u> seating on statewide boards, workgroups, committees, and coalitions.
- 2) <u>A Grant Coordinator with expertise in the FNL program and with grant</u> <u>management and contracting processes will provide oversight of the administrative</u> <u>engagement with the selected BOOF sites. This includes the collection of contract</u> <u>entity information, the development of the scope of work and contract documents,</u> <u>contract issuance and monitoring, and report and invoice processing.</u>
- 3) <u>A Training Coordinator with expertise in the FNL program and the related technical assistance areas will support the program analysts in evaluating the programmatic training needs of the selected BOOF sites. This includes the design, coordination, and delivery of trainings.</u>
- 4) A-<u>Two</u> Program Analyst<u>s</u> with expertise in the FNL program will provide general oversight of the project in the following ways:
 - a) Monitor and create the application process to recruit and identify BOOF sites
 - b) Create application materials, including fact sheets and scope of work language
 - c) Meet with sites 3-4 times during the project term to assess technical assistance needs
 - d) Identify capacity gaps and create training content and materials accordingly
 - e) Provide training on a one-on-one basis using a variety of modalities, including inperson and virtual platforms
 - f) Research/utilize current trends in software applications, technology, and social media in support of continuous program improvement

- g) Support the FNL statewide infrastructure by participating in general processes of the California Friday Night Live Partnership (CFNLP). This includes regional calls, evaluation processes, regional and state convenings, and county staff support on an ongoing basis
- h) Monthly check-in meetings with subcontractors to ensure campaign progress
- i) Review and approval of campaign materials
- j) Perform site visits, as needed
- 5) A Project Specialist will:
 - a) Provide administrative support for the program and staff
 - b) Oversee scheduling of meetings and trainings both in-person and virtual
 - c) Maintain the calendar, meetings, and conference call scheduling to ensure the timely completion of program objectives
 - d) Assist staff in developing tools and resources that support sites to meet contract deliverables
 - e) Support the preparation of contracts, invoices, and reports for subcontractors

Deliverable TRAINING & TECHNICAL ASSISTANCE

A. Objective

Provide 15-20 training opportunities for youth participants, adult allies, and partner organizations throughout the annual project term. Identify site training needs through one on one technical assistance and learning community calls, research and contract with 3-4 trainers, and develop 1-2 resources to support underage gambling prevention efforts. Training may be provided in person, over the phone, at conferences, via webinars, and/or through zoom meetings.

B. Activities

- 1) Provide 10-12 virtual trainings annually, that focus on:
 - a) Project implementation (3-4 webinars)
 - b) Community engagement strategies (2-3 webinars)
 - c) Campaign development (2-3 webinars)
 - d) Media literacy (1-2 webinars)
- 2) Host one BOOF Learning Community Call (during each of the 3 annual reporting periods) for funded sites, that:
 - a) Allow staff to provide information to support project implementation (i.e.<u></u> upcoming trainings and conferences, important dates/deadlines, new tools, and resources, etc.)
 - b) Provide opportunities for sites to network and leverage resources (i.e., outreach strategies, useful software/programs, shared community engagements, etc.)
 - c) Offer space for advisors to share project efforts, successes, and challenges; and receive feedback and support from staff and peers
- 3) Hold virtual 'office hours' monthly for sites to have regular access to staff for any training requests, questions, project/activity sharing, etc.
- 4) Establish and maintain a virtual library to support campaign development. Resources will include toolkits, fact sheets, power points, templates, community outreach tools, and partner agency flyers and brochures
- 5) Coordinate an annual statewide youth conference to increase the capacity of youth that participate in the BOOF program by:
 - a) Providing workshops on project development (i.e., marketing, video production, graphic design)
 - b) Educating and motivating participants to achieve project outcomes by building their capacity in assessment, implementation, and evaluation methods
 - c) Providing tools and opportunities throughout the event for team building and collaboration, across sites, to maximize campaign impact in their communities and statewide
 - d) Delivering presentations on strategies that create positive social change by reducing youth access to gambling products and activities (i.e., social norm campaigns, *Photovoice*, merchant engagement)
- 6) Develop 1-2 BOOF-specific curricula/lessons for elementary and middle school students:

- a) Youth leaders may utilize the curriculum to engage younger students and include them in their campaign work
- b) FNL Mentoring programs may integrate a prescribed lesson that educates and highlights the potential dangers of gambling
- 7) Develop 2-3 multilingual and culturally specific versions of BOOF tools (fact sheets, pledges, flyers, etc.) for program participants to use in their community engagement efforts; languages may include Spanish, Chinese, and/or Tagalog
- 8) Facilitate 1-3 presentations for organizations both nationally and statewide to support their work in preventing underage gambling behaviors. Topics may include:
 - a) Youth development practices
 - b) Environmental prevention strategies
 - c) Merchant engagement and education
 - d) Youth-led action research

C. Performance Measures

- 1) Number of webinars
- 2) Number of attendees
- 3) Training evaluations
- 4) Number of multilingual tools
- 5) Number of facilitated presentations

D. Staff Responsibilities

- An Administrator <u>A Director</u> with expertise in the FNL program and technical assistance will provide oversight on training processes and technological services and systems to support the program. The <u>Administrator</u> <u>Director</u> will make determinations on training content, delivery mechanisms, and facilitator outreach.
- 2) <u>A Grant Coordinator with expertise in the FNL program and with grant</u> <u>management and contracting processes will provide oversight of the contracts with</u> <u>technical assistance providers.</u>
- 3) <u>A Training Coordinator with expertise in the FNL program and the related technical assistance areas will support the program analysts in identifying program development needs and expert trainers/contractors to facilitate trainings. The Training Coordinator will also support the Program Analysts to facilitate CFNLP-hosted trainings and presentations. This includes the design, coordination, and delivery of trainings.</u>
- 4) **A <u>Two</u>** Program Analyst<u>s</u> with expertise in the FNL program will provide general oversight of the project in the following ways:
 - a) Provide training that addresses program development needs with the goal of meeting program standards
 - b) Identify training and technical assistance that will increase the capacity of funded sites and expand the depth, breadth, and quality of program implementation
 - c) Ensure that project staff, consultants and subcontractors have adequate knowledge, prevention expertise, and capacity to provide services that support the goals of the project and are culturally sensitive and linguistically appropriate

- d) Assign appropriate consultants or staff to meet training requests
- e) Develop training content, agendas, presentations, and evaluation methods
- f) Research training modalities and coordinate technical assistance technology
- g) Manage staff, volunteers, and partners providing support for webinars, meetings, and in-person events
- h) Develop materials and tools to support sites in creating effective multimedia awareness/marketing campaigns
- i) Develop and facilitate presentations to build the capacity of both youth participants and adult advisors in the program
- i) Evaluate the quality of training services and assess the outcomes achieved
- k) Facilitate continuous knowledge and skill development by gathering information and training opportunities on emerging trends and evidence-based youth development strategies
- 1) <u>Participate in external training opportunities in order to gather resources for</u> <u>BOOF sites</u>
- m) <u>Engage with translation contractor to ensure delivery of multilingual and</u> <u>culturally specific tools</u>
- 5) A Project Specialist will:
 - a) Organize and support the development of training activities
 - b) Maintain the calendar, meetings, and conference call scheduling
 - c) Provide administrative support for registration processes
 - d) Assist in the facilitation of meetings, trainings, and conferences
 - e) Prepare/monitor subcontracts, agreements, invoices, and training stipends
 - f) Coordinate arrangements for conferences and meetings
 - g) Arrange travel for staff and presenters
 - h) Organize hotel/venue logistics for training events
 - i) Track inventory and order supplies for the office, training events, and meetings
 - j) Create purchase orders and requests for warrants for purchases
 - k) Create and maintain notes for meetings
 - 1) Input and summarize evaluation data

Deliverable PROGRAM PROMOTION

A. Objective:

Develop and share 2-4 data-driven information and educational resources on underage gambling and problematic gambling behaviors that raise awareness and increase knowledge of the negative impacts of problem gambling.

B. Activities:

- 1) Annually review and modify (if needed) the BOOF Youth Survey that assesses underage gambling activities and perceptions to:
 - a) Support youth-led action research on:
 - i. Emerging Trends
 - ii. Gaming practices
 - iii. Sports betting
 - iv. Media messaging
 - v. Peer pressure
 - vi. Mental health
 - vii. ATOD linkages
 - viii. Technology influences
 - b) Analyze data and develop an annual summary of findings to be shared through a report, 1-2 infographics, 3-4 social media posts, and 2-3 customizable campaign tools
 - i. Materials will be developed with the intent to educate and raise awareness of the signs and risks of underage gambling for parents, teachers, merchants, and other community members
- 2) Raise awareness of the wrap-around services provided by OPG:
 - a) Develop and promote materials (social media posts, site projects, etc.) that direct viewers to the OPG website and 1-800-GAMBLER helpline
 - b) Participate in and promote Problem Gambling Awareness Month (PGAM) efforts and events:
 - i. Participate in PGAM planning meetings
 - ii. Promote PGAM through 10-15 social media posts throughout PGAM
 - iii. Provide BOOF sites with PGAM posters, graphics, and social media templates
 - iv. Volunteer time to OPG Summit planning and facilitation (presentation, registration, and tech support)
- 3) Provide exposure for the BOOF program, projects, and resources:
 - a) Pursue 1-2 opportunities annually for staff and/or youth to present the BOOF program (and strategies used by California to prevent underage gambling) at events statewide and nationally; information on program development, framework, tools, and successes/challenges will be shared to showcase the collective efforts of California to prevent underage gambling

- b) Share updates during monthly county administrator meetings, prevention coordinators meetings, and FNL regional meetings to reach additional youth throughout the state
- c) Participate in the executive team of the Prevention Committee for the National Council of Problem Gambling to collaborate on youth prevention efforts (national campaigns, curriculum, projects, etc.)
 - i. Attend monthly meeting
- 4) Develop, and update quarterly, a page on the CFNLP website dedicated to underage gambling prevention, to include:
 - a) A showcase of youth-created campaign components from each of the 25 sites
 - b) Survey report and infographics
 - c) 1-3 fact sheets and documents that highlight the signs and risks of underage and problematic gambling behaviors
 - d) Links to OPG and other partner agency websites
 - e) Ensure ADA compliance with all images
- 5) Utilize social media to share program activities, projects, reports, tools, and resources
 - a) Post, at minimum, 5 times monthly
 - b) Share multilingual posts to reach a broader audience of youth and community

C. Performance Measures

- 1) Number of educational resources developed
- 2) Number of products developed from the BOOF Youth Survey data
- 3) Number of PGAM activities conducted by staff and funded sites
- 4) Number of outreach events
- 5) Number of workshop applications submitted
- 6) Number of presentations provided
- 7) Number of website updates
- 8) Number of social media impressions

D. Staff Responsibilities

- An Administrator <u>A Director</u> with expertise in the FNL program will establish and maintain relationships with systems that align with the BOOF goals to promote program sustainability and exposure. The <u>Administrator Director</u> will uphold their current committee and board memberships in a variety of organizations that assist in programmatic growth for the BOOF program. The <u>Administrator Director</u> will present at events statewide and nationally to promote the BOOF program.
- 2) <u>A Grant Coordinator with expertise in the FNL program and evaluation will support</u> <u>the contracted expert evaluator and the Program Analysts as the annual BOOF</u> <u>Youth Survey is updated, administered, and analyzed.</u>
- 3) <u>A Training Coordinator with expertise in the FNL program will support the Program</u> <u>Analysts to develop educational resources, materials for BOOF sites related to the</u> <u>BOOF Youth Survey and PGAM efforts, and other presentation/training</u> <u>opportunities.</u>

- 4) A <u>Two</u> Program Analyst<u>s</u> with expertise in the FNL program will provide general oversight of the project in the following ways:
 - a) Develop content, theme, and graphics for informational materials<u>: amplify these</u> <u>materials on social media, the CFNLP website, and other platforms, as</u> <u>identified</u>
 - b) Support the development and facilitation of presentations that spotlight the BOOF program and promote participation
 - c) Prepare applications for presentations
 - d) Utilize technology and software to enhance program presentations
 - e) Attend regional, state, and national meetings and conferences<u>: seek opportunities</u> to present at these convenings to further promote the BOOF program
 - f) Identify and work with problem gambling experts
 - g) Develop presentations and materials that showcase programmatic outcomes and successes
 - h) Identify diverse and culturally proficient consultants to provide training and program support services
- 5) A Project Specialist will:
 - a) Create letters, memos, training materials, staff handbooks, newsletters, requisitions, and flyers to communicate with the general public and BOOF sites.
 - b) Record and maintain meeting minutes
 - c) Maintain the calendar, meetings, and conference call scheduling
 - d) Coordinate all travel needs for staff, including the processing of travel documentation
 - e) Facilitate the purchase of all materials, supplies, and equipment
 - f) Prepare and process invoices
 - g) Track all program expenditures
 - h) Organize and prepare training materials and informational packets

Deliverable POLICY WORK & COLLABORATION

A. Objective

Examine existing rules, regulations, laws, and policies related to underage gambling and its prevention. This research and policy evaluation will be executed to educate and collaborate with partners and policymakers as to the gaps, policy loopholes, and policy reform opportunities that may help reduce underage gambling. This research effort may also result in policy reform advocacy efforts indicated by policy analysis.

B. Activities

- 1) Explore California lottery policies, laws, and regulations and their effectiveness in preventing underage gambling through retail sources in the following ways:
 - a) Use policy analysis in the further development of BOOF merchant project work
 i. Update and/or create 1-2 merchant educational tools
 - b) Identify potential policy change opportunities
- 2) Study the policies, laws, and regulations that California and Tribal nations have in place for casinos/cardrooms and their effectiveness in preventing underage access
 - a) Identify partners that participate in responsible gaming policies in their establishments, with the potential to include underage prevention efforts
- 3) Establish partnerships with agencies and organizations to reduce underage gambling behaviors and access in the following ways:
 - a) Educate partners, youth, and policymakers about the effects of underage gambling
 i. Update and/or create 1 educational document
 - b) Educate partners, stakeholders, and policymakers about the potential positive outcomes that could result from collaborative prevention efforts

C. Performance Measures

- 1) The development of one fact sheet to educate on the laws, regulations, policies, and enforcements related to underage gambling
- 2) The number of partners and stakeholders receiving and utilizing the fact sheet
- 3) The number of policy change initiatives promoted as a result of policy analysis and education

D. Staff Responsibilities

- An Administrator <u>A Director</u> with expertise in the FNL program will establish and maintain relationships with agencies and partners invested in evaluating and reforming policies to promote the prevention of underage gambling. The <u>Administrator Director</u> will analyze current policies and support the development of educational tools and materials.
- 2) <u>**Two**</u> A Program Analyst<u>s</u> with expertise in the FNL program will provide support for the project in the following ways:
 - a) Partner with statewide and community-based agencies for building and strengthening collaborations
 - b) Review existing gambling laws, policies, and regulations

- c) Research policy enforcement standards and efforts
- d) Gather information on the potential positive prevention outcomes that could result from specific policy changes
- e) Develop tools to educate partners and stakeholders on current policies and potential changes
- f) Attend policy-relevant meetings
- g) Research emerging issues related to youth development, youth prevention, underage gambling, and problematic gambling behaviors
- h) Examine gambling/gaming/lottery guidelines and regulations both nationally and in other states
- i) Develop strategies and recommendations to reduce youth access to gambling activities, products, and prizes
- j) Utilize statewide data and the expertise of partners to ascertain FNL program needs and emerging issues
- k) Facilitate continuous knowledge and skill development by gathering information and training opportunities on emerging trends and evidence-based youth development strategies
- 1) Track emerging trends and relevant literature
- m) Participate in planning committees
- n) Track pertinent local, state, and national legislation
- 3) A Project Specialist will:
 - a) Maintain the calendar, meetings, and conference call scheduling
 - b) Record agendas, minutes, and related documents for all policy-related meetings
 - c) Prepare informational packets
 - d) Create and maintain databases to manage research, contacts, and outreach efforts
 - e) Monitor policy efforts to assure compliance with organizational and/or state requirements
 - f) Produce and maintain records and documents that support all aspects of the CFNLP's organizational needs
 - g) Make travel arrangements
 - h) Create contracts and materials to support the project
 - i) Communicate with partners to maintain clean records and keep current on project changes and needs

Deliverable ADMINISTRATION

A. Objective

Ensure all administrative tasks are completed in the manner and conditions set below to ensure orderly and systematic executed contract performance.

B. Activities

- 1) Progress Reports
 - a) Submit quarterly progress reports in the SMART format in accordance with the executed contract to the assigned contract manager.
 - i. Progress reports shall include, but are not limited to, a statement that the contractor is or is not on schedule, changes in staff, any pertinent reports, or interim findings related to implementation
 - ii. Reports are to be submitted no more than 30 days after the end of each quarter
 - iii. The contractor shall cooperate with and shall be available to meet with OPG staff to discuss any difficulties or special problems so that solutions or remedies can be developed as soon as possible
- 2) Presentation
 - a) Upon request, the Contractor shall meet with OPG staff to present any findings, conclusions, and recommendations required by the contract for approval
 - i. At the conclusion of the executed contract, the contractor shall submit a comprehensive final program evaluation report for approval highlighting the performance and impact of financial OPG investments at the close of the contract cycle
 - ii. Both the close-out meeting and the final program evaluation report shall be completed on or before the date the executed contract cycle ends.
- 3) Publication and Reports (as needed)
 - a) The OPG reserves the right to use and reproduce all publications, reports, and data produced and delivered pursuant to this Contract. The OPG further reserves the right to authorize others to use or reproduce such materials provided the author of the report is acknowledged in any such use or reproduction.
 - b) If the publication and/or report are prepared by non-employees of OPG, and the total cost for such preparation exceeds \$5,000, the publication and/or report shall contain the numbers and dollar amounts of all contracts and subcontracts relating to the preparation of the publication and report in a separate section of the report (Government Code Section 7550).
- 4) Invoices
 - a) Submit quarterly invoices to ensure that the objectives are being met. These are to be submitted no more than 30 days after the end of the quarter.
- 5) Approval of Products (Ongoing)
 - a) Unless otherwise specified in the contract acceptance letter, each product to be approved under an executed contract shall be approved by the contract manager or

OPG Chief. The OPG's determination as to satisfactory work shall be final absent fraud or mistake.

C. Performance Measures

- 1) Quarterly progress reports
- 2) Quarterly invoices
- 3) Meetings with funder
- 4) One final program report

D. Staff Responsibilities

- 1) An Administrator <u>A Director</u> with expertise in the FNL program will ensure the timely completion and submission of all administrative aspects of the contract.
- 2) <u>A Grant Coordinator with expertise in the FNL program will support the reporting</u> requirement deliverables and will join meetings with the funder, as needed.
- 3) <u>A Training Coordinator with expertise in the FNL program will contribute to the</u> reporting requirements and will join meetings with the funder, as needed.
- 4) A <u>**Two**</u> Program Analyst<u>s</u> with expertise in the FNL program will provide support for the project in the following ways:
 - a) Prepare project work plan and budget detailing all tasks, responsibilities, and deadlines
 - b) Monitor and coordinate project budgets
 - c) Monitor project work plan to ensure timely completion of activities
 - d) <u>Monitor progress of BOOF sites and contractors to ensure timely completion</u> <u>of deliverables</u>
 - e) Prepare and provide quarterly progress reports
 - f) Schedule and attend regular check-in meetings with OPG staff at intervals determined by OPG to monitor project progress and review contract financial reconciliations
- 5) A Project Specialist will
 - a) Prepare and provide quarterly invoices itemizing all expenses
 - b) Maintain the calendar, meetings, and conference call scheduling
 - c) Maintain records and documents that support all aspects of the CFNLP's organizational needs

	Exhibi	t A Atta	achment I		<u>A01</u>
Activi			rmed by Whom	Time I	Frame
	Advocacy				
1.	Develop scope of work for mini-grants (\$3.000/site), prepare/disseminate application statewide, conduct outreach to diverse and underserved	1.	Administrator <u>Director</u> , Program Analyst <u>s,</u> Grant Coordinator	1.	July-Aug
2.	communities Identify up to 25 awarded sites (with 4 or more youth at each site) and process contracts and agreements	2.	Program Analyst <u>s,</u> Project Specialist	2.	Aug-Oct
3.		3.	Program Analyst <u>s.</u> <u>Training Coordinator</u>	3.	Sept-June
	Facilitate a statewide promotion of campaign materials, (1-2 developed by each funded site) via social media, digital, and streaming services, to include information on underage gambling signs, symptoms, statistics, and assistance	4.	Program Analyst <u>s,</u> <u>Training Coordinator,</u> Project Specialist	4.	Nov-June
	ng & Technical Assistance Develop program tools and resources for youth participants and adult advisors	1.	Program Analyst <u>s,</u> <u>Training Coordinator,</u> <u>Grant Coordinator</u>	1.	Aug-Sept
2.		2.	Administrator <u>Director</u> , Program Analyst <u>s</u> , Project Specialist, Training Consultants, <u>Training Coordinator,</u> <u>Grant Coordinator</u>	2.	Sept-April
3.	Plan and host one statewide youth conference annually for up to 1,000 youth to develop their skills as leaders and agents of change to create safe/healthier communities: establish dates, venue, theming, and registration processes; outreach to presenters, consultants,	3.	Administrator <u>Director</u> , Program Analyst <u>s</u> , Project Specialist, Subcontractors, Consultants, <u>Training</u> <u>Coordinator, Grant</u> <u>Coordinator</u>	3.	July-Nov
	subcontractors Develop 1-2 BOOF-specific lessons and curriculum	4.	Administrator, Program Analyst <u>s</u> , Consultants, Training Coordinator	4.	July-Dec
0	am Promotion Conduct outreach through presentations at conferences and events, meetings (county administrators, prevention coordinators), social media, networks (American Indian Education Centers),	1.	Administrator <u>Director</u> , Program Analyst <u>s,</u> <u>Training Coordinator</u>	1.	July-June

2. July-June

				A01
		Exhibi	<u>t A, Attachment I</u>	<u></u>
		etc., to gain exposure for the BOOF program and encourage organizations to apply for project		
	2.	funds Develop 1-4 data-driven resources (i.e. <u>.</u> reports, infographics, social media templates, reels, etc.) through	 Administrator <u>Director</u>, Program Analyst<u>s,</u> <u>Training Coordinator,</u> Subcontractors 	2. Aug-March
		an assessment of underage gambling behaviors and perceptions (BOOF Youth Survey – with an anticipated	2 Administrator Director	
	3.	reach of 1,000 respondents) Promote OPG wrap-around services through the campaign elements developed by funded sites; this may include videos, audio files, graphics, and posters; each element will make mention of the hotline or OPG website to inform the public of the resources available for those in need of services, as well as raise the awareness of the issue in	3. Administrator <u>Director</u> , Program Analyst <u>s,</u> <u>Training Coordinator</u>	3. July-June
	4.	communities across CA <u>California</u> Facilitate 1-2 presentations annually on the BOOF program to gain exposure for the project and showcase the work of CA youth to raise awareness of underage gambling; maintain 1-3 partnerships that promote underage gambling awareness and BOOF prevention	 Administrator <u>Director</u>, Program Analyst<u>s,</u> <u>Training Coordinator</u> 	4. July-June
	5.	quarterly with reports, tools, and youth-created projects; post, at minimum, 5 times monthly on social media platforms to share program updates (grant application, campaign activities, and elements from funded sites, PGAM), statistics (BOOF Survey information), and OPG resources (hotline, website, text number)	5. Program Analyst <u>s,</u> <u>Training Coordinator,</u> Project Specialist	5. July-June
ļ	-	Work & Collaboration		
	1.	Research and report (through progress reports) on state and national gambling/gaming regulations to support policy work that prevents	 Administrator Director , Program Analyst<u>s,</u> Grant Coordinator, Training Coordinator 	1. July-June
		underage gambling		0 1 1 1

2. Establish 1-2 partnerships with organizations, departments, and

Exhibit A, Attachment I

agencies (i.e., DOJ, gaming	2. Administrator Director,		
organizations, tribal entities, etc.),	Program Analyst <u>s,</u>		
that educate and raise awareness of	Grant Coordinator,		
the environments and norms that	Training Coordinator		
support underage gambling			

Budget Detail and Payment Revisions

1. Invoicing and Payment

- A. In no event shall the Contractor request reimbursement from the State for obligations entered into or for costs incurred prior to the commencement date or after the expiration of this Agreement.
- B. For services satisfactorily rendered, and upon receipt and approval of the invoices, the State agrees to compensate the Contractor for actual expenditures incurred in accordance with the Budget Line Items amounts/Exhibit B, Cost Sheet specified in Attachment 1, of this Exhibit.
- C. Invoices shall include the Agreement Number and shall be submitted in triplicate not more frequently than quarterly in arrears to:

Stephen Aguirre

Caihla Looney

California Department of Public Health Office of Problem Gambling MS 8700 1616 Capitol Avenue, Suite 74.420 PO Box 997377 Sacramento, CA 95899-7379

The State, at its discretion, may designate an alternate invoice submission address. A change in the invoice address shall be accomplished via a written notice to the Contractor by the State and shall not require an amendment to this agreement.

- D. Invoice shall:
 - 1) Be prepared on Contractor letterhead. If invoices are not on produced letterhead invoices must be signed by an authorized official, employee or agent certifying that the expenditures claimed represent activities performed and are in accordance with Exhibit A.
 - 2) Invoices must be submitted to CDPH either electronically or in hard copies.
 - 3) Identify the billing and/or performance period covered by the invoice.
 - 4) Itemize costs for the billing period in the same or greater level of detail as indicated in this agreement. Subject to the terms of this agreement, reimbursement may only be sought for those costs and/or cost categories expressly identified as allowable in this agreement and approved by CDPH.
- E. Amounts Payable

The amounts payable under this agreement shall not exceed: \$2,200,000.00

F. Rates Payable

Contractor will be reimbursed for services satisfactorily performed based on the following rate schedule found in Exhibit B, Attachment I Cost Sheet.

Budget Detail and Payment Provisions

2. Budget Contingency Clause

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

3. Prompt Payment Clause

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

4. Timely Submission of Final Invoice

- A. A final undisputed invoice shall be submitted for payment no more than *thirty (30)* calendar days following the expiration or termination date of this agreement, unless a later or alternate deadline is agreed to in writing by the program contract manager. Said invoice should be clearly marked "Final Invoice", indicating that all payment obligations of the State under this agreement have ceased and that no further payments are due or outstanding. The State may, at its discretion, choose not to honor any delinquent final invoice if the Contractor fails to obtain prior written State approval of an alternate final invoice submission deadline.
- B. The Contractor is hereby advised of its obligation to submit to the state, with the final invoice, a completed copy of the "Contractor's Release (Exhibit E)".

5. Expense Allowability / Fiscal Documentation

- A. Invoices, received from the Contractor and accepted for payment by the State, shall not be deemed evidence of allowable agreement costs.
- B. Contractor shall maintain for review and audit and supply to CDPH upon request, adequate documentation of all expenses claimed pursuant to this agreement to permit a determination of expense allowability.
- C. If the allowability of an expense cannot be determined by the State because invoice detail, fiscal records, or backup documentation is nonexistent or inadequate according to generally accepted accounting principles or practices, all questionable costs may be disallowed and payment may be withheld by the State. Upon receipt of adequate documentation supporting a disallowed or questionable expense, reimbursement may resume for the amount substantiated and deemed allowable.

Budget Detail and Payment Revisions

6. Recovery of Overpayments

- A. Contractor agrees that claims based upon the terms of this agreement or an audit finding and/or an audit finding that is appealed and upheld, will be recovered by the State by one of the following options:
 - 1) Contractor's remittance to the State of the full amount of the audit exception within 30 days following the State's request for repayment;
 - 2) A repayment schedule agreeable between the State and the Contractor.
- B. The State reserves the right to select which option as indicated above in paragraph A will be employed and the Contractor will be notified by the State in writing of the claim procedure to be utilized.
- C. Interest on the unpaid balance of the audit finding or debt will accrue at a rate equal to the monthly average of the rate received on investments in the Pooled Money Investment Fund commencing on the date that an audit or examination finding is mailed to the Contractor, beginning 30 days after Contractor's receipt of the State's demand for repayment.
- D. If the Contractor has filed a valid appeal regarding the report of audit findings, recovery of the overpayments will be deferred until a final administrative decision on the appeal has been reached. If the Contractor loses the final administrative appeal, Contractor shall repay, to the State, the over-claimed or disallowed expenses, plus accrued interest. Interest accrues from the Contractor's first receipt of State's notice requesting reimbursement of questioned audit costs or disallowed expenses.

7. Progress Payment Withholds

- A. In accordance with the PCC Section 12112, the state shall withhold, from the total amount or from the invoiced payment amount to the Contractor, an amount equal to ten percent (10%) of the payment. Such retained amount shall be held by the State and only released to the Contractor upon the States Project Representative/Contract Manager determining that the Contractor has satisfactorily completed all of the required services related to the services within the scope of work.
- B. Progress payments may not be made more frequently than monthly in arrears for work performed and costs incurred in the performance of the Agreement. In the aggregate, progress payments may not exceed 90 percent of the total agreement amount, regardless of agreement length.
- C. Ten percent (10%) may be withheld by CDPH from each invoice submitted for reimbursement, under the following conditions:
 - 1) For services and costs associated with contractor and/or subcontractor performance that is considered to be of an ongoing nature or performed continuously throughout the term of the Agreement.

Budget Detail and Payment Revisions

- 2) For individual services associated with a specific agreement deliverable that has not yet been received or completed in its entirety.
- 3) For individual and/or distinct tasks, work plans, or project activities that have not yet been completed in their entirety.
- D. Release of Amounts Withheld

As individual and/or distinct tasks, services, work plans, or project activities are completed in their entirety by either the Contractor or Subcontractor and any scheduled/required deliverables or reports are delivered to CDPH; then any funds so withheld may be released to the Contractor upon acceptance and/or acknowledgement that all such items have been completed to the full satisfaction of CDPH.

E. Payment Requests Excluded from the 10 Percent (10%) Withhold

Ten percent (10%) payment withholds shall not be applied to reimbursements or periodic payment requests for direct costs associated with equipment purchases, media buys, operating expense items, and other procurements not directly associated with the Contractor's personal performance.

8. Travel and Per Diem Reimbursement

Any reimbursement for necessary travel and per diem shall, unless otherwise specified in this Agreement, be at the rates currently in effect, as established by the California Department of Human Resources (<u>Cal HR</u>). If the Cal HR rates change during the term of the Agreement, the new rates shall apply upon their effective date and no amendment to this Agreement shall be necessary. No travel outside the state of California shall be reimbursed without prior authorization from the CDPH. Verbal authorization should be confirmed in writing. Written authorization may be in a form including fax or email confirmation.

	Year 1	Year 2	Year 3	Year 4
	FY 23-24	FY 24-25	FY 25-26	FY 26-27
PERSONNEL COSTS			L	
Administrator Director Salary	\$ 41,114.00	\$44,981.00	\$24,540.00	\$26,712
(Year 1: 20% FTE)		<u>\$40,202.50</u>	<u>\$41,408.00</u>	<u>\$35,336.00</u>
(<u>Years 2- 4-3: 25% FTE)</u>				
Year 4: 20% FTE)				
Administrator Director Benefits	\$ 21,492.00	\$22,916.00	\$12,121.00	\$13,436
		<u>\$20,151.50</u>	<u>\$22,464.25</u>	<u>\$20,383.80</u>
Grant Coordinator		<u>\$13,030.35</u>	<u>\$ 13,421.85</u>	<u>\$ </u>
Years 2-3: 15% FTE				
<u>Year 4: 10% FTE</u>				
Grant Coordinator Benefits		<u>\$8,621.70</u>	<u>\$ 9,454.20</u>	<u>\$ </u>
Training Coordinator (25% FTE)		<u>\$22,469.25</u>	<u>\$ 23,143.50</u>	<u>\$ 24,686.00</u>
Training Coordinator Benefits		<u>\$14,604.75</u>	<u>\$ 16,029.75</u>	<u>\$ 17,880.00</u>
Program Analyst Salary (100% 50% FTE)	\$ 94,017.00	\$101,658.00	\$109,758	\$118,344
		<u>\$43,565.00</u>	<u>\$45,018.75</u>	<u>\$46,472.50</u>
Program Analyst Benefits	\$ 64,212.00	\$68,251.00	\$70,655	\$76,683
		<u>\$28,383.00</u>	<u>\$31,100.50</u>	<u>\$34,629.00</u>
Program Analyst Salary (30% FTE)		<u>\$22,955.10</u>	<u>\$ 23,644.80</u>	<u>\$ 25,221.90</u>
Program Analyst Benefits		<u>\$16,272.00</u>	<u>\$ 17,781.60</u>	<u>\$ 19,739.40</u>
Project Specialist Salary (100% FTE)	\$ 60,002.00	\$66,782.00		\$82,727
		<u>\$63,731.00</u>	<u>\$65,646</u>	<u>\$70,995.00</u>
Project Specialist Benefits	\$ 47,186.00	\$49,927.00	· ,	\$57,491
		\$50,240.00	<u>\$55,035.00</u>	<u>\$61,100.00</u>
TOTAL Personnel Costs	\$328,023.00	\$354,515.00	\$ 3 44,040	\$375,393
		<u>\$344,226.15</u>	<u>\$364,148.20</u>	<u>\$373,012.40</u>
OPERATING EXPENSES				
General Expenses				
Office Supplies	\$ 1,000.00	\$ 1,000.00	\$1,000	\$1,000
			<u>\$750.00</u>	<u>\$250.00</u>
Printing, Postage	\$ 2,000.00	\$ 2,000.00	\$2,000-	\$2,000
			<u>\$1,000.00</u>	<u>\$500.00</u>
Communication	\$ 2,000.00	\$ 1,000.00	\$1,000	\$1,000
			<u>\$750.00</u>	<u>\$250.00</u>
Minor Equipment	\$ 2,000.00			

	Exhibit B			<u>A01</u>
Office Space	\$ 8,297.00	\$8,297.00	\$7,920	\$7,920
			<u>\$7,186.67</u>	<u>\$7,175.33</u>
Training & Conferences	\$ 26,703.00	\$ <u>24,376.70</u>	\$27,099.7	<u>\$ 15,145.33</u>
-		<u>\$31,541.91</u>	<u>\$17,797.41</u>	
TOTAL General Expenses	\$ 42,000.00	\$36,673.70	\$ 39,019.70	\$ 11,920
		<u>\$42,728.58</u>	<u>\$27,484.08</u>	<u>\$23,320.66</u>
Travel				
In-State	\$-	<u>\$3,000.00</u>	\$-	\$-
Out of State	\$ 2,000.00	\$4,000.00	\$4,000	\$4,000
		<u>\$2,000.00</u>	<u>\$3,000.00</u>	<u>\$2,145.52</u>
TOTAL Travel	\$ 2,000.00	\$4,000	\$4,000	\$4,000
		<u>\$5,000</u>	<u>\$3,000.00</u>	<u>\$2,145.52</u>
Subcontractors				
Youth-led Projects (BOOF sites) (TBD)*	\$ 75,000.00	\$ 75 <i>,</i> 000.00	\$ 75,000.00	\$ 75,000.00
Technical Assistance (TBD)*	\$ 20,000.00	\$ 5,871.00	\$11,000	\$6,335.82
			<u>\$5,000.00</u>	<u>\$4,000.00</u>
Educational Campaign (iHeart Media)	\$ 40,526.64	\$ 25,000.00	\$25,000	\$22,080
			<u>\$22,000.00</u>	<u>\$18,000.00</u>
Evaluation (Years 1 & 2, Dr. Kathleen Tebb;	\$ 10,000.00	\$ 12,000.00	\$15,000	\$18,330.88
Years 3 & 4, TBD)*			<u>\$10,000</u>	<u>\$8,000</u>
TOTAL Subcontractors	\$145,526.64	\$117,871.00	\$126,000	\$121,746.70
			<u>\$112,000.00</u>	<u>\$105,00.00</u>
TOTAL Operating Expenses	\$189,526.64	\$158,544.70	\$169,019.70	\$137,666.70
		<u>\$165,599.58</u>	<u>\$142,484.08</u>	<u>\$130,466.18</u>
Personnel Costs + Operating Expenses	\$517,549.64	\$513,059.70	\$ 513,059.70	\$513,059.70
		<u>\$509,825.73</u>	<u>\$506.632.28</u>	<u>\$503,478.58</u>
TCOE Indirect	\$ 32,450.36	\$36,940.30	\$36,940.30	\$36,940.30
FY 1 = 6.27%		<u>\$40,174.27</u>	<u>\$43,367.72</u>	<u>\$46,521.42</u>
<u>FY 2 = 7.88%</u>				
FY 2 <u>3</u> -4 = 7.2 <u>8.56</u> %				
<u>FY 4 = 9.24%</u>				
TOTAL	\$550,000.00	\$550,000.00	\$550,000.00	\$ 550,000.00
				\$ 2,200,000.00

FY 1 (7/1/23-6/30/24)

1. Personnel Costs

- a. Administrator: the Administrator will be funded at 20%. This position will provide leadership to the organization and oversight of the project to ensure the integration of prevention strategies and youth development efforts. Placement in the salary schedule will be dependent upon experience and education. Estimated cost: \$41,114.00 (\$90.30/hour)
- b. Program Analyst: the Program Analyst position will be funded at 100%. This position will be dedicated to researching, analyzing, designing, and supporting the elements of this proposal. In addition, the position will focus on identifying and sharing underage gambling prevention information and strategies. Placement in the salary schedule will be dependent upon experience and education. Estimated cost: \$94,017.00 (\$41.73/hour)
- c. Project Specialist: the Project Specialist position will be funded at 100%. This position will be dedicated to providing organizational support for this proposal. The position will assist in the development, implementation, maintenance, and training of the project sites. The position will provide clerical support to staff. Estimated cost: \$60,000 (\$25.92/hour)
- d. Employee Benefits: the total benefits package for employees of the Tulare County Office of Education includes health and life insurance, disability insurance, worker's compensation, the Public Employees retirement system, and Medicare. The approximate rate for total personnel benefit expenses of this contract is a range between 52% 78%: Administrator: \$21,492.00, Program Analyst: \$64,212.00, Project Specialist: \$47,186.00 Estimated cost: \$132,890.00

2. General Expenses

- Office Supplies: this line item will support the cost of items related to everyday office supply needs, including copy machine rental and maintenance. Estimated cost: \$1,000.00
- b. Printing & Postage: this line item will support the cost of postage and printing for the program: training materials, youth educational event materials, toolkits, reports, stock photography, internet subscriptions, etc. Estimated cost: \$2,000.00
- c. Communication: this line item will support the cost of items related to phone lines, cell phone stipends, and online e-file sharing/sending accounts, as well as virtual meeting platforms, teleconferencing services, email distribution, marketing services, and content development applications. Estimated cost: \$2,000.00
- d. Minor Equipment: this line item will support the cost of materials necessary to maintain the program. This includes, but is not limited to, computers, office machines, and video and sound equipment. Estimated cost: \$2,000.00
- e. Office Space: costs include rent and utilities associated with contract goals and objectives. Charges to the contract will be in accordance with the following formula: \$2,200 rent/7 FTE x 2.2 FTE x 12 months. Reimbursement will be claimed on an actual cost basis and proportional to the contract-related use of the space.

Estimated cost: \$8,297.00

f. Training and Conferences: coordination of training events and meetings that include planning, organization, and facilitation. Expenses will include travel, hotel accommodations, meals, meeting room rental, AV rental, presenter stipends,

technology and video services, subcontractor fees, and virtual accounts and subscriptions (event platforms, meeting technology, virtual speaker/emcee stipends, and coordination services). Costs are combined with additional funding streams and are estimated based on previous event expenses and BOOF participant attendance.

Estimated cost: \$26,703.00

3. Travel

- a. In-State Travel: this line item is included in the project to support estimated mileage and per diem cost for project staff to attend trainings and meetings with funders, subcontract recipients, and partner agencies to support the mission of the program and assist with expansion. Estimated cost: \$0
- b. Out-of-State Travel: this line item is included in the project to support estimated mileage and per diem cost for project staff to attend trainings and meetings outside of California to build knowledge and promote CA efforts nationally at various conferences, trainings, and committee meetings. All out-of-state travel will be pre-approved.

Estimated cost: \$2,000.00

4. Subcontractors

- a. Youth-Led Projects (Betting On Our Future sites): subcontracts will be awarded through a solicitation process to create a multifaceted presentation on problem gambling and collect data relevant to program evaluation. Up to 25 individual awards will be no more than \$3,000 each, although amounts will vary depending on the scope of the applicant's work. Estimated cost: \$75,000.00
- b. Technical Assistance: contracted services can include on-site trainings, regional trainings, webinars, conferences, material development, and website consultation. Trainers, peer coaches, and field consultants will be selected based on their areas of expertise.

Estimated cost: \$20,000.00

c. Educational Campaign: costs related to the promotion of 10 or more BOOF site projects through various social media and streaming platforms on a daily basis for 1-3 months.

Estimated cost: \$40,526.00

 d. Evaluation: this line item will support the cost of a subcontractor with experience in program evaluation. Services for months 1-9 will include adjustments to the BOOF Youth Survey as well as data analysis and reports. Estimated cost: \$10,000.00

5. TCOE Indirect

 a. Indirect: the projected government indirect cost rate for the Tulare County Office of Education for the 2023-2024 fiscal year is 6.27%. Estimated cost: \$32,450.36

FY 2 (7/1/24-6/30/25)

1. Personnel Costs

a. Administrator <u>Director</u>: the Administrator <u>Director</u> will be funded at 20 <u>25</u>%. This position will provide leadership to the organization and oversight of the project to ensure the integration of prevention strategies and youth development efforts. Placement in the salary schedule will be dependent upon experience and education.

Estimated cost: \$44,981.00 40,202.50 (\$98.79 77.31/hour)

- b. <u>Grant Coordinator: the Grant Coordinator will be funded at 15%. This</u> position will oversee the subaward process for the Youth-Led Projects, and will support the evaluation and reporting processes. Estimated cost: \$13,030.35 (\$41.76/hour)
- c. Training Coordinator: the Training Coordinator will be funded at 25%. This position will manage the technical assistance subcontractors and lead the technical development of the training and conferences. Estimated cost: \$22,469.25 (\$43.21/hour)
- d. Program Analyst: the Program Analyst position will be funded at 100 <u>50</u>%. This position will be dedicated to researching, analyzing, designing, and supporting the elements of this proposal. In addition, the position will focus on identifying and sharing underage gambling prevention information and strategies. <u>Placement in the salary schedule will be dependent upon experience and education</u>. Estimated cost: \$101,658.00 <u>43,565.00</u> (\$45.12 <u>41.89</u>/hour)
- e. <u>Program Analyst: the Program Analyst position will be funded at 30%. This position will be dedicated to researching, analyzing, designing, and supporting the elements of this proposal. In addition, the position will focus on identifying and sharing underage gambling prevention information and strategies. Estimate cost: \$22,955.10 (\$36.79/hour)</u>
- f. Project Specialist: the Project Specialist position will be funded at 100%. This position will be dedicated to providing organizational support of this proposal. The position will assist in the development, implementation, maintenance, and training of the project sites. The position will provide clerical support to staff. Estimated cost: \$66,782.00 63,731.00 (\$28.85 30.64/hour)
- g. Employee Benefits: the total benefits package for employees of the Tulare County Office of Education includes health and life insurance, disability insurance, worker's compensation, the Public Employees retirement system, and Medicare. The approximate rate for total personnel benefit expenses of this contract is a range between 50% 74 <u>78</u>%: Administrator <u>Director</u>: \$22,916.00 <u>20,151.50</u>, <u>Grant Coordinator: \$8,621.70, Training Coordinator: \$14,604.75</u>, Program Analyst: \$68,251.00 <u>28,383.00, Program Analyst: \$16,272.00</u>, Project Specialist: \$49,927.00 <u>50,240.00</u>.

Estimated cost: \$141,094.00 138,272.95

2. General Expenses

- Office Supplies: this line item will support the cost of items related to everyday office supply needs, including copy machine rental and maintenance. Estimated cost: \$1,000.00
- b. Printing & Postage: this line item will support the cost of postage and printing for the program: training materials, youth educational event materials, toolkits, reports, stock photography, internet subscriptions, etc.

Estimated cost: \$2,000.00

- c. Communication: this line item will support the cost of items related to phone lines, cell phone stipends, and online e-file sharing/sending accounts, as well as virtual meeting platforms, teleconferencing services, email distribution, marketing services, and content development applications. Estimated cost: \$1,000.00
- d. Minor Equipment: this line item will support the cost of materials necessary to maintain the program. This includes, but is not limited to, computers, office machines, and video and sound equipment. Estimated cost: \$0
- e. Office Space: costs include rent and utilities associated with contract goals and objectives. Charges to the contract will be in accordance with the following formula: \$2,200 rent/79 FTE x 2.2 2.45 FTE x 12 months. Reimbursement will be claimed on an actual cost basis and proportional to the contract-related use of the space.

Estimated cost: \$8,297.00 7,186.67

f. Training and Conferences: coordination of training events and meetings that include planning, organization, and facilitation. Expenses will include travel, hotel accommodations, meals, meeting room rental, AV rental, presenter stipends, technology and video services, subcontractor fees, and virtual accounts and subscriptions (event platforms, meeting technology, virtual speaker/emcee stipends, and coordination services). Costs are combined with additional funding streams and are estimated based on previous event expenses and BOOF participant attendance.

Estimated cost: \$24,376.70 31,541.91

- 3. Travel
 - a. In-State Travel: this line item is included in the project to support estimated mileage and per diem cost for project staff to attend trainings and meetings with funders, subcontract recipients, and partner agencies to support the mission of the program and assist with expansion. Estimated cost: \$0 3,000.00
 - b. Out-of-State Travel: this line item is included in the project to support estimated mileage and per diem cost for project staff to attend trainings and meetings outside of California to build knowledge and promote CA efforts nationally at various conferences, trainings, and committee meetings. All out-of-state travel will be pre-approved.

Estimated cost: \$4,000.00 **2,000.00**

4. Subcontractors

- a. Youth-Led Projects (Betting On Our Future sites): subcontracts will be awarded through a solicitation process to create a multifaceted presentation on problem gambling and collect data relevant to program evaluation. Up to 25 individual awards will be no more than \$3,000 each, although amounts will vary depending on the scope of the applicant's work. Estimated cost: \$75,000.00
- Technical Assistance: contracted services can include on-site trainings, regional trainings, webinars, conferences, material development, and website consultation. Trainers, peer coaches, and field consultants will be selected based on their areas of expertise.

Estimated cost: \$5,871.00

c. Educational Campaign: costs related to the promotion of 10 or more BOOF site projects through various social media and streaming platforms on a daily basis for

1-3 months.

Estimated cost: \$25,000.00

 d. Evaluation: this line item will support the cost of a subcontractor with experience in program evaluation. Services for months 1-9 will include adjustments to the BOOF Youth Survey as well as data analysis and reports. Estimated cost: \$12,000.00

5. TCOE Indirect

a. Indirect: the projected government indirect cost rate for the Tulare County Office of Education for the 2024-2025 fiscal year is 7.2 7.88%.
 Estimated cost: \$36,940.30 40,174.27

<u>FY 3 (7/1/25-6/30/26)</u>

1. Personnel Costs

a. Administrator <u>Director</u>: the Administrator <u>Director</u> will be funded at 4025%. This position will provide leadership to the organization and oversight of the project to ensure the integration of prevention strategies and youth development efforts. Placement in the salary schedule will be dependent upon experience and education.

Estimated cost: \$24,540.00 41,408.00 (\$107.80 79.63/hour)

- b. <u>Grant Coordinator: the Grant Coordinator will be funded at 15%. This</u> <u>position will oversee the subaward process for the Youth-Led Projects, and</u> <u>will support the evaluation and reporting processes. Estimated cost:</u> <u>\$13,421.85 (\$43.02/hour)</u>
- c. <u>Training Coordinator: the Training Coordinator will be funded at 25%. This</u> position will manage the technical assistance subcontractors and lead the technical development of the training and conferences. Estimated cost: \$23,143.50 (\$44.51/hour)
- d. Program Analyst: the Program Analyst position will be funded at 100 <u>50</u>%. This position will be dedicated to researching, analyzing, designing, and supporting the elements of this proposal. In addition, the position will focus on identifying and sharing underage gambling prevention information and strategies. Placement in the salary schedule will be dependent upon experience and education. Estimated cost: \$109,758.00 <u>45,018.75</u> (\$48.71 <u>43.29</u>/hour)
- e. <u>Program Analyst: the Program Analyst position will be funded at 30%. This</u> position will be dedicated to researching, analyzing, designing, and supporting the elements of this proposal. In addition, the position will focus on identifying and sharing underage gambling prevention information and strategies. Estimate cost: \$23,644.80 (\$37.89/hour)
- f. Project Specialist: the Project Specialist position will be funded at 100%. This position will be dedicated to providing organizational support of this proposal. The position will assist in the development, implementation, maintenance, and training of the project sites. The position will provide clerical support to staff. Estimated cost: \$74,328.00 65,646.00 (\$32.11 31.56/hour)
- g. Employee Benefits: the total benefits package for employees of the Tulare County Office of Education includes health and life insurance, disability insurance, worker's compensation, the Public Employees retirement system, and Medicare. The approximate rate for total personnel benefit expenses of this contract is a range between 50% - 70 78%: Administrator Director: \$12,121.00 22,464.25, Grant Coordinator: \$9,454.20, Training Coordinator: \$16,029.75, Program Analyst: \$70,655.00 31,100.50, Program Analyst: \$17,781.60, Project Specialist: \$52,638.00 55,035.00.

Estimated cost: \$135,414.00 151,865.30

2. General Expenses

- Office Supplies: this line item will support the cost of items related to everyday office supply needs, including copy machine rental and maintenance. Estimated cost: \$1,000.00 750.00
- b. Printing & Postage: this line item will support the cost of postage and printing for the program: training materials, youth educational event materials, toolkits, reports, stock photography, internet subscriptions, etc. Estimated cost: \$2,000.00 1,000.00

- c. Communication: this line item will support the cost of items related to phone lines, cell phone stipends, and online e-file sharing/sending accounts, as well as virtual meeting platforms, teleconferencing services, email distribution, marketing services, and content development applications. Estimated cost: \$1,000.00 750.00
- d. Minor Equipment: this line item will support the cost of materials necessary to maintain the program. This includes, but is not limited to, computers, office machines, and video and sound equipment. Estimated cost: \$0
- e. Office Space: costs include rent and utilities associated with contract goals and objectives. Charges to the contract will be in accordance with the following formula: \$2,200 rent/7 9 FTE x 2.1 2.45 FTE x 12 months. Reimbursement will be claimed on an actual cost basis and proportional to the contract-related use of the space.

Estimated cost: \$7,920.00 7,186.67

f. Training and Conferences: coordination of training events and meetings that include planning, organization, and facilitation. Expenses will include travel, hotel accommodations, meals, meeting room rental, AV rental, presenter stipends, technology and video services, subcontractor fees, and virtual accounts and subscriptions (event platforms, meeting technology, virtual speaker/emcee stipends, and coordination services). Costs are combined with additional funding streams and are estimated based on previous event expenses and BOOF participant attendance.

Estimated cost: \$27,099.70 17,797.41

3. Travel

- a. In-State Travel: this line item is included in the project to support estimated mileage and per diem cost for project staff to attend trainings and meetings with funders, subcontract recipients, and partner agencies to support the mission of the program and assist with expansion. Estimated cost: \$0
- b. Out-of-State Travel: this line item is included in the project to support estimated mileage and per diem cost for project staff to attend trainings and meetings outside of California to build knowledge and promote CA efforts nationally at various conferences, trainings, and committee meetings. All out-of-state travel will be pre-approved.

Estimated cost: \$4,000.00 3,000.00

4. Subcontractors

- a. You-Led Projects (Betting On Our Future sites): subcontracts will be awarded through a solicitation process to create a multifaceted presentation on problem gambling and collect data relevant to program evaluation. Up to 25 individual awards will be no more than \$3,000 each, although amounts will vary depending on the scope of the applicant's work. Estimated cost: \$75,000.00
- b. Technical Assistance: contracted services can include on-site trainings, regional trainings, webinars, conferences, material development, and website consultation. Trainers, peer coaches, and field consultants will be selected based on their areas of expertise.

Estimated cost: \$11,000.00 5,000.00

c. Educational Campaign: costs related to the promotion of 10 or more BOOF site projects through various social media and streaming platforms on a daily basis for 1-3 months.

Estimated cost: \$25,000.00 22,000.00

 d. Evaluation: this line item will support the cost of a subcontractor with experience in program evaluation. Services for months 1-9 will include adjustments to the BOOF Youth Survey as well as data analysis and reports. Estimated cost: \$15,000.00-10,000.00

5. TCOE Indirect

a. Indirect: the projected government indirect cost rate for the Tulare County Office of Education for the 2025-2026 fiscal year is 7.2 8.56%.
 Estimated cost: \$36,940.30 43,367.72

FY 4 (7/1/26-6/30/27)

1. Personnel Costs

a. Administrator <u>Director</u>: the Administrator <u>Director</u> will be funded at 10 <u>20</u>%. This position will provide leadership to the organization and oversight of the project to ensure the integration of prevention strategies and youth development efforts. Placement in the salary schedule will be dependent upon experience and education.

Estimated cost: \$26,712.00 35,336.00 (\$117.34 84.94/hour)

- b. <u>Grant Coordinator: the Grant Coordinator will be funded at 10%. This</u> position will oversee the subaward process for the Youth-Led Projects, and will support the evaluation and reporting processes. Estimated cost: \$9,545.20 (\$45.89/hour)
- c. Training Coordinator: the Training Coordinator will be funded at 25%. This position will manage the technical assistance subcontractors and lead the technical development of the training and conferences. Estimated cost: \$24,686.00 (\$47.47/hour)
- d. Program Analyst: the Program Analyst position will be funded at 100 <u>50</u>%. This position will be dedicated to researching, analyzing, designing, and supporting the elements of this proposal. In addition, the position will focus on identifying and sharing underage gambling prevention information and strategies. Placement in the salary schedule will be dependent upon experience and education. Estimated cost: \$118,344.00 <u>46,472.50</u> (\$52.53 <u>44.69</u>/hour)
- e. <u>Program Analyst: the Program Analyst position will be funded at 30%. This</u> position will be dedicated to researching, analyzing, designing, and supporting the elements of this proposal. In addition, the position will focus on identifying and sharing underage gambling prevention information and strategies. Estimate cost: \$25,221.90 (\$40.42/hour)
- f. Project Specialist: the Project Specialist position will be funded at 100%. This position will be dedicated to providing organizational support of this proposal. The position will assist in the development, implementation, maintenance, and training of the project sites. The position will provide clerical support to staff. Estimated cost: \$82,727.00 70,995.00 (\$35.74 34.13/hour)
- g. Employee Benefits: the total benefits package for employees of the Tulare County Office of Education includes health and life insurance, disability insurance, worker's compensation, the Public Employees retirement system, and Medicare. The approximate rate for total personnel benefit expenses of this contract is a range between 50% 69 78%: Administrator Director: \$13,436.00 20,383.80, Grant Coordinator: \$7,023.60, Training Coordinator: \$17,880.00, Program Analyst: \$76,683.00 34,629.00, Program Analyst: 19,739.40; Project Specialist: \$57,491.00 61,100.00.

Estimated cost: \$147,610.00 160,755.80

2. General Expenses

- Office Supplies: this line item will support the cost of items related to everyday office supply needs, including copy machine rental and maintenance. Estimated cost: \$1,000.00 250.00
- b. Printing & Postage: this line item will support the cost of postage and printing for the program: training materials, youth educational event materials, toolkits, reports, stock photography, internet subscriptions, etc. Estimated cost: \$2,000.00 500.00

- c. Communication: this line item will support the cost of items related to phone lines, cell phone stipends, and online e-file sharing/sending accounts, as well as virtual meeting platforms, teleconferencing services, email distribution, marketing services, and content development applications. Estimated cost: \$1,000.00 250.00
- d. Minor Equipment: this line item will support the cost of materials necessary to maintain the program. This includes, but is not limited to, computers, office machines, and video and sound equipment. Estimated cost: \$0
- e. Office Space: costs include rent and utilities associated with contract goals and objectives. Charges to the contract will be in accordance with the following formula: \$2,200 rent/7 <u>9</u> FTE x 2.1 <u>2.35</u> FTE x 12 months. Reimbursement will be claimed on an actual cost basis and proportional to the contract-related use of the space.

Estimated cost: \$7,920.00 7,175.33

f. Training and Conferences: coordination of training events and meetings that include planning, organization, and facilitation. Expenses will include travel, hotel accommodations, meals, meeting room rental, AV rental, presenter stipends, technology and video services, subcontractor fees, and virtual accounts and subscriptions (event platforms, meeting technology, virtual speaker/emcee stipends, and coordination services). Costs are combined with additional funding streams and are estimated based on previous event expenses and BOOF participant attendance.

Estimated cost: \$0-15,145.33

3. Travel

- a. In-State Travel: this line item is included in the project to support estimated mileage and per diem cost for project staff to attend trainings and meetings with funders, subcontract recipients, and partner agencies to support the mission of the program and assist with expansion. Estimated cost: \$0
- b. Out-of-State Travel: this line item is included in the project to support estimated mileage and per diem cost for project staff to attend trainings and meetings outside of California to build knowledge and promote CA efforts nationally at various conferences, trainings, and committee meetings. All out-of-state travel will be pre-approved.

Estimated cost: \$4,000.00 2,145.52

4. Subcontractors

- a. Youth-Led Projects (Betting On Our Future sites): subcontracts will be awarded through a solicitation process to create a multifaceted presentation on problem gambling and collect data relevant to program evaluation. Up to 25 individual awards will be no more than \$3,000 each, although amounts will vary depending on the scope of the applicant's work. Estimated cost: \$75,000.00
- b. Technical Assistance: contracted services can include on-site trainings, regional trainings, webinars, conferences, material development, and website consultation. Trainers, peer coaches, and field consultants will be selected based on their areas of expertise.

Estimated cost: \$6,335.82 4,000.00

c. Educational Campaign: costs related to the promotion of 10 or more BOOF site projects through various social media and streaming platforms on a daily basis for 1-3 months.

Estimated cost: \$22,080.00 18,000.00

 d. Evaluation: this line item will support the cost of a subcontractor with experience in program evaluation. Services for months 1-9 will include adjustments to the BOOF Youth Survey as well as data analysis and reports. Estimated cost: \$18,330.88 8,000.00

5. TCOE Indirect

a. Indirect: the projected government indirect cost rate for the Tulare County Office of Education for the 2026-2027 fiscal year is 7.2 <u>9.24</u>%.
 Estimated cost: \$36,940.30 <u>46,521.42</u>

1. GRANT TITLE FNL Youth Building Inclusive Partnerships to	Tackle Underage Drinking Perception
2. NAME OF AGENCY	3. Grant Period
Tulare County	From: 10/01/2024
	To: 09/30/2025
4. AGENCY UNIT TO ADMINISTER GRANT	
Tulare County Office of Education	
5. GRANT DESCRIPTION	II
The California Friday Night Live Partnership (CFNLP) wi	I engage youth across the state-wide Filday Night Live
(FNL) network in efforts to reduce injury and fatal crashe	is involving had been drinking (HDD) underage drivers.
Young people will engage their local communities throug project to reduce alcohol access to minors. Through pos	itive social norms and merchant education campaigns.
FNL youth will connect with their communities to prevent	underage drinking and create safe environments for
all. The CFNLP will support young people and their adul	t allies with campaign-specific technical assistance
throughout the project year, including tools, resources, e	ducational materials, and training.
6. Federal Funds Allocated Under This Agreement	
7. TERMS AND CONDITIONS: The parties agree to comply v	vith the terms and conditions of the following which are by this
reference made a part of the Agreement:	
 Schedule A – Problem Statement, Goals and Objective 	es and Method of Procedure
 Schedule B – Detailed Budget Estimate and Sub-Bud 	get Estimate (if applicable)
Schedule B-1 – Budget Narrative and Sub-Budget Na	rrative (if applicable)
Exhibit A – Certifications and Assurances	
 Exhibit B* – OTS Grant Program Manual Exhibit C – Grant Electronic Management System (GI 	FMS) Access
 Exhibit C – Grant Electronic Management System (Strengthered System) Items shown with an asterisk (*), are hereby incorporated by 	
hereto.	
These documents can be viewed at the OTS home web	page under Grants: <u>www.ots.ca.gov</u>
We, the officials named below, hereby swear under penalty	of perjury under the laws of the State of California that we are
duly authorized to legally bind the Grant recipient to the abo	ve described Grant terms and conditions.
IN WITNESS WHEREOF, this Agreement has been executed	by the parties hereto.
8. Approval Signatures	
A. GRANT DIRECTOR	
NAME: Nani Dodson	ADDRESS: Tim A. Hire
	Tulare County Superintendent of Schools tim.hire@tcoe.org
Еманс: nanid@tcoe.org Рноме: (559) 733-6496 ext 1266	(559) 733-6300
Address: P.O. Box 5091	P.O. Box 5091
Visalia, CA 93278	Visalia, CA 93278-5091
Nani Dodana Sep 12, 2024	Тот Л. Hina Sep 12, 2024
(Signature) (Date)	(Signature) (Date)
C. FISCAL OFFICIAL	D. AUTHORIZING OFFICIAL OF OFFICE OF TRAFFIC SAFETY
Address: Jody Arriaga	Address: Barbara Rooney
Director, Internal Business Services	Director
jodya@tcoe.org	barbara.rooney@ots.ca.gov
(559) 733-6691	(916) 509-3030 2308 Kausan Drive, Suite 300
P.O. Box 5091 Visalia, CA 93278	2208 Kausen Drive, Suite 300 Elk Grove, CA 95758
Visalia, CA 95276 Sep 12, 2024	Baibaia Romay. Sep 23, 2024
Jody Arnage (Sep 20 20 20 4 19:53 PU)	(Signature) (Date)
(Signature) (Date)	(Digitaturo) (Dato)

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E. Ac	COUNTING OFFICER OF OFFICE OF TRAFFIC SAFETY	9. SAM INF	FORMATION
NAME: Address:	Carolyn Vu 2208 Kausen Drive, Suite 300 Elk Grove, CA 95758	SAM #: Registered Address: City: Zip+4:	Y41USNLY5LD9 6200 S. Mooney Blvd / PO Box 5090 Visalia 93278-5091

10. PROJEC	TED EXPEN	DITURES					
FUND	CFDA	ITEM/APPROP	RIATION	F.Y.	CHAPTER	STATUTE	PROJECTED EXPENDITURES
164AL-25	20.608	0521-0890	-002	2024	22/24	BA/24	\$260,000.00
			AGREEMENT TOTAL	ſ	\$260,000.00		
				AMOUNT ENCUMBERED BY THIS DOCUMENT \$260,000.00			
I CERTIFY upon my own personal knowledge that the budgeted funds for the current budget year are available for the period and purpose of the expenditure stated above.				PRIOR AMOU AGREEMENT \$ 0.00		ERED FOR THIS	
OTS ACCOUNTING OFFICER'S SIGNATURE DATE SIGNED			NED	TOTAL AMO	JNT ENCUMB	ERED TO DATE	
Sep 12, 2024			\$260,00	00.00			

1. PROBLEM STATEMENT

Alcohol-involved fatalities across all age groups have increased over the last 5 years from 956 in 2018 to 1,024 in 2022 (SWITRS, 2023). Research shows that young people have a heightened vulnerability to the effects of alcohol. The National Highway Traffic Safety Administration confirms in their publication "NHTSA's Counter Measures That Work" that teens are at a higher risk of crashing when they drink and drive due to the stage of brain development during adolescence (2020). SWITRS reports indicate that HBD drivers aged 15-20 who were killed in fatal motor vehicle crashes have steadily increased by 17% over the last ten years. Further demonstrating the risks associated with underage drinking, the National Institute on Alcohol Abuse and Alcoholism (NIAAA) reports that "alcohol is the most widely used substance among America's youth" (2023). In 2022, 8.5% of young people aged 12-17 reported having used alcohol in the last month (National Center for Drug Abuse Statistics, 2024.) The evidence demonstrates a significant concern regarding alcohol use in minors; it is essential to examine the root cause of youth alcohol use, including access, alcohol-related health disparities, and disproportionately affected communities.

Research shows a slight decline in youth alcohol use; however, social norms and accessibility issues remain steady. According to the California Healthy Kids Survey (CHKS), 24% of adolescents have reported drinking in the last thirty days (2019-21). Research from the NIAAA demonstrates the ease of access to alcohol for minors, with 97.7% of young adults aged 12-14 obtaining alcohol for free the last time they consumed it (2023). When looking across studies, "NHTSA's Counter Measures That Work" also reveals that youth buyers successfully purchased alcohol in 44% to 97% of attempts without showing identification (NHTSA, 2020). The NIAAA found that in many cases, adolescents received access to alcohol through family members or found it within their homes (2019). The issue of access is compounded by the growing negative external pressures related to social norms and perceptions of underage drinking.

Another contributor to current underage drinking issues is the sustained effects of the COVID-19 pandemic; both the continued declining mental health of young people and the changed landscape of alcohol policies are factors to consider. The Alcoholic Beverage Control (ABC) offered regulatory relief to the restaurant and bar industry by suspending enforcement of off-site restrictions related to alcohol delivery and to-go purchases. These changes continue to be in effect four years post-pandemic and pose a direct threat to the advancements made in the field of underage drinking prevention and subsequent drinking and driving crashes.

According to the 2019/2021 California Healthy Kids Survey, peer disapproval of alcohol use decreases as respondents age. This demonstrates the importance of engaging with youth at a young age (before entry into high school) and connecting high and middle school youth to model and promote positive social norms. FNL is unique in its approach, as the program engages youth from grades 4 through 12 and purposefully creates connections between middle and high school students.

While strong personal disapproval of use improved across all grade levels surveyed through CHKS, there is evidence that substance use increased once pandemic-related restrictions were lifted (Dumas et al., 2022). It is imperative to capitalize on the positive trend of social norms and perceived harm, building on the current momentum.

This reduction in the perception of harm, coupled with ease of access to these products, creates an environment ripe for unsafe and unhealthy behaviors. This project will empower youth in FNL to band together against underage drinking and youth access to alcohol by shifting societal norms and educating merchants about the harms associated with these behaviors. "With youth returning to school and more normal social interactions, prevention efforts are important to help ensure no resurgence of use occurs" (CHKS, 19-21). Through statewide youth-led prevention campaigns, FNL youth will help to reduce fatal and injury crashes involving HBD underage drivers.

2. PERFORMANCE MEASURES

A. Goals:

- 1. Reduce the number of persons killed in traffic crashes.
- 2. Reduce the number of persons injured in traffic crashes.

	To reduce the number of 11th grade youth reporting alcohol use in the last 30 days.	
В.	Objectives:	Target Nun
	Issue a press release announcing the kick-off of the grant by November 15. The	1
	kick-off press releases and media advisories, alerts, and materials must be	
	emailed to the OTS Public Information Officer at pio@ots.ca.gov, and copied to	
	your OTS Coordinator, for approval 7 days prior to the issuance date of the	
	release.	
2.	Identify grant funded, straight time personnel. Include any vacancies or staff	4
	changes that have occurred. For any vacancies, include the status of filling the	
	vacancy.	
	Execute subcontracts referenced in the budget. Prior to finalizing the subcontract,	1
	grantee should work with the OTS to ensure all costs in the sub contract are	
	allowable. Upon execution of subcontract, upload a copy of the subcontract and	
	request a revision to the grant budget to add new budget line items for associated	
	costs under contractual services. If not yet executed, provide ETA.	
	Conduct 2 learning community calls with all funded sites; these calls will provide a	2
	space for networking and cross-collaboration, and will support sites' efforts as	۲
	campaigns are developed and implemented to reduce youth access to alcohol.	
	Deliver 2 trainings on PSA Development to support OTS-funded FNL sites; this will	2
	support sites' efforts in developing PSAs in support of their campaigns to reduce	2
	youth access to alcohol.	
	Deliver 2 trainings on Recruitment and Retention: Through an Inclusion Lens to	2
	support OTS-funded FNL sites efforts to identify and retain youth members to lead	2
	campaigns.	
	Deliver 2 trainings on Social Norms Campaigns to support OTS funded FNL sites	2
	efforts to reduce youth access to alcohol.	2
	Deliver 2 trainings on Applying an Equity Lens to Prevention to support OTS-	
		2
	funded FNL sites to build capacity on prevention-related projects as campaigns	
	are developed and implemented.	
	Deliver 2 trainings on the Spread the Word Campaign to support OTS-funded FNL	2
	sites as campaigns are developed and implemented to reduce youth access to alcohol.	
	Deliver 2 trainings Merchant Education to support OTS-funded FNL sites as they	
		2
	engage with merchants under the campaigns to reduce youth access to alcohol.	
	Deliver 2 trainings Town Hall Meetings to support OTS-funded FNL sites as they	2
	plan and execute town hall meetings to support their campaigns to reduce youth	
	access to alcohol.	
	Deliver 2 trainings on Diversity, Equity, and Inclusion to support OTS-funded FNL	2
	sites as campaigns are developed and implemented to reduce youth access to	
_		
	Deliver 1 training on Not on MY Watch to support OTS-funded FNL sites as	1
	campaigns are developed and implemented reduce youth access to alcohol.	
	Develop & disseminate 10 social media templates targeting youth with positive	10
	social norms messages with 3 being in a language other than English.	
	Develop an infographic on Underage Drinking Prevention strategies in a minimum	1
	of 2 languages.	
	Develop a "how-to" infographic for Positive Social Norms - Social Media	1
_	Messaging.	
	Develop 2 merchant-targeted educational material templates.	2
	Develop a digital statewide pledge on the CFNLP website for grantee sites to	1
	utilize.	
	Each funded site will implement one of the following year-long campaign package	45
	options - Youth-led Positive Social Norms Campaign to Reduce Underage	
	Drinking Package or Merchant Education Campaign to Reduce Underage Drinking	

	20. Provide consultation and technical support to OTS-funded FNL sites as requested. <u>Documentation will be provided as an attachment in the QPR.</u>	4					
	21. Provide "Not on My Watch Campaign" materials to a minimum of 10 funded sites.	10					
	22. Report grant-funded programming in high crash risk and underserved areas, as determined by utilizing the Teen Traffic Safety Heat Map, quarterly to UC Berkeley SafeTREC.	4					
	23. Through a request for the application process, identify and fund 45 high-need Friday Night Live chapters to implement underage drinking prevention projects in a specific effort to reduce underage drinking and traffic fatalities and injuries.	45					
	 Utilize Heat Map to determine high crash risk and underserved areas for recruitment efforts. 	1					
3.	METHOD OF PROCEDURE						
	A. <u>Phase 1 – Program Preparation</u> (1 st Quarter of Grant Year)						
	 Develop operational plans to implement the "best practice" strategies outlined in section. 	-					
	 All training needed to implement the program should be conducted in the first qua All grant related purchases needed to implement the program should be made in guarter. 						
	<u>Media Requirements</u>						
	Issue a press release approved by the OTS PIO announcing the kick-off of the group of the gro	cont by					
	November 15, but no sooner than October 1. The kick-off release must be approved by the Orio PIO and only distributed after the grant is fully signed and executed. If you are un November 15 deadline to issue a kick-off press release, communicate reasons to coordinator and OTS PIO.	ved by the OTS hable to meet t					
	Addendum:						
	 Execute most training pieces integral to project implementation during the first pl 						
	overloading youth implementing the projects, implementation of some trainings w second quarter.						
	 Identify and create educational materials based on site needs. Identify and contract with 45 project sites. 						
	B. Phase 2 – Program Operations (Throughout Grant Year)						
	Media Requirements						
	The following requirements are for all grant-related activities:						
	 Send all media advisories, alerts, videos, graphics, artwork, posters, radio/PSA/v storyboards, digital and/or print educational materials for grant-related activities to at <u>pio@ots.ca.gov</u> for approval and copy your OTS grant coordinator. Optimum le be 7 days before the scheduled release but at least 3 business days prior to the s release date for review and approval is appreciated. 	o the OTS PIO ead time would					
	 Send all Powerpoint presentations, online presentations and trainings for grant-re to the OTS PIO at <u>pio@ots.ca.gov</u> for approval and copy your OTS grant coordin training courses are EXEMPT from the approval process. 						
	The OTS PIO is responsible for the approval of the design and content of materia understands OTS PIO approval is not authorizing approval of budget expenditure cost approvals must come from the OTS grant coordinator.						
	Pre-approval is not required when using any OTS-supplied template for media ac releases, social media graphics, videos or posts, or any other OTS-supplied educ However, copy the OTS PIO at <u>pio@ots.ca.gov</u> and your OTS grant coordinator material is distributed to the media and public, such as a press release, education link to social media post. The OTS-supplied kick-off press release templates and press releases are an exception to this policy and require prior approval before d	cational materi when any nal material, or any kickoff					
	 media and public. If an OTS-supplied template, educational material, social media graphic, post or substantially changed, the changes shall be sent to the OTS PIO at pio@ots.ca.c and copy to your OTS grant coordinator. Optimum lead time would be 7 days price 	ov for approva					

scheduled release date, but at least 3 business days prior to the scheduled release date for review and approval is appreciated.

- Press releases, social media posts and alerts on platforms such as NextDoor and Nixle reporting immediate and time-sensitive grant activities (e.g. enforcement operations, day of event highlights or announcements, event invites) are exempt from the OTS PIO approval process. The OTS PIO and your OTS grant coordinator should still be notified when the grant-related activity is happening (e.g. car seat checks, bicycle rodeos, community presentations, DUI checkpoints, etc.).
- Enforcement activities such as warrant and probation sweeps, court stings, etc. that are
 embargoed or could impact operations by publicizing in advance are exempt from the PIO
 approval process. However, announcements and results of activities should still be copied to the
 OTS PIO at <u>pio@ots.ca.gov</u> and your OTS grant coordinator with embargoed date and time or
 with "INTERNAL ONLY: DO NOT RELEASE" message in subject line of email.
- Any earned or paid media campaigns for TV, radio, digital or social media that are part of a specific grant objective, using OTS grant funds, or designed and developed using contractual services by a subgrantee, requires prior approval. Please send to the OTS PIO at pio@ots.ca.gov for approval and copy your grant coordinator at least 3 business days prior to the scheduled release date.
- Social media posts highlighting state or national traffic safety campaigns (Distracted Driving Month, Motorcycle Safety Awareness Month, etc.), enforcement operations (DUI checkpoints, etc.), or any other grant-related activity such as Bicycle rodeos, presentations, or events, are highly encouraged but do not require prior approval.
- Submit a draft or rough-cut of all digital, printed, recorded or video material (brochures, posters, scripts, artwork, trailer graphics, digital graphics, social posts connected to an earned or paid media campaign grant objective) to the OTS PIO at pio@ots.ca.gov and copy your OTS grant coordinator for approval prior to the production or duplication.
- Use the following standard language in all press, media, and printed materials, space permitting: Funding for this program was provided by a grant from the California Office of Traffic Safety, through the National Highway Traffic Safety Administration.
- Space permitting, include the OTS logo on all grant-funded print materials, graphics and paid or earned social media campaign grant objective; consult your OTS grant coordinator for specifics, format-appropriate logos, or if space does not permit the use of the OTS logo.
- Email the OTS PIO at <u>pio@ots.ca.gov</u> and copy your OTS grant coordinator at least 21 days in advance, or when first confirmed, a short description of any significant grant-related traffic safety event or program, particularly events that are highly publicized beforehand with anticipated media coverage so OTS has sufficient notice to arrange for attendance and/or participation in the event. If unable to attend, email the OTS PIO and coordinator brief highlights and/or results, including any media coverage (broadcast, digital, print) of event within 7 days following significant grant-related event or program. Media and program highlights are to be reflected in QPRs.
- Any press releases, work plans, scripts, storyboards, artwork, graphics, videos or any
 educational or informational materials that received OTS PIO approval in a prior grant year needs
 to be resubmitted for approval in the current grant year.
- For additional guidance, refer to the <u>OTS Grants Materials Approval Process Guidelines</u> and <u>OTS Grants Media Approval Process FAQs</u> on the OTS website.
- Contact the OTS PIO or your OTS grant coordinator for consultation when changes from any of the above requirements might be warranted.

Addendum:

- Monitor and support site projects to ensure all components are completed.
- Provide specific technical assistance/site visits as the grantee sites implement various aspects of the project.
- Develop and deliver webinars
- Conduct Learning Community Calls
- Support projects through the dissemination of research and other educational resources.
- C. Phase 3 Data Collection & Reporting (Throughout Grant Year)
- 1. Prepare and submit grant claim invoices (due January 30, April 30, July 30, and October 30)
- 2. Prepare and submit Quarterly Performance Reports (QPR) (due January 30, April 30, July 30, and October 30)

- Collect and report quarterly, appropriate data that supports the progress of goals and objectives.
- Provide a brief list of activity conducted, procurement of grant-funded items, and significant media activities. Include status of grant-funded personnel, status of contracts, challenges, or special accomplishments.
- Provide a brief summary of quarterly accomplishments and explanations for objectives not completed or plans for upcoming activities.
- Collect, analyze and report statistical data relating to the grant goals and objectives.

4. METHOD OF EVALUATION

Using the data compiled during the grant, the Grant Director will complete the "Final Evaluation" section in the fourth/final Quarterly Performance Report (QPR). The Final Evaluation should provide a brief summary of the grant's accomplishments, challenges and significant activities. This narrative should also include whether goals and objectives were met, exceeded, or an explanation of why objectives were not completed.

5. ADMINISTRATIVE SUPPORT

This program has full administrative support, and every effort will be made to continue the grant activities after grant conclusion.

State of California – Office of Traffic Safety GRANT AGREEMENT Schedule B

FUND NUMBER	CATALOG NUMBER (CFDA)	Fu	ND DESCRIPTION	6	TOTAL AMOUNT	
164AL-25 20.608			n Penalties for Rep ers for Driving Wh Intoxicated		\$260,000.00	
COST CATE	GORY	FUND NUMBER	UNIT COST OR RATE	UNITS	TOTAL COST TO GRANT	
A. PERSONNEL COSTS						
Straight Time	1.0	40441-05	\$00 77	050	\$ 04 E40 00	
Program Analyst (Month Benefits - Program Analy		164AL-25 164AL-25	\$36.77 \$21,781.00	858	\$31,549.00	
Program Analyst (Month		164AL-25	\$37.87	286	\$21,781.00	
Benefits - Program Analy		164AL-25	\$7,478.14	1	<u>\$10,831.00</u> \$7,478.00	
Project Specialist (Month		164AL-25	\$30.95	390	\$12,071.00	
Benefits - Project Special		164AL-25	\$9,148.00	1	\$9,148.00	
Project Specialist (Month		164AL-25	\$31.56	130	\$4,103.00	
Benefits - Project Special		164AL-25	\$3,140.81	1	\$3,141.00	
12)			<i>vo</i> , 110.01		φ0,111.00	
Overtime						
					\$0.00	
Category Sub-Total		-			\$100,102.00	
B. TRAVEL EXPENSES					· · · · · · · · · · · · · · · · · · ·	
In State Travel		164AL-25	\$4,868.00	1	\$4,868.00	
			+ 1,000.00		\$0.00	
Category Sub-Total					\$4,868.00	
C. CONTRACTUAL SERVIC	CES		Į į			
Project Mini-Grants		164AL-25	\$3,000.00	45	\$135,000.00	
Category Sub-Total					\$135,000.00	
D. EQUIPMENT				l		
					\$0.00	
Category Sub-Total					\$0.00	
E. OTHER DIRECT COSTS	;					
Educational Materials		164AL-25	\$12,142.37	1	\$12,142.00	
Category Sub-Total					\$12,142.00	
F. INDIRECT COSTS			· · · · · · · · · · · · · · · · · · ·	·		
In-Direct Cost		164AL-25		1	\$7,888.00	
Category Sub-Total				2	\$7,888.00	
GRANT TO			<u></u>	·	\$260,000.00	

BUDGET NARRATIVE

PERSONNEL COSTS

Program Analyst (Month 1-9) - Program analyst oversees all aspects of the project, including project materials development, training, mini-grantee technical assistance, and budget management.

Benefits - Program Analyst (Months 1-9) - Claimed amounts must reflect actual benefit costs for straight time or overtime hours charged to the grant.

Program Analyst (Month 10-12) - Program analyst oversees all aspects of the project, including project materials development, training, mini-grantee technical assistance, and budget management.

Benefits - Program Analyst (Months 10-12) - Claimed amounts must reflect actual benefit costs for straight time or overtime hours charged to the grant.

Project Specialist (Months 1-9) - Project specialist supports all aspects of the project including communications, record keeping, contract management, and scheduling.

Benefits - Project Specialist (Months 1-9) - Claimed amounts must reflect actual benefit costs for straight time or overtime hours charged to the grant.

Project Specialist (Months 10-12) - Project specialist supports all aspects of the project including communications, record keeping, contract management, and scheduling.

Benefits - Project Specialist (Months 10-12) - Claimed amounts must reflect actual benefit costs for straight time or overtime hours charged to the grant.

TRAVEL EXPENSES

In State Travel - Costs are included for appropriate staff to attend conferences and training events supporting the grant goals and objectives and/or traffic safety. Local mileage for grant activities and meetings is included. Anticipated travel may include Lifesavers Conference in Long Beach, CA. All conferences, seminars or training not specifically identified in the Budget Narrative must be approved by OTS. All travel claimed must be at the agency approved rate. Per Diem may not be claimed for meals provided at conferences when registration fees are paid with OTS grant funds.

CONTRACTUAL SERVICES

Project Mini-Grants - Through a request for application process, identify and fund 45 Friday Night Live chapter/sites to implement a minimum of one of the following campaigns: Youth-led Positive Social Norms Campaign to Reduce Underage Drinking Package or Merchant Education Campaign to Reduce Underage Drinking Package in an effort to reduce underage drinking and traffic fatalities/injuries.

EQUIPMENT

OTHER DIRECT COSTS

Educational Materials - Costs of purchasing, developing or printing brochures, pamphlets, fliers, coloring books, posters, signs, and banners associated with grant activities, and traffic safety conference and training materials. Items shall include a traffic safety message and if space is available the OTS logo. Additional items may be purchased if approved by OTS.

INDIRECT COSTS

In-Direct Cost - Indirect cost rate applied to personnel only at 7.88%.

STATEMENTS/DISCLAIMERS

There will be no program income generated from this grant.

Salaries may include wages, salaries, special compensations, or authorized absences such as annual leave and sick leave provided the cost for the individual employee is (a) reasonable for the services rendered, and (b) follows an appointment made in accordance with state or local laws and rules and meets federal requirements.

Any non-grant funded vacancies created by reassignment to a grant-funded position must be filled at the <u>expense of the grantee agency</u>.

Benefits for personnel costs can only be applied to straight time or overtime hours charged to the grant.

Certifications and Assurances for Fiscal Year 2024 Highway Safety Grants (23 U.S.C. Chapter 4 or Section 1906, Public Law 109-59, as amended by Section 25024, Public Law 117-58)

The officials named on the grant agreement, certify by way of signature on the grant agreement signature page, that the Grantee Agency complies with all applicable Federal statutes, regulations, and directives and State rules, guidelines, policies, and laws in effect with respect to the periods for which it receives grant funding. Applicable provisions include, but are not limited to, the following:

GENERAL REQUIREMENTS

The State will comply with applicable statutes and regulations, including but not limited to:

- 23 U.S.C. Chapter 4-Highway Safety Act of 1966, as amended;
- Sec. 1906, Public Law 109-59, as amended by Sec. 25024, Public Law 117-58;
- <u>23 CFR part 1300</u>—Uniform Procedures for State Highway Safety Grant Programs;
- <u>2 CFR part 200</u>—Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards;
- <u>2 CFR part 1201</u>—Department of Transportation, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.

NONDISCRIMINATION

(applies to all subrecipients as well as States)

The State highway safety agency [and its subrecipients] will comply with all Federal statutes and implementing regulations relating to nondiscrimination ("Federal Nondiscrimination Authorities"). These include but are not limited to:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- <u>49 CFR part 21</u> (entitled Non-discrimination in Federally-Assisted Programs of the Department of Transportation— Effectuation of Title VI of the Civil Rights Act of 1964);
- <u>28 CFR 50.3</u> (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964);
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Federal-Aid Highway Act of 1973, (23 U.S.C. 324 et seq.), and Title IX of the Education Amendments of 1972, as amended (20 U.S.C. 1681-1683 and 1685-1686) (prohibit discrimination on the basis of sex);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. 794 et seq.), as amended, (prohibits discrimination on the basis of disability) and 49 CFR part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. 6101 et seq.), (prohibits discrimination on the basis of age);
- The Civil Rights Restoration Act of 1987, (Pub. L. 100-209), (broadens scope, coverage, and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms "programs or activities" to include all of the programs or activities of the Federal aid recipients, subrecipients and contractors, whether such programs or activities are Federally-funded or not);
- Titles II and III of the Americans with Disabilities Act (42 U.S.C. 12131-12189) (prohibits discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing) and 49 CFR parts 37 and 38;
- <u>Executive Order 12898</u>, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations (preventing discrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations);
- <u>Executive Order 13166</u>, Improving Access to Services for Persons with Limited English Proficiency (requiring that recipients of Federal financial assistance provide meaningful access for applicants and beneficiaries who have limited English proficiency (LEP));
- Executive Order 13985, Advancing Racial Equity and Support for Underserved Communities through the Federal Government (advancing equity across the Federal Government); and
- <u>Executive Order 13988</u>, Preventing and Combating Discrimination on the Basis of Gender Identity or Sexual Orientation (clarifying that sex discrimination includes discrimination on the grounds of gender identity or sexual orientation).

The preceding statutory and regulatory cites hereinafter are referred to as the "Acts" and "Regulations," respectively.

GENERAL ASSURANCES 9/12/2024 9:21:58 AM In accordance with the Acts, the Regulations, and other pertinent directives, circulars, policy, memoranda, and/or guidance, the Recipient hereby gives assurance that it will promptly take any measures necessary to ensure that:

"No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity, for which the Recipient receives Federal financial assistance from DOT, including NHTSA."

The Civil Rights Restoration Act of 1987 clarified the original intent of Congress, with respect to Title VI of the Civil Rights Act of 1964 and other non-discrimination requirements (the Age Discrimination Act of 1975, and Section 504 of the Rehabilitation Act of 1973), by restoring the broad, institutional-wide scope and coverage of these nondiscrimination statutes and requirements to include all programs and activities of the Recipient, so long as any portion of the program is Federally assisted.

SPECIFIC ASSURANCES

More specifically, and without limiting the above general Assurance, the Recipient agrees with and gives the following Assurances with respect to its Federally assisted Highway Safety Grant Program:

- The Recipient agrees that each "activity," "facility," or "program," as defined in § 21.23(b) and (c) of <u>49 CFR part 21</u> will be (with regard to an "activity") facilitated, or will be (with regard to a "facility") operated, or will be (with regard to a "program") conducted in compliance with all requirements imposed by, or pursuant to the Acts and the Regulations.
- 2. The Recipient will insert the following notification in all solicitations for bids, Requests For Proposals for work, or material subject to the Acts and the Regulations made in connection with all Highway Safety Grant Programs and, in adapted form, in all proposals for negotiated agreements regardless of funding source: "The [name of Recipient], in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that in any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award."
- 3. The Recipient will insert the clauses of appendix A and E of this Assurance (also referred to as DOT Order 1050.2A) in every contract or agreement subject to the Acts and the Regulations.
- 4. The Recipient will insert the clauses of appendix B of DOT Order 1050.2A, as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a Recipient.
- 5. That where the Recipient receives Federal financial assistance to construct a facility, or part of a facility, the Assurance will extend to the entire facility and facilities operated in connection therewith.
- 6. That where the Recipient receives Federal financial assistance in the form of, or for the acquisition of, real property or an interest in real property, the Assurance will extend to rights to space on, over, or under such property.
- 7. That the Recipient will include the clauses set forth in appendix C and appendix D of this DOT Order 1050.2A, as a covenant running with the land, in any future deeds, leases, licenses, permits, or similar instruments entered into by the Recipient with other parties:
 - a. for the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
 - b. for the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
- 8. That this Assurance obligates the Recipient for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the Assurance obligates the Recipient, or any transferee for the longer of the following periods:
 - a. the period during which the property is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or
 - b. the period during which the Recipient retains ownership or possession of the property.
- 9. The Recipient will provide for such methods of administration for the program as are found by the Secretary of Transportation or the official to whom he/she delegates specific authority to give reasonable guarantee that it, other recipients, sub-recipients, sub-grantees, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the Acts, the Regulations, and this Assurance.
- 10. The Recipient agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Acts, the Regulations, and this Assurance.

By signing this ASSURANCE, the State highway safety agency also agrees to comply (and require any sub-recipients, sub-grantees, contractors, successors, transferees, and/or assignees to comply) with all applicable provisions governing NHTSA's access to records, accounts, documents, information, facilities, and staff. You also recognize that you must comply with any program or compliance reviews, and/or complaint investigations conducted by NHTSA. You must keep records, reports, and submit the material for review

upon request to NHTSA, or its designee in a timely, complete, and accurate way. Additionally, you must comply with all other reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.

The State highway safety agency gives this ASSURANCE in consideration of and for obtaining any Federal grants, loans, contracts, agreements, property, and/or discounts, or other Federal-aid and Federal financial assistance extended after the date hereof to the recipients by the U.S. Department of Transportation under the Highway Safety Grant Program. This ASSURANCE is binding on the State highway safety agency, other recipients, sub-recipients, sub-grantees, contractors, subcontractors and their subcontractors', transferees, successors in interest, and any other participants in the Highway Safety Grant Program. The person(s) signing below is/are authorized to sign this ASSURANCE on behalf of the Recipient.

THE DRUG-FREE WORKPLACE ACT OF 1988 (41 U.S.C. 8103)

The Subgrantee will provide a drug-free workplace by:

- a. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace, and specifying the actions that will be taken against employees for violation of such prohibition;
- b. Establishing a drug-free awareness program to inform employees about:
 - 1. The dangers of drug abuse in the workplace;
 - 2. The grantee's policy of maintaining a drug-free workplace;
 - 3. Any available drug counseling, rehabilitation, and employee assistance programs;
 - 4. The penalties that may be imposed upon employees for drug violations occurring in the workplace;
 - 5. Making it a requirement that each employee engaged in the performance of the grant be given a copy of the statement required by paragraph (a);
- c. Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will—
 - 1. Abide by the terms of the statement;
 - 2. Notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after such conviction;
- d. Notifying the agency within ten days after receiving notice under subparagraph (c)(2) from an employee or otherwise receiving actual notice of such conviction;
- e. Taking one of the following actions, within 30 days of receiving notice under subparagraph (c)(2), with respect to any employee who is so convicted—
 - 1. Taking appropriate personnel action against such an employee, up to and including termination;
 - 2. Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- f. Making a good faith effort to continue to maintain a drug-free workplace through implementation of all of the paragraphs above.

POLITICAL ACTIVITY (HATCH ACT)

(applies to all subrecipients as well as States)

The State will comply with provisions of the Hatch Act (5 U.S.C. 1501-1508), which limits the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.

CERTIFICATION REGARDING FEDERAL LOBBYING

(applies to all subrecipients as well as States)

CERTIFICATION FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS

The undersigned certifies, to the best of his or her knowledge and belief, that:

- No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
- 2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions;
- 3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grant, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

RESTRICTION ON STATE LOBBYING (applies to subrecipients as well as States)

None of the funds under this program will be used for any activity specifically designed to urge or influence a State or local legislator to favor or oppose the adoption of any specific legislative proposal pending before any State or local legislative body. Such activities include both direct and indirect (e.g., "grassroots") lobbying activities, with one exception. This does not preclude a State official whose salary is supported with NHTSA funds from engaging in direct communications with State or local legislative officials, in accordance with customary State practice, even if such communications urge legislative officials to favor or oppose the adoption of a specific pending legislative proposal.

CERTIFICATION REGARDING DEBARMENT AND SUSPENSION (applies to all subrecipients as well as States)

INSTRUCTIONS FOR PRIMARY TIER PARTICIPANT CERTIFICATION (STATES)

- 1. By signing and submitting this proposal, the prospective primary tier participant is providing the certification set out below and agrees to comply with the requirements of <u>2 CFR parts 180</u> and <u>1200</u>.
- 2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective primary tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary tier participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
- 3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default or may pursue suspension or debarment.
- 4. The prospective primary tier participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary tier participant learns its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- 5. The terms covered transaction, civil judgment, debarment, suspension, ineligible, participant, person, principal, and voluntarily excluded, as used in this clause, are defined in <u>2 CFR parts 180</u> and <u>1200</u>. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
- 6. The prospective primary tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under <u>48 CFR part 9, subpart 9.4</u>, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.
- 7. The prospective primary tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Participant Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with 2 CFR parts 180 and 1200.
- 8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under <u>48 CFR part 9</u>, <u>subpart 9</u>, <u>4</u>, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website (<u>https://www.sam.gov</u>).
- 9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- 10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under <u>48 CFR part 9</u>, <u>subpart 9.4</u>, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate the transaction for cause or default.

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS— PRIMARY TIER COVERED TRANSACTIONS

- 1. The prospective primary tier participant certifies to the best of its knowledge and belief, that it and its principals:
 - a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency;
 - b. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - d. Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.
- 2. Where the prospective primary tier participant is unable to certify to any of the Statements in this certification, such prospective participant shall attach an explanation to this proposal.

INSTRUCTIONS FOR LOWER TIER PARTICIPANT CERTIFICATION

- 1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below and agrees to comply with the requirements of 2 CFR parts 180 and 1200.
- 2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.
- 3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- 4. The terms covered transaction, civil judgment, debarment, suspension, ineligible, participant, person, principal, and voluntarily excluded, as used in this clause, are defined in <u>2 CFR parts 180</u> and <u>1200</u>. You may contact the person to whom this proposal is submitted for assistance in obtaining a copy of those regulations.
- 5. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under <u>48 CFR part 9, subpart 9.4</u>, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
- 6. The prospective lower tier participant further agrees by submitting this proposal that it will include the clause titled "Instructions for Lower Tier Participant Certification" including the "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion—Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions and will require lower tier participants to comply with 2 CFR parts 180 and 1200.
- 7 A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under <u>48 CFR part 9</u>, <u>subpart 9.4</u>, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any prospective lower tier participants, each participant may, but is not required to, check the System for Award Management Exclusions website (*https://www.sam.gov/*).
- 8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- 9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under <u>48 CFR part 9</u>, <u>subpart 9.4</u>, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension or debarment.

CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION—LOWER TIER COVERED TRANSACTIONS

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

BUY AMERICA (applies to subrecipients as well as States)

The State and each subrecipient will comply with the Buy America requirement (23 U.S.C. 313) when purchasing items using Federal funds. Buy America requires a State, or subrecipient, to purchase with Federal funds only steel, iron and manufactured products produced in the United States, unless the Secretary of Transportation determines that such domestically produced items would be inconsistent with the public interest, that such materials are not reasonably available and of a satisfactory quality, or that inclusion of domestic materials will increase the cost of the overall project contract by more than 25 percent. In order to use Federal funds to purchase foreign produced items, the State must submit a waiver request that provides an adequate basis and justification for approval by the Secretary of Transportation.

CERTIFICATION ON CONFLICT OF INTEREST (applies to subrecipients as well as States)

GENERAL REQUIREMENTS

No employee, officer, or agent of a State or its subrecipient who is authorized in an official capacity to negotiate, make, accept, or approve, or to take part in negotiating, making, accepting, or approving any subaward, including contracts or subcontracts, in connection with this grant shall have, directly or indirectly, any financial or personal interest in any such subaward. Such a financial or personal interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or personal interest in or a tangible personal benefit from an entity considered for a subaward. Based on this policy:

- 1. The recipient shall maintain a written code or standards of conduct that provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents.
 - a. The code or standards shall provide that the recipient's officers, employees, or agents may neither solicit nor accept gratuities, favors, or anything of monetary value from present or potential subawardees, including contractors or parties to subcontracts.
 - b. The code or standards shall establish penalties, sanctions, or other disciplinary actions for violations, as permitted by State or local law or regulations.
- 2. The recipient shall maintain responsibility to enforce the requirements of the written code or standards of conduct.

DISCLOSURE REQUIREMENTS

No State or its subrecipient, including its officers, employees, or agents, shall perform or continue to perform under a grant or cooperative agreement, whose objectivity may be impaired because of any related past, present, or currently planned interest, financial or otherwise, in organizations regulated by NHTSA or in organizations whose interests may be substantially affected by NHTSA activities. Based on this policy:

- 1. The recipient shall disclose any conflict of interest identified as soon as reasonably possible, making an immediate and full disclosure in writing to NHTSA. The disclosure shall include a description of the action which the recipient has taken or proposes to take to avoid or mitigate such conflict.
- 2. NHTSA will review the disclosure and may require additional relevant information from the recipient. If a conflict of interest is found to exist, NHTSA may (a) terminate the award, or (b) determine that it is otherwise in the best interest of NHTSA to continue the award and include appropriate provisions to mitigate or avoid such conflict.
- 3. Conflicts of interest that require disclosure include all past, present, or currently planned organizational, financial, contractual, or other interest(s) with an organization regulated by NHTSA or with an organization whose interests may be substantially affected by NHTSA activities, and which are related to this award. The interest(s) that require disclosure include those of any recipient, affiliate, proposed consultant, proposed subcontractor, and key personnel of any of the above. Past interest shall be limited to within one year of the date of award. Key personnel shall include any person owning more than a 20 percent interest in a recipient, and the officers, employees or agents of a recipient who are responsible for making a decision or taking an action under an award where the decision or action can have an economic or other impact on the interests of a regulated or affected organization.

PROHIBITION ON USING GRANT FUNDS TO CHECK FOR HELMET USAGE

(applies to all subrecipients as well as States)

The State and each subrecipient will not use 23 U.S.C. Chapter 4 grant funds for programs to check helmet usage or to create checkpoints that specifically target motorcyclists.

POLICY ON SEAT BELT USE

In accordance with Executive Order 13043, Increasing Seat Belt Use in the United States, dated April 16, 1997, the Grantee is encouraged to adopt and enforce on-the-job seat belt use policies and programs for its employees when operating company-owned, rented, or personally-owned vehicles. The National Highway Traffic Safety Administration (NHTSA) is responsible for providing leadership and guidance in support of this Presidential initiative. For information and resources on traffic safety programs and policies for employers, please contact the Network of Employers for Traffic Safety (NETS), a public-private partnership dedicated to improving the traffic safety practices of employers and employees. You can download information on seat belt programs, costs of motor vehicle crashes to employers, and other traffic safety initiatives at www.trafficsafety.org. The NHTSA website (www.nhtsa.gov) also provides information on statistics, campaigns, and program evaluations and references.

POLICY ON BANNING TEXT MESSAGING WHILE DRIVING

In accordance with Executive Order 13513, Federal Leadership On Reducing Text Messaging While Driving, and DOT Order 3902.10, Text Messaging While Driving, States are encouraged to adopt and enforce workplace safety policies to decrease crashes caused by distracted driving, including policies to ban text messaging while driving companyowned or rented vehicles, Government-owned, leased or rented vehicles, or privately-owned vehicles when on official Government business or when performing any work on or behalf of the Government. States are also encouraged to conduct workplace safety initiatives in a manner commensurate with the size of the business, such as establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving, and education, awareness, and other outreach to employees about the safety risks associated with texting while driving.

INSTRUCTIONS FOR ADDING OR UPDATING GEMS USERS

- 1. Each agency is allowed a total of FIVE (5) GEMS Users.
- 2. GEMS Users listed on this form will be authorized to login to GEMS to complete and submit Quarterly Performance Reports (QPRs) and reimbursement claims.
- 3. Complete the form if adding, removing or editing a GEMS user(s).
- 4. The Grant Director must sign this form and return it with the Grant Agreement.

GRANT DETAILS	
Grant Number:	AL25017
Agency Name:	Tulare County Office of Education
Grant Title:	FNL Youth Building Inclusive Partnerships to Tackle Underage Drinking Perception
Agreement Total:	\$260,000.00
Authorizing Official:	Tim A. Hire
Fiscal Official:	Jody Arriaga
Grant Director:	Nani Dodson

CURRENT GEMS USER(S)

1. Larry Micari

Title: Chair, Tulare County Board of Supervisors Phone: (559) 636-5000 Email: grants@tularecounty.ca.gov

2. Nani Dodson

Title: Director, CFNLP Phone: (559) 733-6496 ext 1266 Email: nanid@tcoe.org

3. Devann McClellan

Title: Phone: (559) 733-6496 Email: devann.mcclellan@tcoe.org

4. Chantel Medeiros-Horton

Title: Program Director Phone: (559) 733-6496 ext. 1270 Email: chantelmedeiros-horton@tcoe.org

5. Azulie Wilson

Title: Secretary Phone: (559) 733-6496 x1260 Email: azulie.wilson@tcoe.org Media Contact: No

Media Contact: No

Media Contact: No

Media Contact: Yes

Media Contact: No

Complete the below information if adding, removing or editing a GEMS user(s)

GEMS User 1 Add/Change 🖌 Remove Access	Add as a media contact? Yes No√
Katelyn Williford	Grant Coordinator
Name	Job Title
katelyn.williford@tcoe.org	(559) 733-6496 ext 1264
Email address	Phone number
GEMS User 2 Add/Change Remove Access	Add as a media contact? Yes 🗌 No 🛄
Name	Job Title
Email address	Phone number
GEMS User 3 Add/Change Remove Access	Add as a media contact? Yes 🗌 No 🗌
Name	Job Title
Email address	Phone number
GEMS User 4 Add/Change Remove Access	Add as a media contact? Yes 🗌 No 🗌
Name	Job Title
Email address	Phone number
GEMS User 5 Add/Change Remove Access	Add as a media contact? Yes 🗌 No 🗌
Name	Job Title
Email address	Phone number
Form completed by: Duran Wolldon	Date: Sep 12, 2024
As a signatory I hereby authorize the listed indi	vidual(s) to represent and have GEMS user access.
Nasi Dodeon	nanid@tcoe.org nanid@tcoe.org
Signature	Name
Sep 12, 2024	Grant Director
Date	Title

9/12/2024 9:21:58 AM

Grant Agreement - AL25017

Final Audit Report

2024-09-23

Created:	2024-09-12
By:	Alexis DeLeon (Alexis.DeLeon@ots.ca.gov)
Status:	Signed
Transaction ID:	CBJCHBCAABAAUwK4rifBsHNwOiEXLj3ZX23wvGnmilAa

"Grant Agreement - AL25017" History

- Document created by Alexis DeLeon (Alexis.DeLeon@ots.ca.gov) 2024-09-12 - 4:22:15 PM GMT
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- Email viewed by Barbara Rooney (barbara.rooney@ots.ca.gov) 2024-09-23 - 11:35:58 PM GMT
- Document e-signed by Barbara Rooney (barbara.rooney@ots.ca.gov) Signature Date: 2024-09-23 - 11:36:14 PM GMT - Time Source: server
- Agreement completed. 2024-09-23 - 11:36:14 PM GMT



BEFORE THE TULARE COUNTY BOARD OF EDUCATION

In the Matter of Proclaiming the week of
October 21-25, 2024 RED RIBBON WEEK)

Resolution No. 24/25-09

WHEREAS, tobacco, alcohol and other drug use and abuse has reached pandemic stages in California and throughout the United States; and,

WHEREAS, it is imperative that our schools and communities launch unified and visible tobacco, alcohol, and other drug prevention education programs and activities to eliminate the demand for these substances; and

WHEREAS, the Red Ribbon Celebration offers our communities the opportunity to demonstrate their commitment to healthy, drug-free lifestyles; and,

WHEREAS, the Red Ribbon Celebration will be observed across America during Red Ribbon Week, October 23-31, 2023; and

WHEREAS, Parents, Youth, Government, Business, Law Enforcement, Schools, Religious Institutions, Service Organizations, Social Services, Health Services, Media, and the General Public will demonstrate their commitment to drug-free communities by wearing and displaying Red Ribbons during this week-long celebration; and,

WHEREAS, the Tulare County Office of Education further commits resources to ensure the success of the Red Ribbon Celebration and year-round tobacco, alcohol and other drug prevention efforts; and,

NOW, THEREFORE, BE IT RESOLVED, that the Tulare County Office of Education does hereby support, October 21-23, 2024 as Red Ribbon Week, and encourages all citizens to participate in tobacco, alcohol and other drug prevention programs and activities, making a visible statement and commitment to healthy, drug-free communities in which to raise a generation of drug-free youth; and

BE IT FURTHER RESOLVED, that the Tulare County Office of Education encourages all community members to pledge: NO USE OF ILLEGAL DRUGS AND NO ILLEGAL USE OF LEGAL DRUGS.

THE FOREGOING RESOLUTION WAS ADOPTED upon the motion of Trustee ______, seconded by Trustee ______, at a regular meeting held this 9th day of October, 2024 by the following votes:

AYES: NOES: ABSENT:

Tim A. Hire, Tulare County Superintendent of Schools Ex-Officio Secretary, Tulare County Board of Education



TULARE COUNTY/DISTRICT SPECIAL EDUCATION LOCAL PLAN AREA (SELPA)

NOTICE OF PUBLIC HEARING

In accordance with California Education Code, a public hearing will be conducted on the following dates/times to adopt the waiver for Extended School Year days and hours for the Tulare County/District Special Education Local Plan Area (SELPA):

Tulare County Board of Education Meeting Tulare County Office of Education – Redwood C & D 6200 South Mooney Blvd., Visalia, California 93277 Wednesday, October 9, 2024 3:00 p.m.

Copies of the waiver are available for inspection at the Tulare County/District SELPA office. For additional information, contact Sarah Hamilton, Administrator, Academic Collaborative for Exceptional Learners Program, Tulare County Office of Education at <u>shamilton@tcoe.org</u> or 559-730-2910, Ext. 5128.

BEFORE THE TULARE COUNTY BOARD OF EDUCATION

In the Matter of Authorizing TCOE to Submit Application for New Alternative Fuel Vehicle

RESOLUTION NO 24/25-12

RECITALS

- 1. This resolution authorizes the submittal of the application for one new alternative field vehicle for Circle J-Norris Ranch through the San Joaquin Valley Air Pollution Control District. NOW, THEREFORE, BE IT RESOLVED as follows:
- 1. The above recitals are true and correct.
- 2. This board hereby determines it is in the best interest of Tulare County Office of Education to authorize approval to submit an application for new alternative fuel vehicles.
- 3. The Tulare County Superintendent of Schools, or designee, is hereby directed to submit an application for new alternative fuel vehicles for Circle J-Norris Ranch through the San Joaquin Valley Air Pollution Control District.

THE FOREGOING RESOLUTION was adopted upon motion by Trustee

_____, seconded by Trustee ______ at a

regular/special meeting held on October 9, 2024, by the following vote: AYES:

NOES:

ABSENT:

I hereby certify that the forgoing Resolution was duly and regularly adopted by said Board at an official and public meeting thereof, this day of

> Tim Hire, Ex Officio Secretary of the Tulare County Board of Education

BEFORE THE TULARE COUNTY BOARD OF EDUCATION

In the Matter of Authorizing Amanda Driver, Education Coordinator for Circle J-Norris Ranch to Implement the New Alternative Fuel Vehicle Project

RESOLUTION NO 24/25-13

RECITALS

 This resolution authorizes Amanda Driver, Circle J-Norris Ranch Education Coordinator, to implement the new alternative field vehicles for Circle J-Norris Ranch.

NOW, THEREFORE, BE IT RESOLVED as follows:

- 1. The above recitals are true and correct.
- This board hereby determines it is in the best interest of Tulare County Office of Education to authorize Amanda Driver, Circle J-Norris Ranch Education Coordinator, to implement the new alternative field vehicles project.
- The Tulare County Superintendent of Schools, or designee, is hereby directed to authorize Amanda Driver, Circle J-Norris Ranch Education Coordinator, to implement the new alternative field vehicles project on the Circle J-Norris Ranch campus.

THE FOREGOING RESOLUTION was adopted upon motion by Trustee

_____, seconded by Trustee ______ at a

regular/special meeting held on October 9, 2024, by the following vote:

AYES:

NOES:

ABSENT:

I hereby certify that the forgoing Resolution was duly and regularly adopted by said Board at an official and public meeting thereof, this _____ day of

Tim Hire, Ex Officio Secretary of the Tulare County Board of Education

BEFORE THE TULARE COUNTY BOARD OF EDUCATION

In the Matter of Establishing an Estimated Appropriations Limit for the 2024-2025 Fiscal Year and an Actual Appropriations Limit for the 2023-2024 Fiscal Year

RESOLUTION NO. 24/25-10

RECITALS

- 1. In November of 1979, the California electorate adopted Proposition 4, commonly called the "Gann Initiative," which added Article XIIIB to the California Constitution.
- 2. The provisions of that Article establish maximum appropriation limits, commonly called "Gann Limits," for public agencies, including the Tulare County Office of Education (TCOE).
- 3. Section 7900 et seq. of the Government Code requires this board to establish annually, by resolution at a regular or special meeting, the appropriations limit for TCOE.
- 4. Education Code section 1629 requires that the county board of education adopt such resolution on or before October 15th of each year.
- 5. Government Code section 7902.1(a) states that if the proceeds of taxes of the county superintendent of schools exceeds its appropriations limit, the county superintendent of schools shall increase its appropriations limit to an amount equal to its proceeds of taxes.
- 6. Governing Code section 7902.1(b) states that if the appropriations limit of the county superintendent of schools exceeds its proceeds of taxes, the county superintendent of schools shall decrease its appropriations limit to an amount equal to its proceeds of taxes.
- 7. Education Code section 1629 requires that all documentation used in the identification of the appropriations limit shall be made available to the public at the meeting at which this resolution is adopted.

NOW, THEREFORE, BE IT RESOLVED as follows:

- 1. The above recitals are true and correct.
- 2. This board hereby establishes and adopts for the 2024-2025 fiscal year an estimated appropriations limit in the amount of <u>\$ 16.426.728.39</u>, and for the 2023-2024 fiscal year identifies the actual appropriations limit of <u>\$ 15.774.819.85</u>.
- 3. Said appropriations limits have been calculated and determined in accordance with all applicable statutes and constitutional provisions and do not exceed the limitations imposed by Proposition 4.
- 4. Effective July 9, 2021 (Stats. 2021, Ch. 44, Sec. 108 (AB 130)), it is no longer a requirement

to notify the Director of Finance of a change in the appropriations limit.

THE FOREGOING RESOLUTION was adopted upon motion by Trustee ______, seconded by Trustee ______,

at a regular meeting held on October 9, 2024, by the following vote:

AYES: NOES: ABSENT: ABSTAIN:

I, Tim A. Hire, ex-officio secretary of the Tulare County Board of Education, do hereby certify that the foregoing Resolution was duly passed and adopted by said Board, at an official and public meeting thereof, this 9th day of October, 2024.

Tim A. Hire, Ex-Officio Secretary Tulare County Board of Education

Unaudited Actuals Fiscal Year 2023-24 Tulare County Office of Education County Office Appropriations Limit Calculations	ls 24 imit Calculations				E8A6	54 10546 0000000 Form GANN E8A61C8NPD(2023-24)
		2023-24 Calculations			2024-25 Calculations	
	Extracted Data	Adjustments*	Entered Data/ Totals	Extracted Data	Adjustments*	Entered Data/ Totals
A. PRIOR YEAR DATA		2022-23 Actual			2023-24 Actual	
(Actual Appropriations Limit and Gann ADA are from COE's prior year Gann data reported to the CDE. LCFF data are from the prior year Annual County LCFF Calculation funding exhibit.)						
PRIOR YEAR APPROPRIATIONS LIMIT						
1. Program Portion of Prior Year Appropriations Limit						
(A3 times [A6 divided by (A6 plus A7)], not to exceed A6)						
Excess is added to Other Services portion.	1,109,773.03		1,109,666.33			1,166,024,33
2. Other Services Portion of Prior Year Appropriations Limit (A3 minus A1)	13,904,038.70		13,902,701.84			14,608,795.52
3. TOTAL PRIOR YEAR APPROPRIATIONS LIMIT (Preload/Line D16, PY column)	15,013,811.73	(1,443.56)	15,012,368.17			15,774,819.85
PRIOR YEAR GANN ADA						
4. Program ADA (Preload/Line B3, PY column)	89,28		89,28			92.75
5. Other ADA (Preload/Line B4, PY column)	91,288,82	5,76	91,294.58			91,618.31
PRIOR YEAR LCFF						
6. LCFF Alternative Education Grant (Preload/Line A28,						
Alternative Education Grant, prior year Annual County LCFF Calculation)	1,837,914.00		1,837,914.00			1,837,914.00
7. LCFF Operations Grant, (Preload/Line A1, Operations Grant, prior year Annual County LCFF Calculation)	23,026,715.00		23,026,715.00			23,026,715.00
ADJUSTMENTS TO PRIOR YEAR LIMIT AND ADA	Adj	Adjustments to 2022-23	2-23	Adj	Adjustments to 2023-24	3-24
ADJUSTMENTS TO PRIOR YEAR LIMIT						
8. Reorganizations and Other Transfers						
9. Temporary Voter Approved Increases	-					
10. Less: Lapses of Voter Approved Increases						
11. TOTAL ADJUSTMENTS TO PRIOR YEAR LIMIT	- ^					
(Lines A8 plus A9 minus A10)			0.00			0.00
12. Adjustments to Program Portion						
([Lines A1 divided by A3] times Line A11)	0.00		0.00	0.00		0.00
13. Adjustments to Other Services Portion						
(Lines A11 minus A12)			0.00			0.00
ADJUSTMENTS TO PRIOR YEAR ADA		4				
(Only for reorganizations and other transfers, and only if adjustments to the appropriations limit amounts are entered in Line A8 or A12 above)						
14. Adjustments to Program ADA						
15. Adjustments to Other ADA						
B. CURRENT YEAR GANN ADA						
California Dept of Education						
SACS Financial Reporting Software - SACS V10.2 File: GANN_County, Version 6 Page 1					Printed:	Printed: 10/1/2024 0:36 A

Page 1

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Tulare County County Limit Calculations						
		2023-24 Calculations			2024-25 Calculations	
	Extracted Data	Adjustments*	Entered Data/ Totals	Extracted Data	Adjustments*	Entered Data/ Totals
CURRENT YEAR PROGRAM ADA	202	2023-24 Annual Report	port	2024	2024-25 Annual Estimate	nate
Unaudited actuals data should tie to Principal Apportionment Data Collection attendance reports and include ADA for charter schools reporting with the COE		4				
1. Total County Program ADA (Form A, Line B1d)	92.75		92.75	100.00		100.00
2. Total Charter Schools ADA (Form A, Line C2d plus C6d)	0.00		0,00	0.00		0.00
3. Total Current Year ADA (Lines B1 through B2)	92.75	0.00	92,75	100.00	0.00	100.00
	2	2023-24 P2 Report	Ŧ	20	2024-25 P2 Estimate	Ð
R						
C CHRRENT YEAR LOCAL BROCEEDS OF TAYES/STATE		2002 24 A 40 2000	10.010,16		2024 25 Budget	81,007,80
					q	
TAXES AND SUBVENTIONS (Funds 01, 09, and 62)						
1. Homeowners' Exemption (Object 8021)	61,239,26		61,239.26	61,239.00		61,239.00
2. Timber Yield Tax (Object 8022)	166.51		166.51	465.00		465.00
3. Other Subventions/In-Lieu Taxes (Object 8029)	0.00		0.00	0.00		0.00
4. Secured Roll Taxes (Object 8041)	10,101,593.71		10,101,593,71	10,056,345.00		10,056,345.00
5. Unsecured Roll Taxes (Object 8042)	759,662.09		759,662.09	750,056.00		750,056.00
6₊∞ Prior Y ears' Taxes (Object 8043)	248,989.48		248,989,48	162,997.00		162,997.00
7. Supplemental Taxes (Object 8044)	359,850.30		359,850.30	169,631.00		169,631.00
8. Ed. Rev. Augmentation Fund (ERAF) (Object 8045)	59,835.67		59,835.67	390,806.00		390,806.00
9. Penalties and Int. from Delinquent Taxes (Object 8048)	00.0		0.00	0.00		0.00
10. Receipts from County Bd. of Supervisors (Object 8070)	0.00		0.00	0.00		0.00
11. Other In-Lieu Taxes (Object 8082)	0.00		0.00	0.00		0.00
12. Comm. Redevelopment Funds (Objects 8047 & 8625)	1,051,753.00		1,051,753.00	618,955.00		618,955.00
13. Parcel Taxes (Object 8621)	0.00		0.00	0.00		0.00
14. Other Non-Ad Valorem Taxes (Object 8622) (Taxes only)	0.00		0.00	0.00		0.00
15. Penalties and Int, from Delinquent Non-LCFF						
Taxes (Object 8629) (Only those for the above taxes)	0.00		0.00	0.00		0.00
16. Transfers to Charter Schools			X			
in Lieu of Property Taxes (Object 8096)						
17, TOTAL TAXES AND SUBVENTIONS						
(Files of thirdafil of to)	12,643,090.02	0.00	12,643,090.02	12,210,494.00	0.00	12,210,494.00

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California Dept of Education SACS Financial Reporting Software - SACS V10.2 File: GANN_County, Version 6	 Revised Prior Year Other Services Limit (Lines A2 plus A13)

	1,204,018.11	1.0389	1.0444	1,109,666.33	2023-24 Actual 2024-25 Bu	2,862,837,44 2,862,837.44 2,862,837.44	0,091,245.82 250,091,245.82 234,628,835.00	4,032,617.08 0.00 34,032,617.08 35,097,252.00 (28,660.00 28,660.00 0.00	14,003,957,08 34,003,957.08 35,097,252.00	0.00			0.00
					2024-25 Budget	37.44	35.00	52.00 0.00	0.00	52.00				
14,608,795,52	1,302,718.34	1.0782	1.0362	1,166,024.33	Ť	2,862,837.44	234,628,835.00	35,097,252.00	0.00	35,097,252.00	0.00			0.00

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Tulare	Tulare
County	County
	Office of
	Education

Unaudited Actuals Fiscal Year 2023-24 County Office Appropriations Limit Calculations

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(Lines D1 times D2 times D3)	4. PRELIMINARY PROGRAM LIMIT	by [A4 plus A14]) (Round to four decimal places)	3. Program Population Adjustment (Lines B3 divided	2. Inflation Adjustment	1. Revised Prior Year Program Limit (Lines A1 plus A12)	PRELIMINARY APPROPRIATIONS LIMIT	APPROPRIATIONS LIMIT CALCULATIONS	29, Total Interest and Return on Investments (Funds 01, 09, and 62, objects 8660 and 8662)	28. Total Revenues (Funds 01, 09 & 62, objects 8000-8799)	DATA FOR INTEREST CALCULATION	(Line C25 plus C26)	27. TOTAL STATE AID RECEIVED	26. LCFF/Revenue Limit State Aid - Prior Years (Object 8019)	25. LCFF - CY (objects 8011 and 8012)	STATE AID RECEIVED (Funds 01, 09, and 62)	24. TOTAL EXCLUSIONS (Lines C20 through C23)	23. Other Unfunded Court-ordered or Federal Mandates	22. Unreimbursed Court Mandated Desegregation Costs	21, Americans with Disabilities Act	OTHER EXCLUSIONS	20b. Qualified Capital Outlay Projects	20a. Medicare (Enter federally mandated amounts only from objs. 3301 and 3302; do not include negotiated amounts)	EXCLUDED APPROPRIATIONS	(Lines C17 plus C18)	19. TOTAL LOCAL PROCEEDS OF TAXES	Fund (Excess debt service taxes) (Object 8914)	18. To General Fund from Bond Interest and Redemption	OTHER LOCAL REVENUES (Funds 01, 09, and 62)			
								2,862,837,44	250,091,245.82		34,032,617.08		28,660.00	34,003,957.08										12,643,090.02					2	Extracted Data	
							2023-24 Actual				0.00													0.00						Adjustments*	2023-24 Calculations
1,204,018.11		1.0389		1.0444	1,109,666.33			2,862,837.44	250,091,245.82		34,032,617.08		28,660.00	34,003,957.08		0.00						0.00		12,643,090.02						Entered Data/ Totals	
								2,862,837.44	234,628,835.00		35,097,252.00		0.00	35,097,252.00										12,210,494.00						Extracted Data	
							2024-25 Budget				0.00													0.00						Adjustments*	2024-25 Calculations
1,302,718.34		1.0782		1.0362	1,166,024.33			2,862,837.44	234,628,835.00		35,097,252.00		0.00	35,097,252.00		0.00						0.00		12,210,494.00						Entered Data/ Totals	3

Page 3

1

Printed: 10/1/2024 0:36 A				California Dept of Education SACS Financial Reporting Software - SACS V10.2 File: GANN_County, Version 6
		15,774,819.85		17 Appropriations Subject to the Limit (Line D14d)
16,426,728.39		15,774,819.85		
				16 Adjusted Appropriations Limit
2024-25 Budget			2023-24 Actual	SUMMARY
		0.00		(Line D14d minus D9)
				15 Adjustments to the Limit Per Government Code Section 7902.1
		15,774,819.85		(Lines D14a plus D14b minus D14c)
				d. TOTAL APPROPRIATIONS SUBJECT TO THE LIMIT
		0.00		c. Less: Excluded Appropriations (Line C24)
		2,949,061.72		b. State Subventions (Line D13)
		12,825,758.13		a. Local Revenues (Line D12b)
				14. Total Appropriations Subject to the Limit
4,013,326.92		2,949,061.72		[Lines D9 minus D12b plus C24]; if negative, then zero)
				13. State Aid in Proceeds of Taxes (lesser of Line D11a or
12,413,401.47		12,825,758.13		b. Total Local Proceeds of Taxes (Lines D10 plus D12a)
202,907.47		182,668.11		a. Interest Counting in Local Limit (Lines C29 divided by [C28 minus C29] times [D10 plus D11a])
				12. Local Revenues in Proceeds of Taxes
4,216,234.39		3,131,729.83		(Lesser of Line C27 or [Lines D9 minus D10 plus C24]; if negative, then zero)
				a. Maximum State Aid in Local Limit
				11. Preliminary State Aid Calculation
12,210,494.00		12,643,090.02		10. Local Revenues Excluding Interest (Line C19)
				APPROPRIATIONS SUBJECT TO THE LIMIT
16,426,728,39		15,774,819.85		(Lines D4 plus D8)
				9. PRELIMINARY TOTAL APPROPRIATIONS LIMIT
15,124,010.05		14,570,801.74		(Lines D5 times D6 times D7)
				8, PRELIMINARY OTHER SERVICES LIMIT
0.9991	1 V 10	1.0035		by [A5 plus A15]) (Round to four decimal places)
				7. Other Services Population Adj, (Lines B4 divided
1.0362		1.0444		6. Inflation Adjustment
Adjustments* Entered Data/	Extracted Data	Entered Data/ Totals	Extracted Data Adjustments*	
2024-25 Calculations			2023-24 Calculations	

Tulare County Office of Education Tulare County

Unaudited Actuals Fiscal Year 2023-24 County Office Appropriations Limit Calculations

54 10546 0000000 Form GANN E8A61C8NPD(2023-24)

Unaudited Actuals Fiscal Year 2023-24 County Office Appropriations Limit Calculations

Jody Arriaga jody a@tcoe.org 559-730-2751 Gann Contact Person Contact Phone Number		Adjusted district prior y ear ADA.	* Please provide below an explanation for each entry in the adjustments column.	Extracted Entered Data/ Extracted Data Adjustments* Totals Data	2023-24 2024-25 Calculations Calculations
Number				Adjustments* Entered Data/	2024-25 Calculations

EXHIBIT C

Ranking of Best Value Scores

SECTION I – CONTRACTOR QUALIFICATIONS

In the following table, enter all proposing Contractors and each one's total points received from the qualifications scoring in Exhibit A (maximum points available per Contractor is 100).

CONTRACTOR	POINTS
Soltek Pacific Construction	98
Oral E. Micham, Inc.	82
Bush Construction	95
Seals Construction, Inc.	85

SECTION II – FEE PROPOSALS

In the following table, enter all proposing Contractors based on their fee proposals in order from lowest to highest. In the event two Contractors submit fee proposals with the same overall fee, both Contractors shall be awarded the average amount of points for their positions. (For example, if two Contractors submit a fee proposal of exactly 5.32% that ties them for the second lowest fee proposal, each Contractor shall receive 85 points.)

CONTRACTOR	FEE	POINTS
	PROPOSAL	
Bush Construction	9.98%	100
Oral E. Micham, Inc.	10.03%	90
Seals Construction	10.09%	80
Soltek Pacific Construction	11.98%	70
	. %	60
	. %	50
	%	40
	%	30
	%	20
	%	10

SECTION III – BEST VALUE SCORE

In the following table, enter all proposing Contractors, their scores from the qualifications and fee proposal evaluations, and their total combined score. The total combined score is the Contractor's "best value score."

CONTRACTOR	SECTION I POINT TOTAL	SECTION II POINT TOTAL	SECTION I & SECTION II COMBINED TOTAL
Bush Construction	95	100	195
Oral E. Micham, Inc.	82	90	172
Soltek Pacific Construction	98	70	168
Seals Construction	85	80	165

SECTION IV – BEST VALUE RANK

In the following table, enter all proposing Contractors and best value scores in order from the highest best value score to the lowest best value score. The Contractor with the highest best value score shall be ranked No. 1 overall.

CONTRACTOR	BEST VALUE	RANK
	SCORE	
	(highest point total	
	to lowest point total)	
Oral E. Micham, Inc.	220	1
Bush Construction	219	2
Soltek Pacific Construction	204	3
Seals Construction	175	4
		5
		6
		7
		8
		9
		10

BOARD OF EDUCATION TULARE COUNTY OFFICE OF EDUCATION

RESOLUTION NO. 24/25-11

AUTHORIZING THE EXECUTION, DELIVERY AND SALE OF CERTIFICATES OF PARTICIPATION IN THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$122,000,000 TO FINANCE THE ACQUISITION AND CONSTRUCTION OF COUNTY FACILITIES, AND APPROVING RELATED DOCUMENTS AND ACTIONS

WHEREAS, the Tulare County Office of Education (the "Office of Education") is proceeding to finance the acquisition and construction of Office of Education facilities, including new administrative facilities and a new performing arts center (the "Project"); and

WHEREAS, in order to provide financing for the Project, the Office of Education proposes to lease certain land and improvements (the "Leased Property") to the Local Facilities Finance Corporation (the "Corporation") under a Site Lease in consideration of the payment of an upfront rental payment in an amount sufficient for such purposes, and the Corporation has proposed to lease the Leased Property back to the Office of Education under a Lease Agreement in consideration of the agreement by the Office of Education to pay semiannual lease payments (the "Lease Payments"); and

WHEREAS, the Corporation will assign its right to receive the Lease Payments to U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), and in consideration of such assignment the Trustee will execute and deliver a not to exceed \$122,000,000 aggregate principal amount of 2024 Certificates of Participation, each evidencing a direct, undivided fractional interest in the Lease Payments (the "Certificates"), the proceeds of which will be applied to finance the Project, as provided in a Trust Agreement among the Corporation, the Office of Education and the Trustee; and

WHEREAS, the Office of Education is authorized to enter into the Site Lease and the Lease Agreement under Section 17150.1 of the Education Code of the State of California (the "Education Code"), provided that the proceeds thereof are applied for capital outlay purposes of the Office of Education; and

WHEREAS, the Office of Education has, at least 30 days prior to the date hereof, provided notice to the California State Superintendent of Public Instruction and the Treasurer-Tax Collector/Auditor-Controller of Tulare County of its intention to proceed with the issuance of the Certificates, together with evidence of its ability to repay the proposed Certificates; and

WHEREAS, the Board of Education of the Office of Education (the "Board") wishes at this time to authorize and approve all proceedings for the financing of the Project, the delivery and sale of the Certificates for such purpose, and all related documents and actions, in furtherance of the public purposes of the Office of Education; and WHEREAS, pursuant to California Government Code Section 5852.1, certain information relating to the Certificates is set forth in Appendix A attached to this Resolution, and such information is hereby disclosed and made public;

NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Education of the Tulare County Office of Education as follows:

Section 1. Approval of Financing Plan and Related Documents. The Board hereby approves the financing plan outlined above. To that end, the Board hereby approves each of the following financing documents in substantially the respective forms on file with the Clerk of the Board, together with any changes therein or additions thereto deemed advisable by the County Superintendent of Schools or Chief Business Official of the Office of Education, or the President or Vice President of the Board (each, an "Authorized Officer"), whose execution thereof shall be conclusive evidence of such approval:

- <u>Site Lease</u> between the Office of Education, as lessor, and the Corporation, as lessee, whereby the Office of Education leases the Leased Property to the Corporation in consideration of the payment by the Corporation to the Office of Education of an upfront rental payment which will be applied to finance the acquisition, construction and improvement of the Project, including the payment of related financing costs.
- <u>Lease Agreement</u> between the Corporation as lessor and the Office of Education as lessee, whereby the Corporation leases the Leased Property back to the Office of Education in consideration of the payment by the Office of Education of semiannual lease payments.
- <u>Trust Agreement</u> among the Office of Education, the Corporation and the Trustee, whereby the Trustee agrees to execute and deliver the Certificates.

An Authorized Officer is authorized and directed for and in the name and on behalf of the Office of Education to execute and attest the final form of each of the foregoing documents. The schedule of lease payments attached to the Lease Agreement shall correspond to the payments of principal and interest represented by the Certificates, to be determined upon the sale thereof as set forth in Section 2.

Section 2. Negotiated Sale of Certificates. The Board hereby approves the sale of the Certificates on a negotiated basis to D.A. Davidson & Co. (the "Purchaser"). The Certificates shall be sold pursuant to the terms and provisions of a Certificate Purchase Agreement (the "Purchase Agreement") between the Office of Education and the Purchaser. An Authorized Officer is hereby authorized and directed to execute and deliver the Purchase Agreement for and in the name and on behalf of the Office of Education, in substantially the form on file with the Board, with such changes therein, deletions therefrom and additions thereto deemed advisable by an Authorized Officer, whose execution thereof shall be conclusive evidence of such approval. The Certificates shall be sold at a true interest cost not exceeding legal limits and the amount of the Purchaser's discount on the sale of the Certificates shall not exceed 0.425% of the par amount thereof.

The Office of Education hereby authorizes the delivery and performance of the Purchase Agreement.

Section 3. Official Statement. The Board hereby approves and deems final within the meaning of Rule -c2-12 of the Securities Exchange Act of 1934 (the "Rule), the Preliminary Official Statement describing the Certificates in the form on file with the Clerk of the Board. Each Authorized Officer is hereby individually authorized, at the request of the Purchaser, to execute an appropriate certificate affirming the Board's determination that the Preliminary Official Statement has been deemed final within the meaning of such Rule. Distribution of the Preliminary Official Statement to prospective purchasers of the Certificates is hereby approved. An Authorized Officer is hereby authorized and directed to approve any changes in or additions to a final form of said Official Statement, and the execution thereof by an Authorized Officer shall be conclusive evidence of approval of any such changes and additions. The Board hereby authorizes the distribution of the Final Official Statement by the Purchaser. The Final Official Statement shall be executed in the name and on behalf of the Office of Education by an Authorized Officer.

Section 4. <u>Continuing Disclosure</u>. An Authorized Officer is hereby authorized on behalf of the Office of Education to enter into the Continuing Disclosure Certificate, in substantially the form included as Appendix E to the Official Statement submitted to this Board, with such changes thereto as deemed necessary in order to permit the Underwriter to comply with the requirements of Securities and Exchange Commission Rule 15c2-12. The Office of Education hereby covenants and agrees that it will comply with and carry out all of the provisions of such Continuing Disclosure Certificate.

Section 5. Official Actions. Each Authorized Officer and all other officers of the Office of Education are each authorized and directed in the name and on behalf of the Office of Education to make any and all assignments, certificates, requisitions, agreements, notices, consents, leases and other instruments of conveyance, warrants, termination and other documents, which they or any of them might deem necessary or appropriate in order to consummate any of the transactions contemplated by the agreements and documents approved under this Resolution. Said authority extends to applying for a policy of municipal bond insurance and a debt service reserve insurance policy for the Certificates, if determined by an Authorized Officer to be in the best interests of the Office of Education. Whenever in this resolution any officer of the Office of Education is authorized to execute or countersign any document or take any action, such execution, countersigning or action may be taken on behalf of such officer by any person designated in writing by such officer to act on his or her behalf in the case such officer is absent or unavailable.

Section 6. Effective Date. This Resolution shall take effect from and after the date of its passage and adoption.

* * * * * * * *

PASSED AND ADOPTED by the Board of Education of the Tulare County Office of Education on October 9, 2024, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

President of the Board of Education

ATTEST:

Vice President of the Board of Education

EXHIBIT A

REQUIRED GOOD FAITH ESTIMATES PURSUANT TO GOVERNMENT CODE SECTION 5852.1*

1. True Interest Cost of the Certificates: 4.097916%.

2. Finance charge of the Certificates, being the sum of all fees and charges paid to third parties in the amount of \$2,317,632.43.

3. Amount of proceeds of the Certificates expected to be received by the Office of Education, net of proceeds for costs of issuance in (2) above and net of capitalized interest (if any) and reserves (if any) paid or funded with the proceeds of the Certificates: \$112,000,000.

4. Total payment amount for the Certificates, being the sum of (a) debt service to be paid on the Certificates to final maturity, plus (b) any financing costs not paid from proceeds of the Certificates: \$198,070,236.11.

^{*} Estimates assume the Certificates are sold in the aggregate par amount of \$110,740,000. All amounts and percentages are estimates, and are given in good faith by the Office of Education based on information available as of the date of adoption of this Resolution. Estimates include certain assumptions regarding tax-exempt interest rates available in the bond market at the time of pricing the Certificates.

RECORDING REQUESTED BY: Tulare County Office of Education

AND WHEN RECORDED RETURN TO: Jones Hall, A Professional Law Corporation 475 Sansome Street, Suite 1700 San Francisco, California 94111 Attention: Katie J. Dobson, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

SITE LEASE

This SITE LEASE (this "Site Lease"), dated as of November 1, 2024, is between the TULARE COUNTY OFFICE OF EDUCATION, a school district duly organized and existing under the laws of the State of California (the "District"), as lessor, and the LOCAL FACILITIES FINANCE CORPORATION, as lessee (the "Corporation").

BACKGROUND:

1. The District is proceeding to finance the acquisition and construction of Office of Education facilities, including new administrative facilities (the "Project"), and in order to provide funds to complete the Project the District has agreed to lease certain land and buildings described more fully in Appendix A attached hereto and made a part hereof (the "Leased Property"), to the Corporation under this Site Lease in consideration of the payment of an upfront rental payment in an amount sufficient for such purposes, and the Corporation has agreed to lease the Leased Property back to the District under a Lease Agreement dated as of November 1, 2024 (the "Lease Agreement"), which has been recorded concurrently herewith, in consideration of the agreement by the District to pay semi-annual lease payments (the "Lease Payments").

2. The Corporation has agreed to assign its right to receive the Lease Payments to Wilmington Trust, National Association, as trustee (the "Trustee"), and in consideration of such assignment the Trustee has agreed to execute and deliver 2024 Certificates of Participation in the aggregate principal amount of \$_____ (the "Certificates"), each evidencing a direct, undivided fractional interest in the lease payments to be paid by the District under the Lease Agreement, the proceeds of which will be applied by the Corporation to finance the Project under a Trust Agreement dated as of November 1, 2024 (the "Trust Agreement"), among the Corporation, the District and the Trustee.

3. The District is authorized to enter into this Site Lease and the Lease Agreement under the Education Code of the State of California.

4. Payment of principal and interest represented by the Certificates is insured by a municipal bond insurance policy (the "Certificate Insurance Policy") issued by _____ (the "Certificate Insurer"), and the Certificate Insurer is issuing a Municipal Bond Debt Service Reserve Insurance Policy to be credited to the Reserve Fund which has been established for the Certificates under the Trust Agreement.

AGREEMENT:

In consideration of the foregoing and the material covenants hereinafter contained, the District and the Corporation formally covenant, agree and bind themselves as follows:

SECTION 1. *Definitions*. Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms in this Site Lease have the respective meanings given them in the Trust Agreement.

SECTION 2. Lease of Leased Property. The District hereby leases the Leased Property to the Corporation, and the Corporation hereby leases the Leased Property from the District, on the terms and conditions hereinafter set forth.

SECTION 3. *Term; Possession.* The term of this Site Lease commences, and the Corporation becomes entitled to possession of the Leased Property, as of the Closing Date. This Site Lease ends, and the right of the Corporation hereunder to possession of the Leased Property thereupon ceases, on the date on which all of the outstanding Certificates are paid in full and all amounts owed to the Certificate Insurer are paid, or provision is made for such payment in accordance with the Trust Agreement, and the Trust Agreement has been discharged under Section 13.01 thereof, but under any circumstances not later than December 1, 20_.

SECTION 4. *Rental.* The Corporation shall pay to or at the direction of the District as and for rental of the Leased Property hereunder, from the proceeds of sale of the Certificates, the amount of \$_____ (the "Site Lease Payment") to be paid on or before the date of execution and delivery hereof. From the proceeds of the Site Lease Payment, there will be deposited in the Project Fund an amount required to finance the Project as set forth in the Lease Agreement and in the Trust Agreement. The District shall ensure that the proceeds of the Site Lease Payment deposited in the Project Fund are applied solely for capital outlay purposes.

The Corporation and the District hereby find and determine that the total amount of the Site Lease Payment does not exceed the estimated value of the leasehold interest in the Leased Property which is conveyed hereunder by the District to the Corporation. No other amounts of rental is due and payable by the Corporation for the use and occupancy of the Leased Property under this Site Lease.

SECTION 5. Assignments and Subleases. Unless the District is in default under the Lease Agreement, the Corporation may not assign its rights under this Site Lease or sublet all or any portion of the Leased Property, except as provided in the Lease Agreement, without the prior written consent of the District and the Certificate Insurer (with notice to the Trustee).

SECTION 6. *Right of Entry*. The District and the Certificate Insurer both reserve the right for any of its duly authorized representatives to enter upon the Leased Property, or any portion thereof, at any reasonable time to inspect the same or to make any repairs, improvements or changes necessary for the preservation thereof.

SECTION 7. *Termination*. The Corporation agrees, upon the termination of this Site Lease, to quit and surrender the Leased Property in the same good order and condition as the Leased Property was in at the time of commencement of the term hereof, reasonable wear and tear excepted, and agrees that all buildings, improvements and structures then existing upon the Leased Property will remain thereon and title thereto will vest thereupon in the District for no additional consideration.

SECTION 8. Default. If the Corporation defaults in the performance of any obligation on its part to be performed under the terms of this Site Lease, which default continues for 30 days following notice and demand for correction thereof to the Corporation, the District may exercise any and all remedies granted by law, except that no merger of this Site Lease and of the Lease Agreement shall be deemed to occur as a result thereof and this Site Lease may not be terminated by the District as a remedy for such default. Notwithstanding the foregoing, so long as the Lease Agreement remains in effect, the District shall continue to pay the Lease Payments to the Trustee.

SECTION 9. Amendments. The Corporation and the District may at any time amend or modify any of the provisions of this Site Lease with the prior written consent of the Certificate Insurer, but only: (a) with the prior written consents of the Owners of a majority in aggregate principal amount of the Outstanding Certificates; or (b) without the consent of the Trustee or any of the Certificate Owners, but only if such amendment or modification is for any one or more of the following purposes:

- to add to the covenants and agreements of the District or the Corporation contained in this Site Lease, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power herein reserved to or conferred upon the District or the Corporation;
- to cure any ambiguity, substitute any party, or cure, correct or supplement any defective provision contained herein, for the purpose of conforming to the original intention of the District and the Corporation;
- (iii) to amend any provision thereof relating to the Tax Code, but only if and to the extent such amendment will not adversely affect the exclusion from gross income of interest represented by any of the Certificates under the Tax Code, in the opinion of Bond Counsel;
- (iv) to amend the description of any component of the Leased Property to reflect accurately the property originally intended to be included therein, or to effectuate any substitution of property as permitted by

Section 4.6 of the Lease Agreement or any release or property as permitted by Section 4.7 of the Lease Agreement; or

(v) in any other respect whatsoever as the Corporation and the District deem necessary or desirable, provided that, in the opinion of Bond Counsel, such modifications or amendments do not materially adversely affect the interests of the Owners of the Certificates.

The District shall obtain and cause to be filed with the Trustee an opinion of Bond Counsel with respect to any amendment or modification hereof, stating that all conditions precedent to such amendment as set forth in this Section have been satisfied. Promptly following the effective date of any amendment or modification under this Section, the District shall mail written notice thereof to the Trustee and to each rating agency which then maintains a rating on the Certificates.

SECTION 10. Quiet Enjoyment. The Corporation at all times during the term of this Site Lease shall peaceably and quietly have, hold and enjoy all of the Leased Property, subject to the provisions of the Lease Agreement and subject only to Permitted Encumbrances.

The District represents, warrants and covenants that it has good and indefeasible marketable fee simple title to the real property and all building, property and improvements comprising the Leased Property. The District covenants and agrees to hold and maintain clean and marketable title to all of the Leased Property during the term of this Site Lease.

SECTION 11. Waiver of Personal Liability. All liabilities under this Site Lease on the part of the Corporation are solely corporate liabilities of the Corporation as a nonprofit corporation, and the District hereby releases each and every member and officer of the Corporation of and from any personal or individual liability under this Site Lease. No member or officer of the Corporation or its governing board is at any time or under any circumstances individually or personally liable under this Site Lease for anything done or omitted to be done by the Corporation hereunder.

SECTION 12. *Taxes*. The District will pay any and all assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Leased Property and any improvements thereon.

SECTION 13. *Eminent Domain*. If the whole or any part of the Leased Property, or any improvements thereon, are taken by eminent domain proceedings, the interest of the Corporation will be the aggregate amount of the then unpaid principal and interest components of the Lease Payments payable under the Lease Agreement and the balance of the award, if any, will be paid to the District. The District hereby waives any and all rights that it has or may hereafter have to acquire the interest of the Corporation in and to the Leased Property through the eminent domain powers of the District.

SECTION 14. Partial Invalidity. If any one or more of the terms, provisions, covenants or conditions of this Site Lease are to any extent declared invalid, unenforceable, void or voidable for any reason whatsoever by a court of competent jurisdiction, the finding or order or decree of which becomes final, none of the remaining terms, provisions, covenants and conditions of this Site Lease will be affected thereby, and each provision of this Site Lease will be valid and enforceable to the fullest extent

permitted by law. The Corporation and the District each hereby declares that it would have entered into this Site Lease and each and every other Section, paragraph, sentence, clause or phrase hereof irrespective of the fact that any one or more Sections, paragraphs, sentences, clauses or phrases of this Site Lease may be held illegal, invalid or unenforceable.

SECTION 15. *Notices*. Any notice, request, complaint, demand or other communication under this Site Lease must be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or by facsimile transmission, at its number set forth below. Notice will be effective either (a) upon transmission by facsimile, (b) 48 hours after deposit in the United States mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt. The District, the Corporation and the Trustee may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder. Notices may be delivered in via e-mail to the officer identified below but will only be effective upon receipt by the sender of an acknowledgment of such recipient.

If to the Office of Education:	Tulare County Office of Education 6200 South Mooney Boulevard PO Box 5091 Visalia, California 93278 Attention: Director, General Services
If to the Corporation:	Local Facilities Finance Corporation 2945 Townsgate Road, Suite 200 Los Angeles, California 90071 Attention: Secretary
If to the Trustee:	Wilmington Trust, National Association 650 Town Center Drive, Suite 800 Costa Mesa, California 92626 Attention: Corporate Trust Services
If to the Certificate Insurer:	
	Attention: Re:

SECTION 16. *Governing Law*. This Site Lease shall be governed by the laws of the State of California.

Email:

SECTION 17. *Third Party Beneficiaries*. The Trustee and the Certificate Insurer are hereby made third party beneficiaries hereunder with all rights of third party beneficiaries.

SECTION 18. *Binding Effect*. This Site Lease inures to the benefit of and is binding upon the Corporation, the District and their respective successors and assigns, subject, however, to the limitations contained herein.

SECTION 19. Section Headings. All section headings contained herein are for convenience of reference only and are not intended to define or limit the scope of any provision of this Site Lease.

SECTION 20. *Execution in Counterparts*. This Site Lease may be executed in any number of counterparts, each of which is an original but all together constitute one and the same instrument. It is also agreed that separate counterparts of this Site Lease may be separately executed by the Corporation and the District, all with the same force and effect as though the same counterpart had been executed by both the Corporation and the District.

IN WITNESS WHEREOF, the District and the Corporation have caused this Site Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first above written.

TULARE COUNTY OFFICE OF EDUCATION

as lessor

Ву: _____

Superintendent of Schools

Attest:

Assistant Superintendent of Business Services

LOCAL FACILITIES FINANCE CORPORATION,

as lessee

Ву:_____

Secretary

APPENDIX A

DESCRIPTION OF THE LEASED PROPERTY

RECORDING REQUESTED BY: Tulare County Office of Education

AND WHEN RECORDED RETURN TO: Jones Hall, A Professional Law Corporation 475 Sansome Street, Suite 1700 San Francisco, California 94111 Attention: Katie J. Dobson, Esq.

THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX UNDER SECTION 11922 OF THE CALIFORNIA REVENUE AND TAXATION CODE. THIS DOCUMENT IS EXEMPT FROM RECORDING FEES UNDER SECTION 27383 OF THE CALIFORNIA GOVERNMENT CODE.

LEASE AGREEMENT

Dated as of November 1, 2024

between the

LOCAL FACILITIES FINANCE CORPORATION as lessor

and the

TULARE COUNTY OFFICE OF EDUCATION as lessee

Relating to

\$_____ 2024 Certificates of Participation

LEASE AGREEMENT

This LEASE AGREEMENT (this "Lease"), dated as of November 1, 2024, is between the LOCAL FACILITIES FINANCE CORPORATION (the "Corporation"), and the TULARE COUNTY OFFICE OF EDUCATION, an office of education duly organized and existing under the laws of the State of California (the "Office of Education").

BACKGROUND:

1. The Office of Education is proceeding to finance the acquisition and construction of Office of Education facilities, including new administrative facilities and a new performing arts center (the "Project"), and in order to provide funds to finance the Project the Office of Education has leased the land and buildings described more fully in Appendix A attached hereto and made a part hereof (the "Leased Property"), to the Corporation under a Site Lease which has been recorded concurrently herewith, in consideration of the payment of an upfront rental payment in an amount sufficient for such purposes, and the Corporation has agreed to lease the Leased Property back to the Office of Education to pay semiannual lease payments (the "Lease Payments").

2. The Corporation has agreed to assign its right to receive the Lease Payments to Wilmington Trust, National Association, as trustee (the "Trustee"), and in consideration of such assignment the Trustee has agreed to execute and deliver the Office of Education's 2024 Certificates of Participation in the aggregate principal amount of \$_____ (the "Certificates"), each evidencing a direct, undivided fractional interest in the lease payments to be paid by the Office of Education hereunder, the proceeds of which will be applied by the Corporation to finance the Project under a Trust Agreement dated as of November 1, 2024 (the "Trust Agreement"), among the Corporation, the Office of Education and the Trustee.

3. The Office of Education is authorized to enter into the Site Lease and this Lease under Section 17456 of the Education Code of the State of California.

4. Payment of principal and interest represented by the Certificates is insured by a municipal bond insurance policy (the "Certificate Insurance Policy") issued by ______ (the "Certificate Insurer"), and the Certificate Insurer is issuing a municipal bond debt service reserve insurance policy (the "Reserve Policy") to be credited to the Reserve Fund which has been established for the Certificates under the Trust Agreement.

AGREEMENT:

In consideration of the foregoing and the material covenants hereinafter contained, the Office of Education and the Corporation formally covenant, agree and bind themselves as follows:

ARTICLE I

DEFINITIONS; RULES OF INTERPRETATION

SECTION 1.1. *Definitions*. Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms in this Lease have the respective meanings specified in the recitals hereof and in Appendix A to the Trust Agreement.

SECTION 1.2. Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and include the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and do not affect the meaning, construction or effect hereof.

(c) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Lease; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Lease as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

COVENANTS, REPRESENTATIONS AND WARRANTIES

SECTION 2.1. Covenants, Representations and Warranties of the Office of Education. The Office of Education makes the following covenants, representations and warranties to the Corporation and the Certificate Insurer as of the Closing Date:

- (a) <u>Due Organization and Existence</u>. The Office of Education is duly organized and validly existing under the laws of the State of California, has full legal right, power and authority under the laws of the State of California to enter into this Lease, the Site Lease and the Trust Agreement and to carry out and consummate all transactions contemplated hereby and thereby, and by proper action the Office of Education has duly authorized the execution and delivery of this Lease, the Site Lease and the Trust Agreement.
- (b) <u>Due Execution</u>. The representatives of the Office of Education executing this Lease, the Site Lease and the Trust Agreement have been fully authorized to execute the same under a resolution duly adopted by the Board of Trustees of the Office of Education.
- (c) <u>Valid, Binding and Enforceable Obligations</u>. This Lease, the Site Lease and the Trust Agreement have been duly authorized, executed and delivered by the Office of Education and constitute the legal, valid and binding agreements of the Office of Education enforceable against the Office of Education in accordance with their respective

terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereafter enacted and subject to the exercise of judicial discretion in accordance with principles of equity or otherwise in appropriate cases.

- No Conflicts. The execution and delivery of this Lease, the Site Lease (d) and the Trust Agreement, the consummation of the transactions herein and therein contemplated and the fulfillment of or compliance with the terms and conditions hereof, do not and will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, lease, contract or other agreement or instrument to which the Office of Education is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Office of Education, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Lease, the Site Lease and the Trust Agreement or the financial condition, assets, properties or operations of the Office of Education.
- (e) <u>Consents and Approvals</u>. No consent or approval of any trustee or holder of any indebtedness of the Office of Education or of the voters of the Office of Education, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of this Lease, the Site Lease and the Trust Agreement, or the consummation of any transaction herein or therein contemplated, except as have been obtained or made and as are in full force and effect.
- (f) No Litigation. There is no action, suit, proceeding, inquiry or investigation before or by any court or federal, state, municipal or other governmental authority pending or, to the knowledge of the Office of Education after reasonable investigation, threatened against or affecting the Office of Education or the assets, properties or operations of the Office of Education which, if determined adversely to the Office of Education or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of this Lease, the Site Lease or the Trust Agreement, or upon the financial condition, assets, properties or operations of the Office of Education, and the Office of Education is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or governmental authority. which default might other have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Lease, the

Site Lease or the Trust Agreement or the financial conditions, assets, properties or operations of the Office of Education.

- (g) <u>Flood Status</u>. No portion of the Leased Property is located in the Federal Emergency Management Agency's 100-year flood plain.
- (h) <u>Hazardous Substances</u>. The Office of Education will comply in all material respects with all laws applicable to the Leased Property or any portion thereof, including without limitation all local, State of California and federal environmental and Hazardous Substances laws, rules and regulations, and with any order of any jurisdiction over the Leased Property. For purposes of this paragraph, "Hazardous Substances" means any substances, pollutants, wastes and contaminants now or hereafter included in such (or any similar) term under any federal, State of California or local ordinance, code or regulation now existing or hereafter enacted or amended.
- (i) <u>Triple Net Lease</u>. Subject to the abatement provisions of Sections 6.2 and 6.3 herein, this Lease shall be deemed and construed to be a triple net lease and the Office of Education hereby agrees that the Lease Payments provided for herein shall be an absolute net return to the Corporation free and clear of any expenses, charges or set-offs whatsoever.

SECTION 2.2. Covenants, Representations and Warranties of the Corporation. The Corporation makes the following covenants, representations and warranties to the Office of Education and the Certificate Insurer as of the Closing Date:

- (a) <u>Due Organization and Existence</u>. The Corporation is duly organized and existing under the laws of the State of California, has full legal right, power and authority to enter into this Lease, the Site Lease, the Trust Agreement and the Assignment Agreement and to carry out and consummate all transactions contemplated hereby and thereby, and by proper action the Corporation has duly authorized the execution and delivery of this Lease, the Site Lease, the Trust Agreement and the Assignment Agreement.
- (b) <u>Maintenance of Existence</u>. The Corporation shall maintain its existence under the laws of the State of California at all times during the Term hereof.
- (c) <u>Due Execution</u>. The representatives of the Corporation executing this Lease, the Site Lease, the Trust Agreement and the Assignment Agreement are fully authorized to execute the same under official action taken by the Board of Directors of the Corporation.
- (d) <u>Valid, Binding and Enforceable Obligations</u>. This Lease, the Site Lease, the Trust Agreement and the Assignment Agreement have been duly authorized, executed and delivered by the Corporation and constitute the legal, valid and binding agreements of the Corporation, enforceable against the Corporation in accordance with their respective terms.

- (e) No Conflicts. The execution and delivery of this Lease, the Site Lease, the Trust Agreement and the Assignment Agreement, the consummation of the transactions herein and therein contemplated and the fulfillment of or compliance with the terms and conditions hereof, do not and will not conflict with or constitute a violation or breach of or default (with due notice or the passage of time or both) under any applicable law or administrative rule or regulation, or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, lease, contract or other agreement or instrument to which the Corporation is a party or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of the Corporation, which conflict, violation, breach, default, lien, charge or encumbrance would have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Lease, the Site Lease, the Trust Agreement and the Assignment Agreement or the financial condition, assets, properties or operations of the Corporation.
- (f) <u>Consents and Approvals</u>. No consent or approval of any trustee or holder of any indebtedness of the Corporation, and no consent, permission, authorization, order or license of, or filing or registration with, any governmental authority is necessary in connection with the execution and delivery of this Lease, the Site Lease, the Trust Agreement or the Assignment Agreement, or the consummation of any transaction herein or therein contemplated, except as have been obtained or made and as are in full force and effect.
- No Litigation. There is no action, suit, proceeding, inquiry or (g) investigation before or by any court or federal, state, municipal or other governmental authority pending or, to the knowledge of the Corporation after reasonable investigation, threatened against or affecting the Corporation or the assets, properties or operations of the Corporation which, if determined adversely to the Corporation or its interests, would have a material and adverse effect upon the consummation of the transactions contemplated by or the validity of this Lease, the Site Lease, the Trust Agreement or the Assignment Agreement, or upon the financial condition, assets, properties or operations of the Corporation, and the Corporation is not in default with respect to any order or decree of any court or any order, regulation or demand of any federal, state, municipal or other governmental authority, which default might have consequences that would materially and adversely affect the consummation of the transactions contemplated by this Lease, the Site Lease, the Trust Agreement or the Assignment Agreement or the financial conditions, assets, properties or operations of the Corporation.
- (h) <u>Not a Municipal Advisor</u>. The Corporation is not acting as a "Municipal Advisor" as such term is defined in Section 15B of the Securities

Exchange Act of 1934, as amended, and the related final rules, or otherwise serving as an agent or fiduciary of the Office of Education.

ARTICLE III

DEPOSIT AND APPLICATION OF FUNDS; CONSTRUCTION OF PROJECT

SECTION 3.1. Deposit of Moneys. On the Closing Date, the Corporation shall cause the proceeds of sale of the Certificates to be deposited with the Trustee. Under Section 4.01 of the Trust Agreement, from the proceeds of sale of the Certificates the estimated amount of the Costs of Issuance will be deposited in the Costs of Issuance Fund and the balance of such proceeds will be deposited in the Project Fund to be applied to finance the Project as set forth herein and in the Trust Agreement.

SECTION 3.2. Construction of Project. The Office of Education will enter into, administer and enforce all purchase orders or other contracts relating to the acquisition, construction and improvement of the Project. The Office of Education will requisition the payment of Project Costs from amounts held by it in the Project Fund, under and in accordance with Section 4.04 of the Trust Agreement. All contracts for, and all work relating to, the acquisition, construction and improvement of the Project are subject to all applicable provisions of law relating to the acquisition, construction, improvement, and equipping of like facilities and property by the Office of Education. The Office of Education will supervise and undertake to completion the acquisition, construction and improvement of the Project in accordance with the plans and specifications, purchase orders, construction contracts and other documents relating thereto and approved by the Office of Education under all applicable requirements of law.

SECTION 3.3. Completion of Project; Certification of Completion. The Office of Education expects that the Project will be substantially completed by November 1, 2027. The failure to complete the Project by such date will not constitute an Event of Default hereunder or a grounds for termination of this Lease.

Upon the completion of the acquisition, construction and improvement of the Project, but in any event not later than 30 days following such completion, the Office of Education shall execute and deliver to the Corporation and the Trustee a written certificate which (a) states that the acquisition, construction and improvement of the Project have been substantially completed, (b) identifies the total Project Costs theretofore paid from the Project Fund, and (c) identifies (i) the amounts, if any, to remain on deposit in the Project Fund for payment of Project Costs thereafter intended to be requisitioned by the Office of Education, and (ii) the amounts (if any) to be transferred by the Trustee from the Project Fund to the Lease Payment Fund under Section 4.04 of the Trust Agreement.

ARTICLE IV

LEASE PAYMENTS; SUBSTITUTION AND RELEASE OF PROPERTY

SECTION 4.1. Lease of Leased Property. The Corporation hereby leases the Leased Property to the Office of Education, and the Office of Education hereby leases the Leased Property from the Corporation, upon the terms and conditions set forth in this Lease.

SECTION 4.2. *Term.* The Term of this Lease commences on the Closing Date and ends on the date on which the Trust Agreement is discharged under Section 13.01 thereof, but under any circumstances not later than November 1, 20___. The provisions of this Section are subject to the provisions of Section 4.6 relating to the substitution of property, the provisions of Section 4.7 relating to the release of property, and the provisions of Section 6.2 relating to the taking in eminent domain of the Leased Property or any portion thereof. Notwithstanding the foregoing provisions of this Section, the Office of Education may not terminate this Lease as a remedy for a default by the Corporation.

SECTION 4.3. Lease Payments.

Obligation to Pay. Subject to the provisions of Sections 6.2 and 6.3 and the (a) provisions of Article IX, the Office of Education will pay to the Corporation, its successors and assigns, the Lease Payments (denominated into components of principal and interest) in the respective amounts specified in Appendix B hereto, to be due and payable in immediately available funds on the Interest Payment Dates immediately following each of the respective Lease Payment Dates specified in Appendix B, and to be deposited by the Office of Education with the Trustee on each of the Lease Payment Dates specified in Appendix B. Any amount held in the Lease Payment Fund on any Lease Payment Date (other than amounts resulting from the prepayment of the Lease Payments in part but not in whole under Article IX and other than amounts required for payment of past due principal or interest represented by any Certificates not presented for payment) will be credited towards the Lease Payment then required to be paid; and no Lease Payment need be deposited with the Trustee on any Lease Payment Date if the amounts then held in the Lease Payment Fund are at least equal to the Lease Payment then required to be deposited with the Trustee. The Lease Payments payable in any Rental Period are for the use of the Leased Property during such Rental Period.

(b) Effect of Prepayment. If the Office of Education prepays all Lease Payments in full under Sections 9.2, 9.3 or 9.4, and if the Office of Education has paid all Additional Payments then due and payable, the Office of Education's obligations under this Section will thereupon cease and terminate. If the Office of Education prepays the Lease Payments in part but not in whole under Sections 9.2, 9.3 or 9.4, the principal components of the remaining Lease Payments will be reduced in integral multiples of \$5,000 among Lease Payment Dates on a basis which corresponds to the principal maturities of the Certificates which are prepaid thereby; and the interest component of each remaining Lease Payment will be reduced by the aggregate corresponding amount of interest which would otherwise be payable with respect to the Certificates thereby prepaid under the corresponding provisions of Section 3.01 of the Trust Agreement.

(c) <u>Rate on Overdue Payments</u>. If the Office of Education fails to make any of the payments required in this Section, the payment in default will continue as an obligation

of the Office of Education until the amount in default has been fully paid, and the Office of Education agrees to pay the same with interest thereon, from the date of default to the date of payment at the highest rate of interest represented by the Outstanding Certificates or at such other rate provided in this Lease or the Trust Agreement.

(d) <u>Fair Rental Value</u>. The Lease Payments and Additional Payments coming due and payable during each Rental Period constitute the total rental for the Leased Property for such Rental Period, and the Office of Education will pay the Lease Payments and Additional Payments in each Rental Period for and in consideration of the right of the use and occupancy of, and the continued quiet use and enjoyment of the Leased Property during each Rental Period. The Corporation and the Office of Education have agreed and determined that the total Lease Payments and Additional Payments represent the fair rental value of the Leased Property. In making such determination, consideration has been given to the estimated value of the Leased Property as of the Closing Date, other obligations of the Office of Education and the Corporation under this Lease, the uses and purposes which may be served by the Leased Property and the benefits therefrom which will accrue to the Office of Education and the general public.

Source of Payments; Budget and Appropriation. The Lease Payments and (e) Additional Payments are payable from any source of available funds of the Office of Education, subject to the provisions of Articles VI and IX. The Office of Education covenants to take such action as may be necessary to include all estimated Lease Payments and all estimated Additional Payments due hereunder in each of its final approved budgets. The Office of Education further covenants to make all necessary appropriations (including any supplemental appropriations) from any source of legally available funds of the Office of Education for all the actual amount of Lease Payments and Additional Payments which come due and payable during the period covered by each such budget. The covenants on the part of the Office of Education contained herein are duties imposed by law and it is the duty of each and every public official of the Office of Education to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the Office of Education to carry out and perform the covenants and agreements in this Lease agreed to be carried out and performed by the Office of Education.

(f) <u>Assignment</u>. The Office of Education acknowledges that the Site Lease, this Lease, and all Lease Payments have been assigned by the Corporation to the Trustee in trust under the Assignment Agreement, dated as of November 1, 2024, and recorded concurrently herewith, for the benefit of the Owners of the Certificates and the Certificate Insurer, and the Office of Education consents to such assignment. The Corporation directs the Office of Education, and the Office of Education agrees to pay to the Trustee at its Office, all payments payable by the Office of Education under this Section and all amounts payable by the Office of Education under Article IX.

SECTION 4.4. Additional Payments. In addition to the Lease Payments, the Office of Education shall pay when due, as additional rental for the Leased Property hereunder, all costs and expenses incurred by the Office of Education hereunder or under the Trust Agreement, or incurred by the Corporation to comply with the provisions of the Trust Agreement, including without limitation all Costs of Issuance (to the extent not paid from amounts on deposit in the Costs of Issuance Fund), annual compensation due to the Trustee and all of its reasonable costs and expenses (including amounts payable to the Trustee by virtue of indemnification) payable as a result of the performance of and compliance with its duties under the Trust Agreement, all reimbursements of costs to the

Certificate Insurer that do not constitute payment of Lease Payments, all amounts owed to the Certificate Insurer in respect of draws on the Reserve Policy or the Certificate Insurance Policy, and all reasonable costs and expenses of attorneys, auditors, engineers and accountants engaged by the Corporation or the Trustee in connection with the Leased Property or the performance of their duties hereunder or under the Trust Agreement.

SECTION 4.5. *Title*. At all times during the Term of this Lease, the Office of Education will hold title to the Leased Property, subject to the Site Lease and other Permitted Encumbrances, including all additions which comprise fixtures, repairs, replacements or modifications thereto, and subject to the provisions of Section 5.2.

Upon the termination of this Lease (other than under Section 8.2(b) hereof), all right, title and interest of the Corporation in and to the Leased Property will be transferred to and vested in the Office of Education. Upon the payment in full of all Lease Payments, or upon the deposit by the Office of Education of security for such Lease Payments as provided in Section 9.1, all right, title and interest of the Corporation in and to the Leased Property will be transferred to and vested in the Office of Education. The Corporation agrees to take any and all steps and execute and record any and all documents reasonably required by the Office of Education to consummate any such transfer of title.

SECTION 4.6. Substitution of Property. The Office of Education has the option at any time and from time to time to substitute other real property (the "Substitute Property") for the Leased Property or any portion thereof (the "Former Property"), provided that the Office of Education shall satisfy all of the following requirements which are hereby declared to be conditions precedent to such substitution:

- (a) No Event of Default has occurred and is continuing.
- (b) The Office of Education has filed with the Corporation and the Trustee, and caused to be recorded in the office of the Tulare County Recorder, sufficient memorialization of, an amendment hereof which adds to Appendix A hereto a description of such Substitute Property and deletes therefrom the description of such Former Property.
- (c) The Office of Education has obtained a CLTA policy of title insurance which insures the Office of Education's leasehold estate hereunder in such Substitute Property, subject only to Permitted Encumbrances, in an amount at least equal to the estimated value thereof.
- (d) The Office of Education has filed with the Corporation and the Trustee a certificate executed by a Office of Education Representative stating that such Substitute Property serves the educational purposes of the Office of Education and constitutes property which the Office of Education is permitted to lease under the laws of the State of California, and has been determined to be essential to the proper, efficient and economic operation of the Office of Education and to serve an essential governmental function of the Office of Education.
- (e) The Substitute Property does not cause the Office of Education to violate any of its covenants, representations and warranties made herein or in the Trust Agreement.

- (f) The Office of Education has filed with the Corporation and the Trustee a certificate executed by a Office of Education Representative stating that the estimated value and the fair rental value of the Substitute Property are at least equal to the estimated value and the fair rental value, respectively, of the Former Property, and that the useful life of the Substitute Property at least equals the lesser of (i) the useful life of the Former Property, or (ii) the final Lease Payment Date of the Lease Payments.
- (g) The Office of Education has mailed written notice of such substitution to the Trustee and each rating agency which then maintains a rating on the Certificates.
- (h) The Office of Education has obtained the prior written consent of the Certificate Insurer to such substitution.

Upon the satisfaction of all such conditions precedent, the Term of this Lease will thereupon end as to the Former Property and commence as to the Substitute Property, and all references to the Former Property will apply with full force and effect to the Substitute Property. The Office of Education is not entitled to any reduction, diminution, extension or other modification of the Lease Payments whatsoever as a result of such substitution. The Corporation and the Office of Education will execute, deliver and cause to be recorded all documents required to discharge this Lease against the Former Property.

SECTION 4.7. *Release of Property.* The Office of Education has the option at any time and from time to time to release any portion of the Leased Property from this Lease and the Site Lease (the "Released Property") provided that the Office of Education has satisfied all of the following requirements which are hereby declared to be conditions precedent to such release:

- (a) No Event of Default has occurred and is continuing.
- (b) The Office of Education has filed with the Corporation and the Trustee, and caused to be recorded in the office of the Tulare County Recorder sufficient memorialization of, an amendment hereof which removes the Released Property from this Lease and the Site Lease.
- (c) The Office of Education has certified in writing to the Corporation and the Trustee that (i) the estimated value of the property which remains subject to this Lease and the Site Lease following such release is at least equal to the aggregate original principal amount of the Certificates, and the estimated value (based on the insured value) of the property which remains subject to this Lease and the Site Lease following such release is at least equal to the aggregate outstanding principal amount of the Certificates and (ii) the fair rental value of the property which remains subject to the Lease and the Site Lease following such release is at least equal to the Lease Payments thereafter coming due and payable hereunder.

- (d) The Office of Education has mailed written notice of such release to the Trustee and each rating agency which then maintains a rating on the Certificates.
- (e) The Office of Education has obtained the prior written consent of the Certificate Insurer to such release.

Upon the satisfaction of all such conditions precedent, the Term of this Lease will thereupon end as to the Released Property. The Office of Education is not entitled to any reduction, diminution, extension or other modification of the Lease Payments whatsoever as a result of such release. The Corporation and the Office of Education shall execute, deliver and cause to be recorded all documents required to discharge this Lease and the Site Lease of record against the Released Property.

SECTION 4.8. *No Merger*. It is the express intention of the Corporation and the Office of Education that this Lease and the obligations of the parties hereunder are separate and distinct from the Site Lease and the obligations of the parties thereunder, and that during the term of the Site Lease and this Lease no merger of title or interest may occur or be deemed to occur as a result of the respective positions of the Corporation and the Office of Education thereunder and hereunder.

ARTICLE V

MAINTENANCE, TAXES, INSURANCE AND OTHER MATTERS

SECTION 5.1. *Maintenance, Utilities, Taxes and Assessments.* Throughout the Term of this Lease, as part of the consideration for the rental of the Leased Property, all improvement, repair and maintenance of the Leased Property are the sole responsibility of the Office of Education, and the Office of Education will pay for or otherwise arrange for the payment of all utility services supplied to the Leased Property, which may include, without limitation, janitor service, security, power, gas, telephone, light, heating, water and all other utility services, and shall pay for or otherwise arrange for the payment of the cost of the repair and replacement of the Office of Education or any assignee or sublessee thereof. In exchange for the Lease Payments herein provided, the Corporation agrees to provide only the Leased Property, as hereinbefore more specifically set forth. The Office of Education waives the benefits of subsections 1 and 2 of Section 1932, Section 1933(4) and Sections 1941 and 1942 of the California Civil Code, but such waiver does not limit any of the rights of the Office of Education under the terms of this Lease.

The Office of Education will also pay or cause to be paid all taxes and assessments of any type or nature, if any, charged to the Corporation or the Office of Education affecting the Leased Property or the respective interests or estates therein; provided that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the Office of Education is obligated to pay only such installments as are required to be paid during the Term of this Lease as and when the same become due.

The Office of Education may, at the Office of Education's expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the

event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Corporation notifies the Office of Education that, in its reasonable opinion, by nonpayment of any such items the interest of the Corporation in the Leased Property will be materially endangered or the Leased Property or any part thereof will be subject to loss or forfeiture, in which event the Office of Education shall promptly pay such taxes, assessments or charges or provide the Corporation with full security against any loss which may result from nonpayment, in form satisfactory to the Corporation and the Trustee.

SECTION 5.2. Modification of Leased Property. The Office of Education has the right, at its own expense, to make additions, modifications and improvements to the Leased Property or any portion thereof. All additions, modifications and improvements to the Leased Property will thereafter comprise part of the Leased Property and become subject to the provisions of this Lease. Such additions, modifications and improvements may not in any way damage the Leased Property, or cause the Leased Property to be used for purposes other than those authorized under the provisions of state and federal law; and the Leased Property, upon completion of any additions, modifications and improvements made thereto under this Section, shall be of a value which is not substantially less than the value thereof immediately prior to the making of such additions, modifications and improvements. The Office of Education will not permit any mechanic's or other lien to be established or remain against the Leased Property for labor or materials furnished in connection with any remodeling, additions, modifications, improvements, repairs, renewals or replacements made by the Office of Education under this Section: provided that if any such lien is established and the Office of Education first notifies the Corporation of the Office of Education's intention to do so, the Office of Education may in good faith contest any lien filed or established against the Leased Property, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom and shall provide the Corporation with full security against any loss or forfeiture which might arise from the nonpayment of any such item, in form satisfactory to the Corporation. The Corporation will cooperate fully in any such contest, upon the request and at the expense of the Office of Education.

SECTION 5.3. Public Liability and Property Damage Insurance. The Office of Education will maintain or cause to be maintained, throughout the Term of this Lease, comprehensive general insurance in protection of the Office of Education and its members, officers, employees, agents and assigns. Such insurance shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the operation of the Leased Property. Such insurance shall provide coverage in such liability limits and be subject to such deductibles as the Office of Education deems adequate and prudent. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the Office of Education, and may be maintained in whole or in part in the form of a program of self-insurance by the Office of Education (with the consent of the Certificate Insurer), or in the form of the participation by the Office of Education in a joint powers authority or other program providing pooled insurance. The Office of Education shall apply the proceeds of such insurance toward extinguishment or satisfaction of the liability with respect to which the net proceeds are paid.

SECTION 5.4. *Casualty Insurance*. The Office of Education will procure and maintain, or cause to be procured and maintained, at all times throughout the Term of this Lease, casualty insurance against loss or damage to the insured buildings, facilities and

other improvements constituting any part of the Leased Property, in an amount at least equal to the greater of (a) the replacement value of such buildings, facilities and improvements, or (b) the aggregate principal amount of the Outstanding Certificates. Such insurance shall, as nearly as practicable, cover loss or damage by fire, explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance, and shall include earthquake coverage if such coverage is available at reasonable cost from reputable insurers in the reasonable determination of the Office of Education, whose determination is final and conclusive. Such insurance may be subject to such deductibles as the Office of Education deems prudent but not in excess of \$100,000. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the Office of Education, and with the consent of the Certificate Insurer may be maintained in whole or in part in the form of the participation by the Office of Education in a joint powers authority or other program providing pooled insurance; provided that such insurance may not be maintained by the Office of Education in the form of self-insurance. The Office of Education shall apply the Net Proceeds of such insurance as provided in Section 6.1.

SECTION 5.5. Rental Interruption Insurance. The Office of Education will procure and maintain, or cause to be procured and maintained, at all times throughout the Term of this Lease, rental interruption or use and occupancy insurance to cover loss, total or partial, of the use of the buildings, facilities and other improvements constituting any part of the Leased Property, as a result of any of the hazards covered in the insurance required by Section 5.4, in an amount at least equal to the maximum Lease Payments coming due and payable during any two consecutive Fiscal Years during the remaining Term of this Lease. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the Office of Education, provided that the provider of such insurance shall be rated at least "A" by A.M. Best & Company, and with the consent of the Certificate Insurer may be maintained in whole or in part in the form of the participation by the Office of Education in a joint powers authority or other program providing pooled insurance; provided that such insurance may not be maintained by the Office of Education in the form of self-insurance. The Net Proceeds of such insurance, if any, shall be paid to the Trustee and deposited in the Lease Payment Fund, and shall be credited towards the payment of the Lease Payments allocable to the insured improvements as the same become due and payable.

SECTION 5.6. *Recordation Hereof; Title Insurance.* The Office of Education will, at its expense, cause the Site Lease, the Assignment Agreement and this Lease to be recorded in the office of the Tulare County Recorder on or before the Closing Date. Concurrent with such recordation, the Office of Education shall obtain a CLTA title insurance policy insuring the Office of Education's leasehold estate in the Leased Property hereunder, in an amount at least equal to the aggregate principal amount of the Certificates. All Net Proceeds received under such title insurance policy will be deposited with the Trustee in the Lease Payment Fund and credited towards the prepayment of the Lease Payments under Section 9.4.

SECTION 5.7. *Insurance Net Proceeds; Form of Policies*. Each policy of insurance maintained under Sections 5.4, 5.5 and 5.6 shall name the Trustee as loss payee so as to provide that all proceeds thereunder are payable to the Trustee. The Office of Education shall pay or cause to be paid when due the premiums for all insurance policies required by this Lease. All such policies shall provide that the Trustee and Certificate Insurer are given 30 days' notice of each expiration, any intended cancellation thereof or reduction of the coverage provided thereby. The Trustee is not responsible for the sufficiency,

adequacy or amount of any insurance or self-insurance herein required and is fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss.

SECTION 5.8. Installation of Office of Education's Personal Property. The Office of Education may at any time and from time to time, in its sole discretion and at its own expense, install or permit to be installed other items of equipment or other personal property in or upon the Leased Property. All such items will remain the sole property of the Office of Education, in which neither the Corporation nor the Trustee has any interest, and may be modified or removed by the Office of Education at any time, provided that the Office of Education shall repair and restore any and all damage to the Leased Property resulting from the installation, modification or removal of any such items. Nothing in this Lease prevents the Office of Education from purchasing or leasing items to be installed under this Section under a lease or conditional sale agreement, or subject to a vendor's lien or security agreement, as security for the unpaid portion of the purchase price thereof, provided that no such lien or security interest attaches to any part of the Leased Property.

SECTION 5.9. *Liens*. The Office of Education may not, directly or indirectly, create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Leased Property, other than as herein contemplated and except for such encumbrances as the Office of Education certifies in writing to the Trustee and the Certificate Insurer do not materially and adversely affect the leasehold estate in the Leased Property hereunder. Except as expressly provided in this Article, the Office of Education will promptly, at its own expense, take such action as may be necessary to duly discharge or remove any such mortgage, pledge, lien, charge, encumbrance or claim, for which it is responsible, if the same shall arise at any time. The Office of Education will reimburse the Corporation for any expense incurred by it in order to discharge or remove any such mortgage, encumbrance or claim.

SECTION 5.10. Advances. If the Office of Education fails to perform any of its obligations under this Article, the Corporation may take any necessary action to cure the failure, including the advancement of money, and the Office of Education shall repay all such advances as additional rental hereunder, with interest at the rate set forth in Section 4.3(c).

ARTICLE VI

DAMAGE, DESTRUCTION AND EMINENT DOMAIN; USE OF NET PROCEEDS

SECTION 6.1. Application of Net Proceeds. The Net Proceeds of any insurance award resulting from any damage to or destruction of the Leased Property by fire or other casualty shall be paid to the Trustee, as assignee of the Corporation under the Assignment Agreement, and deposited in the Insurance and Condemnation Fund to be applied as set forth in Section 6.01 of the Trust Agreement. The Office of Education shall pay the Net Proceeds of any eminent domain award with respect to the Leased Property resulting from an event described in Section 6.2 to the Trustee for deposit in the Insurance and Condemnation Fund, to be applied as set forth in Section 6.02 of the Trust Agreement.

SECTION 6.2. *Termination or Abatement Due to Eminent Domain.* If the Leased Property is taken permanently under the power of eminent domain or sold to a government

threatening to exercise the power of eminent domain, the Term of this Lease will cease with respect thereto as of the day possession is so taken. If less than all of the Leased Property is taken permanently, or if the Leased Property is taken temporarily, under the power of eminent domain, (a) this Lease will continue in full force and effect with respect thereto and will not be terminated by virtue of such taking and the parties waive the benefit of any law to the contrary, and (b) there will be a partial abatement of Lease Payments allocated thereto, in an amount to be determined by the Office of Education such that the resulting Lease Payments represent fair consideration for the use and occupancy of the remaining usable portions of the Leased Property. Notwithstanding the foregoing, the Lease Payments will not be abated under this Section to the extent that amounts in the Reserve Fund are available to pay Lease Payments which would otherwise be abated under this Section, it being hereby declared that such proceeds and amounts constitute a special fund for the payment of the Lease Payments.

SECTION 6.3. Abatement Due to Damage or Destruction. The amount of Lease Payments will be abated during any period in which by reason of damage or destruction (other than by eminent domain which is hereinbefore provided for) there is substantial interference with the use and occupancy by the Office of Education of the Leased Property or any portion thereof. The amount of such abatement shall be determined by the Office of Education such that the resulting Lease Payments represent fair consideration for the use and occupancy of the portions of the Leased Property not damaged or destroyed. Such abatement shall continue for the period commencing with such damage or destruction and ending with the substantial completion of the work of repair or reconstruction. In the event of any such damage or destruction, this Lease shall continue in full force and effect and the Office of Education waives any right to terminate this Lease by virtue of any such damage and destruction. Notwithstanding the foregoing, there shall be no abatement of Lease Payments under this Section to the extent that the proceeds of hazard insurance, rental interruption insurance or amounts in the Reserve Fund are available to pay Lease Payments which would otherwise be abated under this Section, it being hereby declared that such proceeds and amounts constitute a special fund for the payment of the Lease Payments. The Office of Education represents, warrants and covenants that neither the Property nor any portion thereof is located in the FEMA 100year flood plain. The Office of Education covenants and agrees to comply in all material respects with all laws applicable to the Property or any portion thereof, including without limitation all local. State and federal environmental and Hazardous Substances laws, rules and regulations, and with any order of any jurisdiction over the Property. For purposes of this paragraph, "Hazardous Substances" means any substances, pollutants, wastes and contaminants now or hereafter included in such (or any similar) term under any federal. state or local ordinance, code or regulation now existing or hereafter enacted or amended.

SECTION 6.4. Covenant Against Eminent Domain. During the Term of this Lease, the Office of Education shall not acquire the sub-leasehold estate of the Corporation in the Leased Property under the Site Lease through the exercise of its eminent domain powers or otherwise.

ARTICLE VII

OTHER COVENANTS

SECTION 7.1. Disclaimer of Warranties. THE CORPORATION MAKES NO AGREEMENT, WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OR FITNESS FOR THE USE CONTEMPLATED BY THE OFFICE OF EDUCATION OF THE LEASED PROPERTY OR ANY PORTION THEREOF, OR ANY OTHER REPRESENTATION OR WARRANTY WITH RESPECT TO THE LEASED PROPERTY OR ANY PORTION THEREOF. THE OFFICE OF EDUCATION ACKNOWLEDGES THAT THE CORPORATION IS NOT A MANUFACTURER OF ANY PORTION OF THE LEASED PROPERTY OR A DEALER THEREIN, THAT THE OFFICE OF EDUCATION LEASES THE LEASED PROPERTY AS-IS, IT BEING AGREED THAT ALL OF THE AFOREMENTIONED RISKS ARE TO BE BORNE BY THE OFFICE OF EDUCATION. In no event is the Corporation liable for incidental, indirect, special or consequential damages, in connection with or arising out of this Lease or the Trust Agreement for the existence, furnishing, functioning or the Office of Education's use of the Leased Property.

SECTION 7.2. Access to the Leased Property. The Office of Education agrees that the Corporation, any Corporation Representative and the Certificate Insurer, and their successors or assigns, may at all reasonable times enter upon and to examine and inspect the Leased Property or any part thereof. The Corporation and any Corporation Representative have such rights of access to the Leased Property, or any component thereof, as may be reasonably necessary to cause the proper maintenance of the Leased Property in the event of failure by the Office of Education to perform its obligations hereunder; provided, however, that neither the Corporation nor any of its assigns has any obligation to cause such proper maintenance.

SECTION 7.3. *Release and Indemnification Covenants.* The Office of Education shall indemnify the Corporation, the Trustee and their respective officers, agents, successors and assigns against all claims, losses and damages, including legal fees and expenses, arising out of any of the following:

- (a) the use, maintenance, condition or management of, or from any work or thing done on the Leased Property by the Office of Education;
- (b) any breach or default on the part of the Office of Education in the performance of any of its obligations under this Lease;
- (c) any negligence or willful misconduct of the Office of Education or of any of its agents, contractors, servants, employees or licensees with respect to the Leased Property; or
- (d) any intentional misconduct or negligence of any sublessee of the Office of Education with respect to the Leased Property;
- (e) the Trustee's exercise and performance of its powers and duties hereunder, under the Trust Agreement, the Site Lease and any other document or transaction contemplated in connection herewith or therewith.

No indemnification is made under this Section or elsewhere in this Lease for willful misconduct or negligence under this Lease by the Corporation, the Trustee or their respective officers, agents, employees, successors or assigns.

The Trustee's right to indemnification shall survive its resignation or removal, the final payment or defeasance of the Certificates and the discharge of this Lease Agreement.

SECTION 7.4. Assignment and Subleasing by the Office of Education. The Office of Education may sublease the Leased Property, or any portion thereof, subject to all of the following conditions:

- (a) This Lease and the obligation of the Office of Education to make Lease Payments hereunder shall remain obligations of the Office of Education.
- (b) The Office of Education shall, within 30 days after the delivery thereof, furnish or cause to be furnished to the Corporation, the Certificate Insurer and the Trustee a true and complete copy of such sublease.
- (c) No such sublease by the Office of Education shall cause the Leased Property to be used for a purpose which is not authorized under the provisions of the laws of the State of California.
- (d) The Office of Education shall furnish the Corporation, the Certificate Insurer and the Trustee with a written opinion of Bond Counsel stating that such sublease does not cause the interest components of the Lease Payments to become includable in gross income for purposes of federal income taxation or to become subject to personal income taxation by the State of California.
- (e) The Office of Education shall obtain the written consent of the Certificate Insurer to such sublease.

SECTION 7.5. Amendment of Lease Agreement. The Corporation and the Office of Education may at any time amend or modify any of the provisions of this Lease with the prior written consent of the Certificate Insurer, but only: (a) with the prior written consents of the Owners of a majority in aggregate principal amount of the Outstanding Certificates; or (b) without the consent of the Trustee or any of the Certificate Owners, but only if such amendment or modification is for any one or more of the following purposes:

- to add to the covenants and agreements of the Office of Education contained in this Lease, other covenants and agreements thereafter to be observed, or to limit or surrender any rights or power herein reserved to or conferred upon the Office of Education;
- to cure any ambiguity, or to cure, correct or supplement any defective provision contained herein, for the purpose of conforming to the original intention of the Office of Education and the Corporation;
- (iii) to amend any provision thereof relating to the Tax Code, but only if and to the extent such amendment will not adversely affect the

exclusion from gross income of interest represented by any of the Certificates under the Tax Code, in the opinion of Bond Counsel;

- (iv) to amend the description of any component of the Leased Property to reflect accurately the property originally intended to be included therein, or to effectuate any substitution of property as permitted by Section 4.6 or any release of property as permitted by Section 4.7;
- (v) to obligate the Office of Education to pay additional amounts of rental hereunder for the use and occupancy of the Leased Property or any portion thereof, but only if (A) such additional amounts of rental are pledged or assigned for the payment of any bonds, notes, leases or other obligations the proceeds of which are applied to finance the completion of the Project or other improvements to the Leased Property, and (B) the Office of Education has filed with the Trustee written evidence that the amendments made under this subsection (v) will not of themselves cause a reduction or withdrawal of any rating then assigned to the Certificates; or
- (vi) in any other respect whatsoever as the Corporation and the Office of Education deem necessary or desirable, provided that, in the opinion of Bond Counsel, such modifications or amendments do not materially adversely affect the interests of the Owners of the Certificates.

The Office of Education shall obtain and cause to be filed with the Trustee an opinion of Bond Counsel with respect to any amendment or modification hereof, stating that all conditions precedent to such amendment as set forth in this Section have been satisfied. Promptly following the effective date of any amendment or modification under this Section, the Office of Education shall mail written notice thereof to the Trustee and each rating agency which then maintains a rating on the Certificates.

ARTICLE VIII

EVENTS OF DEFAULT AND REMEDIES

SECTION 8.1. *Events of Default Defined.* Each of the following events constitutes an Event of Default hereunder:

- (a) Failure by the Office of Education to pay any Lease Payment or other payment required to be paid hereunder at the time specified herein.
- (b) Failure by the Office of Education to observe and perform any covenant, condition or agreement on its part to be observed or performed herein or in the Trust Agreement, other than as referred to in the preceding subsection (a), for a period of 30 days after written notice specifying such failure and requesting that it be remedied has been given to the Office of Education by the Corporation or the Trustee; *provided, however*, that if the Office of Education notifies the Corporation and the Trustee that in its reasonable opinion the failure stated in the notice can be corrected, but not within such 30-day period, the failure will not constitute an Event of Default if the Office of Education commences to cure the failure within such 30-day period and thereafter diligently and in good faith cures such failure in a reasonable period of time.
- (c) The filing by the Office of Education of a voluntary petition in bankruptcy, or failure by the Office of Education promptly to lift any execution, garnishment or attachment, or adjudication of the Office of Education as a bankrupt, or assignment by the Office of Education for the benefit of creditors, or the entry by the Office of Education into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Office of Education in any proceedings instituted under the provisions of the Federal Bankruptcy Code, as amended, or under any similar acts which may hereafter be enacted.

SECTION 8.2. *Remedies on Default.* Whenever any Event of Default has happened and is continuing, the Corporation may exercise any and all remedies available under law or granted under this Lease. Notwithstanding anything herein or in the Trust Agreement to the contrary, there is no right under any circumstances to accelerate the Lease Payments or otherwise declare any Lease Payments not then in default to be immediately due and payable. Each and every covenant hereof to be kept and performed by the Office of Education is expressly made a condition and upon the breach thereof the Corporation may exercise any and all rights granted hereunder; provided, that no termination of this Lease shall be effected either by operation of law or acts of the parties hereto, except only in the manner herein expressly provided. Upon the occurrence and during the continuance of any Event of Default, the Corporation may exercise each and every one of the following remedies, subject in all respects to the limitations set forth in Section 8.3.

(a) <u>Enforcement of Payments Without Termination</u>. If the Corporation does not elect to terminate this Lease in the manner hereinafter provided for in subsection (b) of this Section, the Office of Education agrees to remain liable for the payment of all Lease Payments and

the performance of all conditions herein contained and shall reimburse the Corporation for any deficiency arising out of the releasing of the Leased Property, or, if the Corporation is unable to release the Leased Property, then for the full amount of all Lease Payments to the end of the Term of this Lease, but said Lease Payments and/or deficiency shall be payable only at the same time and in the same manner as hereinabove provided for the payment of Lease Payments hereunder, notwithstanding such entry or re-entry by the Corporation or any suit in unlawful detainer, or otherwise, brought by the Corporation for the purpose of effecting such re-entry or obtaining possession of the Leased Property or the exercise of any other remedy by the Corporation.

The Office of Education hereby irrevocably appoints the Corporation as the agent and attorney-in-fact of the Office of Education to enter upon and re-lease the Leased Property upon the occurrence and continuation of an Event of Default and to remove all personal property whatsoever situated upon the Leased Property, to place such property in storage or other suitable place in the County of Tulare for the account of and at the expense of the Office of Education, and the Office of Education hereby agrees to save harmless the Corporation from any costs, loss or damage whatsoever arising or occasioned by any such entry upon and re-leasing of the Leased Property and the removal and storage of such property by the Corporation or its duly authorized agents in accordance with the provisions herein contained. The Office of Education agrees that the terms of this Lease constitute full and sufficient notice of the right of the Corporation to re-lease the Leased Property in the event of such re-entry without effecting a surrender of this Lease, and further agrees that no acts of the Corporation in effecting such re-leasing constitute a surrender or termination of this Lease irrespective of the term for which such re-leasing is made or the terms and conditions of such re-leasing, or otherwise, but that, on the contrary, in the event of such default by the Office of Education the right to terminate this Lease shall vest in the Corporation to be effected in the sole and exclusive manner hereinafter provided for in subsection (b) of this Section. The Office of Education agrees to surrender and guit possession of the Leased Property upon demand of the Corporation for the purpose of enabling the Leased Property to be re-let under this paragraph. Any rental obtained by the Corporation in excess of the unpaid Lease Payments shall be deposited with the Trustee in the Lease Payment Fund, to be applied as a credit against future Lease Payments.

(b) <u>Termination of Lease</u>. If an Event of Default occurs and is continuing hereunder, the Corporation at its option may terminate this Lease and re-lease all or any portion of the Leased Property. If the Corporation terminates this Lease at its option and in the manner hereinafter provided on account of default by the Office of Education (and notwithstanding any re-entry upon the Leased Property by the Corporation in any manner whatsoever or the re-leasing of the Leased Property), the Office of Education nevertheless agrees to pay

to the Corporation all costs, loss or damages howsoever arising or occurring payable at the same time and in the same manner as is herein provided in the case of payment of Lease Payments and Additional Payments. Any surplus received by the Corporation from such re-leasing shall be deposited in the Lease Payment Fund. Neither notice to pay rent or to deliver up possession of the premises given under law nor any proceeding in unlawful detainer taken by the Corporation shall of itself operate to terminate this Lease, and no termination of this Lease on account of default by the Office of Education shall be or become effective by operation of law, or otherwise, unless and until the Corporation has given written notice to the Office of Education of the election on the part of the Corporation to terminate this Lease. The Office of Education agrees that no surrender of the Leased Property, or of the remainder of the Term hereof or any termination of this Lease shall be valid in any manner or for any purpose whatsoever unless stated or accepted by the Corporation by such written notice.

(c) <u>Proceedings at Law or In Equity</u>. If an Event of Default occurs and continues hereunder, the Corporation may take whatever action at law or in equity may appear necessary or desirable to collect the amounts then due and thereafter to become due hereunder or to enforce any other of its rights hereunder.

SECTION 8.3. *No Remedy Exclusive*. No remedy herein conferred upon or reserved to the Corporation is intended to be exclusive and every such remedy is cumulative and in addition to every other remedy given under this Lease or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon the occurrence of any Event of Default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Corporation to exercise any remedy reserved to it in this Article it is not necessary to give any notice, other than such notice as may be required in this Article or by law.

SECTION 8.4. Agreement to Pay Attorneys' Fees and Expenses. If either party to this Lease defaults under any of the provisions hereof and the non-defaulting party employs attorneys or incurs other expenses for the collection of moneys or the enforcement or performance or observance of any obligation or agreement on the part of the defaulting party herein contained, the defaulting party agrees that it will on demand therefor pay to the non-defaulting party the reasonable fees of such attorneys and such other expenses so incurred by the non-defaulting party.

SECTION 8.5. No Additional Waiver Implied by One Waiver. If any agreement contained in this Lease is breached by either party and thereafter waived by the other party, such waiver will be limited to the particular breach so waived and will not constitute a waiver of any other breach hereunder.

SECTION 8.6. Application of Proceeds. All net proceeds received from the re-lease of the Leased Property under this Article, and all other amounts derived by the Corporation or the Trustee as a result of the occurrence of an Event of Default, shall be paid to the Trustee and applied in accordance with Section 12.04 of the Trust Agreement.

SECTION 8.7. *Trustee and Certificate Owners to Exercise Rights.* Such rights and remedies as are given to the Corporation under this Article have been assigned by the Corporation to the Trustee under the Assignment Agreement for the benefit of the Certificate Owners, to which assignment the Office of Education hereby consents. The Trustee and the Certificate Owners shall exercise such rights as provided in the Trust Agreement.

ARTICLE IX

PREPAYMENT OF LEASE PAYMENTS

SECTION 9.1. Security Deposit. Notwithstanding any other provision of this Lease, the Office of Education may on any date secure the payment of the Lease Payments in whole or in part by depositing with the Trustee an amount of cash which, together with other available amounts on deposit in the funds and accounts established under the Trust Agreement, is either (a) sufficient to pay such Lease Payments, including the principal and interest components thereof, in accordance with the Lease Payment schedule set forth in Appendix B, or (b) invested in whole or in part in non-callable Federal Securities in such amount as will, in the opinion of an independent certified public accountant, (which opinion shall be addressed and delivered to the Trustee), together with interest to accrue thereon and together with any cash which is so deposited, be fully sufficient to pay such Lease Payments when due under Section 4.3(a) as the Office of Education instructs at the time of said deposit.

If the Office of Education posts a security deposit under this Section with respect to all unpaid Lease Payments and if the Office of Education has paid or caused to be paid all Additional Payments then due and payable, and notwithstanding the provisions of Section 4.2, (a) the Term of this Lease will continue, (b) all obligations of the Office of Education under this Lease, and all security provided by this Lease for said obligations, will thereupon cease and terminate, excepting only the obligation of the Office of Education to make, or cause to be made all of the Lease Payments from such security deposit, and (c) under Section 4.6, title to the Leased Property will vest in the Office of Education on the date of said deposit automatically and without further action by the Office of Education or the Corporation. Said security deposit constitutes a special fund for the payment of Lease Payments in accordance with the provisions of this Lease.

Payments made by the Certificate Insurer under the Certificate Insurance Policy or the Reserve Policy will not be considered in determining whether the Office of Education has paid and discharged any or all of the Lease Payments under this Section.

SECTION 9.2. Optional Prepayment. The Certificates maturing on or before November 1, 20__, are not subject to optional prepayment before their respective stated maturities. The Certificates maturing on or after November 1, 20__, are subject to prepayment prior to their stated maturity from any legally available source of funds of the Office of Education, at the option of the Office of Education, in whole, or in part among maturities on such basis as shall be designated by the Office of Education and by lot within a maturity, on November 1, 20__, or on any date thereafter, or from prepayments of the Lease Payments made under this Lease Agreement from any legally available source of funds of the Office of Education, upon payment of a prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest to the date fixed for prepayment, without premium.

Such prepayment price shall be deposited by the Trustee upon receipt in the Lease Payment Fund, to be applied to the prepayment of Certificates under Section 3.01(a) of the Trust Agreement. The Office of Education shall give the Trustee written notice of its intention to exercise its option not less than 45 days in advance of the date of exercise.

SECTION 9.3. <u>Mandatory Prepayment from Sinking Fund Prepayments</u>. The Certificates maturing on November 1, 20__, November 1, 20__, and November 1, 20__ (collectively, the "Term Certificates") are subject to mandatory sinking fund prepayment by lot on November 1 in each year as set forth in the following tables, from the principal components of the Lease Payments required to be paid with respect to each of such dates, at a prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest represented thereby to the prepayment date, without premium, as follows:

\$ Principal Amount Term Certificates Maturing November 1, 20

Sinking Fund	Certificates
Prepayment Date	Principal Amount
(November 1)	To Be Prepaid

Principal Amount Term Certificates Maturing November 1, 20____

Sinking Fund	Certificates
Prepayment Date	Principal Amount
(November 1)	To Be Prepaid

Principal Amount Term Certificates Maturing November 1, 20

Sinking Fund	Certificates
Prepayment Date	Principal Amount
(November 1)	To Be Prepaid

SECTION 9.4. *Mandatory Prepayment From Net Proceeds of Insurance or Eminent Domain.* The Office of Education is obligated to prepay the principal components of the Lease Payments, in whole on any date, from and to the extent of any Net Proceeds of insurance award or eminent domain award with respect to the Leased Property theretofore deposited in the Lease Payment Fund for such purpose under Article VI hereof and Article VI of the Trust Agreement. The Office of Education and the Corporation hereby agree that such Net Proceeds, to the extent remaining after payment of any delinquent Lease Payments, shall be credited towards the Office of Education's obligations under this Section. Such prepayment price shall be deposited by the Trustee in the Lease Payment Fund to be applied to the prepayment of Certificates under Section 3.01(c) of the Trust Agreement.

SECTION 9.5. Credit for Amounts on Deposit. If the Office of Education prepays the principal components of the Lease Payments in full under Sections 9.2, 9.3 or 9.4, such that the Trust Agreement is discharged by its terms as a result of such prepayment, at the written election of the Office of Education filed with the Trustee any or all amounts

then on deposit in the Lease Payment Fund, the Project Fund or the Reserve Fund will be credited towards the amounts then required to be so prepaid. If the Office of Education prepays the principal components of the Lease Payments in part under Sections 9.2, 9.3 or 9.4, any amount held in the Reserve Fund in excess of the Reserve Requirement may, at the written election of the Office of Education filed with the Trustee, be applied to prepay an additional principal amount of the Lease Payments.

ARTICLE X

PROVISIONS RELATING TO THE CERTIFICATE INSURER

SECTION 10.1. *Provisions of this Article are Controlling.* The following provisions of this Article X shall control and supersede any conflicting or inconsistent provisions in this Lease, the Site Lease, the Assignment Agreement or the Trust Agreement.

SECTION 10.2. Certificate Insurer as Sole Owner. So long as the Certificate Insurance Policy is in effect and the Certificate Insurer is not in default in respect of its payment obligations thereunder, the Certificate Insurer shall be (i) deemed to be the sole and exclusive Owner of the Certificates for purposes of all approvals, consents, waivers, institution of any action, and the direction of all remedies, and (ii) entitled to direct and control the enforcement of all remedies under the Lease and Site Lease.

SECTION 10.3. Certificate Insurer Consent. Any amendment or supplement to this Lease or the Site Lease shall be subject to the prior written consent of the Certificate Insurer. No release or substitution of any property subject to this Lease or the Site Lease or any deed of trust or other document evidencing a security interest (as used herein, a "Security Interest") in the Leased Property shall occur without the prior written consent of the Certificate Insurer. No termination, assignment (other than to the Trustee under the Assignment Agreement), transfer or sublease of the Site Lease or this Lease shall be permitted without the prior written consent of the Certificate Insurer.

SECTION 10.4. *Preservation of Leased Property.* The Office of Education shall, on an ongoing basis, execute and deliver all documents and make or cause to be made all filings and recordings necessary or desirable in order to perfect, preserve and protect the interest of the Trustee in the Leased Property to the extent possible under applicable law.

SECTION 10.5. Application of Net Proceeds. If insurance or condemnation proceeds with respect to the Leased Property are received, such proceeds shall be applied to replacement or restoration of the affected property or to prepayment of the Certificates; *provided, however*, that unless all Outstanding Certificates are to be prepaid from such amount, prior written consent of the Certificate Insurer shall be required for any such prepayment.

SECTION 10.6. *Limit on Debt and Liens.* Other than the Certificates, the Office of Education may not incur additional debt payable from the Lease Payments and may not impose a lien or encumbrance on the Leased Property, without the prior consent of the Certificate Insurer; provided nothing herein constitutes a limit on the Office of Education's ability to incur additional debt payable from the same source as the Lease Payments.

SECTION 10.7. *Permitted Encumbrances.* Any Permitted Encumbrance that materially affects the security for the Certificates or the use of the Leased Property shall be subject to the consent of the Certificate Insurer.

ARTICLE XI

MISCELLANEOUS

SECTION 11.1. *Notices.* Any notice, request, complaint, demand or other communication under this Lease may be given by first class mail or personal delivery to the party entitled thereto at its address set forth below, or by facsimile transmission or other form of telecommunication, at its number set forth below. Notice will be effective either (a) upon transmission by facsimile, (b) 48 hours after deposit in the United States mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt. The Office of Education, the Corporation and the Trustee may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder. Notices may be delivered in via e-mail to the officer identified below but will only be effective upon receipt by the sender of an acknowledgment of such recipient.

If to the Office of Education:	Tulare County Office of Education 6200 South Mooney Boulevard PO Box 5091 Visalia, California 93278 Attention: Director, General Services
If to the Corporation:	Local Facilities Finance Corporation 2945 Townsgate Road, Suite 200 Los Angeles, California 90071 Attention: Secretary
If to the Trustee:	Wilmington Trust, National Association 650 Town Center Drive, Suite 800 Costa Mesa, California 92626 Attention: Corporate Trust Services
If to the Certificate Insurer:	
	Attention: Re:

SECTION 11.2. *Binding Effect.* This Lease inures to the benefit of and is binding upon the Corporation, the Office of Education, the Certificate Insurer and their respective successors and assigns.

Email:

SECTION 11.3. *Severability.* If any provision of this Lease is held invalid or unenforceable by any court of competent jurisdiction, such holding does not invalidate or render unenforceable any other provision hereof.

SECTION 11.4. *Net-net-net Lease*. This Lease is a "net-net-net lease" and the Office of Education hereby agrees that the Lease Payments are an absolute net return to the Corporation, free and clear of any expenses, charges or set-offs whatsoever.

SECTION 11.5. *Third Party Beneficiaries*. The Trustee and the Certificate Insurer are hereby made third party beneficiaries hereunder with all rights of third party beneficiaries.

SECTION 11.6. Further Assurances and Corrective Instruments. The Corporation and the Office of Education shall, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Leased Property hereby leased or intended so to be or for carrying out the expressed intention of this Lease.

SECTION 11.7. *Execution in Counterparts*. This Lease may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 11.8. *Applicable Law.* This Lease is governed by and construed in accordance with the laws of the State of California.

SECTION 11.9. Corporation and Office of Education Representatives. Whenever under the provisions of this Lease the approval of the Corporation or the Office of Education is required, or the Corporation or the Office of Education is required to take some action at the request of the other, such approval or such request shall be given for the Corporation by a Corporation Representative and for the Office of Education by a Office of Education Representative, and any party hereto shall be authorized to rely upon any such approval or request.

SECTION 11.10. *Captions*. The captions or headings in this Lease are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Lease.

IN WITNESS WHEREOF, the Corporation and the Office of Education have caused this Lease to be executed in their respective names by their duly authorized officers, all as of the date first above written.

LOCAL FACILITIES FINANCE CORPORATION,

as lessor

By: _____ Secretary

TULARE COUNTY OFFICE OF EDUCATION,

as lessee

By: ______ Superintendent of Schools

Attest:

Assistant Superintendent, **Business Services**

APPENDIX A

DESCRIPTION OF THE LEASED PROPERTY

APPENDIX B

SCHEDULE OF LEASE PAYMENTS

Payment <u>Date*</u> Principal Component Interest <u>Component</u> Total <u>Payment</u>

^{*} Lease Payments are payable to the Trustee on the fifteenth Business Day preceding each of the listed Payment Dates.

TRUST AGREEMENT

Dated as of November 1, 2024

among

WILMINGTON TRUST, NATIONAL ASSOCIATION, as trustee

LOCAL FACILITIES FINANCE CORPORATION

and the

TULARE COUNTY OFFICE OF EDUCATION

Relating to

\$_____ 2024 Certificates of Participation

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TRUST AGREEMENT

This TRUST AGREEMENT (the "Trust Agreement") dated as of November 1, 2024, is among WILMINGTON TRUST, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as trustee (the "Trustee"), the LOCAL FACILITIES FINANCE CORPORATION (the "Corporation"), and the TULARE COUNTY OFFICE OF EDUCATION, an office of education duly organized and existing under the laws of the State of California (the "Office of Education").

BACKGROUND:

1. The Office of Education is proceeding to finance the acquisition and construction of Office of Education facilities, including new administrative facilities and a new performing arts center (the "Project"), and in order to provide funds to finance the Project the Office of Education has leased certain land and buildings (the "Leased Property") to the Corporation under a Site Lease dated as of November 1, 2024, in consideration of the payment of an upfront rental payment in an amount sufficient for such purposes, and the Corporation has agreed to lease the Leased Property back to the Office of Education of the agreement dated as of November 1, 2024 (the "Lease Agreement"), in consideration of the agreement by the Office of Education to semiannual lease payments (the "Lease Payments").

2. The Corporation has assigned its right to receive the Lease Payments to the Trustee, and in consideration of such assignment the Trustee has agreed to execute and deliver 2024 Certificates of Participation in the aggregate principal amount of \$_____ (the "Certificates"), each evidencing a direct, undivided fractional interest in the Lease Payments, the proceeds of which will be applied to finance the Project, as further provided in this Trust Agreement.

3. Payment of principal and interest represented by the Certificates is insured by a municipal bond insurance policy (the "Certificate Insurance Policy") issued by ______(the "Certificate Insurer"), and the Certificate Insurer is issuing a Municipal Bond Debt Service Reserve Insurance Policy (the "Reserve Policy") to be credited to the Reserve Fund (defined herein).

AGREEMENT:

In consideration of the foregoing and the material covenants hereinafter contained, the Office of Education, the Corporation and the Trustee formally covenant, agree and bind themselves as follows:

ARTICLE I

DEFINITIONS; RULES OF CONSTRUCTION

SECTION 1.01. *Definitions*. Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms used in this Trust Agreement have the meanings given them in Appendix A hereto.

SECTION 1.02. Authorization. Each of the parties hereby represents and warrants that it has full legal authority and is duly empowered to enter into this Trust Agreement and has taken all actions necessary to authorize the execution hereof by the officers and persons signing it.

SECTION 1.03. Interpretation.

(a) Unless the context otherwise indicates, words expressed in the singular include the plural and vice versa and the use of the neuter, masculine, or feminine gender is for convenience only and includes the neuter, masculine or feminine gender, as appropriate.

(b) Headings of articles and sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and do not affect the meaning, construction or effect hereof.

(c) All references herein to "Articles," "Sections" and other subdivisions are to the corresponding Articles, Sections or subdivisions of this Trust Agreement; the words "herein," "hereof," "hereby," "hereunder" and other words of similar import refer to this Trust Agreement as a whole and not to any particular Article, Section or subdivision hereof.

ARTICLE II

THE CERTIFICATES OF PARTICIPATION

SECTION 2.01. *Authorization.* The Trustee is hereby authorized and directed upon written request from the Corporation to register, execute and deliver to the Original Purchaser, Certificates in the aggregate principal amount of \$_____. The Certificates evidence direct, undivided fractional ownership interests of the Owners thereof in the Lease Payments.

SECTION 2.02. *Date.* Each Certificate shall be dated as of the date of its execution and interest represented thereby shall be payable from the Interest Payment Date next preceding the date of execution thereof, unless:

 (a) it is executed following a Record Date and on or before the next succeeding Interest Payment Date, in which event interest represented thereby shall be payable from such Interest Payment Date;

- (b) unless it is executed on or before the first Record Date, in which event interest represented thereby shall be payable from the Closing Date; or
- (c) if, as of the date of any Certificate, interest represented by such Certificate is in default, in which event interest represented thereby shall be payable from the Interest Payment Date to which interest has previously been paid or made available for payment with respect to such Certificate.

SECTION 2.03. *Terms of Certificates.* Principal represented by the Certificates is payable on December 1 in each of the respective years and in the respective amounts, and interest represented thereby is computed at the respective rates, as follows:

Maturity Date	Principal	Interest
(December 1)	<u>Amount</u>	Rate

T: Term Certificates

SECTION 2.04. *Fully Registered Form; Interest.* The Certificates will be delivered in the form of fully registered Certificates without coupons in the authorized denominations of \$5,000 or any integral multiple thereof, except that no Certificate shall represent principal payable in more than one year. The Original Purchaser shall assign the Certificates such alphabetical and numerical designation as the Original Purchaser deems appropriate.

Interest represented by the Certificates is payable on each Interest Payment Date to and including the date of maturity or prepayment, whichever is earlier, as provided in Section 2.09. Said interest represents the portion of Lease Payments designated as interest and coming due on each of the respective Interest Payment Dates. The share of the portion of Lease Payments designated as interest with respect to any Certificate shall be computed by multiplying the portion of Lease Payments designated as principal represented by such Certificate by the rate of interest represented by such Certificate (on the basis of a 360-day year consisting of twelve 30-day months).

SECTION 2.05. Book Entry System.

(a) <u>Original Delivery</u>. The Certificates will be initially executed and delivered in the form of a separate single fully registered Certificate (which may be typewritten) for each maturity of the Certificates. Upon initial delivery, the ownership of each such Certificate will be registered on the Registration Books in the name of the Nominee. Except as provided in subsection (c), the ownership of all of the Outstanding Certificates shall be registered in the name of the Nominee on the Registration Books.

With respect to Certificates the ownership of which is registered in the name of the Nominee, the Office of Education and the Trustee have no responsibility or obligation to any Depository System Participant or to any person on behalf of which the Office of Education holds an interest in the Certificates. Without limiting the generality of the immediately preceding sentence, the Office of Education and the Trustee have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository. the Nominee or any Depository System Participant with respect to any ownership interest in the Certificates, (ii) the delivery to any Depository System Participant or any other person, other than a Certificate Owner as shown in the Registration Books, of any notice with respect to the Certificates, including any notice of prepayment, (iii) the selection by the Depository of the beneficial interests in the Certificates to be prepaid if the Office of Education elects to prepay the Certificates in part, (iv) the payment to any Depository System Participant or any other person, other than a Certificate Owner as shown in the Registration Books, of any amount with respect to principal or interest represented by the Certificates or (v) any consent given or other action taken by the Depository as Owner of the Certificates. The Office of Education and the Trustee may treat and consider the person in whose name each Certificate is registered as the absolute owner of such Certificate for the purpose of payment of principal and interest represented by such Certificate, for the purpose of giving notices of prepayment and other matters with respect to such Certificate, for the purpose of registering transfers of ownership of such Certificate, and for all other purposes whatsoever. The Trustee shall pay the principal and interest represented by the Certificates only to the respective Owners or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge all obligations with respect to payment of principal and interest represented by the Certificates to the extent of the sum or sums so paid. No person other than a Certificate Owner may receive a Certificate evidencing the obligation of the Office of Education to make payments of principal and interest under this Trust Agreement. Upon delivery by the Depository to the Nominee of written notice to the effect that the Depository has determined to substitute a new Nominee in its place, such new nominee shall become the Nominee hereunder for all purposes; and upon receipt of such a notice the Office of Education shall promptly deliver a copy of the same to the Trustee.

(b) <u>Representation Letter</u>. In order to qualify the Certificates for the Depository's book-entry system, the Office of Education shall execute and deliver to such Depository a letter representing such matters as shall be necessary to so qualify the Certificates. The execution and delivery of such letter shall not in any way limit the provisions of subsection (a) above or in any other way impose upon the Office of Education or the Trustee any obligation whatsoever with respect to persons having interests in the Certificates other than the Certificate Owners. The Trustee shall agree to take all action reasonably necessary for all representations of the Office of Education in such letter with respect to the Trustee to at all times be complied with. In addition to the execution and delivery of

such letter, the Office of Education may take any other actions, not inconsistent with this Trust Agreement, to qualify the Certificates for the Depository's book-entry program.

Transfers Outside Book-Entry System. If either (i) the Depository determines (c) not to continue to act as Depository for the Certificates, or (ii) the Office of Education determines to terminate the Depository as such, then the Office of Education shall thereupon discontinue the book-entry system with such Depository. In such event, the Depository shall cooperate with the Office of Education and the Trustee in the issuance of replacement Certificates by providing the Trustee with a list showing the interests of the Depository System Participants in the Certificates, and by surrendering the Certificates, registered in the name of the Nominee, to the Trustee on or before the date such replacement Certificates are to be executed and delivered. The Depository, by accepting delivery of the Certificates, agrees to be bound by the provisions of this subsection (c). If, prior to the termination of the Depository acting as such, the Office of Education fails to identify another Securities Depository to replace the Depository, then the Certificates shall no longer be required to be registered in the Registration Books in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging Certificates shall designate, in accordance with the provisions hereof.

If the Office of Education determines that it is in the best interests of the beneficial owners of the Certificates that they be able to obtain certificated Certificates, the Office of Education may notify the Depository System Participants of the availability of such certificated Certificates through the Depository. In such event, the Trustee will execute, register, transfer and exchange Certificates as required by the Depository and others in appropriate amounts; and whenever the Depository requests, the Trustee and the Office of Education shall cooperate with the Depository in taking appropriate action (y) to make available one or more separate certificates evidencing the Certificates to any Depository System Participant having Certificates credited to its account with the Depository, or (z) to arrange for another Securities Depository to maintain custody of a single certificate evidencing such Certificates, all at the Office of Education's expense.

(d) <u>Payments to the Nominee</u>. Notwithstanding any other provision of this Trust Agreement to the contrary, so long as any Certificate is registered in the name of the Nominee, all payments with respect to principal and interest represented by such Certificate and all notices with respect to such Certificate shall be made and given, respectively, as provided in the letter described in subsection (b) of this Section or as otherwise instructed by the Depository.

SECTION 2.06. Form and Execution of Certificates. The Certificates shall be substantially in the form set forth in Appendix B hereto. The Trustee shall execute the Certificates with the manual signature of an authorized signatory of the Trustee. If any person whose signature appears on any Certificate ceases to be an authorized signatory before the date of delivery of said Certificate, such signature shall nevertheless be as effective as if such person had remained an authorized signatory until such date.

SECTION 2.07. Transfer and Exchange.

(a) <u>Transfer of Certificates</u>. The registration of any Certificate may, in accordance with its terms, be transferred upon the Registration Books by the person in whose name it is registered, in person or by duly authorized attorney, upon surrender of such Certificate for cancellation at the Office of the Trustee, accompanied by delivery of a

written instrument of transfer in a form acceptable to the Trustee, manually executed. Whenever any Certificate or Certificates shall be surrendered for registration of transfer, the Trustee shall execute and deliver a new Certificate or Certificates representing the same maturity, interest rate and aggregate principal amount, in any authorized denominations. The Office of Education shall pay all costs of the Trustee incurred in connection with any such transfer, except that the Trustee may require the payment by the Certificate Owner of any tax or other governmental charge required to be paid with respect to such transfer. All Certificates surrendered pursuant to the provisions of this Section shall be cancelled and destroyed by the Trustee and shall not be redelivered.

(b) <u>Exchange of Certificates</u>. Certificates may be exchanged at the Office of the Trustee, for a like aggregate principal amount of Certificates representing other authorized denominations of the same interest rate and maturity. The Office of Education shall pay all costs of the Trustee incurred in connection with any such exchange, except that the Trustee shall require the payment by the Certificate Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

(c) <u>Limitations on Transfer or Exchange</u>. The Trustee may refuse to transfer or exchange either (i) any Certificate during the period established by the Trustee for the selection of Certificates for prepayment, or (ii) any Certificate which has been selected for prepayment in whole or in part under the provisions of Section 3.02.

Prior to any transfer of the Certificates outside the book-entry system (including, but not limited to, the initial transfer outside the book-entry system) the transferor shall provide or cause to be provided to the Trustee all information necessary to allow the Trustee to comply with any applicable tax reporting obligations, including without limitation any cost basis reporting obligations under Internal Revenue Code Section 6045, as amended. The Trustee shall conclusively rely on the information provided to it and shall have no responsibility to verify or ensure the accuracy of such information.

SECTION 2.08. Certificates Mutilated, Lost, Destroyed or Stolen. If any Certificate is mutilated, the Trustee, at the expense of the Owner of such Certificate, shall execute and deliver a new Certificate of like principal amount, interest rate and maturity in replacement for the Certificate so mutilated, but only upon surrender to the Trustee of the Certificate so mutilated. The Trustee shall cancel and destroy every mutilated Certificate so surrendered to it and shall deliver a certificate of destruction to the Office of Education at the request of the Office of Education. If any Certificate is lost, destroyed or stolen, evidence of such loss, destruction or theft must be submitted to the Trustee, and, if such evidence is satisfactory to the Trustee and if an indemnity satisfactory to the Trustee is given, the Trustee, at the expense of the Certificate Owner, shall execute and deliver a new Certificate of like principal amount, interest rate and maturity and numbered as the Trustee shall determine in lieu of and in replacement for the Certificate so lost, destroyed or stolen. The Trustee may require payment of an appropriate fee for each replacement Certificate delivered under this Section and of the expenses which may be incurred by the Trustee in carrying out the duties under this Section. Any Certificate delivered under the provisions of this Section in lieu of any Certificate alleged to be lost, destroyed or stolen shall be equally entitled to the benefits of this Trust Agreement with all other Certificates secured by this Trust Agreement. The Trustee is not required to treat both the original Certificate and any replacement Certificate as being Outstanding for the purpose of determining the principal amount of Certificates which may be executed and delivered hereunder or for the purpose of determining any percentage of Certificates Outstanding hereunder, but both the original and replacement Certificate shall be treated as one and the same. Notwithstanding any other provision of this Section, in lieu of delivering a replacement for a Certificate which has been mutilated, lost, destroyed or stolen, and which has matured, the Trustee may make payment with respect to such Certificate upon receipt of indemnity satisfactory to the Trustee and the Office of Education.

SECTION 2.09. *Payment*. Payment of interest represented by any Certificate on any Interest Payment Date shall be made to the person appearing on the Registration Books as the Owner thereof as of the close of business on the Record Date immediately preceding such Interest Payment Date, such interest to be paid by check mailed on the Interest Payment Date to such Owner, by first class mail postage prepaid, or sent via email, in the case of any Certificates registered in the name of the Nominee, at such Owner's address as it appears on the Registration Books. At the written request of the Owner of Certificates in an aggregate principal amount of at least \$1,000,000, which written request is on file with the Trustee prior to the Record Date preceding any Interest Payment Date, the Trustee shall pay interest represented by such Certificates coming due and payable on such Interest Payment Date by wire transfer in immediately available funds to such account in the United States as is specified in such written request. The principal and interest represented by any Certificate at maturity or upon prepayment are payable in lawful money of the United States of America upon surrender of such Certificate at the Office of the Trustee.

SECTION 2.10. *Execution of Documents and Proof of Ownership.* Any request, direction, consent, revocation of consent, or other instrument in writing required or permitted by this Trust Agreement to be signed or executed by Certificate Owners may be in any number of concurrent instruments of similar tenor, and may be signed or executed by such Owners in person or by their attorneys or agents appointed by an instrument in writing for that purpose, or by any bank, trust company or other depository for such Certificates. Proof of the execution of any such instrument, or of any instrument appointing any such attorney or agent, and of the ownership of Certificates shall be sufficient for any purpose of this Trust Agreement (except as otherwise herein provided), if made in the following manner:

- (a) The fact and date of the execution by any Owner or any Owner's attorney or agent of any such instrument and of any instrument appointing any such attorney or agent, may be proved by a certificate, which need not be acknowledged or verified, of an officer of any bank or trust company located within the United States of America, or of any notary public, or other officer authorized to acknowledgments of deeds to be recorded in such jurisdictions, that the persons signing such instruments acknowledged before him the execution thereof. Where any such instrument is executed by an officer of a corporation or association or a member of a partnership on behalf of such corporation, association or partnership, such certificate shall also constitute sufficient proof of authority.
- (b) The fact of the ownership of Certificates by any person and the amount, the maturity and the numbers of such Certificates and the date of such person's holding the same shall be proved by the Registration Books.

Nothing in this Section limits the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which the Trustee may deem sufficient. Any request or consent of the Owner of any Certificate binds every future Owner of the same Certificate in respect of anything done or suffered to be done by the Trustee under such request or consent.

SECTION 2.11. *Registration Books.* The Trustee shall keep or cause to be kept sufficient records for the registration and registration of transfer of the Certificates, which shall at all reasonable times be open to inspection by the Office of Education and the Corporation upon prior notice, during regular business hours; and, upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on the Registration Books, Certificates as hereinbefore provided. The Office of Education, the Corporation, and the Trustee shall be entitled to treat the registered owner of a Certificate as the absolute owner thereof for all purposes, whether or not a Certificate shall be overdue, and the Office of Education, the Corporation, and the Trustee shall not be affected by any notice to the contrary.

ARTICLE III

PREPAYMENT OF CERTIFICATES

SECTION 3.01. Prepayment.

(a) <u>Optional Prepayment</u>. The Certificates maturing on or before December 1, 20__, are not subject to optional prepayment before their respective stated maturities. The Certificates maturing on or after December 1, 20__, are subject to prepayment prior to their stated maturity from any legally available source of funds of the Office of Education, at the option of the Office of Education, in whole, or in part among maturities on such basis as shall be designated by the Office of Education and by lot within a maturity, on December 1, 20__, or on any date thereafter, or from prepayments of the Lease Payments made under Section 9.2 of the Lease Agreement from any legally available source of funds of the Office of Education, upon payment of a prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest to the date fixed for prepayment, without premium.

(b) <u>Mandatory Prepayment from Sinking Fund Prepayments</u>. The Certificates maturing on December 1, 20__, December 1, 20__, and December 1, 20__ (collectively, the "Term Certificates"), are subject to mandatory sinking fund prepayment by lot on December 1 in each year as set forth in the following tables, from the principal components of the Lease Payments required to be paid with respect to each of such dates, at a prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest represented thereby to the prepayment date, without premium, as follows:

Principal Amount Term Certificates Maturing December 1, 20____

Sinking Fund	Certificates
Prepayment Date	Principal Amount
(December 1)	To Be Prepaid

Principal Amount Term Certificates Maturing December 1, 20____

Certificates
Principal Amount
To Be Prepaid

Principal Amount Term Certificates Maturing December 1, 20____

Sinking Fund	Certificates
Prepayment Date	Principal Amount
(December 1)	To Be Prepaid

In connection with any mandatory sinking fund prepayments, the Office of Education shall provide the Trustee with a revised sinking fund schedule.

(c) <u>Prepayment From Net Proceeds of Insurance or Condemnation</u>. The Certificates are subject to mandatory prepayment, in whole or in part on any Business Day, from the Net Proceeds of insurance or eminent domain proceedings with respect to the Leased Property credited towards the prepayment of the Lease Payments under Section 9.3 of the Lease Agreement and Article VI of the Lease Agreement, at a prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest represented thereby to the date fixed for prepayment, without premium.

SECTION 3.02. Selection of Certificates for Prepayment. Whenever provision is made in this Trust Agreement for the prepayment of Certificates and less than all Outstanding Certificates of any maturity are called for prepayment, the Trustee shall select Certificates of such maturity for prepayment by lot within a maturity. For the purposes of such selection, Certificates shall be deemed to be composed of \$5,000 portions, and any such portion may be separately prepaid. The Trustee shall promptly notify the Office of Education and the Corporation in writing of the Certificates or portions thereof so selected for prepayment.

SECTION 3.03. Notice of Prepayment. The Office of Education shall provide the Trustee with notice not less than forty-five (45) days prior to the date of prepayment, which notice shall include such information as the Trustee may reasonably request to deliver the notice described in the succeeding sentence of this Section 3.03. When prepayment is authorized or required under Section 3.01, the Trustee shall give notice of the prepayment of the Certificates on behalf and at the expense of the Office of Education. Such notice shall:

- (a) state the prepayment date and prepayment price;
- (b) state the numbers or maturities of the Certificates to be prepaid, if less than all of the then Outstanding Certificates are to be called for prepayment;
- (c) if a Certificate is to be prepaid only in part, identify the portion of the Certificate which is to be prepaid;

- (d) require that such Certificates be surrendered on the prepayment date at the Office of the Trustee for prepayment at said prepayment price;
- (e) state that interest represented by the Certificates will not accrue from and after the prepayment date; and
- (f) state that on the prepayment date the principal represented by each Certificate will become due and payable, together with accrued interest represented thereby to the prepayment date, and that from and after such date interest represented thereby ceases to accrue and be payable.

The Trustee has no liability for any designation of the CUSIP numbers of the Certificates to be prepaid, and neither the failure to identify the CUSIP numbers of the Certificates to be prepaid nor any incorrect designation of such CUSIP numbers will affect the sufficiency of the proceedings for the prepayment of such Certificates or the cessation of accrual of interest represented thereby from and after the date fixed for prepayment.

The Trustee shall provide notice of prepayment by first class mail with postage prepaid, or email, if applicable, to the Securities Depositories and to the Owners of Certificates designated for prepayment at their respective addresses appearing on the Registration Books, at least 20 days but not more than 60 days prior to the prepayment date. Neither the failure to receive any such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the prepayment of such Certificates or the cessation of accrual of interest represented thereby from and after the date fixed for prepayment.

Notices of optional prepayment may be conditional. The Office of Education may rescind any optional prepayment of the Certificates, and notice thereof, for any reason on any date prior to the date fixed for such optional prepayment by causing written notice of the rescission to be given to the Owners of the Certificates so called for prepayment. Notice of rescission of optional prepayment will be given in the same manner in which the notice of prepayment was originally given. The actual receipt of notice of such rescission is not a condition precedent to rescission and failure to receive such notice or any defect in such notice will not affect the validity of the rescission. The Office of Education, the Corporation or the Trustee have no liability to the Owners of any Certificates, or any other party, as a result of the Office of Education's decision to rescind an optional prepayment of the Certificates.

SECTION 3.04. Partial Prepayment of Certificates. Upon surrender by the Owner of a Certificate for partial prepayment at the Office of the Trustee, payment of such partial prepayment of the principal amount of a Certificate will be paid to such Owner. Upon surrender of any Certificate prepaid in part only, the Trustee shall execute, register and deliver to the Owner thereof, at the expense of the Office of Education, a new Certificate or Certificates of authorized denominations equal in aggregate principal amount to the unprepaid portion of the Certificate surrendered and of the same interest rate and the same maturity. Such partial prepayment shall be valid upon payment of the amount thereby required to be paid to such Owner, and the Office of Education, the Corporation and the Trustee shall be released and discharged from all liability to the extent of such payment. SECTION 3.05. *Effect of Notice of Prepayment.* Moneys for the prepayment (including the interest to the applicable date of prepayment) of Certificates having been set aside in the Lease Payment Fund, the Certificates shall become due and payable on the date of such prepayment, and, upon presentation and surrender thereof at the Office of the Trustee, said Certificates shall be paid at the unpaid principal amount (or applicable portion thereof) represented thereby plus interest accrued and unpaid to said date of prepayment.

If, on said date of prepayment, moneys for the prepayment of all the Certificates to be prepaid, together with interest represented thereby to said date of prepayment, shall be held by the Trustee so as to be available therefor on such date of prepayment, then, from and after said date of prepayment, interest represented by the Certificates shall cease to accrue and become payable. All moneys held by the Trustee for the prepayment of Certificates shall be held in trust for the account of the Owners of the Certificates so to be prepaid, and shall be held by the Trustee in cash uninvested.

All Certificates paid at maturity or prepaid prior to maturity under the provisions of this Article III shall be canceled upon surrender thereof.

SECTION 3.06. *Purchase of Certificates.* In lieu of prepayment of Certificates as provided in this Article, amounts held by the Trustee for such prepayment may, at the written request of the Office of Education Representative received by the Trustee at least 75 days prior to the selection of Certificates for prepayment, with the consent of the Certificate Insurer, be applied by the Trustee to the purchase of Certificates at public or private sale as and when and at such prices (including brokerage, accrued interest and other charges) as the Office of Education may in its discretion direct, but not to exceed the prepayment price which would be payable if such Certificates were prepaid.

ARTICLE IV

DISPOSITION OF PROCEEDS OF SALE

SECTION 4.01. Application of Proceeds. The proceeds (net of Original Purchaser's discount in the amount of \$_____ and an amount wired directly by the Original Purchaser to the Certificate Insurer in the amount of \$_____ for the Certificate Insurance Policy and the Reserve Policy, and plus the amount of original issue premium received on the sale of the Certificates in the amount of \$_____ received by the Trustee from the sale of the Certificates on the Closing Date) shall forthwith be deposited by the Trustee in the following respective funds and in the following order of priority:

- (a) The Trustee shall deposit the amount of \$_____ in the Costs of Issuance Fund.
- (b) The Trustee shall deposit the amount of \$_____, constituting the remainder of the Certificate proceeds, in the Project Fund.

The Trustee may, in its discretion, establish a temporary fund or account in its books and records to facilitate such deposits.

The parties hereto are advised and acknowledge that on the Closing Date from the proceeds of the Certificates, the Original Purchaser paid on behalf of the Office of Education to the Certificate Insurer \$_____, as payment of the premium for the Certificate Insurance Policy and \$______, as payment of the premium for the Reserve Policy, which the Trustee shall credit to the Reserve Fund.

SECTION 4.02. Reserve Fund.

(a) <u>General Provisions</u>. The Trustee shall establish a special fund designated as the "Reserve Fund" to be held by the Trustee in trust for the benefit of the Office of Education and the Owners of the Certificates, and applied solely as provided herein. Moneys in the Reserve Fund shall be held in trust as a reserve for the payment when due of the Lease Payments on behalf of the Office of Education.

The Trustee shall retain in the Reserve Fund all earnings on the investment of amounts therein to the extent required to maintain the full amount of the Reserve Requirement on deposit therein. All amounts on deposit in the Reserve Fund at any time in excess of the Reserve Requirement, and all amounts derived from the investment of amounts in the Reserve Fund which are not required to be retained therein to maintain the Reserve Requirement, shall be transferred by the Trustee to the Project Fund prior to the Completion Date, and thereafter to the Lease Payment Fund semiannually on or before each Lease Payment Date. Any re-computation of the Reserve Requirement shall be made by or on behalf of the Office of Education, and shall become effective upon the filing by the Office of Education with the Trustee of written notice thereof.

(b) <u>Application of Reserve Fund</u>. If on any Interest Payment Date the moneys available in the Lease Payment Fund do not equal the amount of the Lease Payment then coming due and payable, the Trustee shall apply moneys available in the Reserve Fund to make such payments on behalf of the Office of Education by transferring the amount necessary for this purpose to the Lease Payment Fund. Upon receipt of any delinquent Lease Payment with respect to which moneys have been advanced from the Reserve Fund, such Lease Payment shall be deposited in the Reserve Fund to the extent of such advance.

If on any Interest Payment Date the moneys on deposit in the Reserve Fund and the Lease Payment Fund (excluding amounts required for payment of principal and interest represented by any Certificates theretofore having come due but not presented for payment) are sufficient to pay or prepay all Outstanding Certificates, including all principal and interest represented thereby, the Trustee shall, upon the written request of the Office of Education, either (i) transfer all amounts then on deposit in the Reserve Fund to the Lease Payment Fund to be applied for such purpose to the payment of the Lease Payments on behalf of the Office of Education, or (ii) transfer such amounts to the Office of Education for deposit into the Project Fund prior to the completion of the Project. Any amounts remaining in the Reserve Fund on the date of payment in full, or provision for such payment as provided in Section 13.01, of all obligations represented by the Outstanding Certificates and upon all fees and expenses then due and owing to the Trustee, shall be withdrawn by the Trustee and after paying all amounts owed the Certificate Insurer, at the written request of the Office of Education applied towards such payment or paid to the Office of Education.

(c) <u>Reserve Facility</u>. The Reserve Requirement, or any portion thereof, may be

satisfied by crediting to the Reserve Fund a Reserve Facility, which in the aggregate make funds available in the Reserve Fund in an amount equal to the Reserve Requirement; however, the long-term unsecured debt or claim-paying ability, as the case may be, of the provider of any such letter of credit, bond insurance policy or any other comparable credit facility, must have a rating of at least "A" from Moody's, and/or "A" from S&P, on the date such security is deposited into the Reserve Fund (provided that the Trustee shall be under no obligation and have no responsibility whatsoever to independently determine or verify such rating). Provided, further, that the Corporation and the Office of Education shall obtain the prior written consent of the Certificate Insurer prior to crediting any Reserve Facility (other than the Reserve Policy) to the Reserve Fund. In the event of the use of a Reserve Facility, the Trustee shall be provided with copies of all documents in regard thereto and shall, to the extent not in conflict with the provisions of this Trust Agreement, conform to the forms thereof for purposes of submitting draws, and making reimbursements, thereon.

The Reserve Requirement will initially be satisfied by deposit in the Reserve Fund of the Reserve Policy delivered by the Certificate Insurer. The Office of Education and the Trustee covenant to comply with each of the provisions set forth in Appendix D hereto which provisions are hereby incorporated herein by reference thereto.

(d) <u>Transfer of Excess Funds</u>. If, as a result of the payment of principal or interest evidenced by the Certificates or otherwise, the Reserve Requirement is reduced, and the Reserve Requirement is not then satisfied by a Reserve Facility, funds on deposit in the Reserve Fund in excess of said reduced Reserve Requirement shall be transferred to the Lease Payment Fund, upon the filling by the Office of Education with the Trustee of written notice of such recomputation of the Reserve Requirement and a requisition from the Office of Education to transfer such excess.

(e) <u>Transfer Upon Defeasance</u> On any date on which Certificates are defeased in accordance with the terms hereof, the Trustee shall, if so directed in a written request of the Office of Education, transfer any moneys in the Reserve Fund in excess of the Reserve Requirement resulting from such defeasance to the entity or fund so specified in such written request of the Office of Education, to be applied to such defeasance.

SECTION 4.03. *Establishment and Application of Costs of Issuance Fund.* The Trustee shall establish, maintain and hold in trust a separate fund designated as the "Costs of Issuance Fund." The Trustee shall disburse moneys in the Costs of Issuance Fund to pay the Costs of Issuance upon submission of written requisitions executed by a Office of Education Representative in substantially the form attached hereto as Appendix B, stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund. Each such requisition is sufficient evidence to the Trustee of the facts stated therein and the Trustee has no duty to confirm the accuracy of such facts. On January 31, 2025, the Trustee shall withdraw all remaining moneys in the Costs of Issuance Fund and deposit such moneys in the Project Fund, and the Trustee shall thereupon close the Costs of Issuance Fund.

SECTION 4.04. *Project Fund*. The Trustee shall establish, maintain and hold in trust a separate fund to be known as the "Project Fund." The Trustee shall disburse moneys in the Project Fund from time to time to pay or reimburse the payment of Project Costs in accordance with written requisitions filed by the Office of Education with the Trustee in substantially the form attached hereto as Appendix E. Each such requisition is sufficient evidence to the Trustee of the facts stated therein and the Trustee has no duty to confirm the accuracy of such facts. The Trustee is not responsible for payments made in accordance with this Section. The Office of Education shall maintain accurate records showing all disbursements from the Project Fund, including records which show the name and address of each entity to whom payment is made and the amount and purpose of each payment.

Upon the determination by the Office of Education that the Project has been substantially completed, in accordance with Section 3.3 of the Lease Agreement the Trustee will withdraw from the Project Fund and deposit in the Lease Payment Fund all amounts remaining on deposit in the Project Fund, other than amounts estimated by the Office of Education to be required to pay future Project Costs. Whether or not the Projects have been substantially completed, upon the filing with the Trustee of a written certificate of the Office of Education stating that no further amounts are intended to be requisitioned from the Project Fund, the Trustee shall thereupon close the Project Fund and transfer all remaining amounts therein to the Lease Payment Fund.

ARTICLE V

LEASE PAYMENTS; LEASE PAYMENT FUND

SECTION 5.01. Assignment of Rights in Lease Agreement. Under the Assignment Agreement, the Corporation has transferred, assigned and set over to the Trustee certain of its rights under the Lease Agreement, including but not limited to all of the Corporation's rights to receive and collect all of the Lease Payments and all other amounts required to be deposited in the Lease Payment Fund. The Office of Education shall pay to the Trustee all Lease Payments and other amounts which have been assigned to the Trustee under the Assignment Agreement. Any Lease Payments collected or received by the Corporation shall be deemed to be held and to have been collected or received by the Corporation as the agent of the Trustee, and the Corporation shall immediately transfer all such Lease Payments and other amounts to the Trustee.

SECTION 5.02. *Establishment of Lease Payment Fund.* The Trustee shall establish a special fund designated as the "Lease Payment Fund." All moneys at any time deposited by the Trustee in the Lease Payment Fund shall be held by the Trustee in trust for the benefit of the Office of Education and the Owners of the Certificates. So long as any Certificates are Outstanding, neither the Office of Education nor the Corporation has any beneficial right or interest in the Lease Payment Fund, or the moneys deposited therein, except only as provided in this Trust Agreement, and the Trustee shall apply the Lease Payment Fund solely as set forth in this Trust Agreement.

SECTION 5.03. *Deposits.* The Trustee shall deposit all Lease Payments received by it in the Lease Payment Fund, including any moneys received by the Trustee for deposit therein under Section 5.01 or under Article VI hereof, or Article IX of the Lease Agreement, and any other moneys required to be deposited therein under the Lease Agreement or under this Trust Agreement.

SECTION 5.04. Application of Moneys. The Trustee shall apply amounts in the Lease Payment Fund solely for the purpose of paying the principal and interest

represented by the Certificates as the same become due and payable and amounts owing to the Trustee, in each case, in accordance with the provisions hereof.

SECTION 5.05. *Surplus.* Any surplus remaining in the Lease Payment Fund, after prepayment and payment of all Certificates, including accrued interest (if any) and payment of any applicable fees, expenses and indemnities to the Trustee and the Certificate Insurer or provision for such prepayment or payment having been made to the satisfaction of the Trustee and the Certificate Insurer, shall be withdrawn by the Trustee and remitted to the Office of Education upon receipt of a written requisition from the Office of Education.

ARTICLE VI

INSURANCE AND CONDEMNATION FUND

SECTION 6.01. Establishment of Insurance and Condemnation Fund; Application of Net Proceeds of Insurance Award. Any Net Proceeds of insurance collected by the Office of Education in the event of accident to or destruction of any component of the Leased Property shall be paid to the Trustee under Section 6.1 of the Lease Agreement and deposited by the Trustee promptly upon receipt thereof in a special fund designated as the "Insurance and Condemnation Fund" which the Trustee shall thereupon establish. If the Office of Education determines and notifies the Trustee in writing of its determination, within 90 days following the date of such deposit, that the replacement, repair, restoration, modification or improvement of the Leased Property is not economically feasible or in the best interests of the Office of Education, then such Net Proceeds shall be promptly transferred by the Trustee to the Lease Payment Fund and applied to the prepayment of Lease Payments under Section 9.3 of the Lease Agreement and the corresponding prepayment of Certificates under Section 3.01(c), which prepayment shall be made on the first prepayment date for which notice of prepayment can be timely given. Notwithstanding the foregoing provisions of this Section, the determination of the Office of Education to apply Net Proceeds to the prepayment of Certificates is subject to the following:

- (a) if the Leased Property is damaged or destroyed in full, such Net Proceeds may be transferred to the Lease Payment Fund to be used to prepay Outstanding Certificates only if such Net Proceeds, together with other available moneys, are sufficient to cause the corresponding prepayment of all Lease Payments allocable to the Leased Property; and
- (b) if the Leased Property is damaged or destroyed in part but not in whole, such Net Proceeds may be transferred to the Lease Payment Fund to be used to prepay Outstanding Certificates only if the Lease Payments which result after the corresponding abatement thereof under Section 6.3 of the Lease Agreement are sufficient to pay the full amount of principal and interest represented by the Certificates which remain Outstanding after such prepayment.

All Net Proceeds deposited in the Insurance and Condemnation Fund and not so transferred to the Lease Payment Fund shall be applied to the prompt replacement, repair, restoration, modification or improvement of the damaged or destroyed portions of the Leased Property by the Office of Education, upon receipt of written requisitions of the Office of Education stating with respect to each payment to be made (a) the name and address of the person, firm or corporation to whom payment is due, (b) the amount to be paid and (c) that each obligation mentioned therein has been properly incurred, is a proper charge against the Insurance and Condemnation Fund, has not been the basis of any previous withdrawal, and specifying in reasonable detail the nature of the obligation. Any balance of the Net Proceeds remaining after the Office of Education shall file a written certificate with the Trustee stating that such work has been completed shall, after payment of all amounts then due and owing to the Trustee hereunder, be paid to the Office of Education. Each such written requisition of the Office of Education shall be sufficient evidence to the Trustee of the facts stated therein and the Trustee shall have no duty to confirm the accuracy of such facts.

SECTION 6.02. Deposit and Application of Net Proceeds of Eminent Domain Award. If all or any part of the Leased Property is taken by eminent domain proceedings (or sold to a government threatening to exercise the power of eminent domain) the Net Proceeds therefrom shall be deposited with the Trustee in the Insurance and Condemnation Fund, under Section 6.1 of the Lease Agreement, and shall be applied and disbursed by the Trustee as follows:

- (a) If the Office of Education gives written notice to the Trustee of its determination that (i) such eminent domain proceedings have not materially affected the interest of the Office of Education in the Leased Property or the ability of the Office of Education to meet any of its financial obligations under the Lease Agreement, and (ii) that such proceeds are not needed for repair, replacement or rehabilitation of the Leased Property, and the Office of Education has given written notice to the Trustee of such determination, the Trustee shall transfer such proceeds to the Lease Payment Fund to be credited towards the payment of the Lease Payments as they become due and payable.
- (b) If the Office of Education gives written notice to the Trustee of its determination that (i) such eminent domain proceedings have not materially affected the interest of the Office of Education in the Leased Property or the ability of the Office of Education to meet any of its financial obligations under the Lease Agreement, and (ii) such proceeds are needed for repair, replacement or rehabilitation of the Leased Property, the Trustee shall pay to the Office of Education, or to its order, from said proceeds such amounts as the Office of Education may expend for the repair or rehabilitation of the Leased Property, upon the filing of requisitions of the Office of Education Representative meeting the requirements of Section 6.01.
- (c) If (i) less than all of the Leased Property is taken in such eminent domain proceedings or sold to a government threatening the use of eminent domain powers, and if the Office of Education gives written notice to the Trustee of its determination that such eminent domain proceedings have materially affected the interest of the Office of Education in the Leased Property or the ability of the Office of Education to meet any of its financial obligations under the Lease

Agreement, or (ii) all of the Leased Property is taken in such eminent domain proceedings, then the Trustee shall transfer such proceeds to the Lease Payment Fund to be credited toward the prepayment of the Lease Payments under Section 9.3 of the Lease Agreement and applied to the corresponding prepayment of Certificates under Section 3.01(c), which prepayment shall be made on the first prepayment date for which notice of prepayment can be timely given.

In making any such determination whether to repair, replace or rehabilitate the Leased Property under this Section, the Office of Education may obtain, but is not required to obtain, at its expense, the report of an independent engineer or other independent professional consultant, a copy of which must be filed with the Trustee. Any such determination by the Office of Education is final. The Trustee shall not be responsible for reviewing such report.

ARTICLE VII

SECURITY INTEREST IN MONEYS IN FUNDS; PLEDGE OF LEASE PAYMENTS; INVESTMENTS

SECTION 7.01. *Held in Trust.* The moneys and Permitted Investments held by the Trustee under this Trust Agreement are irrevocably held in trust for the benefit of the Office of Education and the Owners of the Certificates solely for the purposes herein specified, and such moneys, and any income or interest earned thereon, shall be expended only as provided in this Trust Agreement, and shall not be subject to levy or attachment or lien by or for the benefit of any creditor of the Corporation, the Trustee, the Office of Education or the Owner of any Certificates.

<u>Security Interest in Moneys and Funds</u>. The Corporation and the Office of Education, as their interests may appear, hereby grant to the Trustee for the benefit of the Owners, and the Trustee for all amounts owing to it, a lien on and a security interest in all moneys in the funds held by the Trustee under this Trust Agreement, including without limitation, the Delivery Costs Fund, the Insurance and Condemnation Fund, the Lease Payment Fund, the Project Fund and the Reserve Fund and all such moneys shall be held by the Trustee in trust and applied to the respective purposes specified herein and in the Lease Agreement.

<u>Pledge of Lease Payments and Proceeds</u>. The Lease Payments and any proceeds from the re-letting or any other disposition of the Leased Property pursuant to the Lease (the "Lease Proceeds") are hereby irrevocably pledged to and shall be used for the punctual payment of the interest and principal represented by the Certificates, the payment of all amounts owing to the Trustee and the Lease Payments and Lease Proceeds shall not be used for any other purpose while any of the Certificates remain Outstanding. This pledge shall constitute a first lien on the Lease Payments and Lease Proceeds in accordance with the terms hereof.

SECTION 7.02. *Investments Authorized.* Upon the written request of a Office of Education Representative filed with the Trustee at least two business days in advance of the making of such investments. Moneys held by the Trustee in any fund or account hereunder shall be invested and reinvested by the Trustee in Permitted Investments which

mature not later than the date such moneys are required or estimated by the Office of Education to be required to be expended hereunder. In the absence of any written request of the Office of Education directing the investment of uninvested moneys held by the Trustee hereunder, the Trustee shall hold such funds uninvested. Such investments, if registrable, shall be registered in the name of the Trustee, as trustee or in the name of its nominee, and shall be held by the Trustee. The Trustee may purchase or sell to itself or any affiliate, as principal or agent, investments authorized by this Section. Such investments and reinvestments shall be made giving full consideration to the time at which funds are required to be available. The Trustee may act as purchaser or agent in the making or disposing of any investment. Whenever in this Trust Agreement any moneys are required to be transferred by the Office of Education to the Trustee, such transfer may be accomplished by transferring a like amount of Permitted Investments. For purposes of acquiring any investments hereunder, the Trustee may commingle funds held by it hereunder. The Trustee is not responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with this Section.

The Office of Education shall invest amounts held by it in the Project Fund in any investments which are authorized for the investment of funds within the control of the Office of Education under the applicable laws of the State of California.

Ratings of Permitted Investments referred to herein shall be determined at the time of purchase of such Permitted Investments and without regard to rating subcategories. The Trustee shall have no responsibility to monitor the ratings of Permitted Investments after the initial purchase of such Permitted Investments, or the responsibility to validate Permitted Investments the ratings of Permitted Investments prior to the initial purchase.

The Trustee may conclusively rely upon the Office of Education's written instructions as to both the suitability and legality of the directed investments and such written direction shall be deemed to be a certification that such directed investments constitute Permitted Investments.

SECTION 7.03. Accounting. The Trustee shall furnish to the Office of Education, not less than monthly, an accounting (in the form customarily used by the Trustee) of all investments and other transactions made by the Trustee under this Trust Agreement.

The Office of Education acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Office of Education the right to receive brokerage confirmations of security transactions as they occur, the Office of Education specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Office of Education periodic cash transaction statements which will include detail for all investment transactions made by the Trustee hereunder.

SECTION 7.04. Allocation of Earnings. Any income, profit or loss on such investments shall be deposited in or charged to the respective funds from which such investments were made; *provided, however*, that all income received on the investment of amounts on deposit in the Reserve Fund shall be applied as set forth in Section 4.02.

SECTION 7.05. Valuation and Disposition of Investments.

(a) Except as otherwise provided in subsection (b) of this Section, the Office of Education covenants that all investments of amounts deposited in any fund or account created by or under this Trust Agreement, or otherwise containing gross proceeds of the Certificates (within the meaning of Section 148 of the Tax Code) shall be acquired, disposed of and valued (as of the date that valuation is required by this Trust Agreement or the Tax Code) at Fair Market Value as such term is defined in subsection (d) below. The Trustee has no duty in connection with the determination of Fair Market Value other than to follow the express investment directions of the Office of Education in any written directions of a Office of Education Representative.

(b) Investments in funds or accounts (or portions thereof) that are subject to a yield restriction under applicable provisions of the Tax Code and (unless valuation is undertaken at least annually) investments in the Reserve Fund shall be valued by the Office of Education at their present value (within the meaning of Section 148 of the Tax Code); provided that the Office of Education shall provide written notice to the Trustee as to which funds are subject to a yield restriction.

(c) For the purpose of determining the amount in any fund, the value of Permitted Investments credited to such fund shall be valued by the Trustee at least quarterly at the market value thereof. The Trustee may sell or present for prepayment, any Permitted Investment so purchased by the Trustee whenever it shall be necessary in order to provide moneys to meet any required payment, transfer, withdrawal or disbursement from the fund to which such Permitted Investment is credited, and the Trustee shall not be liable or responsible for any loss resulting from any such Permitted Investment. In making any such valuations, the Trustee may utilize, and conclusively rely upon such valuation services as may be available to the Trustee (including brokers and dealers in securities), including those within its regular accounting system.

For purposes of this Section, the term "Fair Market Value" means the price (d) at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction (determined as of the date the contract to purchase or sell the investment becomes binding) if the investment is traded on an established securities market (within the meaning of Section 1273 of the Tax Code) and, otherwise, the term "Fair Market Value" means the acquisition price in a bona fide arm's length transaction (as referenced above) if (i) the investment is a certificate of deposit that is acquired in accordance with applicable regulations under the Tax Code. (ii) the investment is an agreement with specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate (for example, a guaranteed investment contract, a forward supply contract or other investment agreement) that is acquired in accordance with applicable regulations under the Tax Code, (iii) the investment is a United States Treasury Security – State and Local Government Series that is acquired in accordance with applicable regulations of the United States Bureau of Public Debt, or (iv) any commingled investment fund in which the Office of Education and any related parties do not own more than a 10% beneficial interest therein if the return paid by the fund is without regard to the source of the investment. The Trustee's pricing service, as reflected on its monthly statements, shall be deemed to constitute "Fair Market Value" for all purposes hereunder.

SECTION 7.06. *Trustee Standard of Care.* The Trustee shall have no liability whatsoever for any loss, fee, tax or other charge incurred in connection with any investment, reinvestment, sale, or liquidation of an investment hereunder, made in accordance with Article VII. The Trustee shall have no responsibility whatsoever to determine whether any investments made pursuant to this agreement are or continue to be Permitted Investments. Any deposit or investment directed by the Office of Education shall constitute a certification by the Office of Education to the Trustee that the assets so deposited or to be purchased pursuant to such directions are Permitted Investments. In no event shall the Trustee be deemed an investment manager or adviser in respect of any selection of investments hereunder. In the event of a loss on the sale of such investments, the Trustee shall have no responsibility in respect of such loss except that the Trustee shall notify the Office of Education of the amount of such loss and the Office of Education shall promptly pay such amount to the Trustee to be credited as part of the monies originally invested.

ARTICLE VIII

THE TRUSTEE

SECTION 8.01. Appointment of Trustee. Wilmington Trust, National Association, is hereby appointed Trustee by the Corporation and the Office of Education for the purpose of receiving all moneys required to be deposited with the Trustee hereunder and to allocate, use and apply the same as provided in this Trust Agreement. The Corporation and the Office of Education agree that they will maintain a Trustee having a corporate trust office in the State of California and having a combined capital and surplus (or whose related bank holding company has a combined capital and surplus) of at least \$50,000,000, and which shall be subject to supervision or examination by Federal or state authority, so long as any Certificates are Outstanding. If such bank, national banking association, or trust company publishes a report of condition at least annually under law or to the requirements of any supervising or examining authority above referred to then for the purpose of this Section the combined capital and surplus of such bank, national banking association, or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

The Office of Education and the Corporation covenant that they will maintain a Trustee qualified under the provisions of the foregoing provisions of this Section, so long as any Certificates are Outstanding.

The Trustee is hereby authorized to pay or prepay the Certificates when duly presented as provided herein for payment at maturity, or on prepayment, or on purchase by the Trustee as directed by the Office of Education prior to maturity in accordance with Section 3.06, and to cancel all Certificates upon payment thereof. The Trustee shall keep accurate records of all funds administered by it and of all Certificates paid and discharged. The Trustee shall be compensated for its services rendered under the provisions of this Trust Agreement.

SECTION 8.02. Acceptance of Trusts. The Trustee hereby accepts the express duties imposed upon it by this Trust Agreement, and agrees to perform said duties, but only upon and subject to the following express terms and conditions:

- (a) The Trustee, prior to the occurrence of an Event of Default and after curing or waiver of all Events of Default which may have occurred, undertakes to perform such duties and only such duties as are specifically set forth in this Trust Agreement. In case an Event of Default has occurred (which has not been cured or waived) the Trustee may exercise such of the rights and powers vested in it by this Trust Agreement, and shall use the same degree of care and skill in their exercise, as a reasonable corporate trustee would exercise or use under the circumstances in the conduct of its own affairs.
- (b) No provision in this Trust Agreement requires the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers.
- (c) The Trustee is not responsible or liable for any recital herein, or in the Certificates, or for any of the supplements thereto or instruments of further assurance, or for the validity or sufficiency of the security for the Certificates executed and delivered hereunder or intended to be secured hereby and the Trustee shall not be bound at any time to ascertain or inquire as to the observance or performance of any covenants, conditions or agreements on the part of the Corporation or the Office of Education under the Lease Agreement. The Trustee is not responsible or liable for any loss suffered in connection with any investment of funds made by it in accordance with Article VII.
- (d) The Trustee is not accountable for the use of any Certificates delivered hereunder. The Trustee may become the Owner of Certificates with the same rights which it would have if not the Trustee; may acquire and dispose of other bonds or evidence of indebtedness of the Office of Education with the same rights it would have if it were not the Trustee; and may act as a depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners of Certificates, whether or not such committee shall represent the Owners of the majority in aggregate principal amount of the Certificates then Outstanding.
- (e) The Trustee shall be protected in acting upon any notice, request, requisition, consent, certificate, order, affidavit, letter, telegram, direction, opinion, facsimile transmission, electronic mail or other paper or document believed by a Responsible Officer to be genuine and correct and to have been signed or sent by the proper person or persons. Any action taken or omitted to be taken by the Trustee in good faith under this Trust Agreement upon the request or authority or consent of any person who at the time of making such request or giving such authority or consent is the Owner of any Certificate, shall be conclusive and binding upon all future Owners of the same Certificate and upon Certificates delivered in exchange therefor or in place thereof. The Trustee is not bound to recognize any person as

an Owner of any Certificate or to take any action at such person's request unless such Certificate shall be deposited with the Trustee or satisfactory evidence of the ownership of such Certificate shall be furnished to the Trustee.

- (f) As to the existence or non-existence of any fact or as to the sufficiency or validity of any instrument, paper or proceeding, the Trustee shall be entitled to rely upon a certificate signed by a Corporation Representative or a Office of Education Representative as sufficient evidence of the facts therein contained and prior to the occurrence of an Event of Default of which the Trustee has been given notice or is deemed to have notice, as provided in Section 8.02(h), shall also be at liberty to accept a similar certificate to the effect that any particular dealing, transaction or action is necessary or expedient, but may at its discretion secure such further evidence deemed by it to be necessary or advisable, but shall in no case be bound to secure the same. The Trustee may accept a certificate of a Corporation Representative or a Office of Education Representative to the effect that an authorization in the form therein set forth has been adopted by the Corporation or the Office of Education, as the case may be, as conclusive evidence that such authorization has been duly adopted, and is in full force and effect.
- (g) The permissive right of the Trustee to do things enumerated in this Trust Agreement may not be construed as a duty and the Trustee is not answerable for other than its gross negligence or willful misconduct. The immunities and exceptions from liability of the Trustee extend to its officers, directors, employees and agents.
- (h) The Trustee is not required to take notice or be deemed to have notice of any Event of Default hereunder except failure by the Office of Education to make any of the Lease Payments to the Trustee required to be made by the Office of Education under the Lease Agreement, unless a Responsible Officer of the Trustee shall be specifically notified in writing of such default by the Corporation, the Office of Education or the Owners of at least 25% in aggregate principal amount of Certificates then Outstanding. All notices or other instruments required by this Trust Agreement to be delivered at the Office of the Trustee must, in order to be effective, be delivered to the Trustee, and in the absence of such notice so delivered the Trustee may conclusively assume there is no Event of Default except as aforesaid.
- (i) At any and all reasonable times the Trustee, and its duly authorized agents, attorneys, experts, engineers, accountants and representatives, have the right (but not any duty) fully to inspect the Leased Property, including all books, papers and records of the Corporation or the Office of Education pertaining to the Leased Property and the Certificates, and to take such memoranda from and with regard thereto as may be desired.

- (j) The Trustee is not required to give any bond or surety in respect of the execution of the said trusts and powers or otherwise in respect of the premises.
- (k) Notwithstanding anything elsewhere in this Trust Agreement with respect to the execution of any Certificates, the withdrawal of any cash, the release of any property, or any action whatsoever within the purview of this Trust Agreement, the Trustee has the right, but is not required, to demand any showings, certificates, opinions, appraisals or other information, or corporate action or evidence thereof, in addition to that by the terms hereof required as a condition of such action, which may be deemed desirable by the Trustee for the purpose of establishing the right of the Corporation or the Office of Education to the execution of any Certificates, the withdrawal of any cash, or the taking of any other action by the Trustee.
- (I) Before taking any action referred to in Section 12.03 at the direction of the Certificate Owners, the Trustee may require that a satisfactory indemnity bond be furnished by the Certificate Owners, or any of them, for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability which is adjudicated to have resulted from its gross negligence or willful misconduct in connection with any such action.
- (m) All moneys received by the Trustee shall, until used or applied or invested as herein provided, be held in trust for the purposes for which they were received but need not be segregated from other funds except to the extent required by law. The Trustee has no liability for interest on any moneys received hereunder except such as may be agreed upon, other than interest derived from investments made or required to be made under Section 7.02.
- (n) The Trustee is not responsible for the sufficiency of the Lease Agreement, its right to receive moneys under the Lease Agreement, or the value of or title to the Leased Property.
- (o) The Trustee is not liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of a majority in aggregate principal amount of the Outstanding Certificates relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Trust Agreement.
- (p) The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, or receivers and the Trustee is not responsible for any misconduct or negligence on the part of any attorney, agent, or receiver appointed with due care. The Trustee shall be entitled to advice of counsel concerning all matters of trust and its duty

hereunder and shall be protected in any action taken or suffered by it hereunder in reliance on such advice.

- (q) The Trustee is not liable for any error of judgment made in good faith, unless it shall be proved that the Trustee was grossly negligent in ascertaining the pertinent facts.
- The Trustee shall not be considered in breach of or in default in its (r) obligations hereunder or progress in respect thereto in the event of delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or gross negligence. including, but not limited to, acts of God or of the public enemy or terrorists, acts of a government, acts of the other party, fires, floods, epidemics, pandemics, quarantine restrictions, strikes, freight embargoes, earthquakes, explosion, mob violence, riot, inability to procure or general sabotage or rationing of labor, equipment, facilities, sources of energy, material or supplies in the open market, litigation or arbitration involving a party or others relating to zoning or other governmental action or inaction pertaining to the Project, malicious mischief, condemnation, and unusually severe weather or delays of suppliers or subcontractors due to such causes or any similar event and/or occurrences beyond the control of the Trustee.
- (s) In no event shall the Trustee be liable for any special, punitive, incidental, indirect or consequential damages of any kind whatsoever (including, but not limited to, loss of profit) irrespective of whether the Trustee has been advised of the likelihood of such loss or damage and regardless of the form of action.
- The Trustee shall have the right to accept and act upon instructions, (t) including funds transfer instructions ("Instructions") given pursuant to this Trust Agreement and delivered using Electronic Means ("Electronic Means" shall mean the following communications methods: e-mail, secure electronic transmission containing applicable authorization codes, passwords and/or authentication keys issued by the Trustee, or another method or system specified by the Trustee as available for use in connection with its services hereunder); provided, however, that the Office of Education shall provide to the Trustee an incumbency certificate listing officers with the authority to provide such Instructions ("Authorized Officers") and containing specimen signatures of such Authorized Officers, which incumbency certificate shall be amended by the Office of Education whenever a person is to be added or deleted from the listing. If the Office of Education elects to give the Trustee Instructions using Electronic Means and the Trustee in its discretion elects to act upon such Instructions, the Trustee's understanding of such Instructions shall be deemed controlling. The Office of Education understands and agrees that the Trustee cannot determine the identity of the actual sender of such Instructions and that the Trustee shall conclusively presume that directions that purport to have been sent by an Authorized Officer listed on the incumbency certificate provided to the Trustee have been

sent by such Authorized Officer. The Office of Education shall be responsible for ensuring that only Authorized Officers transmit such Instructions to the Trustee and that the Office of Education and all Authorized Officers are solely responsible to safeguard the use and confidentiality of applicable user and authorization codes, passwords and/or authentication keys upon receipt by the Office of Education. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such Instructions notwithstanding if fsuch directions conflict or are inconsistent with a subsequent written instruction. The Office of Education agrees: (i) to assume all risks arising out of the use of Electronic Means to submit Instructions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized Instructions, and the risk of interception and misuse by third parties; (ii) that it is fully informed of the protections and risks associated with the various methods of transmitting Instructions to the Trustee and that there may be more secure methods of transmitting Instructions than the method(s) selected by the Office of Education; (iii) that the security procedures (if any) to be followed in connection with its transmission of Instructions provide to it a commercially reasonable degree of protection in light of its particular needs and circumstances; and (iv) to notify the Trustee immediately upon learning of any compromise or unauthorized use of the security procedures.

- (u) The Trustee is authorized and directed by the Office of Education to enter into the Assignment Agreement and shall be entitled to all of its rights, protections, immunities and indemnities under this Trust Agreement.
- (v) Every provision of this Trust Agreement, the Lease, the Site Lease and the Assignment Agreement relating to the conduct or liability of the Trustee shall be subject to the provisions of this Trust Agreement, including without limitation, this Article VIII.
- (w) The Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Certificates.
- (x) The Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Trust Agreement at the request, order or direction of any of the Owners or the Certificate Insurer pursuant to the provisions of this Trust Agreement unless such Owners or the Certificate Insurer shall have offered to the Trustee security or indemnity satisfactory to it against the costs, expenses and liabilities, including, without limitation, liabilities which may be incurred therein or thereby.
- (y) The Trustee may consult with counsel, who may be counsel to the Office of Education, with regard to legal questions and the opinion of

such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith in accordance therewith. Before being required to take any action, the Trustee may require an opinion of Independent Counsel acceptable to the Trustee which opinion shall be made available to the other parties hereto upon request, which counsel may be counsel to any of the parties hereto, or a verified certificate of any party hereto, or both, concerning the proposed action. If it does so in good faith, Trustee shall be absolutely protected in relying thereon.

SECTION 8.03. Fees, Charges and Expenses of Trustee. The Trustee shall be entitled to payment and reimbursement by the Office of Education for reasonable fees for its services rendered hereunder and all advances, agent and counsel fees (including expenses) and other expenses reasonably and necessarily made or incurred by the Trustee in connection with such services. The Trustee has a first lien with right of payment prior to payment on account of principal and interest represented by any Certificate upon the amounts held hereunder for the foregoing fees, charges and expenses incurred by it respectively. The Trustee shall be entitled to interest on all moneys advanced by it in the performance of its duties hereunder at the maximum legal rate allowable.

SECTION 8.04. Notice to Certificate Owners of Default. If an Event of Default occurs of which the Trustee has been given or is deemed to have notice, as provided in Section 8.02(h), then the Trustee shall promptly give written notice thereof by first class mail, postage prepaid, to the Owner of each Outstanding Certificate, unless such Event of Default has been cured before the giving of such notice; *provided, however* that unless such Event of Default consists of the failure by the Office of Education to make any Lease Payment when due, the Trustee may elect not to give such notice to the Certificate Owners if and so long as the Trustee in good faith determines that it is in the best interests of the Certificate Owners not to give such notice.

SECTION 8.05. *Removal of Trustee*. The Office of Education may, with the written consent of the Certificate Insurer, remove the Trustee at any time, unless an Event of Default has occurred and is continuing, and shall remove the Trustee (a) if at any time requested to do so by an instrument or concurrent instruments in writing signed by the Owners of a majority in aggregate principal amount of the Certificates then Outstanding (or their attorneys duly authorized in writing) or (b) if at any time the Trustee ceases to be eligible in accordance with Section 8.01, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation. In each case such removal shall be accomplished by the giving of 30 days' prior written notice of such removal by the Office of Education to the Trustee, whereupon the Office of Education shall appoint a successor Trustee in accordance with Section 8.07.

SECTION 8.06. *Resignation by Trustee.* The Trustee and any successor Trustee may at any time resign by giving written notice by registered or certified mail or email to the Office of Education. Upon receiving such notice of resignation, the Office of Education shall promptly appoint a successor Trustee in accordance with Section 8.07. Any resignation or removal of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee. Upon such

acceptance, the Office of Education shall mail notice thereof to the Certificate Owners at their respective addresses set forth on the Registration Books.

SECTION 8.07. Appointment of Successor Trustee. If the Trustee resigns or is removed under Sections 8.05 or 8.06, respectively, the Office of Education shall promptly appoint a successor Trustee acceptable to the Certificate Insurer. If the Office of Education for any reason whatsoever fails to appoint a successor Trustee within 30 days following the delivery to the Trustee of the instrument described in Section 8.05 or within 30 days following the receipt of notice by the Office of Education under Section 8.06, the Trustee may apply, at the expense of the Office of Education, to any federal or state court for the appointment of a successor Trustee meeting the requirements of Section 8.01. Any such successor Trustee appointed by such court will become the successor Trustee hereunder notwithstanding any action by the Office of Education purporting to appoint a successor Trustee following the expiration of such 30 day period.

SECTION 8.08. *Merger or Consolidation.* Any organization, entity, company or association into which the Trustee may be merged or converted or with which it may be consolidated or any organization, entity, company or association resulting from any merger, conversion or consolidation to which it shall be a party or any organization, entity, company or association to which the Trustee may sell or transfer all or substantially all of its corporate trust business, or any organization, entity, company or association succeeding to all or substantially all of corporate trust business of the Trustee provided that such organization, entity, company or association shall be eligible under Section 8.01, shall be the successor to the Trustee and vested with all of the title to the trust estate and all of the trusts, powers, discretions, immunities, privileges and all other matters as was its predecessor, without the execution or filing of any paper or further act on the part of any of the parties hereto, anything herein to the contrary notwithstanding.

SECTION 8.09. Concerning any Successor Trustee. Every successor Trustee appointed hereunder shall execute, acknowledge and deliver to its predecessor and also to the Corporation and the Office of Education an instrument in writing accepting such appointment hereunder and thereupon such successor, without any further act, deed or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessors; but such predecessor shall, nevertheless, on the written request of the Office of Education, or of its successor, execute and deliver an instrument transferring to such successor all the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it as the Trustee hereunder to its successor. Should any instrument in writing from the Office of Education be required by any successor Trustee for more fully and certainly vesting in such successor the estate, rights, powers and duties hereby vested or intended to be vested in the predecessor, any and all such instruments in writing shall, on request, be executed, acknowledged and delivered by the Office of Education. The resignation of any Trustee and the instrument or instruments removing any Trustee and appointing a successor hereunder, together with all other instruments provided for in this Article VIII, shall be filed or recorded by the successor Trustee in each recording office where the Assignment Agreement has been filed or recorded.

SECTION 8.10. *Non-Liability of Trustee.* The recitals, statements and representations by the Office of Education and the Corporation contained in this Trust Agreement or in the Certificates shall be taken and construed as made by and on the part

of the Office of Education and the Corporation, as the case may be, and not by the Trustee, and the Trustee has no responsibility, obligation or liability for the correctness of any thereof.

The Trustee makes no representation or warranty, express or implied as to the title, value, design, compliance with specifications or legal requirements, quality, durability, operation, condition, merchantability or fitness for any particular purpose or fitness for the use contemplated by the Office of Education or the Corporation of the Leased Property. In no event is the Trustee liable for special, punitive, incidental, indirect or consequential damages in connection with or arising from the Lease Agreement for the existence, furnishing or use of the Leased Property.

The Trustee is not (a) responsible for the sufficiency or enforceability of the Lease Agreement or the assignment under the Assignment Agreement of its rights to receive Lease Payments, (b) deemed to have knowledge of any Event of Default unless and until a Responsible Officer of the Trustee has received written notice thereof or, with respect to Section 8.1(a) of the Lease Agreement, has actual knowledge thereof or except as provided in Section 8.02(h) or (c) accountable for the use or application by the Office of Education or the Corporation of any funds which the Trustee has released under this Trust Agreement.

SECTION 8.11. Actions Through Agents. The Trustee may execute any of the trusts or powers hereof and perform the duties required of it hereunder by or through attorneys, agents, or receivers, and shall be entitled to advice of counsel concerning all matters of trust and its duties hereunder, and the Trustee is not answerable for the default or misconduct of any such attorney, agent, or receiver selected by it with reasonable care. The Trustee is not answerable for the exercise of any discretion or power under this Trust Agreement or for anything whatever in connection with the funds and accounts established hereunder, except only for its own gross negligence or willful misconduct.

SECTION 8.12. Nature of Trust Engagement. The Trustee undertakes to perform such duties and only such duties as are expressly and specifically set forth in the Trust Agreement and no implied covenants or obligations whatsoever shall be read into the Trust Agreement against the Trustee. In accepting the trusts hereby created, the Trustee acts solely as Trustee and not in its individual capacity. All persons, including without limitation the Owners, the Office of Education and the Corporation having any claim against the Trustee arising from the Trust Agreement shall look only to the funds and accounts hereunder for payment except as otherwise provided herein; *provided, however*, that nothing in this sentence is intended or shall be construed to apply to, or limit the source of payment of, claims against the Trustee arising from the gross negligence or willful misconduct of the Trustee. Under no circumstances is the Trustee liable in its individual capacity for payment of the obligations represented by the Certificates.

ARTICLE IX

MODIFICATION OR AMENDMENT

SECTION 9.01. Amendments Permitted. This Trust Agreement and the rights and obligations of the Owners of the Certificates may be modified or amended at any time by a supplemental agreement which shall become effective when the written consents of the Certificate Insurer and the Owners of a majority in aggregate principal amount of the Certificates then Outstanding, exclusive of Certificates disqualified as provided in Section 13.04, has been filed with the Trustee. No such modification or amendment may (a) extend or have the effect of extending the fixed maturity of any Certificate or reducing the interest rate represented thereby or extending the time of payment of interest, or reducing the amount of principal represented thereby or reducing any premium payable upon the prepayment thereof, without the express consent of the Owner of such Certificate, or (b) reduce or have the effect of reducing the percentage of Certificates required for the affirmative vote or written consent to an amendment or modification hereof, or (c) modify any of the rights or obligations of the Trustee without its written assent thereto. Any such supplemental agreement shall become effective as provided in Section 9.02.

This Trust Agreement and the rights and obligations of the Owners of the Certificates may be modified or amended at any time by a supplemental agreement, with the prior written consent of the Certificate Insurer but without the consent of any Certificate Owners, but only to the extent permitted by law and only:

- (a) to add to the covenants and agreements of any party, other covenants to be observed, or to surrender any right or power herein reserved to the Corporation or the Office of Education;
- (b) to cure, correct or supplement any ambiguous or defective provision contained herein;
- (c) in regard to questions arising hereunder, as the parties hereto or thereto may deem necessary or desirable and which shall not, in the opinion of Bond Counsel, materially adversely affect the interests of the Owners of the Certificates;
- (d) if and to the extent permitted in the opinion of Bond Counsel filed with the Trustee, the Office of Education and the Corporation, to delete or modify any of the provisions hereof or thereof relating to the exclusion from gross income of interest represented by the Certificates for federal income tax purposes; or
- (e) to conform to any amendments of the Lease Agreement which are permitted to be made under Section 7.5 thereof.

Any such supplemental agreement shall become effective upon execution and delivery by the parties hereto.

SECTION 9.02. Procedure for Amendment with Written Consent of Certificate Owners. If the consents of the Owners of the Certificates are required to any amendment hereof under Section 9.01, such amendment shall be required to comply with the

provisions of this Section. A copy of such supplemental agreement, together with a request to the Certificate Owners for their consent thereto, shall be mailed by the Trustee to each Owner of a Certificate at such Owner's address as set forth on the Registration Books, or sent via email, in the case of any Certificates registered in the name of the Nominee, but failure to mail copies of such supplemental agreement and request shall not affect the validity of the supplemental agreement when assented to as provided in this Section.

Such supplemental agreement may not become effective unless there shall be filed with the Trustee the written consents of the Owners of a majority in aggregate principal amount of the Certificates then Outstanding (exclusive of Certificates disqualified as provided in Section 13.04) and a notice has been mailed as hereinafter provided in this Section. Each such consent shall be effective only if accompanied by proof of ownership of the Certificates for which such consent is given, which proof shall be such as is permitted by Section 2.10. Any such consent shall be binding upon the Owner of the Certificate giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Trustee prior to the date when the notice hereinafter in this Section provided for has been mailed.

After the Owners of the required percentage of Certificates have filed their consents to such supplemental agreement, the Trustee shall mail a notice to the Owners of the Certificates (or sent via email, in the case of any Certificates registered in the name of the Nominee) in the manner hereinbefore provided in this Section for the mailing of such supplemental agreement of the notice of adoption thereof, stating in substance that such supplemental agreement has been consented to by the Owners of the required percentage of Certificates and will be effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of such supplemental agreement or consents thereto). A record, consisting of the papers required by this Section to be filed with the Trustee, shall be conclusive proof of the matters therein stated. Such supplemental agreement shall become effective upon the mailing or emailing of such lastmentioned notice, and such supplemental agreement shall be deemed conclusively binding upon the parties hereto and the Owners of all Certificates at the expiration of 60 days after such filing, except in the event of a final decree of a court of competent jurisdiction setting aside such consent in a legal action or equitable proceeding for such purpose commenced within such 60 day period.

SECTION 9.03. Effect of Supplemental Agreement. From and after the time any supplemental agreement becomes effective under this Article IX, this Trust Agreement shall be deemed to be modified and amended in accordance therewith, the respective rights, duties and obligations of the parties hereto, and the rights of the affected Certificate Owners, as the case may be, shall thereafter be determined, exercised and enforced hereunder subject in all respects to such modification and amendment, and all the terms and conditions of any supplemental agreement shall be deemed to be part of the terms and conditions of this Trust Agreement for any and all purposes.

SECTION 9.04. Endorsement or Replacement of Certificates Delivered After Amendments. The Office of Education may determine that Certificates delivered after the effective date of any action taken as provided in this Article IX shall bear a notation, by endorsement or otherwise, in form approved by the Office of Education, as to such action. In that case, upon demand on the Owner of any Certificate Outstanding at such effective date and presentation of such Owner's Certificate at the Office of the Trustee, a suitable notation shall be made on such Certificate. The Office of Education may determine that the delivery of substitute Certificates, so modified as in the opinion of the Office of Education is necessary to conform to such Certificate Owners' action is necessary or desirable, which substitute Certificates shall thereupon be prepared, executed and delivered. In that case, upon demand on the Owner of any Certificate then Outstanding, such substitute Certificate of the same character then Outstanding, upon surrender of such Owner, for a Certificate.

SECTION 9.05. Amendatory Endorsement of Certificates. The provisions of this Article IX shall not prevent any Certificate Owner from accepting any amendment as to the particular Certificates held by him, provided that proper notation thereof is made on such Certificates.

SECTION 9.06. Opinion of Counsel. Prior to executing any supplemental Trust Agreement, the Trustee shall be furnished an opinion of counsel, upon which it may conclusively rely to the effect that all conditions precedent to the execution of such supplemental Trust Agreement under this Trust Agreement have been satisfied and such supplemental Trust Agreement is authorized and permitted under this Trust Agreement and does not adversely affect the exclusion of interest with respect to the Certificates from gross income for federal income tax purposes or adversely affect the exemption of interest with respect to the Certificates from personal income taxation by the State of California.

SECTION 9.07. *Notice to Rating Agencies*. The Office of Education shall send copies of any proposed amendment or modification hereof to each rating agency which then maintains a rating on the Certificates, at least 10 days prior to the effective date of any such amendment or modification.

ARTICLE X

OTHER COVENANTS

SECTION 10.01. Compliance With and Enforcement of Lease Agreement. The Office of Education covenants to perform all obligations and duties imposed on it under the Lease Agreement. The Corporation covenants and agrees with the Owners of the Certificates to perform all obligations and duties imposed on it under the Lease Agreement.

The Office of Education will not do or permit anything to be done, or omit or refrain from doing anything, in any case where any such act done or permitted to be done, or any such omission of or refraining from action, would or might be a ground for cancellation or termination of the Lease Agreement by the Corporation thereunder. The Corporation and the Office of Education, immediately upon receiving or giving any notice, communication or other document in any way relating to or affecting their respective estates, or either of them, in the Leased Property, which may or can in any manner affect such estate of the Office of Education, will deliver the same, or a copy thereof, to the Trustee. SECTION 10.02. Observance of Laws and Regulations. The Office of Education will keep, observe and perform all valid and lawful obligations or regulations now or hereafter imposed on it by contract, or prescribed by any law of the United States, or of the State of California, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of any and every right, privilege or franchise now owned or hereafter acquired by the Office of Education, including its right to exist and carry on business as a public agency, to the end that such rights, privileges and franchises shall be maintained and preserved, and shall not become abandoned, forfeited or in any manner impaired.

Without limiting the foregoing, the Office of Education covenants and agrees to comply in all material respects with all laws applicable to the Leased Property or any portion thereof, including without limitation all local, State and federal environmental and hazardous substances laws, rules and regulations, and with any order of any jurisdiction over the Leased Property.

SECTION 10.03. *Prosecution and Defense of Suits.* The Office of Education shall promptly, upon request of the Trustee or any Certificate Owner, from time to time take such action as may be necessary or proper to remedy or cure any defect in or cloud upon the title to the Leased Property, whether now existing or hereafter developing and shall prosecute all such suits, actions and other proceedings as may be appropriate for such purpose and shall indemnify and save the Trustee and every Certificate Owner harmless from all loss, cost, damage and expense, including attorneys' fees, which they or any of them may incur by reason of any such defect, cloud, suit, action or proceeding.

SECTION 10.04. *Recordation and Filing.* The Office of Education shall record and file the Lease Agreement or a memorandum thereof, the Site Lease, the Assignment Agreement and all such documents as may be required by law (and shall take all further actions which may be necessary or be reasonably required by the Trustee), all in such manner, at such times and in such places as may be required by law in order fully to preserve, protect and perfect the security of the Trustee and the Certificate Owners.

SECTION 10.05. Tax Covenants.

(a) <u>Private Business Use Limitation</u>. The Office of Education shall assure that the proceeds of the Certificates are not used in a manner which would cause any of the obligations of the Office of Education under the Lease Agreement to become "private activity bonds" under and within the meaning of Section 141(a) of the Tax Code.

(b) <u>Private Loan Limitation</u>. The Office of Education shall assure that no more than the lesser of \$5,000,000 or 5% of the aggregate amount of the proceeds of the Certificates are used, directly or indirectly, to make or finance a loan (other than loans constituting nonpurpose obligations as defined in the Tax Code or constituting assessments) to persons other than state or local government units.

(c) <u>Federal Guarantee Prohibition</u>. The Office of Education shall not take any action or permit or suffer any action to be taken if the result of the same would be to cause the obligations of the Office of Education under the Lease Agreement to be "federally guaranteed" within the meaning of Section 149(b) of the Tax Code.

(d) <u>No Arbitrage</u>. The Office of Education shall not take, or permit or suffer to be taken by the Trustee or otherwise, any action with respect to the proceeds of the Certificates or of any other obligations which, if such action had been reasonably expected to have been taken, or had been deliberately and intentionally taken, on the Closing Date, would have caused the obligations of the Office of Education under the Lease Agreement to be "arbitrage bonds" within the meaning of Section 148(a) of the Tax Code.

Exemption from Rebate Requirement. The Office of Education is a (e) governmental unit with the power to impose taxes of general applicability which, when collected, may be used for general purposes of the Office of Education; the Certificates are not private activity bonds within the meaning of section 141 of the Tax Code; and 95% of the Net Sale Proceeds of the Certificates are to be used for local governmental activities of the Office of Education. The aggregate face amount (or, issue prices, in the case of issues with a net original issue discount or net original issue premium in excess of 2% of the principal amount of the issue, excluding original issue premium used for reasonable underwriter's compensation) of all tax-exempt obligations (other than private activity bonds as defined in section 141 of the Tax Code) issued by the Office of Education, including all subordinate entities of the Office of Education and all entities which may issue obligations on behalf of the Office of Education, during the calendar year during which the Certificates are being issued, is not reasonably expected to exceed \$15,000,000, of which no more than \$5,000,000 is for other than the construction of public school facilities, excluding, however, that portion of current refunding obligations having a principal amount not in excess of the principal amount of the refunded obligation. By reason of the statements set forth in this subparagraph, the Office of Education will not rebate Excess Investment Earnings, if any, to the federal government.

SECTION 10.06. Continuing Disclosure. The Office of Education shall comply with and carry out all of the provisions of that certain Continuing Disclosure Certificate executed by the Office of Education as of the Closing Date, as originally executed and as it may be amended from time to time in accordance with its terms. Notwithstanding any other provision of this Trust Agreement, failure of the Office of Education to comply with such Continuing Disclosure Certificate does not constitute an Event of Default; except that any Participating Underwriter (as such term is defined in such Continuing Disclosure Certificate) or any Owner or beneficial owner of the Certificates may take such actions as may be necessary and appropriate to compel performance by the Office of Education of its obligations under this Section, including seeking mandate or specific performance by court order.

SECTION 10.08. *Further Assurances.* The Corporation and the Office of Education will make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Trust Agreement and the Lease Agreement, and for the better assuring and confirming unto the Owners of the Certificates the rights and benefits provided herein.

SECTION 10.09. *Provisions Relating to Certificate Insurance Policy.* So long as the Certificate Insurance Policy remains in effect, the Office of Education and the Trustee shall comply with all of the terms and provisions set forth in Appendix C relating to the Certificate Insurer and the Certificate Insurance Policy. Such provisions are hereby incorporated into this Trust Agreement by this reference, and shall control and supersede any conflicting or

inconsistent provisions in this Trust Agreement, the Site Lease, the Lease Agreement or the Assignment Agreement.

ARTICLE XI

LIMITATION OF LIABILITY

SECTION 11.01. *Limited Liability of Office of Education*. Except for the payment of Lease Payments when due in accordance with the Lease Agreement and the performance of the other covenants and agreements of the Office of Education contained in the Lease Agreement and this Trust Agreement, the Office of Education has no pecuniary obligation or liability to any of the other parties or to the Owners of the Certificates with respect to this Trust Agreement or the terms, execution, delivery or transfer of the Certificates, or the distribution of Lease Payments to the Owners by the Trustee, except as expressly set forth herein.

SECTION 11.02. No Liability of the Corporation for Trustee Performance. Neither the Office of Education nor the Corporation has any obligation or liability to any of the other parties or to the Owners of the Certificates with respect to the performance by the Trustee of any duty imposed upon it under this Trust Agreement.

SECTION 11.03. *Indemnification of Trustee.* The Corporation and the Office of Education shall indemnify and save the Trustee, its directors, officers, agents and employees harmless from and against (whether or not litigated) all claims, losses, costs, expenses, liability and damages, including legal fees and expenses, arising out of any of the following:

- (a) the use, maintenance, condition or management of, or from any work or thing done on, the Project or the Leased Property by the Corporation or the Office of Education;
- (b) any breach or default on the part of the Corporation or the Office of Education in the performance of any of their respective obligations under this Trust Agreement and any other agreement made and entered into for purposes of the Project or the Leased Property;
- (c) any act of negligence of the Corporation or the Office of Education or of any of their respective agents, contractors, servants, employees, licensees with respect to the Project or the Leased Property;
- (d) any act of negligence of any assignee of, or purchaser from the Corporation or the Office of Education or of any of its or their respective agents, contractors, servants, employees or licensees with respect to the Project or the Leased Property;
- (e) the application of the proceeds of the Certificates;
- (f) the actions of any other party, including but not limited to the ownership, operation or use of the Project or the Leased Property by the Corporation or the Office of Education; or

(g) the Trustee's exercise and performance of its powers and duties hereunder.

No indemnification is made under this Section or elsewhere in this Trust Agreement for willful misconduct or gross negligence under this Trust Agreement by the Trustee, its officers, agents, employees, successors or assigns. The Corporation's and the Office of Education's obligations hereunder will remain valid and binding notwithstanding maturity and payment or discharge of the Certificates and notwithstanding any resignation or removal of the Trustee.

SECTION 11.04. *Opinion of Counsel.* Before being required to take any action, the Trustee may, at the expense of the Office of Education, require an opinion of counsel acceptable to the Trustee, or an opinion of Bond Counsel acceptable to the Trustee with respect to any federal tax matters, or a verified certificate of any party hereto, or both, concerning the proposed action. If it does so in good faith, Trustee shall be absolutely protected in relying on any such opinion or certificate obtained by the Trustee.

SECTION 11.05. *Limitation of Rights to Parties and Certificate Owners.* Nothing in this Trust Agreement or in the Certificates expressed or implied is intended or shall be construed to give any person other than the Office of Education, the Corporation, the Trustee, the Certificate Insurer and the Owners of the Certificates, any legal or equitable right, remedy or claim under or in respect of this Trust Agreement or any covenant, condition or provision hereof; and all such covenants, conditions and provisions are and shall be for the sole and exclusive benefit of the Office of Education, the Corporation, the Trustee, the Certificate Insurer and said Owners.

SECTION 11.06. Limited Liability of Trustee.

(A) <u>No Investment Advice</u>. The Trustee shall have no obligation or responsibility for providing information to the Owners concerning the investment character of the Certificates.

(B) <u>Sufficiency of this Trust Agreement or Lease Payments</u>. The Trustee makes no representations as to the validity or sufficiency of the Certificates, shall incur no responsibility in respect thereof, other than in connection with the duties or obligations herein or in the Certificates assigned to or imposed upon it. The Trustee shall not be responsible for the sufficiency or enforceability of the Lease Agreement, the Site Lease or the Assignment Agreement. The Trustee shall not be liable for the sufficiency or collection of any Lease Payments or other moneys required to be paid to it under the Lease Agreement (except as provided in this Trust Agreement), its right to receive moneys pursuant to said Lease, or the value of or title to the Project.

ARTICLE XII

EVENTS OF DEFAULT AND REMEDIES

SECTION 12.01. Assignment of Rights. Under the Assignment Agreement the Corporation has transferred, assigned and set over to the Trustee certain of the Corporation's rights in and to the Lease Agreement (excepting only the Corporation's rights under Sections 4.4, 5.10, 7.3 and 8.4 thereof), including without limitation all of the Corporation's rights to exercise such rights and remedies conferred on the Corporation under the Lease Agreement as may be necessary or convenient (a) to enforce payment of the Lease Payments and any other amounts required to be deposited in the Lease Payment Fund or the Insurance and Condemnation Fund, and (b) otherwise to exercise the Corporation's rights and take any action to protect the interests of the Trustee or the Certificate Owners in an Event of Default.

SECTION 12.02. *Events of Default Defined.* As provided in Section 8.1 of the Lease Agreement, any one or more of the following events constitutes an Event of Default:

- (a) Failure by the Office of Education to pay any Lease Payment or other payment required to be paid hereunder at the time specified in the Lease Agreement.
- (b) Failure by the Office of Education to observe and perform any covenant, condition or agreement on its part to be observed or performed in the Lease Agreement or in this Trust Agreement, other than as referred to in the preceding subsection (a), for a period of 30 days after written notice specifying such failure and requesting that it be remedied has been given to the Office of Education by the Corporation or the Trustee; *provided, however*, that if in the reasonable opinion of the Office of Education the failure stated in the notice can be corrected, but not within such 30-day period, the failure will not constitute an Event of Default if the Office of Education commences to cure the failure within such 30-day period and thereafter diligently and in good faith cures the failure in a reasonable period of time.
- (c) The filing by the Office of Education of a voluntary petition in bankruptcy, or failure by the Office of Education promptly to lift any execution, garnishment or attachment, or adjudication of the Office of Education as a bankrupt, or assignment by the Office of Education for the benefit of creditors, or the entry by the Office of Education into an agreement of composition with creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Office of Education in any proceedings instituted under the provisions of the Federal Bankruptcy Code, as amended, or under any similar acts which may hereafter be enacted.

SECTION 12.03. *Remedies.* If an Event of Default happens, then and in each and every such case during the continuance of such Event of Default, the Trustee may, and at the written direction of the Owners of a majority in aggregate principal amount of the Certificates then Outstanding the Trustee shall, exercise any and all remedies available

under law or granted under the Lease Agreement, subject to the receipt of indemnification as provided herein; *provided, however*, that notwithstanding anything herein or in the Lease Agreement to the contrary, there shall be no right under any circumstances to accelerate the maturities of the Certificates or otherwise to declare any Lease Payment not then in default to be immediately due and payable.

Notwithstanding any other provisions of this Agreement or in the Lease Agreement, the Certificate Insurer shall have the right, so long as it is not in payment default under the Certificate Insurance Policy, to direct the remedies to be taken upon any Event of Default hereunder, and the Certificate Insurer's consent shall be required for remedial action taken by the Trustee or the Corporation hereunder.

SECTION 12.04. Application of Funds. All moneys received by the Trustee under any right given or action taken under the provisions of this Article XII or Article VIII of the Lease Agreement shall be applied by the Trustee in the order following upon presentation of the several Certificates, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid -

<u>First</u>, to the payment of the fees, costs, expenses and indemnities of the Trustee in declaring such Event of Default and in taking any remedial action with respect thereto, including reasonable compensation to its agents, attorneys and counsel, and including such other necessary costs relating to the administration of the foregoing and to events leading up thereto; and any outstanding fees, expenses and indemnities of the Trustee.

<u>Second</u>, to the payment of the whole amount then owing and unpaid with respect to the Certificates for principal and interest, with interest on the overdue principal and installments of interest at the rate set forth in Section 4.3(c) of the Lease Agreement (but such interest on overdue installments of interest shall be paid only to the extent funds are available therefor following payment of principal and interest and interest on overdue principal, as aforesaid), and in case such moneys shall be insufficient to pay in full the whole amount so owing and unpaid with respect to the Certificates, then to the payment of such principal and interest without preference or priority of principal over interest, or of interest over principal, or of any installment of interest over any other installment of interest, ratably to the aggregate of such principal and interest; and

Third, to the payment of amounts due and owing to the Certificate Insurer in respect of the Certificate Insurance Policy or the Reserve Policy.

SECTION 12.05. *Institution of Legal Proceedings.* If one or more Events of Default occur and are continuing, the Trustee may, and upon the written request of the Owners of a majority in principal amount of the Certificates then Outstanding, and upon being indemnified to its satisfaction therefor, shall, proceed to protect or enforce its rights or the rights of the Owners of Certificates by a suit in equity or action at law, either for the specific performance of any covenant or agreement contained herein, or in aid of the execution of any power herein granted, or by mandamus or other appropriate proceeding for the enforcement of any other legal or equitable remedy as the Trustee shall deem most effectual in support of any of its rights or duties hereunder; provided that such written

request shall not be otherwise than in accordance with provisions of law and this Trust Agreement and that the Trustee shall have the right to decline to follow any such written request if the Trustee shall be advised by counsel that the action or proceeding so requested may not be taken lawfully or if the Trustee in good faith shall determine that the action or proceeding so requested would be unjustly prejudicial to the Owners not a party to such written request or expose the Trustee to liability.

SECTION 12.06. *Non-waiver*. Nothing in this Article XII or in any other provision of this Trust Agreement or in the Certificates, affects or impairs the obligation of the Office of Education, which is absolute and unconditional, to pay or prepay the Lease Payments as provided in the Lease Agreement. No delay or omission of the Trustee or any Certificate Owner to exercise any right or power arising upon the happening of any Event of Default shall impair any such right or power or shall be construed to be a waiver of any such Event of Default or an acquiescence therein, and every power and remedy given by this Article XII to the Trustee or the Certificate Owners may be exercised from time to time and as often as shall be deemed expedient by the Trustee or the Certificate Owners.

SECTION 12.07. *Remedies Not Exclusive.* No remedy herein conferred upon or reserved to the Trustee or the Certificate Owners is intended to be exclusive of any other remedy, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing, at law or in equity or by statute or otherwise.

SECTION 12.08. Power of Trustee to Control Proceedings. If the Trustee, upon the happening of an Event of Default, takes any action, by judicial proceedings or otherwise, under its duties hereunder, whether upon its own discretion or upon the direction of the Owners of a majority in aggregate principal amount of the Certificates then Outstanding, it has full power, in the exercise of its discretion for the best interests of the Owners of the Certificates, with respect to the continuance, discontinuance, withdrawal, compromise, settlement or other disposal of such action; *provided, however,* that the Trustee shall not, unless there no longer continues an Event of Default, discontinue, withdraw, compromise or settle, or otherwise dispose of any litigation pending at law or in equity, if at the time there has been filed with it a written request signed by the Owners of a majority in aggregate principal amount of the Outstanding Certificates opposing such discontinuance, withdrawal, compromise, settlement or other disposal of such action pending at law or in equity.

SECTION 12.09. Limitation on Certificate Owners' Right to Sue Exclusive. No Owner of any Certificate delivered hereunder may institute any suit, action or proceeding at law or in equity, for any remedy under or upon this Trust Agreement, unless (a) such Owner has previously given to the Trustee written notice of the occurrence of an Event of Default hereunder; (b) the Owners of a majority in aggregate principal amount of all the Certificates then Outstanding have requested the Trustee in writing to exercise the powers hereinbefore granted or to institute such action, suit or proceeding in its own name; (c) said Owners have tendered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request; and (d) the Trustee has refused or omitted to comply with such request for a period of 60 days after such written request has been received by, and said tender of indemnity has been made to, the Trustee.

Such notification, request, tender of indemnity and refusal or omission are hereby declared, in every case, to be conditions precedent to the exercise by any Owner of

Certificates of any remedy hereunder; it being understood and intended that no one or more Owners of Certificates has any right in any manner whatever by its or their action to enforce any right under this Trust Agreement, except in the manner herein provided, and that all proceedings at law or in equity with respect to an Event of Default shall be instituted, had and maintained in the manner herein provided and for the equal benefit of all Owners of the Outstanding Certificates.

SECTION 12.10. Possession of Certificates by Trustee Not Required. All rights and remedies granted to or exercisable by the Trustee hereunder or under the Lease Agreement may be exercised by the Trustee without possession of any of the Certificates or the production thereof at the trial or other proceeding relative thereto, and any suit, action or proceeding instituted by the Trustee hereunder or under the Lease Agreement shall be brought in its name for the benefit of all the Owners of such Certificates, subject to the provisions of this Trust Agreement.

ARTICLE XIII

DISCHARGE; ADMINISTRATIVE PROVISIONS

SECTION 13.01. *Discharge Hereof.* If and when the obligations represented by any Outstanding Certificates shall be paid and discharged in any one or more of the following ways:

- (a) by well and truly paying or causing to be paid the principal and interest represented by such Certificates Outstanding, as and when the same become due and payable; or
- (b) by depositing with the Trustee or any other fiduciary, under an escrow deposit and trust agreement, security for the payment of Lease Payments relating to such Certificates as more particularly described in Section 9.1 of the Lease Agreement, said security to be held by the Trustee on behalf of the Office of Education to be applied by the Trustee or by such other fiduciary to pay or prepay such Lease Payments as the same become due, under Section 9.1 of the Lease Agreement;

then notwithstanding that such Certificates have not been surrendered for payment, all rights hereunder of the Owners of such Certificates and all obligations of the Corporation, the Trustee and the Office of Education with respect to such Certificates shall cease and terminate, except only the obligations of the Corporation and the Office of Education under Section 11.03 and the obligations of the Trustee under Sections 2.07 and 2.08, and the obligation of the Trustee to pay or cause to be paid, from Lease Payments paid by or on behalf of the Office of Education from funds deposited under paragraph (b) of this Section, to the Owners of such Certificates not so surrendered and paid all sums represented thereby when due and in the event of deposits under paragraph (b), such Certificates shall continue to represent direct, undivided fractional interests of the Owners thereof in the Lease Payments.

Any funds held by the Trustee, at the time of discharge of the obligations represented by all Outstanding Certificates as a result of one of the events described in

paragraphs (a) or (b) of this Section, which are not required for the payment to be made to Owners, shall, upon payment in full of all fees, expenses and indemnities of the Trustee (including attorneys' fees) then due, be paid over to the Office of Education.

If the principal and interest represented by the Certificates are paid by the Certificate Insurer under the Certificate Insurance Policy or the Reserve Policy, all covenants, agreements and other obligations of the Office of Education under the Lease Agreement and this Trust Agreement will continue to exist and the Certificate Insurer shall be subrogated to the rights of the Certificate Owners.

SECTION 13.02. *Records.* The Trustee shall keep complete and accurate records of all moneys received and disbursed under this Trust Agreement, which shall be available for inspection by the Office of Education, the Corporation and any Owner, or the agent of any of them, at any reasonable time during regular business hours upon prior notice.

SECTION 13.03. *Notices.* Any notice, request, complaint, demand or other communication under this Trust Agreement shall be given by first class mail, email or personal delivery to the party entitled thereto at its address set forth below, or by facsimile transmission or other form of telecommunication, at its number set forth below. Notice will be effective either (a) upon transmission by facsimile or email, (b) 48 hours after deposit in the United States mail, postage prepaid, or (c) in the case of personal delivery to any person, upon actual receipt. The Office of Education, the Corporation and the Trustee may, by written notice to the other parties, from time to time modify the address or number to which communications are to be given hereunder. Notices may be delivered in via email to the officer identified below but will only be effective upon receipt by the sender of an acknowledgment of such recipient.

If to the Office of Education:	Tulare County Office of Education 6200 South Mooney Boulevard PO Box 5091 Visalia, California 93278 Attention: Director, General Services
If to the Corporation:	Local Facilities Finance Corporation 2945 Townsgate Road, Suite 200 Los Angeles, California 90071 Attention: Secretary
If to the Trustee:	Wilmington Trust, National Association 650 Town Center Drive, Suite 800 Costa Mesa, California 92626 Attention: Corporate Trust Services
If to the Certificate Insurer:	
	Attention:

Attentio	n:
Re:	
Email:	
-	

SECTION 13.04. *Disqualified Certificates*. In determining whether the Owners of the requisite aggregate principal amount of Certificates have concurred in any demand, request, direction, consent or waiver under this Trust Agreement, Certificates which are owned or held by or for the account of the Office of Education (but excluding Certificates held in any employees' retirement fund) shall be disregarded and deemed not to be Outstanding for the purpose of any such determination, *provided, however*, that for the purpose of determining whether the Trustee shall be protected in relying on any such demand, request, direction, consent or waiver, only Certificates which the Trustee knows to be so owned or held shall be disregarded. Upon request of the Trustee, the Office of Education shall specify in a certificate to the Trustee those Certificates disqualified pursuant to this Section and the Trustee may conclusively rely on such certificate.

SECTION 13.05. Payment of Certificates After Discharge of Trust Agreement. Notwithstanding any provisions of this Trust Agreement, but subject to any applicable laws of the State of California relating to the escheat of funds or property, any moneys held by the Trustee in trust for the payment of the principal or interest represented by any Certificates and remaining unclaimed for two years after the principal represented by all of the Certificates has become due and payable (whether at maturity or upon call for prepayment as provided in this Trust Agreement), if such moneys were so held at such date, or two years after the date of deposit of such moneys if deposited after said date when all of the Certificates became due and payable, shall be repaid to the Office of Education free from the trusts created by this Trust Agreement, and all liability of the Trustee with respect to such moneys shall thereupon cease; provided, however, that before the repayment of such moneys to the Office of Education as aforesaid, the Trustee shall (at the request of and at the cost of the Office of Education) mail, by first class mail postage prepaid, or email, in the case of any Certificates registered in the case of the Nominee, to the Owners of Certificates which have not yet been paid, at the respective addresses shown on the Registration Books, a notice, in such form as may be deemed appropriate by the Office of Education with respect to the Certificates so payable and not presented and with respect to the provisions relating to the repayment to the Office of Education of the moneys held for the payment thereof.

SECTION 13.06. *Governing Law.* This Trust Agreement shall be construed and governed in accordance with the laws of the State of California.

SECTION 13.07. *Binding Effect; Successors.* This Trust Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns. Whenever in this Trust Agreement either the Corporation, the Office of Education or the Trustee is named or referred to, such reference shall be deemed to include the successors or assigns thereof, and all the covenants and agreements in this Trust Agreement contained by or on behalf of the Corporation, the Office of Education or the Trustee shall be deemed to the benefit of the respective successors and assigns thereof whether so expressed or not.

SECTION 13.08. Corporation and Office of Education Representatives. Whenever under the provisions of this Trust Agreement the Corporation or the Office of Education is required or permitted to take some action, including but not limited to the giving of any approval or the execution of some request, direction or other instrument, such action shall be made on behalf of the Corporation by a Corporation Representative and on behalf of the Office of Education by a Office of Education Representative, and any party hereto shall be fully authorized to rely upon any such action by a Corporation Representative or a Office of Education Representative.

SECTION 13.09. *Execution in Counterparts*. This Trust Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

SECTION 13.10. *Delivery of Canceled Certificates.* Whenever in this Trust Agreement provision is made for the surrender to or cancellation by the Trustee of any Certificates, the Trustee shall cancel and, unless directed in writing by the Office of Education Representative, destroy such Certificates and shall deliver a certificate of destruction with respect thereto to the Office of Education.

SECTION 13.11. *Headings*. The headings or titles of the several Articles and Sections hereof, and any table of contents appended to copies hereof, shall be solely for convenience of reference and shall not affect the meaning, construction or effect of this Trust Agreement.

SECTION 13.12. *Waiver of Notice*. Whenever in this Trust Agreement the giving of notice by mail or otherwise is required, the giving of such notice may be waived in writing by the person entitled to receive such notice and in any case the giving or receipt of such notice are not conditions precedent to the validity of any action taken in reliance upon such waiver.

SECTION 13.13. Separability of Invalid Provisions. In case any one or more of the provisions contained in this Trust Agreement or in the Certificates shall for any reason be held to be invalid, illegal or unenforceable in any respect, then such invalidity, illegality or unenforceability shall not affect any other provision of this Trust Agreement, and this Trust Agreement shall be construed as if such invalid or illegal or unenforceable provision had never been contained herein. The Corporation and the Office of Education hereby declare that they would have entered into this Trust Agreement and each and every other section, paragraph, sentence, clause or phrase hereof and authorized the delivery of the Certificates pursuant thereto irrespective of the fact that any one or more sections, paragraphs, sentences, clauses or phrases of this Trust Agreement may be held illegal, invalid or unenforceable.

IN WITNESS WHEREOF, the parties have executed this Trust Agreement as of the date and year first above written.

WILMINGTON TRUST, NATIONAL ASSOCIATION, as Trustee

By: ______Authorized Officer

LOCAL FACILITIES FINANCE CORPORATION

By: ______ Secretary

TULARE COUNTY OFFICE OF EDUCATION

By: ______Superintendent of Schools

Attest:

Assistant Superintendent of Business Services

APPENDIX A

DEFINED TERMS

Unless the context clearly otherwise requires or unless otherwise defined herein, the capitalized terms defined in this Appendix A have the respective meanings given them in this Appendix when used in this Trust Agreement and when used in the Lease Agreement.

"<u>Additional Payments</u>" means the amounts payable by the Office of Education under Section 4.4 of the Lease Agreement.

"<u>Assignment Agreement</u>" means the Assignment Agreement dated as of November 1, 2024, between the Corporation as assignor and the Trustee as assignee, as originally executed or as thereafter amended under any duly authorized and executed amendments thereto.

"Bond Counsel" means (a) Jones Hall, A Professional Law Corporation, or (b) any other attorney or firm of attorneys of nationally recognized expertise with respect to legal matters relating to obligations the interest on which is excludable from gross income under Section 103 of the Tax Code.

"<u>Business Day</u>" means a day other than a Saturday, Sunday or legal holiday, on which banking institutions are not closed in the State of California, or in any state in which any Office of the Trustee is located.

"<u>Certificate Insurance Policy</u>" means the Municipal Bond Insurance Policy issued by the Certificate Insurer with respect to the Certificates.

"<u>Certificate Insurer</u>" means _____, and its successors and assigns, as issuer of the Certificate Insurance Policy and the Reserve Policy.

"<u>Certificates</u>" means the <u>____</u> aggregate principal amount of 2024 Certificates of Participation executed and delivered and at any time Outstanding hereunder.

"<u>Closing Date</u>" means August 29, 2024, being the day when the Certificates, duly executed by the Trustee, are delivered to the Original Purchaser.

"<u>Completion Date</u>" means, with respect to the Project, the date identified as the date of completion thereof in the written certificate of a Office of Education Representative under Section 3.3 of the Lease Agreement.

"Corporation" means the Local Facilities Finance Corporation.

"<u>Corporation Representative</u>" means the President, Secretary or Treasurer of the Corporation, or any other person authorized by resolution of the Board of Directors of the Corporation to act on behalf of the Corporation under or with respect to the Lease Agreement and this Trust Agreement.

"<u>Costs of Issuance</u>" means all items of expense directly or indirectly payable by or reimbursable to the Office of Education or the Corporation relating to the execution and

delivery of the Certificates, including but not limited to filing and recording costs, settlement costs, printing costs, reproduction and binding costs, initial fees and charges of the Trustee (which shall include legal fees and the first annual administration fee of the Trustee), financing discounts, legal fees and charges, insurance fees and charges, financial and other professional consultant fees, costs of rating agencies for credit ratings, fees for execution, transportation and safekeeping of the Certificates, premiums payable to the Certificate Insurer for the Certificate Insurance Policy and the Reserve Policy, and any charges and fees in connection with the foregoing.

"<u>Costs of Issuance Fund</u>" means the fund by that name established and held by the Trustee under Section 4.03.

"<u>Depository</u>" means (a) initially, DTC, and (b) any other Securities Depository acting as Depository under Section 2.05.

"<u>Depository System Participant</u>" means any participant in the Depository's bookentry system.

"<u>DTC</u>" means The Depository Trust Company, New York, New York, and its successors and assigns.

"<u>Event of Default</u>" means an event of default under the Lease Agreement, as defined in Section 8.1 thereof.

"<u>Excess Investment Earnings</u>" means an amount required to be rebated to the United States of America under Section 148(f) of the Tax Code due to investment of gross proceeds of the Certificates at a yield in excess of the yield on the Lease Payments.

"<u>Federal Securities</u>" means: (a) any direct general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America), the payment of principal of and interest on which are unconditionally and fully guaranteed by the United States of America; and (b) any obligations the principal of and interest on which are unconditionally guaranteed by the United States of America.

"<u>Fiscal Year</u>" means the twelve-month period beginning on July 1 of any year and ending on June 30 of the next succeeding year, or any other twelve-month period by the Office of Education as its fiscal year under written notice filed with the Trustee.

"<u>Insurance and Condemnation Fund</u>" means the fund by that name to be established and held by the Trustee under Section 6.01.

"<u>Interest Payment Date</u>" means June 1, 2025, and each June 1 and December 1 thereafter to and including the final date of maturity of the Certificates.

"Late Payment Rate" has the meaning given that term in Appendix D.

"<u>Lease Agreement</u>" means the Lease Agreement dated as of November 1, 2024, between the Corporation as lessor and the Office of Education as lessee, as originally executed or as thereafter amended under any duly authorized and executed amendments and supplements thereto. "<u>Lease Payment Date</u>" means, with respect to any Interest Payment Date, the fifteenth Business Day preceding such Interest Payment Date.

"<u>Lease Payment Fund</u>" means the fund by that name established and held by the Trustee under Section 5.02.

"<u>Lease Payments</u>" means all payments required to be paid by the Office of Education under Section 4.3(a) of the Lease Agreement, including any prepayment thereof under Article IX of the Lease Agreement.

"Leased Property" means all of the land, including all of the buildings and improvements existing or constructed thereon, which is more particularly described in Appendix A to the Lease Agreement. If the Office of Education exercises its option under Section 4.6 of the Lease Agreement with respect to the substitution of property or its option under Section 4.7 of the Lease Agreement with respect to the release of property, the term "Leased Property" will thereupon be modified accordingly.

"Moody's" means Moody's Investors Service, or its successors and assigns.

"<u>Net Proceeds</u>" means any insurance proceeds or eminent domain award (including any proceeds of sale to a governmental entity under threat of the exercise of eminent domain powers), paid with respect to the Leased Property, to the extent remaining after payment therefrom of all expenses incurred in the collection thereof.

"<u>Nominee</u>" means (a) initially, Cede & Co. as nominee of DTC, and (b) any other nominee of the Depository designated under Section 2.05(a).

"Office" means the corporate trust office of the Trustee in Los Angeles, California, provided that for purposes of payment, prepayment, exchange, transfer, exchange, surrender and cancellation of Certificates, such term means the corporate trust office or agency of the Trustee at which, at any particular time, its corporate trust agency business shall be conducted or such other or additional offices as the Trustee may designate in writing to the Corporation from time to time as the corporate trust office for purposes of this Trust Agreement.

"<u>Office of Education</u>" means the Tulare County Office of Education, a school Office of Education duly organized and existing under the laws of the State of California.

"Office of Education Representative" means the County Superintendent of Schools or Chief Business Official of the Office of Education, or the President or Vice President of the Board of Education of the Office of Education, or any other person authorized to act on behalf of the Office of Education under or with respect to the Lease Agreement and this Trust Agreement.

"<u>Original Purchaser</u>" means D.A. Davidson & Co., as original purchaser of the Certificates upon the negotiated sale thereof.

"<u>Outstanding</u>", when used as of any particular time with respect to Certificates, means (subject to the provisions of Section 13.05) all Certificates theretofore executed and delivered by the Trustee under this Trust Agreement except (a) Certificates theretofore canceled by the Trustee or surrendered to the Trustee for cancellation; (b) Certificates deemed to have been paid under Section 13.01; and (c) Certificates in lieu of or in exchange for which other Certificates has been executed and delivered by the Trustee under Section 2.08.

"<u>Owner</u>" or "Certificate Owner", when used with respect to a Certificate, means the person in whose name the ownership of such Certificate shall be registered on the Registration Books.

"Permitted Encumbrances" means, as of any time: (a) liens for general ad valorem taxes and assessments, if any, not then delinquent, or which the Office of Education may permit to remain unpaid under Article V of the Lease Agreement; (b) the Site Lease, the Lease Agreement and the Assignment Agreement; (c) any right or claim of any mechanic, laborer, materialman, supplier or vendor not filed or perfected in the manner prescribed by law; (d) the exceptions disclosed in the title insurance policy with respect to the Leased Property issued as of the Closing Date by Chicago Title Company and which the Office of Education certifies in writing will not materially impair the use of the Leased Property for its intended purposes; and (e) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions which exist of record and which the Office of Education certifies in writing will not materially impair the use of the Leased Property for its intended purposes.

"<u>Permitted Investments</u>" means any of the following which at the time of investment are legal investments under the laws of the State of California for the moneys proposed to be invested therein:

- (a) Federal Securities;
- (b) obligations of any federal agency which represent full faith and credit of the United States of America, or which are otherwise rated "Aaa" by Moody's;
- (c) U.S. dollar denominated deposit accounts, savings accounts, trust funds, trust accounts, interest bearing deposits, overnight bank deposits, bank deposit products, other deposit products, interest bearing money market accounts, money market deposits, federal funds and banker's acceptances with domestic commercial banks, which may include the Trustee, its parent holding company, if any, and their affiliates, which have a rating on their short term certificates of deposit on the date of purchase of "P-1" or better by Moody's and maturing no more than 360 days after the date of purchase, provided that ratings on holding companies are not considered as the rating of the bank;
- (d) commercial paper which is rated at the time of purchase in the single highest classification, "P-1" or better by Moody's, and which matures not more than 270 calendar days after the date of purchase;
- (e) investments in a money market fund, including those of an affiliate of the Trustee, rated "Aa-mf" or better by Moody's, including funds for which the Trustee, its parent holding company, if any, or any affiliates

or subsidiaries of the Trustee receives and retains a fee for services provided to the fund, whether as a custodian, transfer agent, investment advisor or otherwise.

- pre-refunded municipal obligations defined as follows: any bonds or (f) other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state which are not callable at the option of the obligor prior to maturity or as to which irrevocable instructions have been given by the obligor to call on the date specified in the notice; and (i) which are rated, based upon an irrevocable escrow account or fund, in the highest rating category of Moody's or any successors thereto; or (ii)(A) subject to the approval of Moody's, which are fully secured as to principal and interest and prepayment premium, if any, by an escrow consisting only of Federal Securities, which escrow may be applied only to the payment of such principal of and interest and prepayment premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified prepayment date or dates under such irrevocable instructions, as appropriate, and (B) which escrow is sufficient, as verified by a nationally recognized independent certified public accountant, to pay principal of and interest and prepayment premium, if any, on the bonds or other obligations described in this paragraph on the maturity date or dates thereof or on the prepayment date or dates specified in the irrevocable instructions referred to above, as appropriate;
- (g) investment agreements with financial institutions whose long-term general credit rating is A or better from Moody's, by the terms of which the Trustee may withdraw funds if such rating falls below A; and
- (h) the Local Agency Investment Fund of the State of California, created under Section 16429.1 of the California Government Code, to the extent the Trustee is authorized to register such investment in its name.

Ratings of Permitted Investments referred to herein shall be determined at the time of purchase of such Permitted Investment and without regard to rating subcategories. The Trustee shall have no responsibility to monitor the ratings of Permitted Investments after the initial purchase of such Permitted Investment, or the responsibility to validate the ratings of Permitted Investments prior to the initial purchase.

"<u>Project</u>" means the acquisition, construction and improvement by the Office of Education of educational facilities, including the construction of a new multi-purpose facility at Campus Park Elementary School (the "MPR"). The Office of Education reserves the right to amend the description and scope of the Project from time to time in its sole discretion, and to add additional capital projects which will be used for the educational purposes of the Office of Education. "<u>Project Costs</u>" means, with respect to the Project, all costs of the acquisition, construction and improvement thereof which are paid from moneys on deposit in the Project Fund, including but not limited to:

- (a) all costs required to be paid to any person under the terms of any agreement for or relating to the acquisition, construction and improvement of the Project;
- (b) obligations incurred for labor and materials in connection with the acquisition, construction and improvement of the Project;
- (c) the cost of performance or other bonds and any and all types of insurance that may be necessary or appropriate to have in effect in connection with the acquisition, construction and improvement of the Project;
- (d) all costs of engineering, architectural services and other preliminary investigation expenses, including the actual out-of-pocket costs for site investigations, surveys, hazardous materials investigations, test borings, surveys, estimates, plans and specifications and preliminary investigations therefor, development fees, sales commissions, and for supervising construction, as well as for the performance of all other duties required by or consequent to the proper acquisition, construction and improvement of the Project;
- (e) any sums required to reimburse the Corporation or the Office of Education for advances made for any of the above items or for any other costs incurred and for work done, including but not limited to administrative costs of the Corporation or the Office of Education, which are properly chargeable to the acquisition, construction and improvement of the Project;
- (f) all financing costs incurred in connection with the acquisition, construction and improvement of the Project, including but not limited to Costs of Issuance and other costs incurred in connection with this Trust Agreement and the financing of the Project; and
- (g) the interest components of the Lease Payments prior to the Completion Date, to the extent not payable from the proceeds of the Certificates deposited in the Lease Payment Fund on the Closing Date.

"<u>Project Fund</u>" means the fund by that name established and held by the Trustee under Section 4.04.

"<u>Record Date</u>" means the close of business on the 15th day of the month preceding each Interest Payment Date, whether or not such 15th day is a Business Day.

"<u>Registration Books</u>" means the records maintained by the Trustee under Section 2.11 for the registration of the ownership and transfer of ownership of the Certificates.

"<u>Rental Period</u>" means each period during the Term of the Lease Agreement commencing on and including December 1 in each year and extending to and including the next succeeding December 1, except that the first Rental Period begins on the Closing Date and ends on December 1, 2025.

"<u>Reserve Facility</u>" means any line of credit, letter of credit, insurance policy, surety bond or other credit source deposited with the Trustee pursuant to this Trust Agreement.

"<u>Reserve Fund</u>" means the fund by that name established and held by the Trustee under Section 4.02.

"<u>Reserve Policy</u>" means the Municipal Bond Debt Service Reserve Insurance Policy issued by the Certificate Insurer for credit to the Reserve Fund on the Closing Date, which Reserve Policy shall constitute a Reserve Facility.

"<u>Reserve Requirement</u>" means, as of the date of calculation thereof, an amount equal to the lesser of (a) 10% of the original principal amount of the Certificates, or (b) the maximum amount of Lease Payments (excluding Lease Payments with respect to which the Office of Education shall have posted a security deposit pursuant to Section 9.1 of the Lease) coming due in the current or any future bond year, or (c) 125% of average annual Lease Payments (calculated on a bond year basis). The initial amount of the Reserve Requirement as of the Closing Date is equal to \$_____. The Reserve Requirement may be satisfied by the purchase of the Reserve Facility.

"<u>Responsible Officer</u>" means, when used with respect to the Trustee, any officer within the corporate trust department of such Trustee, including any vice president, assistant vice president, trust officer or any other officer of such Trustee who customarily performs functions similar to those performed by the Persons who at the time shall be such officers who shall have direct responsibility for the administration of this Trust Agreement.

"<u>S&P</u>" means S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC, its successors and assigns.

"<u>Securities Depositories</u>" means DTC; and, in accordance with then current guidelines of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the Office of Education designates in written notice filed with the Trustee.

"<u>Site Lease</u>" means the Site Lease dated as of November 1, 2024, between the Office of Education as lessor and the Corporation as lessee of the Leased Property, as originally executed or as thereafter amended under any duly authorized and executed amendments and supplements thereto.

"<u>Tax Code</u>" means the Internal Revenue Code of 1986 as in effect on the Closing Date or (except as otherwise referenced herein) as it may be amended to apply to obligations issued on the Closing Date, together with applicable temporary and final regulations promulgated, and applicable official public guidance published, under said Code.

"<u>Term of the Lease</u>" means the time during which the Lease Agreement is in effect, as provided in Section 4.2 thereof.

"<u>Trust Agreement</u>" means this Trust Agreement, as originally executed or as thereafter amended under any amendments or supplements hereto which are permitted to be made hereunder.

"<u>Trustee</u>" means Wilmington Trust, National Association, or any successor thereto acting as Trustee hereunder.

APPENDIX B

FORM OF CERTIFICATE OF PARTICIPATION

No. R-_____

***\$ ***

2024 CERTIFICATE OF PARTICIPATION Evidencing the Direct, Undivided Fractional Interest of the Owner Thereof in Lease Payments to be Made by the TULARE COUNTY OFFICE OF EDUCATION

RATE OF INTEREST: MATURITY DATE: DATED DATE: CUSIP:

REGISTERED OWNER:

PRINCIPAL AMOUNT: *** DOLLARS***

THIS IS TO CERTIFY THAT the Registered Owner identified above, or registered assigns, as the registered owner (the "Registered Owner") of this Certificate of Participation (this "Certificate") is the owner of a direct, undivided fractional interest in Lease Payments (the "Lease Payments") payable under a Lease Agreement dated as of November 1, 2024 (the "Lease Agreement"), between the Local Facilities Finance Corporation (the "Corporation") and the Tulare County Office of Education, a school Office of Education duly organized and existing under the laws of the State of California (the "Office of Education"), which Lease Payments and certain other rights and interests under the Lease Agreement have been assigned to Wilmington Trust, National Association, as trustee (the "Trustee").

The Registered Owner of this Certificate is entitled to receive, subject to the terms of the Lease Agreement, on the Maturity Date identified above, or any earlier prepayment date, the Principal Amount identified above representing a direct, undivided fractional share of the portion of the Lease Payments designated as principal, and to receive on June 1, 2025, and semiannually thereafter on June 1 and December 1 of each year (the "Interest Payment Dates") until payment in full of said principal, the Registered Owner's direct, undivided fractional share of the Lease Payments designated as interest coming due during the period immediately preceding each of the Interest Payment Dates.

Interest represented hereby shall be payable from the Interest Payment Date next preceding the date of execution of this Certificate unless (a) this Certificate is executed on an Interest Payment Date, in which event interest shall be payable from such Interest Payment Date, or (b) unless this Certificate is executed on or before May 15, 2025, in which event interest is payable from the Dated Date identified above. The Registered Owner's share of the portion of the Lease Payments designated as interest is the result of the multiplication of the aforesaid share of the portion of the Lease Payments designated as principal by the Rate of Interest per annum identified above, calculated on the basis of a 360-day year comprised of twelve 30-day months. Principal represented hereby is payable in lawful money of the United States of America, upon presentation and surrender hereof at the Office of the Trustee, and interest represented hereby is payable by check mailed by first class mail by the Trustee on each Interest Payment Date to the Registered Owner at such Owner's address as it appears on the registration books of the Trustee as of the close of business on the 15th day of the month preceding such Interest Payment Date.

This Certificate has been executed and delivered by the Trustee under the terms of a Trust Agreement dated as of November 1, 2024, among the Trustee, the Corporation and the Office of Education (the "Trust Agreement"). The Office of Education has certified that it is authorized to enter into the Lease Agreement and the Trust Agreement under the laws of the State of California, for the purpose of leasing certain real property (the "Leased Property") used for the educational purposes of the Office of Education. Reference is hereby made to the Lease Agreement and the Trust Agreement (copies of which are on file at the offices of the Trustee) for a description of the terms on which the Certificates are delivered, the rights thereunder of the owners of the Certificates, the rights, duties and immunities of the Trustee and the rights and obligations of the Office of Education under the Lease Agreement, to all of the provisions of the Lease Agreement and the Trust Agreement the Registered Owner of this Certificate, by acceptance hereof, assents and agrees.

The Office of Education is obligated under the Lease Agreement to pay the Lease Payments for the Leased Property from any source of available funds, subject to certain exceptions as set forth in the Lease Agreement. As more fully described in the Lease Agreement, the Lease Payments are subject to abatement during any period in which by reason of damage or destruction to the Leased Property in whole or in part, or by reason of eminent domain proceedings with respect to the Leased Property in whole or in part, there is substantial interference with the use and occupancy by the Office of Education of the Leased Property or any portion thereof; such abatement shall be in an amount agreed upon by the Office of Education and the Corporation such that the resulting Lease Payments represent fair consideration for the use and occupancy of the remaining portions of the Leased Property. The obligation of the Office of Education to pay the Lease Payments does not constitute an obligation of the Office of Education for which the Office of Education is obligated to levy or pledge any form of taxation or for which the Office of Education has levied or pledged any form of taxation. The obligation of the Office of Education to pay the Lease Payments does not constitute a debt of the Office of Education, the State of California or any of its political subdivisions, and does not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

The Certificates maturing on or before December 1, 20__, are not subject to optional prepayment before their respective stated maturities. The Certificates maturing on or after December 1, 20__, are subject to prepayment prior to their stated maturity from any legally available source of funds of the Office of Education, at the option of the Office of Education, in whole, or in part among maturities on such basis as shall be designated by the Office of Education and by lot within a maturity, on December 1, 20__, or on any date thereafter, or from prepayments of the Lease Payments made under the Lease Agreement from any legally available source of funds of the Office of Education, upon

payment of a prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest to the date fixed for prepayment, without premium.

The Certificates maturing on December 1, 20__, December 1, 20__, and December 1, 20__ (collectively, the "Term Certificates") are subject to mandatory sinking fund prepayment by lot on December 1 in each year as set forth in the following tables, from the principal components of the Lease Payments required to be paid with respect to each of such dates, at a prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest represented thereby to the prepayment date, without premium, as follows:

\$ Principal Amount Term Certificates Maturing December 1, 2	20
--------------------------------------------------------------	----

Sinking Fund	Certificates
Prepayment Date	Principal Amount
(December 1)	To Be Prepaid

Principal Amount Term Certificates Maturing December 1, 20____

Sinking Fund	Certificates
Prepayment Date	Principal Amount
(December 1)	To Be Prepaid

\$ Principal Amount Term Certificates Maturing December 1, 20

Certificates
Principal Amount
To Be Prepaid

The Certificates are subject to mandatory prepayment, in whole or in part, on any business day, from certain proceeds of insurance or eminent domain proceedings credited towards the prepayment of the Lease Payments under the Lease Agreement and the Trust Agreement, at a prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest represented thereby to the date fixed for prepayment, without premium.

As provided in the Trust Agreement, the Trustee shall mail notice of prepayment of the Certificates by first class mail, postage prepaid, not less than 20 nor more than 60 days before the prepayment date, to the registered owners of the Certificates to be prepaid, but neither failure to receive such notice nor any defect in the notice so mailed shall affect the sufficiency of the proceedings for prepayment or the cessation of accrual of interest represented thereby. If this Certificate is called for prepayment and payment is duly provided therefor as specified in the Trust Agreement, interest represented hereby shall cease to accrue from and after the date fixed for prepayment.

This Certificate is transferable by the Registered Owner hereof, in person or by his attorney duly authorized in writing, at the Office of the Trustee, but only in the manner,

subject to the limitations and upon payment of the charges, if any, provided in the Trust Agreement and upon surrender and cancellation of this Certificate. Upon such transfer a new Certificate or Certificates, of authorized denomination or denominations, representing the same aggregate principal amount and representing the same rate of interest, will be delivered to the transferee in exchange herefor. The Office of Education, the Corporation and the Trustee may treat the Registered Owner hereof as the absolute owner hereof for all purposes, whether or not this Certificate shall be overdue, and the Office of Education, the Corporation and the Trustee shall not be affected by any notice to the contrary.

The Trustee is not required to register the transfer or exchange of any Certificate during the period in which certificates are being selected for prepayment or any Certificate selected for prepayment.

To the extent and in the manner permitted by the terms of the Trust Agreement, the provisions of the Trust Agreement may be amended by the parties thereto with the written consent of the owners of a majority in aggregate principal amount of the Certificates then outstanding, and may be amended without such consent under certain circumstances; provided that no such amendment shall extend the fixed maturity of any Certificate or reduce the interest or principal represented thereby, without the express consent of the owner of such Certificate.

The Trustee has no obligation or liability to the owners of the Certificate to make any payment of the interest, principal or premium (if any) represented by the Certificates, other than as provided in the Trust Agreement from the Lease Payments and amounts credited thereto received or held by the Trustee. The recitals herein shall be taken as statements of the Corporation and the Office of Education and not of the Trustee. The Trustee has executed this Certificate solely in its capacity as Trustee under the Trust Agreement and not in its individual or personal capacity.

Unless this Certificate is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC") to the Trustee for registration of transfer, exchange or payment, and any Certificate executed and delivered is registered in the name of Cede & Co. or such other name as requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

IN WITNESS WHEREOF, this Certificate has been executed and delivered by Wilmington Trust, National Association, as Trustee, acting under the Trust Agreement.

Execution Date:

WILMINGTON TRUST, NATIONAL ASSOCIATION, as Trustee

Ву: _____

Authorized Signatory

Appendix B Page 4

FORM OF ASSIGNMENT

For value received the undersigned do(es) hereby sell, assign and transfer unto

(Name, Address and Tax Identification or Social Security Number of Assignee)

the within registered Certificate and hereby irrevocably constitute(s) and appoint(s) attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Note: Signature(s) must be guaranteed by an eligible guarantor institution (banks, stockbrokers, saving and loan associations and credit unions with membership in an approved signature medallion program) pursuant to Securities and Exchange Commission Rule 17Ad-15.

Note: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Certificate in every particular without alteration or enlargement or any change whatsoever.

APPENDIX C

PROVISIONS RELATING TO THE CERTIFICATE INSURANCE POLICY

So long as the Certificate Insurance Policy remains in force and effect, or the Certificate Insurer is owed any amounts in connection with the Certificate Insurance Policy, the following provisions of this Appendix C shall govern, notwithstanding anything to the contrary contained in this Trust Agreement. Capitalized terms used in this Appendix C and not otherwise defined shall have the respective meanings given such terms in the Trust Agreement or the Certificate Insurance Policy.

[to come]

APPENDIX D

PROVISIONS RELATING TO RESERVE POLICY

The Office of Education hereby affirms that the Reserve Fund is authorized to be maintained in the form of the Reserve Policy under and pursuant to this Trust Agreement. So long as the Reserve Policy remains in force and effect, or the Certificate Insurer is owed any amounts in connection with the Reserve Policy, the following provisions of this Appendix D shall govern, notwithstanding anything to the contrary contained in this Trust Agreement. Capitalized terms used in this Appendix D and not otherwise defined shall have the respective meanings given such terms in the Reserve Policy.

[to come]

APPENDIX E

FORM OF REQUISITION FROM PROJECT FUND

WRITTEN REQUISITION NO. __ FOR DISBURSEMENT FROM THE PROJECT FUND

The undersigned hereby states and certifies that:

(i) I am the duly appointed, qualified and acting ______ of the Tulare County Office of Education, a school Office of Education duly organized and existing under the laws of the State of California (the "Office of Education"), and as such, I am familiar with the facts herein certified and I am authorized and qualified to certify the same;

(ii) I am a duly designated "Office of Education Representative," as such term is defined in that certain Trust Agreement, dated as of November 1, 2024 (the "Trust Agreement"), among Wilmington Trust, National Association, as trustee (the "Trustee"), the Local Facilities Finance Corporation and the Office of Education;

(iii) pursuant to Section 4.04 of the Trust Agreement, the Trustee is hereby requested to disburse this date from the Project Fund established under the Trust Agreement, to the payees set forth on Exhibit A attached hereto and by this reference incorporated herein, at the addresses identified thereon, the amount set forth opposite such payee for payment or reimbursement of Project Costs;

(iv) each item of cost identified herein has been properly incurred, is a proper charge against the Project Fund and has not been the basis of any previous disbursement; and

(v) attached hereto is an invoice for each disbursement to be made pursuant to this Requisition.

Capitalized terms used herein and not otherwise defined shall have the meanings ascribed thereto in the Trust Agreement.

Dated:

TULARE COUNTY OFFICE OF EDUCATION

By: _

Name: Title:

EXHIBIT A

PROJECT FUND DISBURSEMENTS

Payee Name and Address

Purpose of Obligation

<u>Amount</u>

CERTIFICATE PURCHASE AGREEMENT

_____, 2024

Board of Education Tulare County Office of Education

Ladies and Gentlemen:

The undersigned on behalf of D.A. Davidson & Co. (the "Underwriter"), hereby offers to enter into this Certificate Purchase Agreement (the "Purchase Agreement") with the Tulare County Office of Education (the "Office of Education"), acting on behalf of itself and the Corporation (defined herein) for the purchase by the Underwriter of the \$______ aggregate principal amount of Tulare County Office of Education 2024 Certificates of Participation (the "Certificates"). Upon acceptance of this offer by the Office of Education, this Purchase Agreement will be binding upon the Office of Education and the Underwriter. The offer made hereby is made subject to acceptance by the Office of Education (by delivery to the Underwriter of an executed counterpart hereof by the Office of Education) at or before 11:59 p.m., California time, on the date hereof or at such later time and date as shall have been consented to by the Underwriter.

The Certificates are being executed and delivered pursuant to a Trust Agreement, dated as of November 1, 2024 (the "Trust Agreement"), among the Office of Education, Local Facilities Finance Corporation (the "Corporation") and Wilmington Trust, National Association, as trustee (the "Trustee"). All terms used herein and not otherwise defined herein shall have the respective meanings assigned thereto in the Trust Agreement.

1. <u>Purchase and Purchase Price; Terms of Certificates</u>. Upon the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Office of Education agrees to cause the Trustee to execute and deliver to the Underwriter, and the Underwriter agrees to purchase, all (but not less than all) of the Certificates at an aggregate purchase price of \$_____ (representing the aggregate principal amount of \$_____, plus original issue premium of \$_____, and less an Underwriter's discount of \$_____).

From the purchase price, on the Closing Date (defined below), the Underwriter shall wire the amount of \$_____ to the Insurer (defined below), representing payment for the municipal bond insurance premium (\$_____) and the reserve fund insurance policy (\$_____).

The Certificates shall be dated the date of their delivery and shall be substantially in the form described in, shall be executed, delivered and secured under and pursuant to, and shall be payable and subject to prepayment as provided in, the Trust Agreement. The Certificates shall be subject to prepayment as described in Exhibit A.

The proceeds of the Certificates will be used to (i) finance the acquisition and installation of solar equipment for the Office of Education, (ii) fund a deposit to, or purchase a reserve fund surety policy for, the Reserve Fund, purchase a municipal bond insurance policy and a reserve fund insurance policy from Assured Guaranty Inc. (the "Insurer"), and (iii) pay certain other costs incurred in connection with the execution and delivery of the Certificates, including the premiums to acquire a certificate insurance policy and a reserve fund insurance policy to be credited to the Reserve Fund, from the Insurer.

The Office of Education hereby ratifies, confirms and approves the use by the Underwriter, prior to the date hereof, of the Preliminary Official Statement of the Office of Education, dated _______, 2024 (the "Preliminary Official Statement"), which Preliminary Official Statement the Office of Education deemed final and so certified as of its date for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended ("Rule 15c2-12"), except for information permitted to be omitted therefrom by Rule 15c2-12. The Office of Education hereby agrees to deliver or cause to be delivered to the Underwriter within seven business days from the date hereof copies of the Official Statement (as hereinafter defined), in such reasonable quantity as the Underwriter shall request. The Office of Education hereby approves of the use and distribution by the Underwriter of the Official Statement in connection with the offer and sale of the Certificates.

The Office of Education hereby further authorizes the Underwriter to use, in connection with the offer and sale of the Certificates, the Trust Agreement, the Lease Agreement, the Site Lease, the Assignment Agreement, and the Continuing Disclosure Certificate (as defined herein) (collectively, the "Certificate Documents").

The Office of Education acknowledges and agrees that: (i) the primary role of the Underwriter is to purchase securities for resale to investors in an arms-length commercial transaction, including the process leading thereto, between the Office of Education and the Underwriter and that the Underwriter has financial and other interests that differ from those of the Office of Education, (ii) the Underwriter is acting solely as a principal and is not acting as a fiduciary, agent or agent or Municipal Advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended) to the Office of Education or any other person or entity and has not assumed any advisory or fiduciary responsibility to the Office of Education with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (irrespective of whether the Underwriter has provided other services or is currently providing other services to the Office of Education on other matters), (iii) the only obligations the Underwriter has to the Office of Education with respect to the transaction contemplated hereby expressly are set forth in this Purchase Agreement, except as otherwise provided by applicable rules and regulations of the Securities and Exchange Commission or the rules of the Municipal Securities Rulemaking Board (the "MSRB"), and (iv) the Office of Education has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein. The Office of Education acknowledges that it has previously provided the Underwriter with an acknowledgement of receipt of the required Underwriter disclosure under Rule G-17 of the MSRB.

2. <u>Closing: Official Statement</u>. At 8:30 a.m. California Time, on _____, 2024, or at such other time or on such earlier or later date as the Underwriter and the Office of Education mutually agree upon (the "Closing Date"), the Office of Education will, subject to the terms and conditions hereof, deliver or cause the Certificates to be delivered to The Depository Trust Company ("DTC"), duly executed in accordance with the provisions of the Trust Agreement. Subject to the terms and conditions hereof, upon receipt of proof of such delivery to DTC, the

Underwriter will pay the purchase price of the Certificates as set forth in Section 1 in federal or other immediately available funds. The Certificates shall be delivered as aforesaid at the offices of DTC, or at such other place as the Underwriter and the Office of Education mutually agree upon. On the Closing Date, the Office of Education will deliver or cause to be delivered the other documents mentioned herein at the offices of Jones Hall, A Professional Law Corporation, San Francisco, California ("Special Counsel"), or at such other place as shall have been mutually agreed upon by the Underwriter and the Office of Education.

The Underwriter agrees to make a bona fide public offering of the Certificates at the initial offering prices or yields set forth on Exhibit A hereto and on the inside cover of the Official Statement dated the date hereof (the "Official Statement"); provided, however, that the Underwriter reserves the right to make concessions to dealers and to change such initial offering prices or yields as the Underwriter shall deem necessary in connection with the marketing of the Certificates. The Underwriter agrees that, in connection with the public offering and initial delivery of the Certificates to the purchasers thereof from the Underwriter, the Underwriter will deliver or cause to be delivered to each purchaser a copy of the Official Statement.

The Certificates (bearing CUSIP numbers) shall be in fully registered form, initially registered in the name of Cede & Co., as nominee of DTC, and shall be subject to a book-entry system of registration and transfer as described in the Official Statement. The Certificates shall be made available to the Underwriter for purposes of inspection for a reasonable period prior to the Closing Date.

3. <u>Covenants, Representations and Warranties of the Office of Education</u>. The Office of Education hereby covenants, represents and warrants to the Underwriter that:

(a) <u>Due Organization and Authorization</u>. The Office of Education is, and will be on the Closing Date, a school Office of Education duly organized and validly existing under the constitution and laws of the State of California. The Office of Education has all necessary power and authority and has taken all official actions necessary to execute and deliver the Official Statement and to execute, deliver and perform its duties under this Purchase Agreement and each of the Certificate Documents to which it is a party, and this Purchase Agreement and each of the Certificate Documents to which the Office of Education is a party has been duly authorized, executed and delivered by the Office of Education and, assuming the due authorization, execution and delivery by the other respective parties thereto, will constitute legally valid and binding obligations of the Office of Education enforceable against the Office of Education in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or limiting creditors' rights generally or principles of equity involving judicial discretion.

(b) <u>No Conflicts or Breach</u>. The Office of Education is not in material breach of, or default under, any applicable constitutional provision, law or administrative rule or regulation of the State of California or the United States of America material to the conduct of its governmental or financial functions or any applicable judgment or decree or any loan agreement, indenture, bond, certificate, note, resolution or other agreement or instrument to which the Office of Education is a party or to which the Office of Education or any of its properties is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any of the foregoing; and the authorization, execution and delivery of this Purchase Agreement, the Certificate Documents to which the Office of Education is a party and the Certificates, and compliance with the provisions hereof and thereof, will not conflict with or constitute a material breach of or default under any constitutional provision, law, administrative rule or regulation, or any judgment, decree, license, permit, loan agreement, indenture, bond, certificate, note, resolution, agreement or other instrument to which the Office of Education (or any of its officers in their respective capacities as such) is subject or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument except as may be provided by the Certificates or the Certificate Documents.

(c) <u>Consents</u>. Except for the actions of the other parties thereto, there is no consent, approval, authorization or other order of, or filing with, or certification by, any regulatory entity having jurisdiction over the Office of Education required for the execution and delivery of this Purchase Agreement or the Certificate Documents to which the Office of Education is a party, or the execution and sale of the Certificates or the consummation by the Office of Education of the transactions contemplated herein, in the Official Statement or in the Certificate Documents, which has not been duly obtained or made on or prior to the date hereof.

Litigation. There is no action, suit, proceeding, inquiry or investigation, at (d) law or in equity, before or by any court or governmental or public entity pending or, to the best knowledge of the Office of Education, threatened against the Office of Education which affects or seeks to prohibit, restrain or enjoin the execution or delivery of the Certificates or the Certificate Documents, or contesting the validity of this Purchase Agreement, the Certificates or any of the Certificate Documents to which the Office of Education is party or the powers of the Office of Education to enter into or perform its obligations under this Purchase Agreement or the Certificate Documents to which it is a party or the existence or powers of the Office of Education, or which, if determined adversely to the Office of Education, would materially impair the Office of Education's ability to meet its obligations under the Certificate Documents to which it is a party or materially and adversely affect the Office of Education's financial condition or in which a final adverse decision could (a) materially adversely affect the operations of the Office of Education or the consummation of the transactions contemplated by this Purchase Agreement, (b) declare this Purchase Agreement to be invalid or unenforceable in whole or in material part, or (c) adversely affect the exclusion of the interest paid on the Certificates from gross income for federal income tax purposes and the exemption of such interest from California personal income taxation.

(e) <u>Official Statement Accurate and Complete</u>. The Preliminary Official Statement provided to the Underwriter has been deemed final by the Office of Education, as required by Rule 15c2-12. The preparation and distribution of the Preliminary Official Statement and the Official Statement have been duly authorized by the Office of Education and the statements and information contained therein (except for statements and information regarding DTC, or the Insurer) are true and correct in all material respects and such statements and information do not contain and will not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading, as of the respective dates thereof. The Office of Education makes no representation or warranty as to the information contained in or omitted from the

Preliminary Official Statement or the final Official Statement which has been furnished in writing to the Office of Education by or on behalf of the Underwriter through a representative of the Underwriter specifically for inclusion therein.

Amendment of Official Statement. After the Closing, the Office of Education (f) will not adopt any amendment of or supplement to the Official Statement to which the Underwriter shall reasonably object in writing. Within 90 days after the Closing or within 25 days following the "end of the underwriting period" (determined pursuant to Section 12), whichever occurs first, if any event relating to or affecting the Certificates, the Corporation, the Trustee or the Office of Education, shall occur as a result of which it is necessary, in the opinion of the Underwriter, to amend or supplement the Official Statement in order to make the Official Statement not misleading in any material respect in the light of the circumstances existing at the time it is delivered to a purchaser, the Office of Education will forthwith prepare and furnish to the Underwriter an amendment or supplement, at the Office of Education's expense, that will amend or supplement the Official Statement so that it will not contain an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances existing at the time the Official Statement is delivered to a purchaser. not misleading. The Office of Education shall cooperate with the Underwriter in the filing by the Underwriter of such amendment or supplement to the Official Statement with the MSRB, and furnish copies of such supplement or amendment to the Underwriter in such numbers as the Underwriter may reasonably request. The Underwriter acknowledges that the "end of the underwriting period" will be determined in accordance with Section 12.

(g) <u>Application of Certificate Proceeds</u>. The proceeds from the sale to the Underwriter of the Certificates will be applied in the manner and for the purposes specified in the Trust Agreement and as described in the Official Statement.

(h) <u>Certificates Constitute Representations</u>. Any certificate signed by any official of the Office of Education and delivered in connection with the transactions contemplated by the Official Statement and this Purchase Agreement shall be deemed to be a representation by the Office of Education to the Underwriter as to the statements made therein.

(i) <u>Cooperation with Blue Sky Endeavors</u>. The Office of Education agrees to cooperate with the Underwriter in endeavoring to qualify the Certificates for offer and sale under the securities or Blue Sky laws of such jurisdictions of the United States as the Underwriter may reasonably request; provided, however, that the Office of Education will not be required to consent to service of process in any such jurisdiction or to qualify as a foreign corporation in connection with any such qualification in any jurisdiction and that the Underwriter shall be solely responsible for the cost of such qualification.

(j) <u>Tax Law Compliance</u>. The Office of Education has complied with the Internal Revenue Code of 1986, as amended, with respect to the Certificates and the Office of Education shall not knowingly take or omit to take any action that, under existing law, may adversely affect the exclusion from gross income for federal income tax purposes, or the exemption from any applicable State tax, of the interest on the Certificates, and the Office of Education has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that the Office of Education is an issuer whose arbitrage certificates may not be relied upon.

(k) <u>No Other Debt</u>. Between the date hereof and the Closing, without the prior written consent of the Underwriter, the Office of Education, or any entity or person on behalf of the Office of Education, will not have issued any bonds, notes or other obligations for borrowed money except for such borrowings as may be described in or contemplated by the Preliminary Official Statement or the Official Statement.

(I) <u>Continuing Disclosure.</u> The Office of Education shall undertake, pursuant to Rule 15c2-12 and Section 10.06 of the Trust Agreement, the Continuing Disclosure Certificate with respect to the Certificates in substantially the form attached as Appendix E of the Preliminary Official Statement (the "Continuing Disclosure Certificate"), to provide certain annual financial information and notices of the occurrence of certain events described therein. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement. Based on a review of its prior undertakings, and except as disclosed in the Preliminary Official Statement and Official Statement, within the past five years the Office of Education has not failed to comply in all material respects with any continuing disclosure obligation entered into pursuant to Rule 15c2-12.

(m) <u>Financial Information</u>. The financial statements of, and other financial information regarding the Office of Education contained in the Official Statement fairly present the financial position of the Office of Education as of the dates and for the periods therein set forth, (i) the audited financial statements have been prepared in accordance with generally accepted accounting principles consistently applied, (ii) the unaudited financial statements (if any) have been prepared on a basis substantially consistent with the audited financial statements included in the Official Statement and reflect all adjustments necessary to that affect, and (iii) the other financial information has been determined on a basis substantially consistent with that of the Office of Education's audited financial statements included in the Official Statement. Since June 30, 2023, no material adverse change has occurred in the financial condition, assets, properties or results of operation of the Office of Education which is not described in the Official Statement.

(n) <u>No Financial Advisory Relationship</u>. The Office of Education acknowledges that the Underwriter has had no financial advisory relationship with the Office of Education with respect to the Certificates, nor to its knowledge does the Office of Education have a financial advisory relationship with any investment firm controlling, controlled by or under common control with the Underwriter.

(o) <u>Not Acting as Fiduciary</u>. Inasmuch as this purchase and sale represents a negotiated transaction, the Office of Education understands, and hereby confirms, that the Underwriter is not acting as a fiduciary of the Office of Education, but rather is acting solely in its capacity as Underwriter, for its own account.

4. <u>Representations, Warranties and Agreements of the Underwriter</u>. The Underwriter represents to and agrees with the Office of Education that, as of the date hereof and as of the date of Closing:

(a) <u>Due Authorization</u>. The Underwriter is duly authorized to execute this Purchase Agreement and to take any action under this Purchase Agreement required to be taken by it.

(b) <u>No Violation of Rule G-37</u>. The execution and delivery hereof and the consummation of the transactions contemplated hereby does not and will not violate any of the prohibitions set forth in Rule G-37 promulgated by the MSRB.

(c) <u>MSRB Forms Submitted</u>. All reports required to be submitted to the MSRB pursuant to Rule G-37 have been and will be submitted to the MSRB.

(d) <u>No Compensation or Gifts</u>. The Underwriter has not paid or agreed to pay, nor will it pay or agree to pay, any entity, company, firm, or person (including, but not limited to the Office of Education's officers, agents or employees thereof), other than a bona fide officer, agent or employee working for Underwriter, any compensation, fee, gift or other consideration contingent upon or resulting from the award of or entering into this Purchase Agreement.

(e) <u>No Financial Advisory Relationship</u>. The Underwriter has, and has had, no financial advisory relationship with the Office of Education as such term is defined in California Government Code Section 53590(c) or MSRB Rule G-23 with respect to the Certificates, and no investment firm controlling, controlled by or under common control with the Underwriter has or has had any such financial advisory relationship.

5. Establishment of Issue Price.

(a) <u>Actions to Establish Price</u>. The Underwriter agrees to assist the Office of Education in establishing the issue price of the Certificates and shall execute and deliver to the Office of Education at Closing an "issue price" or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit B, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Office of Education and Special Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Certificates.

10% Test. Except as otherwise set forth in Exhibit A attached hereto, the (b) Office of Education will treat the first price (meaning single) at which 10% of each maturity of the Certificates (the "10% test") is sold to the public as the issue price of that maturity. At or promptly after the execution of this Purchase Agreement, the Underwriter shall report to the Office of Education the price or prices at which it has sold to the public each maturity of the Certificates. If at that time the 10% test has not been satisfied as to any maturity of the Certificates, the Underwriter agrees to promptly report to the Office of Education the prices at which it sells the unsold Certificates of that maturity to the public. That reporting obligation shall continue, whether or not the Closing Date (as defined herein) has occurred, until either (i) the Underwriter has sold all Certificates of that maturity or (ii) the 10% test has been satisfied as to the Certificates of that maturity, provided that, the Underwriter's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Office of Education or Special Counsel. For purposes of this Section, if Certificates mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Certificates.

(c) <u>Initial Offering Prices</u>. The Underwriter confirms that it has offered the Certificates to the public on or before the date of this Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth

in Exhibit A attached hereto, except as otherwise set forth therein. Exhibit A also sets forth, as of the date of this Purchase Agreement, the maturities, if any, of the Certificates for which the Underwriter represents that (A) the 10% test has been satisfied (assuming orders are confirmed by the end of the day immediately following the day of execution of this Purchase Agreement) and (B) the 10% test has not been satisfied and for which the Office of Education and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the Office of Education to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth business day after the sale date; or
- (ii) the date on which the Underwriter has sold at least 10% of that maturity of the Certificates to the public at a price that is no higher than the initial offering price to the public.
- (d) <u>Underwriter Representations</u>. The Underwriter confirms that:
 - (i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Certificates to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:
 - (A) (1) to report the prices at which it sells to the public the unsold Certificates of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Certificates of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Certificates of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter, and (2) to comply with the hold-the-offeringprice rule, if applicable, if and for so long as directed by the Underwriter,
 - (B) to promptly notify the Underwriter of any sales of Certificates that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Certificates to the public (each such term being used as defined below), and
 - (C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) Any selling group agreement relating to the initial sale of the Certificates to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Certificates to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Certificates of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Certificates of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Certificates of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires. The Office of Education further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Certificates, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Certificates.

(e) Office of Education Acknowledgements. The Office of Education acknowledges that, in making the representations set forth in this section, the Underwriter will rely on (i) in the event a selling group has been created in connection with the initial sale of the Certificates to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Certificates, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Certificates, as set forth in a selling group agreement was employed in connection with the initial sale of the Certificates to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Certificates, as set forth in a selling, but not limited to, its agreement to comply with the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Certificates, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Certificates, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Certificates, as set forth in a selling but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Certificates, as set forth in the third-party distribution agreement and the related pricing wires.

(f) <u>Sales to the Public; Definitions</u>. The Underwriter acknowledges that sales of any Certificates to any person that is a related party to an underwriter participating in the initial sale of the Certificates to the public (as each such term is defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

- (i) "<u>public</u>" means any person other than an underwriter or a related party,
- (ii) <u>"underwriter</u>" means (A) any person that agrees pursuant to a written contract with the Office of Education (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Certificates to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Certificates to the public (including a member of a

selling group or a party to a third-party distribution agreement participating in the initial sale of the Certificates to the public),

- (iii) a purchaser of any of the Certificates is a "<u>related party</u>" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other), and
- (iv) "<u>sale date</u>" means the date of execution of this Purchase Agreement by all parties.

6. <u>Conditions to the Obligations of the Underwriter</u>. The obligation of the Underwriter to accept delivery of and pay for the Certificates on the Closing Date shall be subject, at the option of the Underwriter, to the accuracy in all material respects of the representations, warranties and agreements on the part of the Office of Education contained herein as of the date hereof and as of the Closing Date, to the accuracy in all material respects of the statements of the officers and other officials of the Office of Education, the Corporation and the Trustee made in any certificates or other documents furnished pursuant to the provisions hereof or the Certificate Documents, and to the performance by the Office of Education, the Corporation, the Insurer and the Trustee of their respective obligations to be performed hereunder and under the Certificate Documents at or prior to the Closing Date, and to the following additional conditions:

(a) At the Closing Date, the Certificates, the Certificate Documents and the Official Statement shall have been duly authorized, executed and delivered by the respective parties thereto, in substantially the forms heretofore submitted to the Underwriter with only such changes as shall have been agreed to by the Underwriter, and said documents shall not have been amended, modified or supplemented, except as may have been agreed to by the Underwriter, and there shall have been taken in connection therewith, with the execution and delivery of the Certificates and with the transactions contemplated thereby and by this Purchase Agreement, all such actions as Special Counsel, shall deem to be necessary and appropriate;

(b) The representations and warranties of the Office of Education contained in this Purchase Agreement shall be true, correct and complete in all material respects on the date hereof and on the Closing Date, as if made again on the Closing Date, and the Official Statement (as the same may be supplemented or amended with the written approval of the Underwriter) shall be true, correct and complete in all material respects and such information shall not contain any untrue statement of fact or omit to state any fact required to be stated therein or necessary to make the statements therein relating to the Office of Education, in light of the circumstances under which such statements were made, not misleading; (c) Between the date hereof and the Closing Date, neither the market price nor marketability, or the ability of the Underwriter to enforce contracts for the sale of the Certificates, at the initial offering prices set forth in Exhibit A hereto and in the Official Statement, of the Certificates shall have been materially adversely affected, in the judgment of the Underwriter, by reason of any of the following:

(1) legislation enacted or introduced in the Congress or recommended for passage by the President of the United States, or a decision rendered by a court established under Article III of the Constitution of the United States or by the Tax Court of the United States, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made:

(i) by or on behalf of the Treasury Department of the United States or the Internal Revenue Service with the purpose or effect, directly or indirectly (except as described in the Official Statement), of imposing federal income taxation upon such interest as would be received by the owners of the Certificates, or

(ii) by or on behalf of the Securities and Exchange Commission, or any other governmental entity having jurisdiction of the subject matter, to the effect that obligations of the general character of the Certificates, or the Certificates, including any or all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or that the Trust Agreement is not exempt from qualification under the Trust Indenture Act of 1939, as amended;

(2) the declaration of war or engagement in or escalation of major military hostilities by the United States or the occurrence of any other national emergency or calamity relating to the effective operation of the government or of the financial community in the United States;

(3) the declaration of a general banking moratorium by federal, New York or California authorities, or the general suspension of trading on any national securities exchange;

(4) the imposition by the New York Stock Exchange or other national securities exchange, or any governmental entity, of any material restrictions not now in force with respect to the Certificates or obligations of the general character of the Certificates or securities generally, or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or the charge to the net capital requirements of, the Underwriter;

(5) an order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the Securities and Exchange Commission, or any other governmental entity having jurisdiction of the subject matter, issued or made to the effect that the issuance, offering or sale of obligations of the general character of the Certificates, or the execution, delivery, offering or sale of the Certificates, including any or all underlying obligations, as contemplated hereby or by the Official Statement, is or would be in violation of the federal securities laws as then in effect; (6) the occurrence of any adverse change of a material nature of the financial condition, results of operation or properties of the Office of Education;

(7) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriter, makes untrue in any material adverse respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(8) there shall have occurred or any notices shall have been given of any intended downgrading, suspension, withdrawal, or negative change in credit watch by any national rating service to any of the Office of Education's obligations (without regard to any credit enhancement thereto);

(9) there shall have occurred or any notices shall have been given of any withdrawal, downgrading or placement on negative credit watch of any rating of the Insurer;

(10) the suspension by the Securities and Exchange Commission of trading in the outstanding securities of the Office of Education;

(11) legislation enacted by or introduced in the legislature of the State, or favorably reported out of committee or a decision rendered by a court of the State, or a ruling, order, or regulation (final or temporary) made by State authority, which would have the effect of changing, directly or indirectly, the State tax consequences of interest on obligations of the general character of the Certificates in the hands of the holders thereof; or

(12) the purchase of and payment for the Certificates by the Underwriter, or the resale of the Certificates by the Underwriter, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission.

(d) At or prior to the Closing Date, the Underwriter shall have received the following documents, in each case satisfactory in form and substance to the Underwriter:

(1) the Official Statement and each Certificate Document, duly executed and delivered by the respective parties thereto, with such amendments, modifications or supplements as may have been agreed to by the Underwriter;

(2) an approving opinion, dated the Closing Date and addressed to the Office of Education, of Special Counsel, in substantially the form attached to the Official Statement as Appendix D, and a letter of such counsel, dated the Closing Date and addressed to the Underwriter, to the effect that such opinion may be relied upon by the Underwriter to the same extent as of such opinion were addressed to it;

(3) the supplemental opinion of Special Counsel, dated the Closing Date and addressed to the Underwriter, substantially to the effect that (i) this

Purchase Agreement and the Certificate Documents to which the Office of Education is a party have been duly authorized, executed and delivered by the Office of Education and are valid and binding agreements of the Office of Education enforceable in accordance with their respective terms, except as enforcement thereof may be limited by bankruptcy, insolvency, moratorium and other laws affecting the enforcement of creditors' rights, by the application of equitable principles if equitable remedies are sought, by the exercise of judicial discretion in appropriate cases and by the limitations on legal remedies against public agencies in the State of California, (ii) the Certificates are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Trust Agreement is exempt from gualification under the Trust Indenture Act of 1939, as amended, and (iii) the statements contained in the Official Statement under the "INTRODUCTION," "THE CERTIFICATES," **"SECURITY** captions AND SOURCES OF PAYMENT FOR THE CERTIFICATES" and "TAX MATTERS" and in Appendix A thereto, insofar as such statements purport to summarize certain provisions of the Certificates, the Certificate Documents and Special Counsel's opinion concerning certain federal tax matters relating to the Certificates, are accurate in all material respects;

(4) an opinion of Jones Hall, A Professional Law Corporation, as disclosure counsel ("Disclosure Counsel"), dated the Closing Date and addressed to the Office of Education, substantially to the effect that, based upon its participation in the preparation of the Preliminary Official Statement and the Official Statement and without having undertaken to determine independently the fairness. accuracy or completeness of the statements contained in the Official Statement, Disclosure Counsel has no reason to believe that, the Preliminary Official Statement as of its date and as of the date hereof, and the Official Statement as of its date and as of the date of the Closing (excluding therefrom the reports, financial and statistical data and forecasts therein, the information included in Appendices [A, B, C, F, G and H] thereto, information relating to DTC and its bookentry system and information relating to the Insurer and its insurance policy and debt service reserve policy as to which no opinion need be expressed) contained or contains any untrue statement of a material fact or omitted or omits to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(5) a certificate of the Trustee dated the Closing Date, signed by a duly authorized officer of the Trustee, to the effect that (i) the Trustee is a national banking association organized and existing under and by virtue of the laws of the United States of America, having the full power and being qualified to enter into and perform its duties under the Trust Agreement and the Assignment Agreement and to execute and deliver the Certificates to the Underwriter pursuant to the Trust Agreement, (ii) when delivered to and paid for by the Underwriter on the Closing Date, the Certificates will have been duly executed and delivered by the Trustee, (iii) to the knowledge of the undersigned, the execution and delivery of the Trust Agreement and the Assignment Agreement and compliance with the provisions on the Trustee's part contained therein, will not conflict in any material respect, with or constitute a breach of or default under any material agreement or material instrument to which the Trustee is a party or by which it is bound or any law, administrative regulation, judgment, decree, (except that no representation,

warranty or agreement is made with respect to any federal or state securities or blue sky laws or regulations), nor will any such execution, delivery, adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets held by the Trustee pursuant to the lien created by the Trust Agreement under the terms of any such law, administrative regulation, judgment, decree, any material agreement or material instrument to which the Trustee is a party or by which it is bound or except as provided by the Trust Agreement, and (iv) to the knowledge of the undersigned, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental or public entity pending or, threatened against the Trustee, affecting the existence of the Trustee, or the titles of its officers to their respective offices or seeking to prohibit, restrain or enjoin the execution and delivery of the Certificates, or in any way contesting or affecting the validity or enforceability of the Trust Agreement and the Assignment Agreement or contesting the powers of the Trustee or the Corporation to enter into, adopt or perform its obligations under any of the foregoing to which it is a party, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Trust Agreement or the Assignment Agreement or the ability of the Trustee to perform its obligations thereunder;

an opinion of counsel to the Trustee, dated the Closing Date, (6) addressed to the Office of Education and the Underwriter, to the effect that (i) the Trustee is a duly organized and validly existing national banking association in good standing under the laws of the United States and has full power and authority to execute and deliver the Trust Agreement, (ii) the Trustee has duly authorized, executed and delivered the Trust Agreement and the Assignment Agreement and by all proper corporate action has authorized the execution and delivery of the Trust Agreement, (iii) the Trust Agreement and the Assignment Agreement constitute legally valid and binding agreements of the Trustee, enforceable against the Trustee in accordance with their terms, (iv) the Certificates have been validly executed and delivered by the Trustee and are entitled to the benefits of the Trust Agreement to the extent legally enforceable in accordance with their terms, (v) except as may be required under any federal or state securities laws or regulations that may be applicable to the initial purchase and distribution of the Certificates, and other than routine filings required to be made with applicable governmental authorities in order to preserve the Trustee's authority to perform a trust business, no authorization, approval, consent, or other order of any governmental authority or agency having jurisdiction over the Trustee is required for the valid authorization, execution, delivery and performance by the Trustee of the Trust Agreement and the Assignment Agreement, and (vi) the execution and delivery of the Trust Agreement and the Assignment Agreement and compliance by the Trustee with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or violate any agreement or other instrument to which the Trustee is a party ;

(7) a certificate of the Office of Education, dated the Closing Date, signed by an authorized officer thereof, to the effect that (i) the representations and warranties of the Office of Education contained in this Purchase Agreement and in the Certificate Documents to which it is a party are true and correct in all material respects as of the Closing Date as if made on the Closing Date, and (ii)

to the best of the Office of Education's knowledge, no event affecting the Office of Education has occurred since the date of the Official Statement which either makes untrue or incorrect in any material respect as of the Closing Date the statements or information (except for statements and information regarding DTC, or the Insurer) contained in the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make the statements and information (except for statements and information regarding DTC, or the Insurer) therein not misleading in any material respect;

a certificate of the Corporation, dated the Closing Date, signed by (8) an authorized officer thereof, to the effect that (i) the Corporation is a nonprofit public benefit corporation duly organized and validly existing under the laws of the State of California, (ii) the Corporation has all necessary power and the Corporation and has taken all official actions necessary to execute, deliver and perform its duties under each of the Certificate Documents to which it is a party. and each of the Certificate Documents to which the Corporation is a party has been duly authorized, executed and delivered by the Corporation and, assuming the due authorization, execution and delivery by the other respective parties thereto, will constitute legally valid and binding obligations of the Corporation enforceable against the Corporation in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or limiting creditors' rights generally or principles of equity involving judicial discretion, (iii) the Corporation is not in material breach of, or default under, any applicable constitutional provision, law or administrative rule or regulation of the State of California or the United States of America material to the conduct of its functions or any applicable judgment or decree or any loan agreement, indenture, bond, certificate, note, resolution or other agreement or instrument to which the Corporation is a party or to which the Corporation or any of its properties is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any of the foregoing; and the authorization, execution and delivery of the Certificate Documents to which the Corporation is a party, and compliance with the provisions thereof, will not conflict with or constitute a breach of or default under any constitutional provision, law, administrative rule or regulation, or any judgment, decree, license, permit, loan agreement, indenture, bond, certificate, note, resolution, agreement or other instrument to which the Corporation (or any of its officers in their respective capacities as such) is subject or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument except as may be provided by the Certificate Documents, (iv) there is no consent, approval, authorization or other order of, or filing with, or certification by, any regulatory entity having jurisdiction over the Corporation required for the execution and delivery of the Certificate Documents to which the Corporation is a party, or the consummation by the Corporation of the transactions contemplated in the Official Statement or in the Certificate Documents, which has not been duly obtained or made on or prior to the date hereof, (v) there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or governmental or public entity pending or, to the best knowledge of the Corporation, threatened against the Corporation which affects or seeks to prohibit, restrain or

enjoin the execution or delivery of the Certificates or any of the Certificate Documents, or contesting the validity of the Certificates or any of the Certificate Documents or the powers of the Corporation to enter into or perform its obligations under the Certificate Documents to which it is a party or the existence or powers of the Corporation, and (vi) to the best of the Corporation's knowledge, no event affecting the Corporation has occurred since the date of the Official Statement which either makes untrue or incorrect in any material respect as of the Closing Date the statements or information regarding the Corporation contained in the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make the statements and information therein regarding the Corporation not misleading in any material respect;

(9) a Certificate of Status from the State of California, showing that the Corporation is in good standing with the California Franchise Tax Board under the laws of the State of California and is exempt from tax under applicable provisions of the California Revenue and Taxation Code;

(10) a certified copy of the resolution of the Board of Education of the Office of Education authorizing the execution and delivery of the Certificate Documents to which the Office of Education is a party and other matters pertaining thereto;

(11) a certified copy of the resolution of the Board of Directors of the Corporation authorizing the execution and delivery of the Certificate Documents to which the Corporation is a party and other matters pertaining thereto, and evidence of good standing with the California Secretary of State;

(12) a certified copy of the general resolution of the Trustee authorizing the execution and delivery of the Certificate Documents to which the Trustee is a party;

(13) the certificate insurance policy issued by the Insurer with respect to the Certificates, the tax certificate representations of the Insurer, and an opinion of counsel to the Insurer regarding the enforceability of such policy, in form reasonably satisfactory to the Office of Education, Special Counsel and the Underwriter;

(14) the municipal bond debt service reserve insurance policy issued by the Insurer to be credited to the reserve fund established for the Certificates, and the Insurance Agreement executed by the Insurer and the Office of Education with respect thereto;

(15) Internal Revenue Service Form 8038-G, as prepared for the Certificates;

(16) evidence of arrangements for the issuance of a binder for a CLTA title insurance policy, providing the title insurance required by the Lease Agreement;

(17) evidence that the Certificates have received the ratings shown on the cover of the Official Statement, and that each such rating has not been revoked or downgraded;

(18) evidence satisfactory to Special Counsel and the Underwriter, of insurance in compliance with the Lease Agreement and the Trust Agreement;

(19) the duly executed Continuing Disclosure Certificate of the Office of Education in substantially the form attached to the Official Statement as Appendix E;

(20) a certificate as to arbitrage of the Office of Education in form and substance acceptable to Special Counsel;

(21) The Underwriter shall provide the following certificates to the Office of Education:

(a) The receipt of the Underwriter, in form satisfactory to the Office of Education and signed by an authorized officer of the Underwriter, accepting delivery of the Certificates to the Underwriter and receipt of all documents required by the Underwriter, and the satisfaction of all conditions and terms of this Purchase Agreement by the Office of Education, and confirming to the Office of Education that as of the Closing Date, all of the representations of the Underwriter contained in this Purchase Agreement are true, complete and correct in all material respects, and

(b) The certification of the Underwriter regarding issue price, in form satisfactory to Special Counsel, as set forth in this Purchase Agreement as Exhibit B, which certification shall include such additional matters as Special Counsel shall specify;

(22) an opinion of Dannis Woliver Kelley as counsel to the Underwriter, dated the Closing Date and addressed to the Underwriter, in form and substance satisfactory to the Underwriter; and

(23) such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriter or Special Counsel may reasonably request to evidence compliance by the Trustee, the Corporation and the Office of Education with legal requirements, the truth and accuracy, as of the Closing Date, of the representations of the Trustee, the Corporation and the Office of Education, and the due performance or satisfaction by the Trustee, the Corporation and the Office of Education at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Trustee, the Insurer, the Corporation and the Office of Education.

If the Office of Education shall be unable to satisfy the conditions to the Underwriter's obligations contained in this Purchase Agreement or if the Underwriter's obligations shall be terminated for any reason permitted herein, all obligations of the Underwriter hereunder may be terminated by the Underwriter at, or at any time prior to, the Closing Date by written notice to the Office of Education and neither the Underwriter nor the Corporation shall have any further obligations hereunder.

7. <u>Fees and Expenses</u>. Except as provided in the following paragraph, the Office of Education shall pay all costs and expenses incurred in connection with or relating to the execution and sale of the Certificates, including but not limited to: (a) all fees and expenses of Special Counsel and Disclosure Counsel, (b) all expenses and costs of the Office of Education incident to the performance of its obligations hereunder and in connection with the authorization, execution and sale of the Certificates to the Underwriter, (c) the costs of printing the Preliminary Official Statement and the Official Statement, (d) the fees of the Corporation and the fees and expenses of the Trustee and its counsel, (e) the rating fees, (f) fees of the Office of Education's municipal advisor, and (g) the premium cost for title insurance.

The Underwriter shall pay any advertising expenses incurred in connection with the public offering of the Certificates, California Debt and Investment Advisory Commission and other regulatory bond fees, fees relating to CUSIP numbers and, except as provided in the preceding paragraph, and all other expenses incurred by the Underwriter, including, but not limited to, Underwriter's counsel fees and other fees and expenses in connection with the public offering and sale of the Certificates. Meals in connection with or adjacent to meetings, rating agency presentations, pricing activities or other transaction-related activities shall be considered an expense of the transaction and included in the expense component of the Underwriter's discount.

8. <u>Parties in Interest; Survival of Representations and Warranties</u>. This Purchase Agreement, when accepted by the Office of Education in writing as heretofore specified, shall constitute the entire agreement between the Office of Education and the Underwriter. This Purchase Agreement is made solely for the benefit of the Office of Education and the Underwriter (including the successors or assigns of the Underwriter). No person shall acquire or have any rights hereunder or by virtue hereof. All the representations, warranties and agreements of the Office of Education in this Purchase Agreement shall survive regardless of (a) any investigation of any statement in respect thereof made by or on behalf of the Underwriter, (b) delivery of and payment by the Underwriter for the Certificates hereunder, and (c) any termination of this Purchase Agreement.

9. <u>Survival of Certain Representations and Obligations</u>. The agreements, covenants, representations, warranties and other statements of the Office of Education and its officials or officers set forth in or made pursuant to this Purchase Agreement shall survive delivery of and payment for the Certificates, regardless of any investigation, or statements as to the results thereof, made by or on behalf of the Underwriter.

10. <u>Notices</u>. All notices, certificates and other communications provided for hereunder shall be in writing and, if to the Office of Education, mailed, certified, return receipt requested, or delivered to it, addressed to it at the address identified on page 1, Attention: Superintendent, and if to the Underwriter, mailed, certified, return receipt requested, or delivered to it, addressed to it at 3017 Douglas Blvd., Suite 300, Roseville, California, 95661, Attention: Managing Director, or such other address as shall be designated by any such party in a written notice to each of the other parties.

11. <u>Survival of Representations, Warranties and Agreements</u>. All representations, warranties and agreements in this Purchase Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriter and shall survive the delivery of the Certificates hereunder.

12. <u>Determination of End of the Underwriting Period</u>. For purposes of this Purchase Agreement, the "end of the underwriting period" for the Certificates shall mean the earlier of (a)

the day of the Closing unless the Office of Education has been notified in writing by the Underwriter, on or prior to the day of the Closing, that the "end of the underwriting period" for the Certificates for all purposes of Rule 15c2-12 of the Securities and Exchange Act of 1934 (the "Rule") will not occur on the day of the Closing, or (b) the date on which the Underwriter no longer retains an unsold balance of the Certificates; unless otherwise advised in writing by the Underwriter pursuant to clause (a) above that the "end of the underwriting period" for the Certificates will not occur on the day of the Closing or otherwise agreed to by the Office of Education and the Underwriter, the Office of Education may assume that the "end of the underwriting period" is the Closing Date.

13. <u>Severability</u>. In the event any provision of this Purchase Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

14. <u>No Assignment</u>. Notwithstanding anything stated to the contrary herein, neither party hereto may assign or transfer its interest herein, or delegate or transfer any of its obligations hereunder, without the prior written consent of the other party hereto.

15. <u>Entire Agreement</u>. This Purchase Agreement, when executed by the parties hereto, shall constitute the entire agreement of the parties hereto (including their permitted successors and assigns, respectively).

16. <u>Applicable Law</u>. This Purchase Agreement shall be interpreted, governed and enforced in accordance with the laws of the State of California.

17. <u>Effectiveness</u>. This Purchase Agreement shall become effective upon its execution by duly authorized officers of the Underwriter and the Office of Education and shall be valid and enforceable from and after the time of such execution.

[Remainder of Page Intentionally Left Blank]

18. <u>Counterparts</u>. This Purchase Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Very truly yours,

D.A. DAVIDSON & CO., as Underwriter

By:_____ Managing Director

TULARE COUNTY OFFICE OF EDUCATION

By:_____ Superintendent of Schools

Time of Execution: ______ p.m. California time

EXHIBIT A

Mati	iritv	Sche	edule
wau	ALILY	OCIN	June

						Hold the
Maturity Date	Principal				10% Test	Offering
(December 1)	Amount	Interest Rate	Yield	Price	Used	Price Used
· · · · · · · · · · · · · · · · · · ·						

C: Priced to first optional redemption date of December 1, 20__.

T: Term Certificates

Prepayment Provisions

Optional Prepayment. The Certificates maturing on or before December 1, 20__, are not subject to optional prepayment before their respective stated maturities. The Certificates maturing on or after December 1, 20__, are subject to prepayment prior to their respective stated maturity from any legally available source of funds of the Office of Education, at the option of the Office of Education, in whole, or in part among maturities on such basis as shall be designated by the Office of Education and by lot within any one maturity, on December 1, 20__, or on any date thereafter, upon payment of a prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest to the date fixed for prepayment, without premium.

Mandatory Prepayment from Sinking Fund Prepayments. The Certificates maturing on December 1, 20__, December 1, 20__, and December 1, 20__ (collectively, the "Term Certificates") are subject to mandatory sinking fund prepayment by lot on December 1 in each year as set forth in the following table, from the principal components of the Lease Payments required to be paid with respect to each of such dates, at a prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest represented thereby to the prepayment date, without premium, as follows:

Principal Amount Term Certificates Maturing December 1, 20				
Sinking Fund	Certificates			
Prepayment Date	Principal Amount			
(December 1)	To Be Prepaid			
Dringing Amount Torm	Cortificator Maturing December 1, 20			
	Certificates Maturing December 1, 20			
Sinking Fund	Certificates			
5	Principal Amount			
(December 1)	To Be Prepaid			
Principal Amount Term	Certificates Maturing December 1, 20			
Sinking Fund	Certificates			
Prepayment Date	Principal Amount			
(December 1)	To Be Prepaid			
	Sinking Fund Prepayment Date (December 1) Principal Amount Term Sinking Fund Prepayment Date (December 1) Principal Amount Term Sinking Fund Prepayment Date			

Notwithstanding the foregoing, if some but not all of the above-referenced Term Certificates are prepaid under the Trust Agreement, the aggregate principal amount of said Term Certificates to be prepaid in each year as reflected in the foregoing tables shall be reduced by the aggregate principal amount of Term Certificates so prepaid, to be allocated among sinking fund installments on a *pro rata* basis in integral multiples of \$5,000 such that the resulting amount of principal represented by the applicable Term Certificates subject to prepayment on any date is equal to the aggregate principal components of the Lease Payments coming due and payable on such date.

Mandatory Prepayment from Net Proceeds. The Certificates are subject to mandatory prepayment, in whole or in part, on any Business Day, among maturities on a *pro rata* basis and by lot within a maturity, from the Net Proceeds of insurance or eminent domain proceedings credited towards the prepayment of the Lease Payments under the Lease Agreement and Trust Agreement, at a prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest represented thereby to the date fixed for prepayment, without premium.

EXHIBIT B

FORM OF ISSUE PRICE CERTIFICATE

\$

2024 CERTIFICATES OF PARTICIPATION Evidencing the Direct, Undivided Fractional Interests of the Owners Thereof in Lease Payments to be Made by the TULARE COUNTY OFFICE OF EDUCATION to the Local Facilities Finance Corporation

ISSUE PRICE CERTIFICATE

The undersigned, on behalf of D.A. Davidson & Co. ("Davidson"), hereby certifies based upon information available to it as set forth below, with respect to the sale and issuance of the above-captioned obligations (the "Certificates").

1. <u>Sale of the General Rule Maturities</u>. As of the date of this certificate, for each Maturity of the Certificates, the first price at which at least 10% of such Maturity of the Certificates was sold to the Public is the respective price listed in <u>Schedule A</u>.

- 2. <u>Defined Terms</u>.
- (a) Office of Education means Tulare County Office of Education.

(b) *General Rule Maturities* means those Maturities of the Certificates listed in Schedule A hereto as the "General Rule Maturities."

(c) *Maturity* means Certificates with the same credit and payment terms. Certificates with different maturity dates, or Certificates with the same maturity date but different stated interest rates, are treated as separate Maturities.

(d) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term "related party" for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(e) *Related Party* means any entity if an Underwriter and such entity are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profit interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

(f) Underwriter means (i) any person that agrees pursuant to a written contract with the Office of Education (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Certificates to the Public, and (ii) any person that agrees

pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Certificates to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Certificates to the Public).

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents Davidson interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Office of Education with respect to certain of the representations set forth in the Certificate as to Arbitrage and with respect to compliance with the federal income tax rules affecting the Certificates, and by Jones Hall, A Professional Law Corporation, in connection with rendering its opinion that the interest on the Certificates is excluded from gross income for federal income tax purposes, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Office of Education from time to time relating to the Certificates. Except as expressly set forth above, the certifications set forth herein may not be relied upon or used by any third party or for any other purpose.

D.A. DAVIDSON & CO.

By:_____

Managing Director

PRELIMINARY OFFICIAL STATEMENT DATED _____,

NEW ISSUE -- FULL BOOK-ENTRY

2024

Rating: S&P: "____" See "RATING" herein.

In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Special Counsel, subject, however to certain qualifications described herein, under existing law, the portion of Lease Payments designated as and comprising interest and received by the owners of the Certificates is excluded from gross income for federal income tax purposes, and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Such Interest may be subject to the corporate alternative minimum tax. In the further opinion of Special Counsel, the interest portion of the Lease Payments is exempt from California personal income taxes. See "TAX MATTERS."

\$122,000,000* 2024 CERTIFICATES OF PARTICIPATION Evidencing the Direct, Undivided Fractional Interests of the Owners Thereof in Lease Payments to be Made by the TULARE COUNTY OFFICE OF EDUCATION to the Local Facilities Finance Corporation

Dated: Date of Delivery

Due: November 1, as shown on inside cover

Purpose. The captioned certificates of participation (the "Certificates") are being executed and delivered to (a) finance the building and renovating facilities of the Tulare County Office of Education (the "Office of Education"), (b) purchase a reserve fund surety policy for the Reserve Fund (as described herein) and (c) pay certain costs of executing and delivering the Certificates, including, but not limited to, the premiums to acquire a certificate insurance policy and a reserve fund insurance policy to be credited to the Reserve Fund (defined herein). See "FINANCING PLAN" herein.

Security. The Certificates evidence direct, undivided fractional interests of the owners thereof in Lease Payments (the "Lease Payments") to be made by the Office of Education for the use and occupancy of certain real property and improvements under a Lease Agreement dated as of November 1, 2024 (the "Lease Agreement"), between the Office of Education and the Local Facilities Finance Corporation, a California nonprofit public benefit corporation (the "Corporation"). The Lease Payments will be payable from any source of available funds of the Office of Education, subject to the provisions of the Lease Agreement described herein regarding abatement and defeasance. The Office of Education is required under the Lease Agreement to take such action as may be necessary to include all Lease Payments coming due in each of its annual budgets during the term of the Lease Agreement and to make the necessary annual appropriations for all such Lease Payments. The semiannual Lease Payments payable under the Lease Agreement will comprise the interest and principal represented by the Certificates. The Certificates will be secured under a Trust Agreement dated as of November 1, 2024, among the Office of Education, the Corporation and Wilmington Trust, National Association, as trustee (the "Trustee"). Under an Assignment Agreement dated as of November 1, 2024, between the Corporation and the Trustee, the Lease Payments will be irrevocably assigned to the Trustee for the benefit of the Owners of the Certificates. See "SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES." See also "RISK FACTORS."

Interest. Interest represented by the Certificates will be payable on November 1 and May 1 of each year, commencing May 1, 2025. See "THE CERTIFICATES."

Book-Entry Only. When executed and delivered, the Certificates will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). DTC will act as securities depository of the Certificates. Ownership interests in the Certificates may be purchased in bookentry form only. Beneficial owners of Certificates will not receive physical certificates representing the Certificates purchased, but will receive a credit balance on the books of the nominees of such purchasers who are participants of DTC. See "THE CERTIFICATES – Book-Entry Only System" and "APPENDIX F – Book-Entry Only System."

Payments. Principal and interest due with respect to the Certificates will be paid by the Trustee to DTC, which will in turn remit those payments to its participants for subsequent disbursement to the beneficial owners of the Certificates as described in this Official Statement. See "THE CERTIFICATES – Book-Entry Only System" and "APPENDIX F – Book-Entry Only System."

Prepayment.* The Certificates are subject to optional prepayment and mandatory prepayment from net proceeds of insurance or condemnation. See "THE CERTIFICATES – Prepayment."

Limited Obligation. NEITHER THE CERTIFICATES NOR THE OBLIGATION OF THE OFFICE OF EDUCATION TO MAKE LEASE PAYMENTS CONSTITUTES AN INDEBTEDNESS OF THE OFFICE OF EDUCATION, THE CORPORATION, THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF, WITHIN THE MEANING OF THE CONSTITUTION OF THE STATE OF CALIFORNIA OR OTHERWISE, OR AN OBLIGATION FOR WHICH THE OFFICE OF EDUCATION IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE OFFICE OF EDUCATION HAS LEVIED OR PLEDGED ANY FORM OF TAXATION. See "SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES."

Certificate Insurance. The Office of Education has applied for a certificate insurance policy to insure the payment of principal and interest with respect to the Certificates and for a reserve fund surety bond to be credited to the Reserve Fund (described herein). If purchased, the terms will be reflected in the final Official Statement. The Office of Education will consider such purchase only after analyzing the related premiums and the benefits to be realized at pricing. See "CERTIFICATE INSURANCE" and "SECURITY AND SOURCES OF PAYMENT FOR THE REFUNDING CERTIFICATES - Reserve Fund."

MATURITY SCHEDULE (See inside cover)

This cover page contains information for quick reference only. It is not a summary of all the provisions of the Certificates. Investors must read the entire official statement to obtain information essential in making an informed investment decision. See "RISK FACTORS" for a discussion of factors that should be considered, in addition to the other matters set forth in this Official Statement, in evaluating the investment quality of the Certificates.

The Certificates are offered when, as and if executed and delivered, subject to the approval as to their legality by Jones Hall, A Professional Law Corporation, San Francisco, California, Special Counsel. Certain legal matters will be passed upon for the Office of Education by Jones Hall, A Professional Law Corporation, San Francisco, California, as Disclosure Counsel and for the Underwriter by Dannis Woliver Kelley, Long Beach, California, as counsel to the Underwriter. It is anticipated that the Certificates will be available for delivery to DTC on or about November 26, 2024*.



The date of this Official Statement is _____, 2024.

*Preliminary; subject to change.

MATURITY SCHEDULE*

BASE CUSIP[†]: _____

Maturity Date	Principal				
(November 1)	Amount	Interest Rate	Yield	Price	CUSIP [†]

\$_____% Term Certificates maturing November 1, 20__; Yield: ___%; CUSIP[†]: ____

*Preliminary; subject to change.

[†] CUSIP[®] is a registered trademark of the American Bankers Association. CUSIP data is provided by CUSIP Global Services (CGS) which is managed on behalf of the American Bankers Association by S&P Capital IQ. CUSIP[®] data is not intended to create a database and does not serve in any way as a substitute for the CUSIP[®] Service Bureau. CUSIP[®] numbers are provided for convenience of reference only. Neither the Office of Education, the Corporation nor the Underwriter take any responsibility for the accuracy of such numbers.

GENERAL INFORMATION ABOUT THIS OFFICIAL STATEMENT

Use of Official Statement. This Official Statement is submitted in connection with the sale of the Certificates referred to herein and may not be reproduced or used, in whole or in part, for any other purpose. This Official Statement is not a contract between any Certificate owner and the Office of Education or the Underwriter.

No Offering Except by This Official Statement. No dealer, broker, salesperson or other person has been authorized by the Office of Education or the Underwriter to give any information or to make any representations other than those contained in this Official Statement and, if given or made, such other information or representation must not be relied upon as having been authorized by the Office of Education or the Underwriter.

No Unlawful Offers or Solicitations. This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy nor may there be any sale of the Certificates by a person in any jurisdiction in which it is unlawful for such person to make such an offer, solicitation or sale.

Information in Official Statement. The information set forth in this Official Statement has been furnished by the Office of Education and other sources which are believed to be reliable, but it is not guaranteed as to accuracy or completeness.

Estimates and Forecasts. When used in this Official Statement and in any continuing disclosure by the Office of Education in any press release and in any oral statement made with the approval of an authorized officer of the Office of Education or any other entity described or referenced herein, the words or phrases "will likely result," "are expected to", "will continue", "is anticipated", "estimate", "project," "forecast", "expect", "intend" and similar expressions identify "forward looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements are subject to risks and uncertainties that could cause actual results to differ materially from those contemplated in such forward-looking statements. Any forecast is subject to such uncertainties. Inevitably, some assumptions used to develop the forecasts will not be realized and unanticipated events and circumstances may occur. Therefore, there are likely to be differences between forecasts and actual results, and those differences may be material. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, give rise to any implication that there has been no change in the affairs of the Office of Education or any other entity described or referenced herein since the date hereof.

Involvement of Underwriter. The Underwriter has provided the following statement for inclusion in this Official Statement: The Underwriter has reviewed the information in this Official Statement in accordance with, and as a part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Stabilization of and Changes to Offering Prices. The Underwriter may overallot or take other steps that stabilize or maintain the market prices of the Certificates at levels above those that might otherwise prevail in the open market. If commenced, the Underwriter may discontinue such market stabilization at any time. The Underwriter may offer and sell the Certificates to certain securities dealers, dealer banks and banks acting as agent at prices lower than the public offering prices stated on the inside cover page of this Official Statement, and those public offering prices may be changed from time to time by the Underwriter.

Document Summaries. All summaries of the Trust Agreement, the Site Lease, the Lease Agreement, the Assignment Agreement, or other documents referred to in this Official Statement are made subject to the provisions of such documents and qualified in their entirety to reference to such documents, and do not purport to be complete statements of any or all of such provisions.

No Securities Laws Registration. The Certificates have not been registered under the Securities Act of 1933, as amended, in reliance upon exceptions therein for the issuance and sale of municipal securities. The Certificates have not been registered or qualified under the securities laws of any state.

Effective Date. This Official Statement speaks only as of its date, and the information and expressions of opinion contained in this Official Statement are subject to change without notice. Neither the delivery of this Official Statement nor any sale of the Certificates will, under any circumstances, give rise to any implication that there has been no change in the affairs of the Office of Education, the Corporation, the other parties described in this Official Statement, or the condition of the property within the Office of Education since the date of this Official Statement.

Website. The Office of Education maintains a website. However, the information presented on the website is not a part of this Official Statement and should not be relied upon in making an investment decision with respect to the Certificates.

TULARE COUNTY OFFICE OF EDUCATION

BOARD OF EDUCATION

Joe Enea, President, Area 5 Debby Holguin, Vice President, Area 2 Judy Coble, Member, Area 4 Tom Link, Member, Area 3 Celia Maldonado-Arroyo, Member, Area 1 Chris Reed, Member, Area 6 Tony Rodriguez, Member, Area 7

OFFICE OF EDUCATION ADMINISTRATION

Tim Hire, County Superintendent of Schools Fernie Marroquin, Ed.D., Assistant Superintendent, Business Services

PROFESSIONAL SERVICES

MUNICIPAL ADVISOR

Isom Advisors, a Division of Urban Futures, Inc. *Walnut Creek, California*

SPECIAL COUNSEL AND DISCLOSURE COUNSEL

Jones Hall, A Professional Law Corporation San Francisco, California

UNDERWRITER'S COUNSEL

Dannis Woliver Kelley Long Beach, California

BOND REGISTRAR, TRANSFER AGENT AND PAYING AGENT

Wilmington Trust, National Association Costa Mesa, California

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OFFICIAL STATEMENT

\$122,000,000^{*} 2024 CERTIFICATES OF PARTICIPATION Evidencing the Direct, Undivided Fractional Interests of the Owners Thereof in Lease Payments to be Made by the TULARE COUNTY OFFICE OF EDUCATION to the Local Facilities Finance Corporation

INTRODUCTION

This Official Statement (which includes the cover page and Appendices hereto) (collectively, the "Official Statement"), provides certain information concerning the sale and delivery of the certificates of participation captioned above (the "Certificates"), which evidence the direct, undivided fractional interests of the Owners thereof in lease payments (the "Lease Payments") to be made by the Tulare County Office of Education (the "Office of Education") pursuant to a Lease Agreement dated as of November 1, 2024 (the "Lease Agreement"), between the Office of Education and the Local Facilities Finance Corporation (the "Corporation").

All capitalized terms used in this Official Statement but not otherwise defined have the meanings set forth in the Trust Agreement (defined below) or the Lease Agreement. See "APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS."

Use of Proceeds. The net proceeds of the sale of the Certificates will be used for the following purposes:

- (i) to finance the building and renovating facilities of the Office of Education;
- (ii) purchase a reserve fund surety policy (the "**Reserve Policy**") for the Reserve Fund (as defined herein); and

(iii) to pay certain costs incurred in connection with the execution and delivery of the Certificates, including, but not limited to, the premiums to acquire a certificate insurance policy and a reserve fund insurance policy to be credited to the Reserve Fund (defined herein).

See "FINANCING PLAN."

Security and Sources of Payment. The Certificates evidence and represent the direct, undivided fractional interests of the registered owners (the "Owners") thereof in the Lease Payments to be made by the Office of Education for the right to use certain real property and improvements (the "Leased Property"), to be leased by the Office of Education from the Corporation under the Lease Agreement. See "THE LEASED PROPERTY" herein.

The Office of Education and the Corporation will enter into a Site Lease dated as of November 1, 2024 (the "**Site Lease**"). Under the Site Lease, the Office of Education (as owner of the Leased Property) will lease the Leased Property to the Corporation. Concurrently, the Office

^{*}Preliminary; subject to change.

of Education and the Corporation will enter into the Lease Agreement, under which the Office of Education will sublease the Leased Property back from the Corporation in consideration of the payment of semiannual Lease Payments by the Office of Education.

The Certificates will be executed and delivered under a Trust Agreement dated as of November 1, 2024 (the "**Trust Agreement**"), among the Office of Education, the Corporation and Wilmington Trust, National Association, as trustee (the "**Trustee**").

The Trustee and the Corporation will enter into an Assignment Agreement dated as of November 1, 2024 (the "Assignment Agreement"), under which the Corporation will assign to the Trustee for the benefit of the Certificate Owners substantially all of the Corporation's right, title and interest in and to the Lease Agreement, including its right to receive the Lease Payments due under the Lease Agreement, provided that the Corporation will retain the rights to indemnification and to payment or reimbursement of its reasonable costs and expenses under the Lease Agreement.

See "SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES."

LIMITED OBLIGATION. NEITHER THE CERTIFICATES NOR THE OBLIGATION OF THE OFFICE OF EDUCATION TO MAKE LEASE PAYMENTS CONSTITUTES AN INDEBTEDNESS OF THE OFFICE OF EDUCATION, THE CORPORATION, THE STATE OF CALIFORNIA OR ANY POLITICAL SUBDIVISION THEREOF, WITHIN THE MEANING OF THE CONSTITUTION OF THE STATE OF CALIFORNIA OR OTHERWISE, OR AN OBLIGATION FOR WHICH THE OFFICE OF EDUCATION IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE OFFICE OF EDUCATION HAS LEVIED OR PLEDGED ANY FORM OF TAXATION.

Covenant to Appropriate; Abatement. The Office of Education is required under the Lease Agreement to take such action as may be necessary to include all Lease Payments coming due in each of its annual budgets during the term of the Lease Agreement and to make the necessary annual appropriations for all such Lease Payments. The semiannual Lease Payments payable under the Lease Agreement will comprise the interest and principal represented by the Certificates. See "SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES."

However, the Lease Payments are subject to complete or partial abatement in the event and to the extent that there is substantial interference with the Office of Education's right to use and possession of the Leased Property or any portion thereof. If the Lease Payments are abated under the Lease Agreement, and are not paid from alternative sources as described in this Official Statement, the Certificate Owners would receive less than the full amount of principal and interest represented by the Certificates. To the extent proceeds of rental interruption insurance are available or there are moneys in the reserve fund for the Certificates (the "Reserve Fund") (as described below), Lease Payments (or a portion thereof) may be made from those sources during periods of abatement. See "SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES – Abatement" and "RISK FACTORS."

Certificate Insurance; Reserve Fund Insurance Policy. The Office of Education has applied for a municipal bond insurance policy to secure the Certificates, and for a Reserve Policy to be credited to the Reserve Fund (described herein). If purchased, the terms will be reflected in the final Official Statement. The Office of Education will consider such purchases only after analyzing the related premiums and the benefits to be realized at pricing. See "CERTIFICATE

INSURANCE" and "SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES - Reserve Fund."

Prepayment.* The Certificates are subject to optional prepayment and mandatory prepayment from net proceeds of insurance or condemnation as described herein. See "THE CERTIFICATES – Prepayment."

Legal Matters. The execution and delivery of the Certificates is subject to the approving opinion of Jones Hall, A Professional Law Corporation, San Francisco, California ("Special Counsel"), to be delivered in substantially the form attached hereto as APPENDIX D. Jones Hall, A Professional Law Corporation, San Francisco, California, is also serving as Disclosure Counsel to the Office of Education ("Disclosure Counsel"). Dannis Woliver Kelley, Long Beach, California, is serving as counsel to the Underwriter ("Underwriter's Counsel"). Payment of the fees of Special Counsel, Disclosure Counsel and Underwriter's Counsel is contingent upon execution and delivery of the Certificates.

Tax Matters. In the opinion of Special Counsel, subject, however to certain qualifications described herein, under existing law, the portion of Lease Payments designated as and comprising interest and received by the owners of the Certificates is excluded from gross income for federal income tax purposes, and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Such interest may be subject to the corporate alternative minimum tax. In the further opinion of Special Counsel, such interest is exempt from California personal income taxes. See "TAX MATTERS" and APPENDIX D hereto for the form of Special Counsel's opinion to be delivered concurrently with the delivery of the Certificates.

Continuing Disclosure. The Office of Education has covenanted and agreed that it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate, dated the date of the Certificates and executed by the Office of Education (the "Continuing Disclosure Certificate"). The form of the Continuing Disclosure Certificate is included in APPENDIX E hereto. See "CONTINUING DISCLOSURE."

Summaries of Documents. The summaries or references to the Site Lease, the Trust Agreement, the Lease Agreement, the Assignment Agreement, the Continuing Disclosure Certificate and other documents, agreements and statutes referred to in this Official Statement, and the description of the Certificates included in this Official Statement, do not purport to be comprehensive or definitive, and such summaries, references and descriptions are qualified in their entireties by reference to each such document or statute.

Other Information. This Official Statement speaks only as of its date, and the information contained in this Official Statement is subject to change. Copies of documents referred to in this Official Statement, and information concerning the Certificates, are available from the Office of Education at 6200 South Mooney Boulevard, Visalia, California 93277, Telephone: (559) 733-6302. The Office of Education may impose a charge for copying, mailing and handling.

^{*}Preliminary; subject to change.

FINANCING PLAN

The proceeds of the Certificates, in part, will be applied to finance the building and renovating facilities of the Office of Education (the "**Project**"). See also "SOURCES AND USES OF FUNDS" herein.

Pursuant to the Trust Agreement, the Trustee will establish a project fund (the "**Project Fund**") into which a portion of the Certificate proceeds will be deposited in order to finance the Project. Funds deposited in the Project Fund will be withdrawn by the Trustee upon the written request of the Office of Education to pay or reimburse Project Costs, as defined in the Trust Agreement. See APPENDIX A for a summary of the Trust Agreement.

The Trust Agreement will also provide for a portion of the Leased Property to be released at the time of completion of the Project, provided that certain conditions are met. See "THE LEASED PROPERTY" herein.

SOURCES AND USES OF FUNDS

The estimated sources and uses of funds with respect to the Certificates are as follows:

Sources of Funds

Principal Amount of Certificates Plus/Less [Net] Original Issue Premium/Discount Total Sources

Uses of Funds Project Fund Delivery Costs⁽¹⁾ Total Uses

(1) All estimated costs of issuance including, but not limited to, Underwriter's discount, printing costs, and fees of Special Counsel, Disclosure Counsel, Municipal Advisor, Trustee, rating agency, Certificate Insurance Policy (if any) and Reserve Policy, and certain other costs.

THE LEASED PROPERTY

Description and Location

The Office of Education will lease certain real property and improvements (collectively, the "**Leased Property**") to the Corporation under the terms of a Site Lease dated as of November 1, 2024 (the "**Site Lease**") and will concurrently lease the Leased Property back from the Corporation under the Lease Agreement.

The Leased Property consists of certain real property and improvements generally constituting:

_____located at _____, California. The offices were originally built in ____, have ____offices, and serves approximately _____employees. The ______includes approximately _____acres and approximately _____square feet, and has an insured replacement value of approximately \$_____million;

_____located at _____, ____, California. The offices were originally built in _____, have ____offices, and serves approximately _____employees. The ______includes approximately ______acres and approximately ______square feet, and has an insured replacement value of approximately \$_____million;

_____located at _____, ____, California. The offices were originally built in _____, have _____offices, and serves approximately ______employees. The ______ includes approximately ______acres and approximately ______square feet, and has an insured replacement value of approximately \$_____ million;

_____located at _____, ____, California. The offices were originally built in _____, have ____offices, and serves approximately _____employees. The ______includes approximately ______acres and approximately ______square feet, and has an insured replacement value of approximately \$_____million; and

_____located at _____, ____, California. The offices were originally built in _____, have _____offices, and serves approximately ______employees. The ______ includes approximately ______acres and approximately ______square feet, and has an insured replacement value of approximately \$_____ million.

Fair Rental Value

The Lease Agreement provides that the Lease Payments payable in a Fiscal Year (as defined in the Trust Agreement) will constitute the total rental for the Leased Property for that Fiscal Year, and will be paid by the Office of Education in each Fiscal Year for and in consideration of the right of the use and occupancy of, and the continued quiet use and enjoyment of the Leased Property during each Fiscal Year.

The Corporation and the Office of Education have agreed and determined in the Lease Agreement that the total Lease Payments represent the fair rental value of the Leased Property. In making such determination, consideration has been given to the estimated fair market value of the Leased Property, other obligations of the parties under the Lease Agreement, the uses and purposes which may be served by the Leased Property, and the benefits therefrom which will accrue to the Office of Education and the general public.

Substitution

The Lease Agreement provides that, upon compliance with certain conditions specified therein, the Office of Education may substitute alternate real property for all or any portion of the Leased Property or to release a portion of the Leased Property from the Lease Agreement. See "APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS – The Lease Agreement."

THE CORPORATION

The Local Facilities Finance Corporation is a nonprofit public benefit corporation organized under the Nonprofit Public Benefit Corporation Law of the State of California. The Corporation was formed for the specific and primary purpose of rendering assistance to California school districts and other public agencies by, among other methods, acquiring, leasing, construction or financing various public facilities, land, equipment and other improvements and property for the use, benefit and enjoyment of the public. The Board of Directors of the Corporation adopted its resolution approving the execution and delivery of the Certificates and related documents.

THE CERTIFICATES

Certificate Terms

The Certificates evidence and represent direct, fractional undivided interests of the Owners thereof in the principal and interest components of Lease Payments to be made by the Office of Education pursuant to the Lease Agreement.

The Certificates are dated the date of original delivery thereof and will be executed and delivered, without coupons, in denominations of \$5,000 or any integral multiple thereof, except that no Certificate shall represent principal payable in more than one year. The interest components evidenced by the Certificates will be due and payable semiannually on November 1 and May 1 of each year (each, a "**Payment Date**"), commencing May 1, 2025.

Each Certificate shall be dated as of the date of its execution, and interest represented thereby shall be payable from the Payment Date next preceding the date of execution thereof, (a) unless it is executed following the close of business on the fifteenth day of the month preceding each Payment Date, whether or not such fifteenth day is a Business Day (each, a "**Record Date**") and on or before the next succeeding Payment Date, in which event interest represented thereby shall be payable from such Payment Date, or (b) unless it is executed on or before the first Record Date, in which event interest represented thereby shall be payable from the day when the Certificates, duly executed by the Trustee, are delivered to the Underwriter; *provided, however*, that if, as of the date of any Certificate, interest represented by such Certificate is in default, interest represented thereby shall be payable from the day available for payment with respect to such Certificate. Interest has previously been paid or made available for payment with respect to such Certificate. Interest shall be computed on the basis of a 360-day year comprised of twelve 30-day months.

The Lease Payments evidenced by the Certificates will be payable no later than the fifteenth day of the month preceding each Payment Date (in the event that any payment due under the Lease Agreement is due on a day which is not a Business Day, such payment shall be made on the next Business Day), the principal components of which will evidence interest components calculated at the rates per annum, all as set forth on the inside cover page of this Official Statement.

Prepayment*

The Certificates are subject to prepayment as described below. Capitalized terms used below and not defined have the meanings assigned to such terms in the Trust Agreement. See "APPENDIX A - SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS."

Optional Prepayment. The Certificates maturing on or before November 1, 20__, are not subject to optional prepayment before their respective stated maturities. The Certificates maturing on or after November 1, 20__, are subject to prepayment prior to their respective stated maturity from any legally available source of funds of the Office of Education , at the option of the Office of Education, in whole, or in part among maturities on such basis as designated by the Office of Education and by lot within any one maturity on November 1, 20__, or on any date thereafter,

^{*}Preliminary; subject to change.

upon payment of a prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest to the date fixed for prepayment, without premium.

Mandatory Prepayment from Sinking Fund Prepayments. The Certificates maturing on November 1, 20___ (the "**Term Certificates**") are subject to mandatory sinking fund prepayment by lot on November 1 in each year as set forth in the following table, from the principal components of the Lease Payments required to be paid with respect to each of such dates, at a prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest represented thereby to the prepayment date, without premium, as follows:

Term Certificates Maturing November 1, 20___

Sinking Fund	Certificates
Prepayment Date	Principal Amount
(November 1)	To Be Prepaid

Notwithstanding the foregoing, if some but not all of the above-referenced Term Certificates are prepaid under the Trust Agreement, the aggregate principal amount of said Term Certificates to be prepaid in each year as reflected in the foregoing tables shall be reduced by the aggregate principal amount of Term Certificates so prepaid, to be allocated among sinking fund installments on a *pro rata* basis in integral multiples of \$5,000 such that the resulting amount of principal represented by the applicable Term Certificates subject to prepayment on any date is equal to the aggregate principal components of the Lease Payments coming due and payable on such date.

Mandatory Prepayment from Net Proceeds. The Certificates are subject to mandatory prepayment, in whole or in part, on any Business Day, among maturities on a *pro rata* basis and by lot within a maturity, from the Net Proceeds of insurance or eminent domain proceedings credited towards the prepayment of the Lease Payments under the Lease Agreement and Trust Agreement, at a prepayment price equal to 100% of the principal amount to be prepaid, together with accrued interest represented thereby to the date fixed for prepayment, without premium. See "APPENDIX A - SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS."

Purchase In Lieu of Prepayment. In lieu of prepayment of Certificates as provided in the Trust Agreement and described above, amounts held by the Trustee for such prepayment may, at the written request of the Office of Education, be applied by the Trustee to the purchase of Certificates at public or private sale as and when and at such prices (including brokerage, accrued interest and other charges) as the Office of Education may in its discretion direct, but not to exceed the prepayment price which would be payable if such Certificates were prepaid.

Notice of Prepayment. The Trustee shall give notice of the prepayment of the Certificates on behalf and at the expense of the Office of Education by first class mail with postage prepaid, to the Securities Depositories and to the Owners of Certificates designated for prepayment at their respective addresses appearing on the Registration Books, at least 20 days but not more than 60 days prior to the prepayment date. Such notice must:

- (a) state the prepayment date and prepayment price;
- (b) state the numbers or maturities of the Certificates to be prepaid, if less than all of the then Outstanding Certificates are to be called for prepayment;

- (c) if a Certificate is to be prepaid only in part, identify the portion of the Certificate which is to be prepaid;
- (d) require that such Certificates be surrendered on the prepayment date at the corporate trust office of the Trustee for prepayment at said prepayment price;
- (e) state that interest represented by the Certificates will not accrue after the prepayment date; and
- (f) state that on the prepayment date the principal represented by each Certificate will become due and payable, together with accrued interest represented thereby to the prepayment date, and that from and after such date interest represented thereby ceases to accrue and be payable.

Such notice may be a conditional notice of prepayment and subject to rescission as set forth below. Neither the failure to receive any such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the prepayment of such Certificates or the cessation of accrual of interest represented thereby from and after the date fixed for prepayment.

While the Certificates are subject to the book-entry system, the Trustee will not be required to give any notice of prepayment to any person or entity other than DTC and to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access System and, at the Office of Education's written direction, other securities depositories and information services. DTC and the DTC Participants shall have sole responsibility for providing any such notice of prepayment to the Beneficial Owners of the Certificates to be prepaid. Any failure at DTC to notify any DTC Participant, or any failure of a DTC Participant to notify the Beneficial Owner of any Certificates to be prepaid, of a notice of prepayment or its content or effect will not affect the validity of the notice of prepayment, or alter the effect of prepayment described below under "Effect of Prepayment."

Rescission of Prepayment Notice. The Office of Education may rescind any optional prepayment of the Certificates, and notice thereof, for any reason on any date prior to the date fixed for such prepayment by causing written notice of the rescission to be given to the Owners of the Certificates so called for prepayment. Notice of rescission of prepayment shall be given in the same manner in which the notice of prepayment was originally given. The actual receipt of notice of such rescission shall not be a condition precedent to rescission and failure to receive such notice or any defect in such notice shall not affect the validity of the rescission. The Office of Education, the Corporation and the Trustee shall have no liability to the Owners of any Certificates, or any other party, as a result of the Office of Education's decision to rescind an optional prepayment of any Certificates pursuant to the Trust Agreement.

Selection of Certificates. Whenever provision is made in the Trust Agreement for the prepayment of Certificates and less than all Outstanding Certificates are called for prepayment, the Trustee shall select Certificates for prepayment as direct by the Office of Education, and if not so directed, in inverse order of maturity. If less than all Certificates of any maturity are called for prepayment, the Trustee shall select Certificates of such maturity for prepayment by lot. For the purposes of such selection, Certificates shall be deemed to be composed of \$5,000 portions, and any such portion may be separately prepaid.

Effect of Prepayment. Moneys for the prepayment (including the interest to the applicable date of prepayment) of Certificates having been set aside in the Lease Payment Fund, the Certificates shall become due and payable on the date of such prepayment, and, upon presentation and surrender thereof at the corporate trust office of the Trustee, said Certificates shall be paid at the unpaid principal amount (or applicable portion thereof) represented thereby plus interest accrued and unpaid to said date of prepayment.

If, on said date of prepayment, moneys for the prepayment of all the Certificates to be prepaid, together with interest represented thereby to said date of prepayment, shall be held by the Trustee so as to be available therefor on such date of prepayment, then, from and after said date of prepayment, interest represented by the Certificates shall cease to accrue and become payable. All moneys held by the Trustee for the prepayment of Certificates shall be held in trust for the account of the Owners of the Certificates so to be prepaid, and shall be held by the Trustee in cash uninvested.

Book-Entry Only System

The Certificates will be executed and delivered as fully registered certificates, registered in the name of Cede & Co. as nominee of DTC, and will be available to actual purchasers of the Certificates (the "**Beneficial Owners**") in the denominations set forth above, under the book-entry system maintained by DTC, only through brokers and dealers who are or act through DTC Participants (as defined in this Official Statement) as described herein. Beneficial Owners will not be entitled to receive physical delivery of the Certificates. See "APPENDIX F – Book-Entry Only System." If the book-entry-only system is no longer used with respect to the Certificates, the Certificates will be registered and transferred in accordance with the Trust Agreement, as described below.

Transfer and Exchange of Certificates

While the Certificates are subject to DTC's book-entry system, their exchange and transfer will be effected through DTC and the Participants and will be subject to the procedures, rules and requirements established by DTC. See "APPENDIX F – Book-Entry Only System." During any period in which the Certificates are not subject to DTC's book-entry system, their exchange and transfer will be governed by provisions of the Trust Agreement summarized in "APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS."

LEASE PAYMENT SCHEDULE

Following is the semi-annual schedule of principal and interest payments due each November 1 and May 1 with respect to the Certificates, assuming no optional prepayment.

Payment	Principal	Interest	
Date*	Component	Component	Total Payments

Totals

* Lease Payments are payable no later than the fifteenth day of each month preceding each Payment Date.

SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES

Nature of the Certificates

General. Each Certificate evidences and represents a direct, undivided fractional interest in the principal component of the Lease Payment due under the Lease Agreement on the principal payment date or prepayment date of such Certificate, and the interest component of all Lease Payments (based on the stated interest rate with respect to such Certificate) shall accrue from the date of delivery to its principal payment date or prepayment date, as the case may be.

Assignment of Rights in Lease Agreement to Trustee. The Corporation, under the Assignment Agreement, will assign to the Trustee for the benefit of the Certificate Owners substantially all of the Corporation's right, title and interest in and to the Lease Agreement, including, without limitation, its right to receive Lease Payments to be paid by the Office of Education; except that the Corporation will retain certain rights under the Lease Agreement (including the rights to Additional Payments (defined below), repayment of advances, indemnification and payment of attorneys' fees). The Office of Education will pay Lease Payments directly to the Trustee, as assignee of the Corporation. See "– Lease Payments" below.

Lease Payments

General. For the right to the use and occupancy of the Leased Property, the Lease Agreement requires the Office of Education to make Lease Payments. To secure the payment of the Lease Payments, the Office of Education is required to pay to the Trustee, for deposit into the Lease Payment Fund established and maintained by the Trustee, on the fifteenth day before each Payment Date, in an amount sufficient to pay the Lease Payment then due.

Pursuant to the Trust Agreement, the Trustee shall withdraw moneys from the Lease Payment Fund on each Payment Date in amounts which equal the Lease Payment due on such Payment Date and shall cause all sums withdrawn from the Lease Payment Fund to be applied to the payment of principal and interest evidenced by the Certificates due on such Payment Date.

Scheduled Lease Payments relating to the Certificates are set forth above under the heading "LEASE PAYMENT SCHEDULE."

Additional Payments. In addition to the Lease Payments, the Office of Education shall pay when due, as additional rental for the Leased Property under the Lease Agreement ("Additional Payments"), all costs and expenses incurred by the Office of Education under the Lease Agreement or under the Trust Agreement, or incurred by the Corporation to comply with the provisions of the Trust Agreement, including without limitation all costs of issuance (to the extent not paid from amounts on deposit in the Costs of Issuance Fund), annual compensation due to the Trustee and all of its reasonable costs and expenses (including amounts payable to the Trustee by virtue of indemnification) payable as a result of the performance of and compliance with its duties under the Trust Agreement, and all reasonable costs and expenses of attorneys, auditors, engineers and accountants engaged by the Corporation or the Trustee in connection with the Leased Property or the performance of their duties under the Lease Agreement or under the Trust Agreement.

Covenant to Appropriate Funds. In the Lease Agreement, the Office of Education covenants to take such action as may be necessary to include all estimated Lease Payments and all estimated Additional Payments in each of its final approved budgets. The Office of Education further covenants to make all necessary appropriations (including any supplemental appropriations) from any source of legally available funds of the Office of Education for all the actual amount of Lease Payments and Additional Payments which come due and payable during the period covered by each such budget. The covenants on the part of the Office of Education contained in the Lease Agreement are duties imposed by law and it is the duty of each and every public official of the Office of Education to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the Office of Education to carry out and perform the covenants and agreements in the Lease Agreement agreed to be carried out and performed by the Office of Education.

See "APPENDIX A - SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS - The Lease Agreement - Lease Payments."

Abatement

The Lease Payments are payable by the Office of Education in each rental period for the Office of Education's right to use and occupy the Leased Property for such rental period. The obligation of the Office of Education to pay the Lease Payments will be abated, proportionately, during any period in which, by reason of damage or destruction, or taking in eminent domain or any defect in title to the Leased Property, there is substantial interference with the use and possession of the Leased Property by the Office of Education. The Lease Agreement provides that the amount of such abatement shall be such that the resulting Lease Payments represent the fair consideration for the use and possession of the portion of the Leased Property not damaged or destroyed or taken; provided, however, that such abatement shall not result so long as moneys in the Lease Payment Fund and the Reserve Fund and Net Proceeds of insurance and rental interruption insurance and condemnation awards are sufficient to make Lease Payments when and as due.

Such abatement or adjustment, if any, will continue for the period commencing with such damage or destruction or taking and ending with the substantial completion of the work of repair or reconstruction; and the term of this Lease Agreement shall be extended as provided in the Lease Agreement, except that the term of the Lease Agreement will in no event be extended more than ten years beyond the termination date. Abatement of the Lease Payments is not an event of default under the Lease Agreement and does not permit the Trustee to take any action or avail itself of any remedy against the Office of Education. In the event of any such partial damage or destruction or taking, the Lease Agreement will continue in full force and effect and the Office of Education waives any right to terminate the Lease Agreement by virtue of any such damage or destruction or taking. For information regarding rental interruption insurance, see "Covenant to Maintain Insurance" below.

The Trustee cannot terminate the Lease Agreement solely on the basis of such substantial interference. For a description of abatement resulting from condemnation of all or part of the Leased Property, see "APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS – The Lease Agreement – Lease Payments – Abatement of Rent."

Limited Obligation

THE OBLIGATION OF THE OFFICE OF EDUCATION TO MAKE THE LEASE PAYMENTS DOES NOT CONSTITUTE A DEBT OF THE OFFICE OF EDUCATION, THE CORPORATION OR THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMIT OR RESTRICTION, AND DOES NOT CONSTITUTE AN OBLIGATION FOR WHICH THE OFFICE OF EDUCATION, TULARA COUNTY (THE "**COUNTY**") OR THE STATE IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE OFFICE OF EDUCATION, THE COUNTY OR THE STATE HAS LEVIED OR PLEDGED ANY FORM OF TAXATION.

Termination or Abatement Due to Eminent Domain. Under the Lease Agreement, if the Leased Property is taken permanently under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain, the term of the Lease Agreement will cease with respect thereto as of the day possession is so taken.

If less than all of the Leased Property is taken permanently, or if the Leased Property is taken temporarily, under the power of eminent domain, (a) the Lease Agreement will continue in full force and effect with respect thereto and will not be terminated by virtue of such taking, and the parties waive the benefit of any law to the contrary, and (b) there will be a partial abatement of Lease Payments allocated thereto, in an amount to be agreed upon by the Office of Education and the Corporation such that the resulting Lease Payments represent fair consideration for the use and occupancy of the remaining usable portions of the Leased Property, calculated in accordance with the Lease Agreement.

However, there will be no abatement of Lease Payments to the extent that amounts in the Reserve Fund, insurance proceeds and eminent domain proceeds are available to pay Lease Payments that would otherwise be abated under this provision, and such proceeds and amounts will constitute a special fund for the payment of the Lease Payments.

Lease Payment Fund

Establishment. Under the Trust Agreement the Trustee will establish a special fund designated as the "Lease Payment Fund." All moneys at any time deposited by the Trustee in the Lease Payment Fund will be held by the Trustee in trust for the benefit of the Office of Education and the Owners of the Certificates.

So long as any Certificates are Outstanding, neither the Office of Education nor the Corporation will have any beneficial right or interest in the Lease Payment Fund or the moneys deposited therein, except only as provided in the Trust Agreement, and such moneys will be used and applied by the Trustee as set forth in the Trust Agreement.

Deposits. All Lease Payments received by the Trustee will be deposited in the Lease Payment Fund.

Application of Moneys. All amounts in the Lease Payment Fund will be used and withdrawn by the Trustee solely for the purpose of paying the principal and interest represented by the Certificates as they become due and payable, in accordance with the Trust Agreement.

Lease Payment Fund; Surplus. Any surplus remaining in the Lease Payment Fund after prepayment and payment of all Certificates, including accrued interest (if any) and payment of

any applicable fees and expenses to the Trustee, or provision for such prepayment or payment having been made to the satisfaction of the Trustee, will be withdrawn by the Trustee and remitted to the Office of Education.

Action on Default

If the Office of Education defaults under the Lease Agreement, the Trustee, as assignee of the Corporation's rights under the Lease Agreement, may terminate the Lease Agreement and recover certain damages from the Office of Education, or may retain the Lease Agreement and hold the Office of Education liable for all Lease Payments thereunder on an annual basis. Lease Payments may not be accelerated upon a default under the Lease Agreement. See "RISK FACTORS."

For a description of the events of default and permitted remedies of the Trustee (as assignee of the Corporation) contained in the Lease Agreement and the Trust Agreement, see "APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS."

Reserve Fund

The Reserve Fund is established by the Trust Agreement and is required to be funded in an amount of the "**Reserve Requirement**," being, as of the date of calculation thereof, an amount equal to the lesser of (a) 10% of the original principal amount of the Certificates, or (b) the maximum amount of Lease Payments (excluding Lease Payments with respect to which the Office of Education shall have posted a security deposit pursuant to the Lease Agreement) coming due in the current or any future Fiscal Year (as defined in the Trust Agreement), or (c) 125% of average annual Lease Payments. The Reserve Fund is required to be maintained until all Lease Payments are paid in full pursuant to the Lease Agreement and until the first date upon which the Certificates are no longer Outstanding under the Trust Agreement. See "APPENDIX A - "SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS."

Pursuant to the Trust Agreement, if on any Payment Date the moneys available in the Lease Payment Fund do not equal the amount of the Lease Payment then coming due and payable, the Trustee shall apply the moneys available in the Reserve Fund to make such payments on behalf of the Office of Education by transferring the amount necessary for this purpose to the Lease Payment Fund. In addition, upon receipt of any delinquent Lease Payment with respect to which moneys have been advanced from the Reserve Fund, such Lease Payment shall be deposited in the Reserve Fund to the extent of such advance.

If on any Payment Date the moneys on deposit in the Reserve Fund and the Lease Payment Fund are sufficient to pay or prepay all Outstanding Certificates, including all principal and interest represented thereby, the Trustee shall, upon the written request of the Office of Education, transfer all amounts then on deposit in the Reserve Fund to the Lease Payment Fund to be applied for such purpose to the payment of the Lease Payments on behalf of the Office of Education.

The Reserve Requirement, or any portion thereof, may be satisfied by crediting to the Reserve Fund moneys, a letter of credit, a bond insurance policy, or any other comparable credit facility issued by an insurance company satisfying the requirements of the Trust Agreement. Amount available in the Reserve Fund will be used to make delinquent Lease Payments in accordance with the Trust Agreement.

The Reserve Requirement will initially be met through the Reserve Policy.

Covenant to Maintain Insurance

The Lease Agreement requires the Office of Education to obtain public liability and property damage insurance, casualty insurance, rental interruption insurance, and to obtain a title insurance policy with respect to the Leased Property, as described below.

Public Liability and Property Damage Insurance. The Office of Education will maintain or cause to be maintained, throughout the term of the Lease Agreement, comprehensive general insurance in protection of the Corporation, the Office of Education and their respective members, officers, agents, employees and assigns. Such insurance shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the operation of the Leased Property. Such insurance shall provide coverage in such liability limits and be subject to such deductibles as the Office of Education deems adequate and prudent. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the Office of Education, and with the prior written consent of the Certificate Insurer may be maintained in whole or in part in the form of a program of self-insurance by the Office of Education, or in the form of the participation by the Office of Education in a joint powers authority or other program providing pooled insurance. The Office of Education shall apply the proceeds of such insurance toward extinguishment or satisfaction of the liability with respect to which the net proceeds are paid.

Casualty Insurance. The Office of Education will procure and maintain, or cause to be procured and maintained, at all times throughout the term of the Lease Agreement, casualty insurance against loss or damage to the insured buildings, facilities and other improvements constituting any part of the Leased Property, in an amount at least equal to the lesser of (a) the replacement value of such buildings, facilities and improvements, or (b) the aggregate principal amount of the Outstanding Certificates. Such insurance shall, as nearly as practicable, cover loss or damage by fire, explosion, windstorm, riot, aircraft, vehicle damage, smoke and such other hazards as are normally covered by such insurance, and shall include earthquake coverage if such coverage is available at reasonable cost from reputable insurers in the reasonable determination of the Office of Education, whose determination is final and conclusive. Such insurance may be subject to such deductibles as the Office of Education deems prudent. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the Office of Education, and may be maintained in whole or in part in the form of the participation by the Office of Education in a joint powers authority or other program providing pooled insurance; provided that such insurance may not be maintained by the Office of Education in the form of self-insurance. The Office of Education shall apply the Net Proceeds of such insurance as provided in the Lease Agreement.

Rental Interruption Insurance. The Office of Education will procure and maintain, or cause to be procured and maintained, at all times throughout the term of the Lease Agreement, rental interruption or use and occupancy insurance to cover loss, total or partial, of the use of the buildings, facilities and other improvements constituting any part of the Leased Property, as a result of any of the hazards covered in due to a casualty as described in the preceding paragraphs, in an amount at least equal to the maximum Lease Payments coming due and payable during any two consecutive Fiscal Years during the remaining Term of the Lease Agreement. Such insurance may be maintained as part of or in conjunction with any other insurance coverage carried by the Office of Education, and may be maintained in whole or in part

in the form of the participation by the Office of Education in a joint powers authority or other program providing pooled insurance; provided that such insurance may not be maintained by the Office of Education in the form of self-insurance. The Net Proceeds of such insurance, if any, shall be paid to the Trustee and deposited in the Lease Payment Fund, and shall be credited towards the payment of the Lease Payments allocable to the insured improvements as the same become due and payable.

Title Insurance. The Office of Education shall obtain a CLTA title insurance policy insuring the Office of Education's leasehold estate in the Leased Property under the Lease Agreement, in an amount at least equal to the aggregate principal amount of the Certificates. All Net Proceeds received under such title insurance policy will be deposited with the Trustee in the Lease Payment Fund and credited towards the prepayment of the Lease Payments under the Lease Agreement.

See also "APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS – The Lease Agreement – Insurance."

Insurance and Condemnation Fund; Application of Net Proceeds

The Lease Agreement requires that Net Proceeds of any insurance or condemnation award with respect to the Leased Property (other than proceeds of rental interruption insurance, which are required to be deposited into the Lease Payment Fund) be paid to the Trustee to be applied as provided in the Trust Agreement. The Trust Agreement provides that such Net Proceeds received by the Trustee shall be deposited in the Insurance and Condemnation Fund and that the Office of Education shall, within 90 days of the deposit of Net Proceeds with the Trustee, file a certificate with the Trustee and the Net Proceeds shall be applied by the Trustee as follows:

Application of Net Proceeds of Insurance. Any net proceeds of insurance collected by the Office of Education in the event of accident to or destruction of any component of the Leased Property ("**Net Proceeds**") shall be paid to the Trustee under the Lease Agreement and deposited by the Trustee promptly upon receipt thereof in a special fund designated as the "Insurance and Condemnation Fund" which the Trustee shall establish. If the Office of Education determines and notifies the Trustee in writing of its determination, within 90 days following the date of such deposit, that the replacement, repair, restoration, modification or improvement of the Leased Property is not economically feasible or in the best interests of the Office of Education, then such Net Proceeds shall be promptly transferred by the Trustee to the Lease Payment Fund and applied to the prepayment of Lease Payments and the corresponding mandatory prepayment of Certificates, which prepayment shall be made on the first Payment Date for which notice of prepayment can be timely given. The determination of the Office of Education to apply Net Proceeds to the prepayment of Certificates is subject to the following:

- (a) if the Leased Property is damaged or destroyed in full, such Net Proceeds may be transferred to the Lease Payment Fund to be used to prepay Outstanding Certificates only if such Net Proceeds, together with other available moneys, are sufficient to cause the corresponding prepayment of all Lease Payments allocable to the Leased Property; and
- (b) if the Leased Property is damaged or destroyed in part but not in whole, such Net Proceeds may be transferred to the Lease Payment Fund to be used to prepay Outstanding Certificates only if the Lease Payments which result after the corresponding abatement thereof under the Lease Agreement are

sufficient to pay the full amount of principal and interest represented by the Certificates which remain Outstanding after such prepayment.

All Net Proceeds deposited in the Insurance and Condemnation Fund and not so transferred to the Lease Payment Fund shall be applied to the prompt replacement, repair, restoration, modification or improvement of the damaged or destroyed portions of the Leased Property by the Office of Education, upon receipt of written requisitions of the Office of Education stating with respect to each payment to be made (a) the name and address of the person, firm or corporation to whom payment is due, (b) the amount to be paid and (c) that each obligation mentioned therein has been properly incurred, is a proper charge against the Insurance and Condemnation Fund, has not been the basis of any previous withdrawal, and specifying in reasonable detail the nature of the obligation. Any balance of the Net Proceeds remaining after the Office of Education shall file a written certificate with the Trustee stating that such work has been completed shall, after payment of all amounts then due and owing to the Trustee under the Trust Agreement, be paid to the Office of Education.

See "THE CERTIFICATES – Prepayment – Mandatory Prepayment from Net Proceeds."

Application of Net Proceeds of Condemnation Award. The Trust Agreement provides that, if all or any part of the Leased Property is taken by eminent domain proceedings (or sold to a government threatening to exercise the power of eminent domain) the Net Proceeds therefrom shall be deposited with the Trustee in the Insurance and Condemnation Fund, under the Lease Agreement, and shall be applied and disbursed by the Trustee as follows:

- (a) If the Office of Education gives written notice to the Trustee of its determination that (i) such eminent domain proceedings have not materially affected the interest of the Office of Education in the Leased Property or the ability of the Office of Education to meet any of its financial obligations under the Lease Agreement, and (ii) that such proceeds are not needed for repair, replacement or rehabilitation of the Leased Property, and the Office of Education has given written notice to the Trustee of such determination, the Trustee shall transfer such proceeds to the Lease Payment Fund to be credited towards the payment of the Lease Payments as they become due and payable.
- (b) If the Office of Education gives written notice to the Trustee of its determination that (i) such eminent domain proceedings have not materially affected the interest of the Office of Education in the Leased Property or the ability of the Office of Education to meet any of its financial obligations under the Lease Agreement, and (ii) such proceeds are needed for repair, replacement or rehabilitation of the Leased Property, the Trustee shall pay to the Office of Education, or to its order, from said proceeds such amounts as the Office of Education may expend for the repair or rehabilitation of the Leased Property.
- (c) If (i) less than all of the Leased Property is taken in such eminent domain proceedings or sold to a government threatening the use of eminent domain powers, and if the Office of Education gives written notice to the Trustee of its determination that such eminent domain proceedings have materially affected the interest of the Office of Education in the Leased Property or the ability of the Office of Education to meet any of its financial obligations under

the Lease Agreement, or (ii) all of the Leased Property is taken in such eminent domain proceedings, then the Trustee shall transfer such proceeds to the Lease Payment Fund to be credited toward the prepayment of the Lease Payments of the Lease Agreement and applied to the corresponding mandatory prepayment of Certificates, which prepayment shall be made on the first prepayment date for which notice of prepayment can be timely given.

In making any such determination whether to repair, replace or rehabilitate the Leased Property under this Section, the Office of Education may obtain, but is not required to obtain, at its expense, the report of an independent engineer or other independent professional consultant, a copy of which must be filed with the Trustee. Any such determination by the Office of Education is final. See also "THE CERTIFICATES – Prepayment – Mandatory Prepayment from Net Proceeds."

CERTIFICATE INSURANCE

The Office of Education has applied for a Certificate Insurance Policy to insure the payment of principal and interest with respect to the Certificates. In connection with the sale of the Certificates, the Office of Education will make a determination as to whether or not to obtain such insurance.

THE OFFICE OF EDUCATION

General Information

General. The State Constitution and the State Legislature together have created a threelevel public education system. This system includes the California Department of Education, 58 county offices of educations (one of which is the Office of Education) and over 1,000 school districts. Regulations and guidelines are set at the State level, while the day-to-day delivery of services takes place in the local districts. Offices of education operate between these two levels by linking state education policy to local programs and needs.

Each county superintendent is responsible for examining and approving school district budgets and expenditures. The passage of Assembly Bill 1200 (1991) gave county superintendents additional powers to enforce sound budgeting to ensure the fiscal integrity of school districts. The superintendent is also responsible for calling school district elections and assisting with school district emergencies by providing necessary services.

County offices of education support school districts by performing tasks that can be done more efficiently and economically at the county level. County offices provide or help formulate new curricula, staff development and training programs, and instructional procedures; design business and personnel systems; and perform many other services to meet changing needs and requirements. When economic or technical conditions make county or regional services most appropriate for students, county offices provide a wide range of services, including special and vocational education, programs for youths at risk of failure, and instruction in juvenile detention facilities.

The Tulare County Office of Education. The Office of Education was established in May of 1852, when the County Assessor served as the ex-officio Superintendent of Schools. In 1854 the first County Superintendent of Schools was appointed by the County Board of Supervisors. The present form of organization of the County Board of Education was established in 1956 and on July 1, 1971, the fiscal responsibility for the operation of the Office of Education was transferred to the County Superintendent and the County Board of Education from the County Board of Supervisors.

The Office of Education currently operates kindergarten through grade 12 education programs throughout the County for Special Education, Juvenile Hall, Community Schools, Charter Schools and the Scicon Outdoor Education Program. The Office of Education also manages an extensive network of Child Program Centers throughout the County. In all, the Office of Education operates in more than 150 locations and supports [48] school districts throughout the County.

The County Superintendent of Schools oversees the activities and financial affairs of each school district to ensure that requirements of the California Education Code are met. It also provides administrative and budgetary assistance, furnishes educational specialists, facilitates the development or improvement of instructional programs, coordinates inter-district activities, and performs other services as needed to improve the quality of education throughout the County.

Office of Education Governance and Administration

Board of Education. The Office of Education is governed by a seven-member Board of Education (the "**Board**"). The Board includes seven members each elected by, and representing,

a separate "Trustee Area" of the County. The members of the Board serve four-year terms and their terms are staggered so that at any election either three or four seats, respectively, are up for election. If a vacancy arises less than four months prior to the end of the member's term, the seat is left vacant until the next election. If a vacancy arises more than four months prior to the end of the member's term, the seat can be filled by provisional appointment of the Board or by special election, except in some circumstances a special election is required. Each year, the Board elects a President and a Vice President to serve one-year terms. The County Superintendent of Schools serves as the ex-officio Secretary to the Board.

The current members of the Board are as follows:

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
Joe Enea	President, Area 5	December 2024
Debby Holguin	Vice President, Area 2	December 2024
Judy Colble	Member, Area 4	December 2026
Tom Link	Member, Area 3	December 2024
Celia Maldonado-Arroyo	Member, Area 1	December 2026
Chris Reed	Member, Area 6	December 2024
Tony Rodriguez	Member, Area 7	December 2026

The Board has policy-making authority and overall accountability for the Office of Education, including conducting regularly scheduled public meetings, reviewing and adopting the annual budget for the Office of Education, deliberating and deciding on school district attendance appeals, deliberating and deciding on school district expulsion appeals, adoption of textbooks for instructional programs operated by the Office of Education, and conducting hearings and deciding on charter school petitions.

Administration. The County Superintendent of the Office of Education, elected into office by registered voters in the County for a four year term, is responsible for management of the day-to-day operations and supervises the work of other Office of Education administrators. Tim Hire currently serves as Superintendent of the Office of Education, and Dr. Fernie Marroquin serves as the Assistant Superintendent, Business Services.

Employee Relations

The Office of Education has two recognized bargaining agents for its employees. The California Teachers Association ("**CTA**") is the exclusive bargaining unit for all certificated employees, and the California School Employees Association ("**CSEA**") chapters #428 and #899 represent classified employees. Management and confidential employees do not have a bargaining unit. The contract with the CTA expires on June ____, 20__, while the contracts with CSEA chapter #428 and chapter #899 expire on June 30, 2027. Benefits are capped for both certificated and classified employees under their respective contracts at \$____/year.

The Office of Education has budgeted for 284 full-time equivalent ("**FTE**") certificated employees, 713 FTE classified employees and 323 FTE management/ supervisor/ confidential employees for fiscal year 2024-25.

Office of Education Insurance

The Office of Education is a member of five joint powers authorities ("**JPAs**"): Self-Insured Schools of California III, the School Employee's Trust of Tulare County, the Tulare County Schools Insurance Group, the Tulare County Schools Self-Insurance Authority, and the Northern

California Regional Liability Excess Fund. The Office of Education pays an annual premium to each entity for its workers' compensation, property liability coverage and health and welfare benefits. The relationships between the Office of Education and the JPAs are such that they are not component units of the Office of Education for financial reporting purposes.

For additional information about the Office of Education's JPA memberships, see Note 14of the Office of Education's audited financial statements for fiscal year ended June 30, 2023, attached to the Official Statement as APPENDIX B.

OFFICE OF EDUCATION FINANCIAL INFORMATION

Education Funding Generally

School districts and offices of education in the State of California (the "**State**") receive operating income primarily from two sources: the State funded portion which is derived from the State's general fund, and a locally funded portion, being the local agency's share of the one percent general *ad valorem* tax levy authorized by the California Constitution. As a result, decreases or deferrals in education funding by the State could significantly affect a local education agency's revenues and operations.

From 1973-74 to 2012-13, California school districts and offices of education operated under general purpose revenue limits established by the State Legislature. In general, revenue limits were calculated for each local agency by multiplying (1) the average daily attendance ("**ADA**") for such agency by (2) a base revenue limit per unit of ADA. The revenue limit calculations were adjusted annually in accordance with a number of factors designated primarily to provide cost of living increases and to equalize revenues among all California local agencies of the same type. Funding of the Office of Education's revenue limit was provided by a mix of local property taxes and State apportionments of basic and equalization aid. Generally, the State apportionments amounted to the difference between the Office of Education's revenue limit and its local property tax revenues.

The fiscal year 2013-14 State budget replaced the previous finance system with a new formula known as the Local Control Funding Formula (the "LCFF"). Under the LCFF, revenue limits and most State categorical programs were eliminated. School districts and offices of education instead receive funding based on the demographic profile of the students they serve and gain greater flexibility to use these funds to improve outcomes of students. The LCFF creates funding targets based on student characteristics. The LCFF includes the following components:

- A base grant for each local education agency per unit of ADA, which varies with respect to different grade spans. The base grant is \$2,375 more than the average revenue limit provided prior to LCFF implementation. The base grants will be adjusted upward each year to reflect cost-of-living increases. In addition, grades K-3 and 9-12 are subject to adjustments of 10.4% and 2.6%, respectively, to cover the costs of class size reduction in grades K-3 and the provision of career technical education in grades 9-12.
- A 20% supplemental grant for English learners, students from low-income families and foster youth to reflect increased costs associated with educating those students.
- An additional concentration grant of up to 65% (which was increased from 50% as part of the State's trailer bill to the 2021-22 State Budget Assembly Bill 130) of a local education agency's base grant, based on the number of English learners, students from low-income families and foster youth served by the local agency that comprise more than 55% of enrollment.
- An economic recovery target to ensure that almost every local education agency receives at least their pre-recession funding level, adjusted for inflation, at full implementation of the LCFF.

The LCFF was implemented for fiscal year 2013-14 and was phased in gradually. Beginning in fiscal year 2013-14, an annual transition adjustment was required to be calculated for each local education agency, equal to its proportionate share of the appropriations included in the State budget (based on the percentage of each local education agency's students who are low-income, English learners, and foster youth ("**Targeted Students**")), to close the gap between the prior-year funding level and the target allocation at full implementation of LCFF. In each year, local education agencies had the same proportion of their respective funding gaps closed, with dollar amounts varying depending on the size of a district's funding gap. The legislation implementing LCFF also included a "hold harmless" provision which provided that a district or charter school would maintain total revenue limit and categorical funding at least equal to its 2012-13 level, unadjusted for changes in ADA or cost of living adjustments.

Funding levels used in the LCFF entitlement calculations for fiscal year 2024-25 are set forth in the following table.

Entitlement Factor	TK/K-3	4-6	7-8	9-12	
A. 2023-24 Base Grant per ADA	\$9,919	\$10,069	\$10,367	\$12,015	-
B. 2024-25 COLA for LCFF (A x 1.07%)	\$106	\$108	\$111	\$129	
C. 2024-25 Base Grant per ADA before Grade Span Adjustments (A+B)	\$10,025	\$10,177	\$10,478	\$12,144	
D. Grade Span Adjustments (TK-3: C x 10.4%; 9- 12: C x 2.6%)	\$1,043	n/a	n/a	\$316	
E. 2024-25 Base Grant/Adjusted Base Grant per ADA (C + D)	\$11,068	\$10,177	\$10,478	\$12,460	

Fiscal Year 2024-25 Base Grant Funding* Under LCFF by Grade Span

*Add-ons to the Base Grant, as may be applicable, are: (1) Supplemental Grant: For the supplemental grant funding entitlement, for each grade span, the calculation is the base grant or adjusted base grant per ADA, times total funded ADA, times Unduplicated Pupil Percentage, times 20%, (2) Concentration Grant: For the concentration grant funding entitlement, the calculation is the base grant or adjusted base grant per ADA, times total funded ADA, times portion of Unduplicated Pupil Percentage that exceeds 55%, times 65%, and (3) Transitional Kindergarten Add-On: For the TK add-on funding, the amount is the rate of \$3,077 times the school district's current year TK ADA.

Source: California Department of Education.

The LCFF includes an accountability component. Local education agencies are required to increase or improve services for English language learners, low income, and foster youth students in proportion to supplemental and concentration grant funding received. All school districts, county offices of education, and charter schools are required to develop and adopt local control and accountability plans, which identify local goals in areas that are priorities for the State, including pupil achievement, parent engagement, and school climate.

County superintendents review and provide support to the districts under their jurisdiction, and the Superintendent of Public Instruction performs a corresponding role for county offices of education. In addition, the State Budget for fiscal year 2013-14 created the California Collaborative for Education Excellence to advise and assist school districts, county offices of education, and charter schools in achieving the goals identified in their plans. Under the LCFF and related legislation, the State will continue to measure student achievement through statewide assessments, produce an Academic Performance Index for schools and subgroups of students,

determine the contents of the school accountability report card, and establish policies to implement the federal accountability system.

Office of Education Accounting Practices

The accounting practices of the Office of Education conform to generally accepted accounting principles in accordance with policies and procedures of the California School Accounting Manual. This manual, according to Section 41010 of the California Education Code, is to be followed by all California school districts and county offices of education. Local education agency accounting is organized on the basis of funds, with each group consisting of a separate accounting entity. The major fund classification is the general fund which accounts for all financial resources not requiring a special fund placement. The Office of Education's fiscal year begins on July 1 and ends on June 30. For more information on the Office of Education's basis of accounting and fund accounting, see Note 1 of APPENDIX B to the Official Statement.

Office of Education expenditures are accrued at the end of the fiscal year to reflect the receipt of goods and services in that year. Revenues generally are recorded on a cash basis, except for items that are susceptible to accrual (measurable and/or available to finance operations). Current taxes are considered susceptible to accrual. Revenues from specific state and federally funded projects are recognized when qualified expenditures have been incurred. State block grant apportionments are accrued to the extent that they are measurable and predictable. The State Department of Education sends the Office of Education updated information from time to time explaining the acceptable accounting treatment of revenue and expenditure categories.

The Governmental Accounting Standards Board ("**GASB**") published its Statement No. 34 "Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments" on June 30, 1999. Statement No. 34 provides guidelines to auditors, state and local governments and special purpose governments such as school districts, county offices of education and public utilities, on new requirements for financial reporting for all governmental agencies in the United States. Generally, the basic financial statements and required supplementary information should include (i) Management's Discussion and Analysis; (ii) financial statements prepared using the economic measurement focus and the accrual basis of accounting, (iii) fund financial statements prepared using the current financial resources measurement focus and the modified accrual method of accounting and (iv) required supplementary information.

Financial Statements

General. The County School Services Fund is the general operating fund of the Office of Education (i.e., the General Fund). It is used to account for all financial resources except those required to be accounted for in another fund, and is made up of both restricted and unrestricted funds. County School Services Fund revenues are derived from such sources as State school fund apportionments, taxes, use of money and property, and aid from other governmental agencies. The Office of Education's June 30, 2023, audited financial statements were prepared by Christy White, Inc., San Diego, California, and are attached to the Official Statement as APPENDIX B.

Audited financial statements for the Office of Education for prior fiscal years are on file with the Office of Education and available for public inspection at the Office of the Assistant Superintendent, Business Services. The Office of Education has not requested, and the auditor has not provided, any review or update of such financial statements in connection with inclusion in this Official Statement.

County School Services Fund Revenues, Expenditures and Changes in Fund Balance. The following table shows the audited income and expense statements for the Office of Education for the fiscal years 2018-19 to 2022-23.

REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE Fiscal Years 2018-19 through 2022-23 (Audited) Tulare County Office of Education⁽¹⁾

	Audited 2018-19	Audited 2019-20	Audited 2020-21	Audited 2021-22	Audited 2022-23
<u>Revenues</u>					
LCFF sources	\$24,224,521	\$24,252,373	\$24,571,111	\$24,279,821	\$36,333,549
Federal Revenue	19,037,169	18,448,230	24,056,547	24,460,519	29,198,116
Other State Revenue	68,631,601	66,032,776	68,165,254	83,952,681	71,481,621
Other Local Revenue	41,523,401	41,590,592	34,853,153	38,678,242	51,234,482
Total Revenues	153,416,692	150,323,971	151,646,065	171,371,263	188,247,768
<u>Expenditures</u>					
Instruction	54,776,665	54,358,810	52,321,651	57,480,546	58,551,625
Supervision of instruction	21,586,517	25,184,394	26,062,223	26,943,508	29,700,688
Instructional Library, Media and Tech	2,059,772	2,001,060	2,051,071	2,063,506	1,943,822
School Site Administration	6,482,008	6,215,805	6,201,552	7,547,339	7,904,122
Home-to-School Transportation	5,321,327	4,958,745	5,047,395	5,961,680	6,768,511
Food services	42,728	5,301	5,283	20,356	20,147
All other pupil services	21,334,971	22,604,856	21,284,060	24,660,798	29,538,849
Data processing	3,588,953	3,536,036	3,770,920	4,413,231	4,100,396
All other administration	7,572,108	7,459,506	7,691,310	7,521,010	7,820,172
Plant services	4,177,665	3,804,334	4,738,931	12,628,959	6,625,169
Facility Acquisition and Construction	3,657,259	2,742,990	3,291,175	2,503,410	1,223,830
Ancillary services	12,426,610	12,376,750	13,639,485	15,491,015	20,408,278
Community services	1,093,425	1,030,822	960,962	980,274	1,013,278
Other outgo	5,526,036	3,282,377	695,802		
Debt Service:					
Principal	775,000	985,000	1,165,000	2,221,845	3,887,359
Interest	1,767,807	2,610,751	1,244,634	1,154,454	1,170,701
Total Expenditures	152,188,851	153,157,537	150,171,454	171,591,931	180,676,947
Excess (Deficiency) of Revenues over expenditures	1,227,841	(2,833,566)	1,474,611	(220,668)	7,570,821
Operating Transfers in Other sources	24,653	25,624 35,595,000	22,607	 7,854,010	29,603
Operating Transfers out Other uses	(536,068)	(509,012) (34,407,384)	(407,093)	(458,636)	(446,172)
Total other financing sources (uses)	(511,415)	704,228	(384,486)	7,395,374	(416,569)
Net Change in Fund Balance	716,426	(2,129,338)	1,090,125	7,174,706	7,154,252
Fund Balance, July 1	67,548,371	68,264,797	66,135,459	67,225,584	74,400,290
Fund Balance, June 30	\$68,264,797	\$66,135,459	\$67,225,584	\$74,400,290	\$81,554,542

(1) Columns may not sum to totals due to rounding.

Source: Tulare County Office of Education.

Office of Education Budget and Interim Financial Reporting

Budgeting and Interim Reporting Procedures. The Office of Education is required by provisions of the California Education Code to maintain a balanced budget each year, in which the sum of expenditures and the ending fund balance cannot exceed the sum of revenues and the carry-over fund balance from the previous year. The State Department of Education imposes a uniform budgeting and accounting format for school Offices of Education. The budget process for school Offices of Education was substantially amended by Assembly Bill 1200 ("**AB 1200**"), which became State law on October 14, 1991. Portions of AB 1200 are summarized below.

School Offices of Education must adopt a budget on or before July 1 of each year. The budget must be submitted to the county superintendent within five days of adoption or by July 1, whichever occurs first. A Office of Education may be on either a dual or single budget cycle. The dual budget option requires a revised and readopted budget by September 1 that is subject to State-mandated standards and criteria. The revised budget must reflect changes in projected income and expenses subsequent to July 1. The single budget is only readopted if it is disapproved by the county office of education, or as needed. The Office of Education is on a single budget cycle and adopts its budget on or before July 1.

For both dual and single budgets submitted on July 1, the county superintendent will examine the adopted budget for compliance with the standards and criteria adopted by the State Board of Education and identify technical corrections necessary to bring the budget into compliance, will determine if the budget allows the Office of Education to meet its current obligations and will determine if the budget is consistent with a financial plan that will enable the Office of Education to meet its multi-year financial commitments. On or before August 15, the county superintendent will approve or disapprove the adopted budget for each school Office of Education. Budgets will be disapproved if they fail the above standards. The Office of Education board must be notified by August 15 of the county superintendent's recommendations for revision and reasons for the recommendations. The county superintendent may assign a fiscal advisor or appoint a committee to examine and comment on the superintendent's recommendations. The committee must report its findings no later than August 20. Any recommendations made by the county superintendent must be made available by the Office of Education for public inspection. The law does not provide for conditional approvals; budgets must be either approved or disapproved. No later than August 20, the county superintendent must notify the Superintendent of Public Instruction of all school Office of Education whose budget has been disapproved.

For all dual budget options and for single and dual budget option Offices of Education whose budgets have been disapproved, the Office of Education must revise and readopt its budget by September 8, reflecting changes in projected income and expense since July 1, including responding to the county superintendent's recommendations. The county superintendent must determine if the budget conforms with the standards and criteria applicable to final Office of Education budgets and not later than October 8, will approve or disapprove the revised budgets. If the budget is disapproved, the county superintendent will call for the formation of a budget review committee pursuant to California Education Code Section 42127.1. Until a Office of Education's budget is approved, the Office of Education will operate on the lesser of its proposed budget for the current fiscal year or the last budget adopted and reviewed for the prior fiscal year.

Interim Certifications Regarding Ability to Meet Financial Obligations. Under the provisions of AB 1200, each school office of education is required to file interim certifications with the State Superintendent, which is not a department of the County, as to its ability to meet its

financial obligations for the remainder of the then-current fiscal year and, based on current forecasts, for the subsequent two fiscal years. The State Superintendent reviews the certification and issues the following types of certifications:

- **Positive certification** the school district or office of education will meet its financial obligations for the current fiscal year and the subsequent two fiscal years.
- **Negative certification** the school district or office of education will be unable to meet its financial obligations for the remainder of the fiscal year or the subsequent fiscal year.
- **Qualified certification** the school district or office of education may not meet its financial obligations for the current fiscal year or the subsequent two fiscal years.

Under California law, any school district or office of education that has a qualified or negative certification in any fiscal year may not issue, in that fiscal year or in the next succeeding fiscal year, certificates of participation, tax anticipation notes, revenue bonds or any other debt instruments that do not require the approval of the voters of the district or office of education, unless the applicable county superintendent of schools determines that the district's office of education's repayment of indebtedness is probable.

Office of Education's Budget Approval/Disapproval and Certification History. During the past five years all of the Office of Education's first and second interim reports received a positive certification. Copies of the Office of Education's budget, interim reports and certifications may be obtained upon request from the Superintendent's Office at 6200 South Mooney Boulevard, Visalia, California 93278, Phone: (559) 733-6301. The Office of Education may impose charges for copying, mailing and handling.

Office of Education's County School Service Fund. The following table shows the county school service fund figures for the Office of Education for fiscal year 2023-24 (unaudited actuals) and fiscal year 2024-25 (adopted budget).

COUNTY SCHOOL SERVICE FUND REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE ⁽¹⁾ Fiscal Year 2023-24 (Unaudited Actuals) Fiscal Year 2024-25 (Adopted Budget) Tulare County Office of Education

Revenues	Unaudited Actuals 2023-24	Adopted Budget 2024-25
LCFF Sources	\$40,696,459	\$41,185,932
Federal Revenues	30,248,734	29,873,477
Other State Revenues	86,882,097	83,216,313
Other Local Revenues	85,173,399	73,220,483
Total Revenues	243,000,689	227,496,205
Expenditures		
Certificated Salaries	45,799,544	45,682,028
Classified Salaries	51,537,737	55,170,700
Employee Benefits	54,636,973	82,346,291
Books and Supplies	4,262,173	5,358,408
Services & Operating Exp.	56,074,808	51,142,596
Capital Outlay	9,626,001	1,810,000
Other Outgo (Excluding Indirect Costs)	2,408,223	2,403,513
Other Outgo (Indirect Costs)	(5,056,916)	(6,009,048)
Total Expenditures	219,288,542	217,904,488
Excess of Revenues Over/(Under)		
Expenditures	23,712,147	9,591,717
Other Financing Sources (Uses)		
Operating Transfers in	32,609	
Operating Transfers out	571,452	(805,555)
Other Sources (Uses)		
Total Other Financing Sources (Uses)	(538,844)	(805,555)
Net Change in Fund Balance	23,173,303	8,786,162
Fund Balance, July 1	84,022,621	107,195,924
Fund Balance, June 30	\$107,195,924	\$115,982,086

(1) Budgeted fund balances shown do not include certain funds included in the Office of Education's audited financial statements.

Source: Tulare County Office of Education.

Office of Education Reserves. The Office of Education's ending fund balance is the accumulation of surpluses from prior years. This fund balance is used to meet the State's minimum required reserve of 2% of expenditures. [However, the Office of Education Board Policy requires a __% minimum unrestricted reserve for economic uncertainty, which the Office of Education maintains, plus any other allocation or reserve which might be approved as an expenditure by the Office of Education in the future.]

Funding Trends under LCFF. As described herein, prior to fiscal year 2013-14, school districts and offices of education in California received State funding based on a formula which considered a revenue limit per unit of ADA. With the implementation of the LCFF, commencing in fiscal year 2013-14, school districts and offices of education receive base funding based on ADA, and may also be entitled to supplemental funding, concentration grants and funding based on an economic recovery target. The following table sets forth recent LCFF funding per ADA for the Office of Education for fiscal years 2018-19 through 2024-25 (budgeted).

TULARE COUNTY OFFICE OF EDUCATION ADA and LCFF Funding Fiscal Years 2018-19 through 2024-25 (Budgeted)

Fiscal Year	ADA	LCFF Funding Per ADA
2018-19	1,498	\$16,171
2019-20	1,490	16,277
2020-21 ⁽¹⁾	1,490	16,491
2021-22	1,521	15,963
2022-23	1,597	22,751
2023-24 ⁽¹⁾	1,435	28,360
2024-25 ⁽³⁾	1,463	28,152

(1) Due to the COVID-19 pandemic, Average Daily Attendance at P-2 was not reported in 2021. Funding was based on Average Daily Attendance at P-2 as reported in 2020.

(2) Estimated Actual.

(3) Budgeted.

Source: California Department of Education; Tulare County Office of Education.

Revenue Sources

The Office of Education categorizes its general fund revenues into four sources: LCFF, Federal Revenues, Other State Revenues and Local Revenues. Each of these revenue sources is described below.

LCFF Sources. Office of Education funding is provided by a mix of (1) local property taxes and (2) State apportionments of funding under the LCFF. Generally, the State apportionments will amount to the difference between the Office of Education's LCFF funding entitlement and its local property tax revenues.

Beginning in 1978-79, Proposition 13 and its implementing legislation provided for each county to levy (except for levies to support prior voter-approved indebtedness) and collect all property taxes, and prescribed how levies on county-wide property values are to be shared with local taxing entities within each county.

The principal component of local revenues is the office of education's property tax revenues, i.e., the office of education's share of the local 1% property tax, received pursuant to Sections 75 and following and Sections 95 and following of the California Revenue and Taxation Code. Education Code Section 42238(h) itemizes the local revenues that are counted towards the base revenue limit before calculating how much the State must provide in equalization aid. Historically, the more local property taxes an office of education received, the less State equalization aid it is entitled to.

Under Education Code section 2578(c), offices of education are required to transfer any excess property tax revenues collected beyond their LCFF allotment to the state controller to offset state costs of providing trial court services. The transfer occurs at the direction of the Department of Finance and the State Controller's Office the year after the taxes are collected.

Federal Revenues. The federal government provides funding for several Office of Education programs, including special education programs, programs under Every Student Succeeds Act, the Individuals with Disabilities Education Act, and specialized programs such as Drug Free Schools.

Other State Revenues. In addition to the funding sources described above, the Office of Education receives substantial other State revenues, including State Special Education Master Plan (estimated to be \$______ in fiscal year 2023-24), lottery and state categorical funding (e.g. class size reduction funding, and economic impact funding), and pass-through revenues from State sources.

The Office of Education receives State aid from the California State Lottery (the "Lottery"), which was established by a constitutional amendment approved in the November 1984 general election. Lottery revenues must be used for the education of students and cannot be used for non-instructional purposes such as real property acquisition, facility construction, or the financing of research. Moreover, State Proposition 20 approved in March 2000 requires that 50% of the increase in Lottery revenues over 1997-98 levels must be restricted to use on instruction material.

For additional discussion of State aid to school districts and offices of education, see "Education Funding Generally."

Other Local Revenues. In addition to property taxes, the Office of Education receives additional local revenues from items such as interest earnings, leases and rentals.

Office of Education Retirement Systems

Qualified employees of the Office of Education are covered under multiple-employer defined benefit pension plans maintained by agencies of the State. Certificated employees are members of the State Teachers' Retirement System ("**STRS**") and classified employees are members of the Public Employees' Retirement System ("**PERS**"). Both STRS and PERS are operated on a Statewide basis. The information set forth below regarding the STRS and PERS programs, other than the information provided by the Office of Education regarding its annual contributions thereto, has been obtained from publicly available sources which are believed to be reliable but are not guaranteed as to accuracy or completeness, and should not be construed as a representation by either the Office of Education or the Underwriter.

STRS. All full-time certificated employees participate in STRS, a cost-sharing, multipleemployer contributory public employee retirement system. The plan provides retirement and disability benefits and survivor benefits to beneficiaries. The plan is funded through a combination of investment earnings and statutorily set contributions from three sources: employees, employers, and the State. The benefit provisions and contribution amounts are established by State laws, as amended from time to time. Prior to fiscal year 2014-15, contribution rates were constant and not subject to annual variations. In September 2013, however, STRS projected that the plan would be depleted in 31 years if existing contribution rates continued and other actuarial assumptions were realized, largely due to significant investment losses.

Assembly Bill 1469 was adopted as part of the State's fiscal year 2014-15 budget ("**AB** 1469"), aimed at fully funding the unfunded actuarial obligation of STRS with respect to service credited to member of STRS prior to July 1, 2014, within 32 years, by increasing contribution rates of members and the State. Under AB 1469, employer contributions were proposed to steadily increase over seven years. However, several modifications to the schedule were undertaken in connection with State budgets.

Contribution rates for the past several years are summarized pursuant to the following table:

STRS EMPLOYER CONTRIBUTION RATES Effective Dates of July 1, 2019 through July 1, 2024

EmployerEffective DateContribution RateJuly 1, 201917.10%July 1, 202016.15July 1, 202010.02

July 1, 2020	10.15
July 1, 2021	16.92
July 1, 2022	19.10
July 1, 2023	19.10
July 1, 2024	19.10
-	

Source: STRS.

The State also continues to contribute to STRS, and its contribution rate is 8.328% in fiscal year 2024-25.

The Office of Education's recent contributions to STRS including the current budgeted fiscal year are set forth in the following table. These contributions represent 100% of the required contribution for each year.

STRS CONTRIBUTIONS Tulare County Office of Education Fiscal Years 2018-19 through 2024-25

Fiscal Year	Amount	
2018-19	\$6,324,703	
2019-20	6,815,061	
2020-21	6,392,479	
2021-22	6,934,207	
2022-23	8,552,740	
2023-24 ⁽¹⁾	11,573,127	
2024-25 ⁽²⁾	12,370,508	

(1) Unaudited actual.

(2) Budgeted.

Source: Tulare County Office of Education.

The STRS defined benefit program continues to have an unfunded actuarial liability estimated at approximately \$86.6 billion as of June 30, 2023, which is the date of the last actuarial valuation.

PERS. All full-time and some part-time classified employees participate in PERS, an agent multiple-employer contributory public employee retirement system that acts as a common investment and administrative agent for participating public entities within the State. PERS provides retirement, disability, and death benefits to plan members and beneficiaries. The Office of Education is part of a cost-sharing pool within PERS known as the "Schools Pool." Benefit provisions are established by State statutes, as legislatively amended. Contributions to PERS are made by employers and employees. Each fiscal year, employers are required to contribute an amount based on an actuarially determined employer rate, and employees make contributions which vary based on their date of hire.

Like the STRS program, PERS has experienced an unfunded liability in recent years. To address this issue, the PERS board has taken a number of actions, including changes to the PERS amortization and smoothing policy intended to reduce volatility in employer contribution rates and adopting changes in actuarial assumptions. In November 2015, PERS adopted a funding risk mitigation policy incrementally lowering its discount rate (its assumed rate of investment return) in years of good investment returns, to help pay down the pension fund's unfunded liability, and provide greater predictability and less volatility in contribution rates for employers. SB 90, and Assembly Bill 84/Senate Bill 111 ("AB 84") of June 2020, directed contributions of \$430 million and \$330 million in satisfaction of portions of employer contribution rates are set forth in the following table.

Fiscal Year	Employer Contribution Rate ⁽¹⁾
2019-20	19.721%
2020-21	20.700
2021-22	22.910
2022-23	25.370
2023-24	26.680
2024-25	27.050

EMPLOYER CONTRIBUTION RATES (PERS) Fiscal Years 2019-20 through 2024-25

(1) Expressed as a percentage of covered payroll. *Source: PERS*

The Office of Education's employer contributions to PERS for recent fiscal years are set forth in the following table.

PERS EMPLOYER CONTRIBUTIONS Tulare County Office of Education Fiscal Years 2018-19 through 2024-25

Fiscal Year	Amount
2018-19	\$9,253,492
2019-20	10,603,273
2020-21	11,200,812
2021-22	13,027,990
2022-23	15,820,781
2023-24 ⁽¹⁾	14,549,110
2024-25 ⁽²⁾	17,187,140
 (1) Unaudited actual. (2) Budgeted. Source: Tulare County Office of Education. 	

PERS continues to have an unfunded liability which, on a market value of assets basis, was approximately \$40.6 billion as of June 30, 2023, which is the date of the last actuarial valuation.

California Public Employees' Pension Reform Act of 2013. On September 12, 2012, the Governor signed into law the California Public Employees' Pension Reform Act of 2013 ("PEPRA"), which impacted various aspects of public retirement systems in the State, including the STRS and PERS programs. In general, PEPRA (i) increased the retirement age for public employees depending on job function, (ii) capped the annual pension benefit payouts for public employees hired after January 1, 2013, (iii) required public employees hired after January 1, 2013 to pay at least 50% of the costs of their pension benefits (as described in more detail below), (iv) required final compensation for public employees hired after January 1, 2013 to be determined based on the highest average annual pensionable compensation earned over a period of at least 36 consecutive months, and (v) attempted to address other perceived abuses in the public retirement systems in the State. PEPRA applies to all public employee retirement systems in the State. except the retirement systems of the University of California, and charter cities and charter counties whose pension plans are not governed by State law. PEPRA's provisions went into effect on January 1, 2013 with respect to new State, school, and city and local agency employees hired on or after that date; existing employees who are members of employee associations, including employee associations of the Office of Education, have a five-year window to negotiate compliance with PEPRA through collective bargaining.

PERS has predicted that the impact of PEPRA on employees and employers, including the Office of Education and other employers in the PERS system, will vary, based on each employer's current level of benefits. As a result of the implementation of PEPRA, new members must pay at least 50% of the normal costs of the plan, which can fluctuate from year to year. To the extent that the new formulas lower retirement benefits, employer contribution rates could decrease over time as current employees retire and employees subject to the new formulas make up a larger percentage of the workforce. This change would, in some circumstances, result in a lower retirement benefit for employees than they currently earn.

With respect to the STRS pension program, employees hired after January 1, 2013 will pay the greater of either (1) fifty percent of the normal cost of their retirement plan, rounded to the

nearest one-quarter percent, or (2) the contribution rate paid by then-current members (i.e., employees in the STRS plan as of January 1, 2013). The member contribution rate could be increased from this level through collective bargaining or may be adjusted based on other factors. Employers will pay at least the normal cost rate, after subtracting the member's contribution.

The Office of Education is unable to predict the amount of future contributions it will have to make to PERS and STRS as a result of the implementation of PEPRA, and as a result of negotiations with its employee associations, or, notwithstanding the adoption of PEPRA, resulting from any legislative changes regarding the PERS and STRS employer contributions that may be adopted in the future.

Additional Information - STRS and PERS. Additional information regarding the Office of Education's retirement programs is available in Note 11 to the Office of Education's audited financial statements attached hereto as APPENDIX B. In addition, both STRS and PERS issue separate comprehensive financial reports that include financial statements and required supplemental information. Copies of such reports may be obtained from STRS and PERS, respectively, as follows: (i) STRS, P.O. Box 15275, Sacramento, California 95851-0275; and (ii) PERS, 400 Q Street, Sacramento, California 95811.

More information regarding STRS and PERS can also be obtained at their websites, www.calstrs.com and www.calpers.ca.gov, respectively. The references to these Internet websites are shown for reference and convenience only and the information contained on such websites is not incorporated by reference into this Official Statement. The information contained on these websites may not be current and has not been reviewed by the Office of Education or the Underwriter for accuracy or completeness.

Other Post-Employment Healthcare Benefits

Plan Description. The Office of Education's defined benefit other post-employment benefits ("**OPEB**") plan, Tulare County Office of Education Retiree Benefit Plan (the "**Plan**") is described below. The Plan is a single-employer defined benefit plan administered by the Office of Education. The Office of Education maintains a program which pays part or all of the monthly medical insurance premiums on behalf of retired former employees, provided that the employee has satisfied certain requirements. These are all purchases on a pooled basis through the Self-Insured Schools of California ("**SISC**"). The Office of Education participates in the SISC GASB 45 Trust A. The SISC GASB 45 Trust A was established to provide governmental agencies in the state of California a mechanism for pre-funding OPEB liabilities. Membership of the Plan consists of 85 retirees and beneficiaries currently receiving benefits and 1,333 active plan members.

Benefits Provided. The Office of Education pays 100% of medical, dental and vision premiums up to a certain age for employees who retire after meeting certain age and service requirements. Retirees may continue coverage after the end age by paying all required premiums. For additional information about the Office of Education's eligibility requirements for benefits, see Note 10 of the Office of Education's audited financial statements for fiscal year ended June 30, 2023, attached to the Official Statement as APPENDIX B.

Contributions. For the measurement period, the Office of Education contributed \$4,248,692 to the Plan, \$2,048,692 of which was used for current premiums.

Investments. The Office of Education 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. The SISC GASB 45 Trust A does not have investments in any single issuer that represent 5% or more of the Plan's fiduciary net position or total investments.

For the year ended, June 30, 2023, the annual money-weighted rate of return on investments, net of investment expense, was 6.25%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts invested.

Actuarial Assumptions and Other Inputs. The Office of Education's total OPEB liability of \$42,732,202 was measured as of June 30, 2023 and was determined by an actuarial valuation as of the same date, using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified: inflation 2.50%, salary increases 2.75%, discount rate 6.25%, and healthcare cost trend rates of 4.00%. The discount rate was based was determined by SISC using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class.

Changes in OPEB Liability of the Office of Education. The changes in OPEB liability of the Office of Education as of the June 30, 2023 audit report, are shown in the following table:

Total OPEB Liability	June 30, 2023	
Service Cost	\$1,729,769	
Interest	2,910,425	
Difference between expected and actual experience	6,398,635)	
Changes in assumptions	(186,927)	
Benefit payments	2,048,692)	
Net change in total OPEB liability	3,994,060)	
Total OPEB liability-beginning	46,726,262	
Total OPEB liability-ending	\$42,732,202	

CHANGES IN OPEB LIABILITY Tulare County Office of Education

Plan Fiduciary Net Position	June 30, 2023
Contributions-employer	\$4,248,692
Net investment income	2,661,663
Benefit payments	(2,048,692)
Administrative expenses	(24,800)
Net change in plan fiduciary net position	4,836,863
Plan fiduciary net position- beginning	24,137,340
Plan fiduciary net position- ending	\$28,974,203
Office of Education net OPEB Liability-ending	\$13,757,999
Plan fiduciary net position as a % of the total OBEB liability	67.80%
Covered-employee payroll	\$88,684,616
Office of Education net OPEB liability as a % of covered-employee payroll	15.51%

Source: Tulare County Office of Education Audit Report.

Plan Expense. For the year ended June 30, 2023, the Office of Education recognized an OPEB expense of \$3,640,785. For additional information about the Office of Education's other post-employments benefits, see Note 10 of the Office of Education's audited financial statements for fiscal year ended June 30, 2023, attached to the Official Statement as APPENDIX B.

Existing Debt Obligations

Certificates of Participation. On September 12, 2013, the Office Education issued \$39,000,000 in certificates of participation (the "**2013 Certificates**") to build facilities. On November 27, 2019 the Office of Education issued its 2019 Refunding Certificates of Participation in the aggregate principal amount of \$35,595,000 (the "**2019 Certificates**") to partially refund the 2013 Certificates. The net proceeds received for the 2019 Certificates were deposited into an irrevocable trust with an escrow agent to provide for future debt service payments on the 2013 Certificates that were advance refunded. This refunding reduced total debt service payments by \$2,280,843 and resulted in an economic gain (difference between the present value of the debt service payments on the old and new debt) of \$2,283,418. Future minimum lease payments are as follows:

Year Ending			
June 30,	Principal	Interest	Amount
2025	\$1,310,000	\$1,093,513	\$2,403,513
2026	1,340,000	1,060,593	2,400,593
2027	1,375,000	1,025,578	2,400,578
2028	1,415,000	988,275	2,403,275
2029-2033	7,735,000	4,285,662	12,020,662
2034-2038	9,090,000	2,925,923	12,015,923
2039-2043	10,815,000	1,209,208	12,024,208
TOTAL	\$33,080,000	\$12,588,752	\$45,668,752

Source: Tulare County Office of Education.

Compensated Absences. Total unpaid employee compensated absences as of June 30, 2023 amounted to \$1,575,091. This amount is included as part of long-term liabilities in the government-wide financial statements.

Leases. The Office of Education has entered into agreements to lease various facilities and equipment. As of June 30, 2023, the District recognized a lease liability of \$4,179,806 related to these agreements. The Office of Education is required to make principal and interest payments June 30, 2032. See Note 8(E) of APPENDIX B to the Official Statement for additional information. Future minimum payments are as follows:

Year Ending			
June 30,	Principal	Interest	Amount
2025	\$910,921	\$18,332	\$929,253
2026	655,922	14,217	670,139
2027	482,705	10,823	493,528
2028	254,122	8,033	262,155
2029-2032	639,619	11,018	650,637
TOTAL	\$2,943,289	\$62,423	\$3,005,712

Source: Tulare County Office of Education.

Investment of Office of Education Funds

In accordance with Government Code Section 53600 *et seq.*, the County Treasurer manages funds deposited with it by the Office of Education. The County is required to invest such funds in accordance with California Government Code Sections 53601 *et seq.* In addition, counties are required to establish their own investment policies which may impose limitations beyond those required by the Government Code. See "APPENDIX G – TULARE COUNTY INVESTMENT POLICY AND REPORT."

STATE FUNDING OF EDUCATION; RECENT STATE BUDGETS

The information in this section concerning the State's budget or budgets has been compiled from publicly-available information provided by the State or the Legislative Analyst's Office (the "LAO"). Neither the Office of Education, the Underwriter nor the County is responsible for the information provided in this section.

State Funding of Education Generally

The State requires that from all State revenues there first shall be set apart the moneys to be applied for support of the public school system and public institutions of higher education. Public school districts and offices of education in California are dependent on revenues from the State for a large portion of their operating budgets. The primary source of funding for school districts and offices of education are revenues under the LCFF, which are a combination of State funds and local property taxes (see "FINANCIAL INFORMATION - Education Funding Generally" above). State funds typically make up the majority of a district's and office of education's LCFF allocation. School districts and offices of education also receive substantial funding from the State for various categorical programs.

The availability of State funds for public education is a function of constitutional provisions affecting office of education revenues and expenditures (see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING OFFICE OF EDUCATION REVENUES AND APPROPRIATIONS" below), the condition of the State economy (which affects total revenue available to the State's general fund), and the annual State budget process. Decreases in State revenues may significantly affect appropriations made by the legislature to school districts.

The State Budget Process

The State's fiscal year begins on July 1 and ends on June 30. The annual budget is proposed by the Governor by January 10 of each year for the next fiscal year (the "**Governor's Budget**"). Under State law, the annual proposed Governor's Budget cannot provide for projected expenditures in excess of projected revenues and balances available from prior fiscal years. Following the submission of the Governor's Budget, the Legislature takes up the proposal.

Under the State Constitution, money may be drawn from the State Treasury only through an appropriation made by law. The primary source of the annual expenditure authorizations is the Budget Act as approved by the Legislature and signed by the Governor. The Budget Act must be approved by a majority vote of each house of the Legislature. The Governor may reduce or eliminate specific line items in the Budget Act or any other appropriations bill without vetoing the entire bill. Such individual line-item vetoes are subject to override by a two-thirds majority vote of each house of the Legislature.

Appropriations also may be included in legislation other than the Budget Act. Bills containing appropriations must be approved by a majority vote in each house of the Legislature, unless such appropriations require tax increases, in which case they must be approved by a two-thirds vote of each house of the Legislature and be signed by the Governor. Continuing appropriations, available without regard to fiscal year, may also be provided by statute or the State Constitution.

Funds necessary to meet an appropriation need not be in the State Treasury at the time such appropriation is enacted; revenues may be appropriated in anticipation of their receipt.

Resources Relating to State Budgets

Certain information about the State budgeting process and the State budget is available through several State sources. Convenient sources of information include:

- www.treasurer.ca.gov: The California State Treasurer internet home page, under the link to "Bond Finance" and sub-heading "-Public Finance Division", includes links to recent State official statements and various State financial documents which includes information regarding State budgets and finances.
- www.dof.ca.gov: The California Department of Finance's (the "**DOF**") internet home page, under the link to "California Budget", includes the text of proposed and adopted State Budgets.
- www.lao.ca.gov: The LAO's internet home page includes a link to "-The Budget" which includes analyses and commentary on fiscal outlooks.

The above references to internet websites shown are shown for reference and convenience only. The information contained within the websites may include outdated information and has not been reviewed for accuracy by the Office of Education or the Underwriter. Such information is <u>not</u> incorporated herein by reference.

The 2024-25 State Budget

The Governor signed the fiscal year 2024-25 State budget on June 29, 2024, which was amended through a series of legislative trailer bills (the "**2024-25 State Budget**"). The 2024-25 State Budget notes that the State has experienced significant revenue volatility and unprecedented revenue growth that was quickly followed by a sharp and deep correction back toward historical trends. The 2024-25 State Budget also notes that the unprecedented Internal Revenue Service tax filing and payment postponement in the year 2023 significantly clouded the State's revenue forecast, and indicates that, with the revenue picture now clearer, the 2024-25 State Budget takes steps to ensure California is on sound fiscal footing by setting the State on a fiscally responsible long-term path that protects vital programs.

The 2024-25 State Budget includes provisions intended to address a budget deficit of approximately \$46.8 billion while also creating positive fund balance in State's Special Fund for Economic Uncertainties (the "**SFEU**") in fiscal years 2024-25 and 2025-26 and maintaining core programs for vulnerable populations. The 2024-25 State Budget includes approximately \$16.0 billion in budgetary reductions, comprising (a) an approximately 7.95% reduction in the State's operations budget resulting in State general fund savings of approximately \$2.2 billion, (b) a \$1.5 billion permanent reduction in State departments' budgets for vacant positions, (c) a reduction of approximately \$0.4 billion in State Department of Corrections and Rehabilitation budget in fiscal year 2024-25 and a total reduction of approximately \$0.7 billion in fiscal years 2022-23 through 2024-25, (d) \$1.1 billion reduction in various affordable housing programs, and (e) 0.7 billion for various healthcare workforce housing programs.

The 2024-25 State Budget includes a \$13.6 billion increase in revenues by means of additional revenue sources and internal borrowing from special funds, which incorporates suspension of net operating loss deductions for companies with over \$1.0 million in taxable income and limits business tax credits to \$5.0 million in fiscal years 2023-2024 through 2025-2026, and increased managed care organization tax generating \$5.1 billion in fiscal year 2024-

25, \$4.6 billion in fiscal year 2025-26, and \$4.0 billion in fiscal year 2026-27. Significantly, the 2024-25 State Budget provides for the withdrawal of approximately \$12.2 billion from the State Rainy Day Fund (the "Rainy Day Fund") over fiscal years 2024-25, and 2025-26 and approximately \$0.9 billion from the State Safety Net Reserve in fiscal year 2024-25.

Additional balancing measure include \$6.0 billion in fund shifts, such as (a) applying a prior CalPERS supplemental pension payment to the State's overall pension liability which reduces the State's required employer contributions in fiscal year 2024-25 by \$1.7 billion. (b) approximately \$1.0 billion from the State general fund to the State's greenhouse gas reduction fund for the Formula and Competitive Transit and Intercity Rail Capital Program, and (c) approximately \$3.0 billion from the State general fund to the State's greenhouse gas reduction fund for clean energy and other climate programs. The 2024-25 State Budget also delays funding for programs such as the State food assistance program expansion, developmental services, childcare slots and the State's broadband program by a total amount of approximately \$3.1 billion and includes approximately \$2.1 billion in payroll and University of California and California State University compact deferrals. Some of the core programs maintained in the 2024-25 State Budget include funding of the Proposition 98 minimum guarantee at approximately \$115.3 billion for school districts and community colleges. Medi-Cal expansion of health care, multiple programs supporting the expansion of the continuum of behavioral health treatment and infrastructure capacity for providing behavioral health services, State supplemental payment base grants, CalWORKs base grants, in-home supportive services and certain broadband programs.

The 2024-25 State Budget projects total resources available in fiscal year 2023-24 of approximately \$236.5 billion, including revenues and transfers of approximately \$189.4 billion and a prior year balance of approximately \$47.1 billion, and total expenditures in fiscal year 2023-24 of approximately \$223.1 billion. The 2024-25 State Budget projects total resources available for fiscal year 2024-25 of approximately \$225.6 billion, inclusive of revenues and transfers of approximately \$212.1 billion and a prior year balance of approximately \$13.4 billion. The 2024-25 State Budget projects total expenditures in fiscal year 2024-25 of approximately \$211.5 billion, inclusive of non-Proposition 98 expenditures of approximately \$128.9 billion and Proposition 98 expenditures of approximately \$82.6 billion. The 2024-25 State Budget projects total reserve balances of \$22.2 billion at the end of fiscal year 2024-25. This includes \$17.6 billion in the State Rainy Day Fund, \$3.5 billion in the State's SFEU, and \$1.1 billion in the Proposition 98 Rainy Day Fund. The 2024-25 State Budget includes total funding of \$133.8 billion for all K-12 education programs, including \$81.5 billion from the State's general fund and \$52.3 billion from other funds. The 2024-25 State Budget reflects significant Proposition 98 funding that enables increased support for core programs such as the LCFF, special education, transitional kindergarten, nutrition, and preschool.

For the full text of the 2024-25 State Budget, see the California Department of Finance website at www.dof.ca.gov or www.ebudget.ca.gov. *The references to these Internet websites are shown for reference and convenience only and the information contained on such website is not incorporated by reference into this Official Statement. The information contained on this website may not be current and has not been reviewed by the Office of Education or the Underwriter for accuracy or completeness.*

Disclaimer Regarding State Budgets

The execution of State budgets including the above may be affected by numerous factors, including but not limited to: (i) shifts in costs from the federal government to the State, (ii) national, State and international economic conditions, (iii) litigation risks associated with proposed

spending reductions, (iv) rising health care costs and/or other unfunded liabilities, such as pension or OPEB, and (v) numerous other factors, all or any of which could cause the revenue and spending projections included in such budgets to be unattainable. The Office of Education cannot predict the impact that the 2024-25 State Budget or subsequent State Budgets, will have on its own finances and operations.

The State has not entered into any contractual commitments with the Office of Education, the County, the Underwriter or the owners of the Certificates to provide State budget information to the Office of Education or the owners of the Certificates. Although they believe the sources of information listed below are reliable, neither the Office of Education nor the Underwriter assumes any responsibility for the accuracy of State budget information set forth or referred to or incorporated in this Official Statement.

Availability of State Budgets. The complete 2024-25 State Budget is available from the California Department of Finance website at www.ebudget.ca.gov. An impartial analysis of the budget is published by the Legislative Analyst Office, and is available at www.lao.ca.gov/budget. The Office of Education can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted on these sites, and such information is not incorporated in this Official Statement by these references. The information referred to above should not be relied upon when making an investment decision with respect to the Certificates.

Uncertainty Regarding Future State Budgets. The Office of Education cannot predict what actions will be taken in future years by the State legislature or the Governor to address the State's current or future revenues and expenditures, or possible future budget deficits. Future State budgets will be affected by national and State economic conditions and other factors over which the Office of Education has no control. The Office of Education cannot predict what impact any future budget proposals will have on the financial condition of the Office of Education. To the extent that the State budget process results in reduced revenues to the Office of Education, the Office of Education will be required to make adjustments to its own budgets.

Ad Valorem Property Taxation

General. One of the Office of Education's local revenue sources which contributes to its general fund is its share of the 1% local property tax collected annually and distributed to taxing agencies by the County as described herein.

Property Tax Levy and Collection Procedures. Taxes are levied by the County for each fiscal year on taxable real and personal property which is situated in the Office of Education as of the preceding January 1. For assessment and collection purposes, property is classified either as "secured" or "unsecured" and is listed accordingly on separate parts of the assessment roll. The "secured roll" is that part of the assessment roll containing State-assessed public utilities property and real property having a tax lien which is sufficient, in the opinion of the County Assessor, to secure payment of the taxes. Other property is assessed on the "unsecured roll."

Property taxes on the secured roll are due in two installments, on August 1 and March 1 of each fiscal year. If unpaid, such taxes become delinquent on August 10 and April 10, respectively, and a 10% penalty attaches to any delinquent payment. Property on the secured roll with respect to which taxes are delinquent becomes tax defaulted on or about June 30 of the fiscal year. Such property may thereafter be redeemed by payment of a penalty of 1.5% per month to

the time of redemption, plus costs and a redemption fee. If taxes are unpaid for a period of five years or more, the property is subject to sale by the County Treasurer.

Property taxes on the unsecured roll are due as of the January 1 lien date and become delinquent, if unpaid, on August 31. A 10% penalty attaches to delinquent unsecured taxes. If unsecured taxes are unpaid at 5:00 p.m. on October 31, an additional penalty of 1.5% attaches to them on the first day of each month until paid. The taxing authority has four ways of collecting delinquent unsecured personal property taxes: (1) bringing a civil action against the taxpayer; (2) filing a certificate in the office of the local superior court clerk specifying certain facts in order to obtain a lien on certain property of the taxpayer; (3) filing a certificate of delinquency for record in the County Recorder's office in order to obtain a lien on certain property of the taxpayer; and (4) seizing and selling personal property, improvements, or possessory interests belonging or assessed to the assessee.

Assessed Valuations

Generally. The assessed valuation of property in the Office of Education is established by the County Assessor, except for public utility property which is assessed by the State Board of Equalization. Assessed valuations are reported at 100% of the "full value" of the property, as defined in Article XIIIA of the California Constitution. Prior to 1981-82, assessed valuations were reported at 25% of the full value of property. For a discussion of how properties currently are assessed, see "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING OFFICE OF EDUCATION REVENUES AND APPROPRIATIONS."

Certain classes of property, such as churches, colleges, not-for-profit hospitals, and charitable institutions, are exempt from property taxation and do not appear on the tax rolls.

Assessed Valuation History. The table following shows a recent history of the Office of Education's assessed valuation.

TULARE COUNTY OFFICE OF EDUCATION Assessed Valuation Fiscal Year 2014-15 through Fiscal Year 2024-25

Fiscal Year	Local Secured	Utility	Unsecured	Total	% Change
2014-15	[to come]				%
2015-16		[to come]			
2016-17			[to come]		
2017-18				[to come]	
2018-19					
2019-20					
2020-21					
2021-22					
2022-23					
2023-24					

Source: California Municipal Statistics, Inc.

Factors Relating to Increases/Decreases in Assessed Value. As indicated in the previous table, assessed valuations are subject to change in each year. Increases or decreases in assessed valuation result from a variety of factors including but not limited to general economic conditions, supply and demand for real property in the area, government regulations such as zoning, and natural disasters such as earthquakes, fires, floods and droughts.

Wildfires have occurred in recent years in different regions of the State, and related flooding and mudslides have also occurred. The most destructive of the recent wildfires, which have burned thousands of acres and destroyed thousands of homes and structures, have originated in wildlands adjacent to urban areas. Although the recent natural disasters do not include territory within the Office of Education's boundaries, the Office of Education cannot predict or make any representations regarding the effects that wildfires, flooding, mudslides or any other natural disasters and related conditions have or may have within the Office of Education, or to what extent the effects said disasters might have had on economic activity in the Office of Education or throughout the State.

The Office of Education cannot predict or make any representations regarding the effects that natural disasters and related conditions have or may have on the value of taxable property within the Office of Education, or to what extent the effects said disasters might have had on economic activity in the Office of Education or throughout the State.

See also "CERTAIN RISK FACTORS – Infectious Disease Outbreak and COVID-19 Global Pandemic."

Assessed Valuation by Land Use. The following table shows the land use of property in the Office of Education, as measured by assessed valuation and the number of parcels for fiscal year 2024-25. As shown, the majority of the Office of Education's assessed valuation is represented by _____ property.

TULARE COUNTY OFFICE OF EDUCATION Local Secured Property Assessed Valuation and Parcels by Land Use Fiscal Year 2024-25

[to come]

⁽¹⁾ Local secured assessed valuation; excluding tax-exempt property. Source: California Municipal Statistics, Inc.

Appeals of Assessed Value

There are two types of appeals of assessed values that could adversely impact property tax revenues within the Office of Education.

Appeals may be based on Proposition 8 of November 1978, which requires that for each January 1 lien date, the taxable value of real property must be the lesser of its base year value, annually adjusted by the inflation factor pursuant to Article XIIIA of the State Constitution, or its full cash value, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property or other factors causing a decline in value. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING OFFICE OF EDUCATION REVENUES AND APPROPRIATIONS – Article XIIIA of the California Constitution."

Under California law, property owners may apply for a Proposition 8 reduction of their property tax assessment by filing a written application, in form prescribed by the State Board of Equalization, with the County board of equalization or assessment appeals board. In most cases, the appeal is filed because the applicant believes that present market conditions (such as residential home prices) cause the property to be worth less than its current assessed value. Proposition 8 reductions may also be unilaterally applied by the County Assessor.

Any reduction in the assessment ultimately granted as a result of such appeal applies to the year for which application is made and during which the written application was filed. These reductions are subject to yearly reappraisals and are adjusted back to their original values when market conditions improve. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIIIA.

A second type of assessment appeal involves a challenge to the base year value of an assessed property. Appeals for reduction in the base year value of an assessment, if successful, reduce the assessment for the year in which the appeal is taken and prospectively thereafter. The base year is determined by the completion date of new construction or the date of change of ownership. Any base year appeal must be made within four years of the change of ownership or new construction date.

The Office of Education cannot predict the changes in assessed values that might result from pending or future appeals by taxpayers, or blanket reassessments initiated by the County Assessor.

Tax Levies and Delinquencies

No Teeter Plan. From June 1993 through June 2009, the County and its political subdivisions operated under the Alternate Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "**Teeter Plan**"), as provided for in Section 4701 et seq. of the California Revenue and Taxation Code. The Teeter Plan is an alternative procedure for distribution of certain property tax and assessment levies on the secured roll. In June 2009, in order to address cash flow issues and other financial matters, the County discontinued the Teeter Plan, and consequently the Teeter Plan is not available to local taxing entities within the County, such as the District. The District's receipt of property taxes collected in the County is therefore subject to delinquencies.

Largest Secured Property Taxpayers

The following table shows the 20 largest secured property taxpayers in the Office of Education as determined by secured assessed valuation in fiscal year 2024-25. The more property (by assessed value) which is owned by a single taxpayer within the Office of Education, the greater amount of tax collections that are exposed to weaknesses in such a taxpayer's financial situation and ability or willingness to pay property taxes. Each taxpayer listed below is a name listed on the tax rolls. The Office of Education cannot make any representation as to whether individual persons, corporations or other organizations are liable for tax payments with respect to multiple properties held in various names that in aggregate may be larger than is suggested by the table below.

TULARE COUNTY OFFICE OF EDUCATION Top 20 Secured Property Taxpayers Fiscal Year 2024-25

[to come]

(1) 2024-25 local secured assessed valuation: \$_____ Source: California Municipal Statistics, Inc.

Direct and Overlapping Debt

Set forth below is a direct and overlapping debt report (the "**Debt Report**") prepared by California Municipal Statistics, Inc. for debt issued as of _____, 2024. The Debt Report is included for general information purposes only. The Office of Education has not reviewed the Debt Report for completeness or accuracy and makes no representation in connection therewith.

The Debt Report generally includes long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of the Office of Education in whole or in part. Such long-term obligations generally are not payable from revenues of the Office of Education (except as indicated) nor are they necessarily obligations secured by land within the Office of Education. In many cases, long-term obligations issued by a public agency are payable only from the general fund or other revenues of such public agency.

TULARE COUNTY OFFICE OF EDUCATION Statement of Direct and Overlapping Bonded Debt Dated as of _____, 2024

[to come]

⁽¹⁾ Excludes Certificates to be sold.

⁽²⁾ Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations. Source: California Municipal Statistics, Inc.

COUNTY INVESTMENT POOL

In accordance with Government Code Section 53600 *et seq.*, the Tulare County Treasurer manages funds deposited with it by the Office of Education. The County is required to invest such funds in accordance with California Government Code Sections 53601 *et seq.* In addition, counties are required to establish their own investment policies which may impose limitations beyond those required by the Government Code. See APPENDIX G to the Official Statement for the County's current investment policy and investment report.

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING OFFICE OF EDUCATION REVENUES AND APPROPRIATIONS

Articles XIIIA, XIIIB, XIIIC, and XIIID of the State Constitution, Propositions 62, 98, 111, 187 and 218, and certain other provisions of law discussed below, are included in this section to describe the potential effect of these Constitutional and statutory measures on the ability of the Office of Education to levy taxes and spend tax proceeds for operating and other purposes.

Article XIIIA of the California Constitution

Basic Property Tax Levy. On June 6, 1978, California voters approved Proposition 13 ("Proposition 13"), which added Article XIIIA to the State Constitution ("Article XIIIA"). Article XIIIA limits the amount of any ad valorem tax on real property to 1% of the full cash value thereof, except that additional ad valorem taxes may be levied to pay debt service on (i) indebtedness approved by the voters prior to July 1, 1978, (ii) (as a result of an amendment to Article XIIIA approved by State voters on June 3, 1986) bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978 by two-thirds of the voters on such indebtedness, and (iii) (as a result of an amendment to Article XIIIA approved by State voters on November 7, 2000) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters of the district, but only if certain accountability measures are included in the proposition. Article XIIIA defines full cash value to mean "the county assessor's valuation of real property as shown on the 1975-76 tax bill under full cash value, or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership have occurred after the 1975 assessment". This full cash value may be increased at a rate not to exceed 2% per year to account for inflation.

Article XIIIA has subsequently been amended to permit reduction of the "full cash value" base in the event of declining property values caused by damage, destruction or other factors, to provide that there would be no increase in the "full cash value" base in the event of reconstruction of property damaged or destroyed in a disaster and in other minor or technical ways.

Legislation Implementing Article XIIIA. Legislation has been enacted and amended a number of times since 1978 to implement Article XIIIA. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The 1% property tax is automatically levied by the county and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1979.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the annual adjustment not to exceed 2% are allocated among the various jurisdictions in the "taxing area" based upon their respective "situs." Any such allocation made to a local agency continues as part of its allocation in future years.

Inflationary Adjustment of Assessed Valuation. As described above, the assessed value of a property may be increased at a rate not to exceed 2% per year to account for inflation. On December 27, 2001, the Orange County Superior Court, in *County of Orange v. San Bernardino County Assessment Appeals Board No.* 3, held that where a home's taxable value did not increase for two years, due to a flat real estate market, the Orange County assessor violated the 2% inflation adjustment provision of Article XIIIA, when the assessor tried to "recapture" the tax value of the property by increasing its assessed value by 4% in a single year. The assessors in most California counties, including the County, use a similar methodology in raising the taxable values of property beyond 2% in a single year. The State Board of Equalization has approved this methodology for increasing assessed values. On appeal, the Appellate Court held that the trial court erred in ruling that assessments are always limited to no more than 2% of the previous year's assessment. On May 10, 2004 a petition for review was filed with the California Supreme Court. The petition has been denied by the California Supreme Court. As a result of this litigation, the "recapture" provision described above may continue to be employed in determining the full cash value of property for property tax purposes.

Article XIIIB of the California Constitution

Article XIIIB ("**Article XIIIB**") of the State Constitution, as subsequently amended by Propositions 98 and 111, respectively, limits the annual appropriations of the State and of any city, county, school district, authority or other political subdivision of the State to the level of appropriations of the particular governmental entity for the prior fiscal year, as adjusted for changes in the cost of living and in population and for transfers in the financial responsibility for providing services and for certain declared emergencies. For fiscal years beginning on or after July 1, 1990, the appropriations limit of each entity of government shall be the appropriations limit for the 1986-87 fiscal year adjusted for the changes made from that fiscal year under the provisions of Article XIIIB, as amended.

The appropriations of an entity of local government subject to Article XIIIB limitations include the proceeds of taxes levied by or for that entity and the proceeds of certain state subventions to that entity. "Proceeds of taxes" include, but are not limited to, all tax revenues and the proceeds to the entity from (a) regulatory licenses, user charges and user fees (but only to the extent that these proceeds exceed the reasonable costs in providing the regulation, product or service), and (b) the investment of tax revenues.

Appropriations subject to limitation do not include (a) refunds of taxes, (b) appropriations for debt service, (c) appropriations required to comply with certain mandates of the courts or the federal government, (d) appropriations of certain special districts, (e) appropriations for all qualified capital outlay projects as defined by the legislature, (f) appropriations derived from certain fuel and vehicle taxes and (g) appropriations derived from certain taxes on tobacco products.

Article XIIIB includes a requirement that all revenues received by an entity of government other than the State in a fiscal year and in the fiscal year immediately following it in excess of the amount permitted to be appropriated during that fiscal year and the fiscal year immediately following it shall be returned by a revision of tax rates or fee schedules within the next two subsequent fiscal years. However, in the event that a school district's revenues exceed its spending limit, the district may in any fiscal year increase its appropriations limit to equal its spending by borrowing appropriations limit from the State.

Article XIIIB also includes a requirement that 50% of all revenues received by the State in a fiscal year and in the fiscal year immediately following it in excess of the amount permitted to be appropriated during that fiscal year and the fiscal year immediately following it shall be transferred and allocated to the State School Fund under Section 8.5 of Article XVI of the State Constitution.

Unitary Property

Some amount of property tax revenue of the Office of Education is derived from utility property which is considered part of a utility system with components located in many taxing jurisdictions ("**unitary property**"). Under the State Constitution, such property is assessed by the State Board of Equalization ("**SBE**") as part of a "going concern" rather than as individual pieces of real or personal property. State-assessed unitary and certain other property is allocated to the counties by SBE, taxed at special county-wide rates, and the tax revenues distributed to taxing jurisdictions (including the Office of Education) according to statutory formulae generally based on the distribution of taxes in the prior year.

Articles XIIIC and XIIID

On November 5, 1996, the voters of the State of California approved Proposition 218, popularly known as the "Right to Vote on Taxes Act." Proposition 218 added to the California Constitution Articles XIIIC and XIIID (respectively, "Article XIIIC" and "Article XIIID"), which contain a number of provisions affecting the ability of local agencies, including school districts, to levy and collect both existing and future taxes, assessments, fees and charges.

According to the "Title and Summary" of Proposition 218 prepared by the California Attorney General, Proposition 218 limits "the authority of local governments to impose taxes and property-related assessments, fees and charges." Among other things, Article XIIIC establishes that every tax is either a "general tax" (imposed for general governmental purposes) or a "special tax" (imposed for specific purposes), prohibits special purpose government agencies such as school districts from levying general taxes, and prohibits any local agency from imposing, extending or increasing any special tax beyond its maximum authorized rate without a two-thirds vote; and also provides that the initiative power will not be limited in matters of reducing or repealing local taxes, assessments, fees and charges. Article XIIIC further provides that no tax may be assessed on property other than *ad valorem* property taxes imposed in accordance with Articles XIII and XIIIA of the California Constitution and special taxes approved by a two-thirds vote under Article XIIIA, Section 4.

On November 2, 2010, Proposition 26 was approved by State voters, which amended Article XIIIC to expand the definition of "tax" to include "any levy, charge, or exaction of any kind imposed by a local government" except the following: (1) a charge imposed for a specific benefit conferred or privilege granted directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of conferring the benefit or granting the privilege; (2) a charge imposed for a specific government service or product provided directly to the payor that is not provided to those not exceed the reasonable costs to the local government service or product provided directly to the payor that is not provided to those not charged, and which does not exceed the reasonable costs to the local government of providing the service or product; (3) a charge imposed for the reasonable regulatory costs to a local government for issuing licenses and permits,

performing investigations, inspections, and audits, enforcing agricultural marketing orders, and the administrative enforcement and adjudication thereof; (4) a charge imposed for entrance to or use of local government property, or the purchase, rental, or lease of local government property; (5) a fine, penalty, or other monetary charge imposed by the judicial branch of government or a local government, as a result of a violation of law; (6) a charge imposed as a condition of property development; and (7) assessments and property-related fees imposed in accordance with the provisions of Article XIIID. Proposition 26 provides that the local government bears the burden of proving by a preponderance of the evidence that a levy, charge, or other exaction is not a tax, that the amount is no more than necessary to cover the reasonable costs of the governmental activity, and that the manner in which those costs are allocated to a payor bear a fair or reasonable relationship to the payor's burdens on, or benefits received from, the governmental activity.

Article XIIID deals with assessments and property-related fees and charges, and explicitly provides that nothing in Article XIIIC or XIIID will be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development.

While the provisions of Proposition 218 may have an indirect effect on the Office of Education, such as by limiting or reducing the revenues otherwise available to other local governments whose boundaries encompass property located within the Office of Education (thereby causing such local governments to reduce service levels and possibly adversely affecting the value of property within the Office of Education), the Office of Education does not believe that Proposition 218 will directly impact the revenues available to pay Lease Payments and therefore payments due on the Certificates.

Proposition 98

On November 8, 1988, California voters approved Proposition 98, a combined initiative constitutional amendment and statute called the "Classroom Instructional Improvement and Accountability Act" (the "Accountability Act"). Certain provisions of the Accountability Act have, however, been modified by Proposition 111, discussed below, the provisions of which became effective on July 1, 1990. The Accountability Act changes State funding of public education below the university level and the operation of the State's appropriations limit. The Accountability Act guarantees State funding for K-12 school districts and community college districts (hereinafter referred to collectively as "K-14 school districts") at a level equal to the greater of (a) the same percentage of general fund revenues as the percentage appropriated to such districts in 1986-87, and (b) the amount actually appropriated to such districts from the general fund in the previous fiscal year, adjusted for increases in enrollment and changes in the cost of living. The Accountability Act permits the Legislature to suspend this formula for a one-year period.

The Accountability Act also changes how tax revenues in excess of the State appropriations limit are distributed. Any excess State tax revenues up to a specified amount would, instead of being returned to taxpayers, be transferred to K-14 school districts. Any such transfer to K-14 school districts would be excluded from the appropriations limit for K-14 school districts and the K-14 school district appropriations limit for the next year would automatically be increased by the amount of such transfer. These additional moneys would enter the base funding calculation for K-14 school districts for subsequent years, creating further pressure on other portions of the State budget, particularly if revenues decline in a year following an Article XIIIB surplus. The maximum amount of excess tax revenues which could be transferred to K-14 school districts is 4% of the minimum State spending for education mandated by the Accountability Act.

Proposition 111

On June 5, 1990, the voters approved Proposition 111 (Senate Constitutional Amendment No. 1) called the "Traffic Congestion Relief and Spending Limit Act of 1990" ("**Proposition 111**") which further modified Article XIIIB and Sections 8 and 8.5 of Article XVI of the State Constitution with respect to appropriations limitations and school funding priority and allocation.

The most significant provisions of Proposition 111 are summarized as follows:

Annual Adjustments to Spending Limit. The annual adjustments to the Article XIIIB spending limit were liberalized to be more closely linked to the rate of economic growth. Instead of being tied to the Consumer Price Index, the "change in the cost of living" is now measured by the change in California *per capita* personal income. The definition of "change in population" specifies that a portion of the State's spending limit is to be adjusted to reflect changes in school attendance.

Treatment of Excess Tax Revenues. "Excess" tax revenues with respect to Article XIIIB are now determined based on a two-year cycle, so that the State can avoid having to return to taxpayers excess tax revenues in one year if its appropriations in the next fiscal year are under its limit. In addition, the Proposition 98 provision regarding excess tax revenues was modified. After any two-year period, if there are excess State tax revenues, 50% of the excess are to be transferred to K-14 school districts with the balance returned to taxpayers; under prior law, 100% of excess State tax revenues went to K-14 school districts, but only up to a maximum of 4% of the schools' minimum funding level. Also, reversing prior law, any excess State tax revenues transferred to K-14 school districts are not built into the school districts' base expenditures for calculating their entitlement for State aid in the next year, and the State's appropriations limit is not to be increased by this amount.

Exclusions from Spending Limit. Two exceptions were added to the calculation of appropriations which are subject to the Article XIIIB spending limit. First, there are excluded all appropriations for "qualified capital outlay projects" as defined by the Legislature. Second, there are excluded any increases in gasoline taxes above the 1990 level (then nine cents per gallon), sales and use taxes on such increment in gasoline taxes, and increases in receipts from vehicle weight fees above the levels in effect on January 1, 1990. These latter provisions were necessary to make effective the transportation funding package approved by the Legislature and the Governor, which expected to raise over \$15 billion in additional taxes from 1990 through 2000 to fund transportation programs.

Recalculation of Appropriations Limit. The Article XIIIB appropriations limit for each unit of government, including the State, is to be recalculated beginning in fiscal year 1990-91. It is based on the actual limit for fiscal year 1986-87, adjusted forward to 1990-91 as if Proposition 111 had been in effect.

School Funding Guarantee. There is a complex adjustment in the formula enacted in Proposition 98 which guarantees K-14 school districts a certain amount of State general fund revenues. Under prior law, K-14 school districts were guaranteed the greater of (1) 40.9% of State general fund revenues (the "**first test**") or (2) the amount appropriated in the prior year adjusted for changes in the cost of living (measured as in Article XIIIB by reference to *per capita* personal income) and enrollment (the "**second test**"). Under Proposition 111, schools will receive the greater of (1) the first test, (2) the second test, or (3) a third test, which will replace the second test in any year when growth in *per capita* State general fund revenues from the prior year is less

than the annual growth in California per capita personal income (the "**third test**"). Under the third test, schools will receive the amount appropriated in the prior year adjusted for change in enrollment and *per capita* State general fund revenues, plus an additional small adjustment factor. If the third test is used in any year, the difference between the third test and the second test will become a "credit" to schools which will be paid in future years when State general fund revenue growth exceeds personal income growth.

Proposition 39

On November 7, 2000, California voters approved an amendment (commonly known as **"Proposition 39"**) to the California Constitution. This amendment (1) allows school facilities bond measures to be approved by 55% (rather than two-thirds) of the voters in local elections and permits property taxes to exceed the current 1% limit in order to repay the bonds and (2) changes existing statutory law regarding charter school facilities. As adopted, the constitutional amendments may be changed only with another Statewide vote of the people. The statutory provisions could be changed by a majority vote of both houses of the Legislature and approval by the Governor, but only to further the purposes of the proposition. The local school jurisdictions affected by this proposition are K-12 school districts, community college districts, including the Office of Education, and county offices of education. As noted above, the California Constitution 39, property taxes could only exceed this limit to pay for (1) any local government debts approved by the voters prior to July 1, 1978 or (2) bonds to acquire or improve real property that receive two-thirds voter approval after July 1, 1978.

The 55% vote requirement authorized by Proposition 39 applies only if the local bond measure presented to the voters includes: (1) a requirement that the bond funds can be used only for construction, rehabilitation, equipping of school facilities, or the acquisition or lease of real property for school facilities; (2) a specific list of school projects to be funded and certification that the school board has evaluated safety, class size reduction, and information technology needs in developing the list; and (3) a requirement that the school board conduct annual, independent financial and performance audits until all bond funds have been spent to ensure that the bond funds have been used only for the projects listed in the measure. Legislation approved in June 2000 places certain limitations on local school bonds to be approved by 55% of the voters. These provisions require that the tax rate levied as the result of any single election be no more than \$60 (for a unified school district), \$30 (for an elementary school district or high school district), or \$25 (for a community college district), per \$100,000 of taxable property value. These requirements are not part of this proposition and can be changed with a majority vote of both houses of the Legislature and approval by the Governor.

Proposition 1A and Proposition 22

On November 2, 2004, California voters approved Proposition 1A, which amended the State constitution to significantly reduce the State's authority over major local government revenue sources. Under Proposition 1A, the State cannot (i) reduce local sales tax rates or alter the method of allocating the revenue generated by such taxes, (ii) shift property taxes from local governments to schools or community colleges, (iii) change how property tax revenues are shared among local governments without two-thirds approval of both houses of the State Legislature or (iv) decrease Vehicle License Fee revenues without providing local governments with equal replacement funding. Under Proposition 1A, beginning, in fiscal year 2008-09, the State may shift to schools and community colleges a limited amount of local government property tax revenue if certain conditions are met, including: (i) a proclamation by the Governor that the shift is needed

due to a severe financial hardship of the State, and (ii) approval of the shift by the State Legislature with a two-thirds vote of both houses. Under such a shift, the State must repay local governments for their property tax losses, with interest, within three years. Proposition 1A does allow the State to approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. Proposition 1A also amended the State Constitution to require the State to suspend certain State laws creating mandates in any year that the State does not fully reimburse local governments for their costs to comply with the mandates. This provision does not apply to mandates relating to schools or community colleges or to those mandates relating to employee rights.

Proposition 22, a constitutional initiative entitled the "Local Taxpayer, Public Safety, and Transportation Protection Act of 2010," approved on November 2, 2010, superseded many of the provisions of Proposition 1A. This initiative amends the State constitution to prohibit the legislature from diverting or shifting revenues that are dedicated to funding services provided by local government or funds dedicated to transportation improvement projects and services. Under this proposition, the State is not allowed to take revenue derived from locally imposed taxes, such as hotel taxes, parcel taxes, utility taxes and sales taxes, and local public transit and transportation funds. Further, in the event that a local governmental agency sues the State alleging a violation of these provisions and wins, then the State must automatically appropriate the funds needed to pay that local government. This Proposition was intended to, among other things, stabilize local government revenue sources by restricting the State's control over local property taxes. Proposition 22 did not prevent the California State Legislature from dissolving State redevelopment agencies pursuant to AB 1X26, as confirmed by the decision of the California Supreme Court decision in *California Redevelopment Association v. Matosantos* (2011).

Because Proposition 22 reduces the State's authority to use or reallocate certain revenue sources, fees and taxes for State general fund purposes, the State will have to take other actions to balance its budget, such as reducing State spending or increasing State taxes, and school and college districts that receive Proposition 98 or other funding from the State will be more directly dependent upon the State's general fund.

Proposition 30

Proposition 30 appeared on the November 6, 2012 statewide ballot as an initiated constitutional amendment ("Proposition 30"), and it was approved by State voters. Proposition 30 increased the State sales tax from 7.25% to 7.50%, increased personal income tax rates on higher income brackets for seven years, and temporarily imposed an additional tax on all retailers, at the rate of 0.25% of gross receipts from the sale of all tangible personal property sold in the State from January 1, 2013 to December 31, 2016. Proposition 30 also imposed an additional excise tax on the storage, use, or other consumption in the State of tangible personal property purchased from a retailer on and after January 1, 2013 and before January 1, 2017. This excise tax is levied at a rate of 0.25% of the sales price of the property so purchased. For personal income taxes imposed beginning in the taxable year commencing January 1, 2012 and ending December 31, 2018, Proposition 30 increased the marginal personal income tax rate by: (i) 1% for taxable income over \$250,000 but less than \$300,000 for single filers (over \$340,000 but less than \$408,000 for heads of household and over \$500,000 but less than \$600,000 for joint filers), (ii) 2% for taxable income over \$300,000 but less than \$500,000 for single filers (over \$408,000 but less than \$680,000 for heads of household and over \$600,000 but less than \$1,000,000 for joint filers), and (iii) 3% for taxable income over \$500,000 for single filers (over \$680,000 for heads of household and over \$1,000,000 for joint filers).

The revenues generated from the temporary tax increases are included in the calculation of the Proposition 98 minimum funding guarantee for school districts and community college districts. See "Proposition 98" and "Proposition 111" above. From an accounting perspective, the revenues generated from the temporary tax increases will be deposited into the State account created pursuant to Proposition 30 called the Education Protection Account (the "**EPA**"). Pursuant to Proposition 30, funds in the EPA will be allocated quarterly, with 89% of such funds provided to schools districts and 11% provided to community college districts. The funds will be distributed to school districts and community college districts in the same manner as existing unrestricted per-student funding, except that no school district will receive less than \$200 per unit of ADA and no community college district and community college district is granted sole authority to determine how the moneys received from the EPA are spent, provided that, the appropriate governing board is required to make these spending determinations in open session at a public meeting and such local governing boards are prohibited from using any funds from the EPA for salaries or benefits of administrators or any other administrative costs.

The California Children's Education and Health Care Protection Act of 2016, also known as Proposition 55, is a constitutional amendment initiative that was approved by voters in the November 8, 2016 general election ballot in California. Proposition 55 extends the increases to personal income tax rates for high-income taxpayers that were approved as part of Proposition 30 through 2030, instead of the scheduled expiration date of December 31, 2018. Tax revenue received under Proposition 55 would be allocated 89% to K-12 schools and 11% to community colleges.

Proposition 51

The Kindergarten Through Community College Public Education Facilities Bond Act of 2016 (also known as "Proposition 51") is a voter initiative that was approved by State voters on November 8, 2016. Proposition 51 authorizes the sale and issuance of \$9 billion in general obligation bonds by the State for the new construction and modernization of K-14 facilities.

<u>K-12 School Facilities</u>. Proposition 51 includes \$3 billion for the new construction of K-12 facilities and an additional \$3 billion for the modernization of existing K-12 facilities. K-12 school districts will be required to pay for 50% of the new construction costs and 40% of the modernization costs with local revenues. If a school district lacks sufficient local funding, it may apply for additional State grant funding, up to 100% of the project costs. In addition, a total of \$1 billion will be available for the modernization and new construction of charter school facilities (\$500 million) and technical education facilities (\$500 million). Generally, 50% of modernization and new construction project costs for charter school and technical education facilities must come from local revenues. However, school districts that cannot cover their local share for these two types of projects may apply for State loans. State loans must be repaid over a maximum of 30 years for charter school facilities, State grants are capped at \$3 million for a new facility and \$1.5 million for a modernized facility. Charter schools must be deemed financially sound before project approval.

<u>Community College Facilities</u>. Proposition 51 includes \$2 billion for community college district facility projects, including buying land, constructing new buildings, modernizing existing buildings, and purchasing equipment. In order to receive funding, community college districts must submit project proposals to the Chancellor of the community college system, who then decides which projects to submit to the State Legislature and Governor based on a scoring system

that factors in the amount of local funds contributed to the project. The Governor and State Legislature will select among eligible projects as part of the annual state budget process.

The Office of Education makes no representation or guarantees that it will either pursue or qualify for Proposition 51 State facilities funding.

Future Initiatives and Changes in Law

Article XIIIA, Article XIIIB, Article XIIIC and Article XIIID of the California Constitution and Propositions 98, 111, 22, 26, 30 and 39 were each adopted as measures that qualified for the ballot under the State's initiative process. From time to time other initiative measures or other legislative enactments could be adopted further affecting the Office of Education revenues or the Office of Education's ability to expend revenues. The nature and impact of these measures cannot be anticipated by the Office of Education.

RISK FACTORS

The following factors, along with all other information in this Official Statement, should be considered by potential investors in evaluating the Certificates. The discussion does not purport to be, nor should it be construed to be, complete nor a summary of all factors which may affect the financial condition of the Office of Education, the Office of Education's ability to make Lease Payments in the future, or the effectiveness of any remedies that the Trustee may have or circumstances under which Lease Payments may be abated.

No Pledge of Taxes

The Lease Payments and other payments due under the Lease Agreement are not secured by any pledge of taxes or other revenues of the Office of Education. See "SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES - Lease Payments." The Lease Payments are secured by an Office of Education covenant to annually budget and appropriate sufficient funds to make Lease Payments from any lawfully available funds, including the general fund. In the event that the Office of Education's general fund revenues are less than its total obligations, the Office of Education may choose to pay other costs or expenses before making the Lease Payments.

The obligation of the Office of Education to pay the Lease Payments and Additional Payments does not constitute an obligation of the Office of Education for which the Office of Education is obligated to levy or pledge any form of taxation or for which the Office of Education has levied or pledged any form of taxation. The obligation of the Office of Education to pay Lease Payments and Additional Payments does not constitute a debt or indebtedness of the Corporation, the Office of Education, the State of California or any of its political subdivisions within the meaning of any constitutional or statutory debt limitation or restriction.

Although the Lease Agreement does not create a pledge, lien or encumbrance upon the funds of the Office of Education, the Office of Education is obligated under the Lease Agreement to pay Lease Payments and Additional Payments from any source of legally available funds (subject to certain exceptions) and the Office of Education has covenanted in the Lease Agreement that, for as long as the Leased Property is available for its use and possession, it will make the necessary annual appropriations within its budget for all Lease Payments and Additional Payments. See "SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES."

The Office of Education is currently liable on other obligations payable from general revenues and may incur additional obligations payable from its general fund.

Additional Obligations of the Office of Education

Under the Lease Agreement the Office of Education is permitted to enter into other obligations which constitute additional charges against its revenues without the consent of owners of the Certificates. To the extent that additional obligations are incurred by the Office of Education, the funds available to pay Lease Payments may be decreased.

Limited Recourse on Default

Whenever any event of default referred to in the Lease Agreement happens and continues, the Trustee, as the assignee of the Corporation, is authorized under the terms of the

Lease Agreement to exercise any and all remedies available under law or granted under the Lease Agreement.

Notwithstanding a default under the Lease Agreement, there is no right under any circumstances to accelerate the Lease Payments or otherwise declare any Lease Payments not then due or past due to be immediately due and payable. Neither the Corporation nor the Trustee has any right to re-enter or re-let the Leased Property except following the occurrence and during the continuation of an event of default under the Lease Agreement.

Following an event of default, the Corporation may elect either to terminate the Lease Agreement and seek to collect damages from the Office of Education or to maintain the Lease Agreement in effect and seek to collect the Lease Payments as they become due. The Lease Agreement further provides that so long as an event of default exists under the Lease Agreement, the Corporation, or its assignee, may re-enter the Leased Property for the purpose of taking possession of all or any portion of the Leased Property and to re-let the Leased Property and, in addition, at its option, with or without such entry, to terminate the Lease Agreement as described therein. See "APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS – The Lease Agreement."

No assurance can be given that the Trustee will be able to re-let the Leased Property so as to provide rental income sufficient to pay principal and interest evidenced by the Certificates in a timely manner or that such re-letting will not adversely affect the exclusion of interest with respect thereto from gross income for federal or State income tax purposes. Furthermore, it is not certain whether a court would permit the exercise of the remedies of repossession and re-letting with respect to the Leased Property.

In the event of a default, there is no remedy of acceleration of the total Lease Payments due over the term of the Lease Agreement and the Trustee is not empowered to sell the Leased Property and use the proceeds of such sale to prepay the Certificates or pay debt service with respect thereto. The Office of Education will be liable only for Lease Payments on an annual basis and, in the event of a default, the Trustee would be required to seek a separate judgment each year for that year's defaulted Lease Payments. Any such suit for money damages would be subject to limitations on legal remedies against public entities in California, including a limitation on enforcement of judgments against funds of a fiscal year other than the fiscal year in which the Lease Payments were due and against funds needed to serve the public welfare and interest.

Eminent Domain

If the Leased Property is taken permanently under the power of eminent domain or sold to a government threatening to exercise the power of eminent domain, the term of the Lease Agreement will cease as of the day possession is taken. If less than all of the Leased Property is taken permanently, or if the Leased Property or any part thereof is taken temporarily, under the power of eminent domain, (1) the Lease Agreement will continue in full force and effect and will not be terminated by virtue of such taking, and (2) there will be a partial abatement of Lease Payments as a result of the application of the Net Proceeds of any eminent domain award to the prepayment of the Lease Payments, in an amount to be agreed upon by the District and the Corporation such that the resulting Lease Payments represent fair consideration for the use and occupancy of the remaining usable portion of the Leased Property.

Abatement

The obligation of the Office of Education under the Lease Agreement to pay Lease Payments is in consideration of the use and possession of the Leased Property.

Under certain circumstances relating to damage, destruction, condemnation or title defects with respect to the Leased Property which cause a substantial interference with the use and possession of the Leased Property, the Office of Education's obligation to make Lease Payments is subject to full or partial abatement and could result in the Trustee having inadequate funds to pay the principal and interest with respect to the Certificates as and when due. See "SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES – Abatement" and "APPENDIX A – SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS – The Lease Agreement." Abatement is not a default under the Lease Agreement and does not result in the Trustee having the right to take any action to avail itself of any remedy against the Office of Education.

Infectious Disease Outbreak and COVID-19 Global Pandemic

In recent years, public health authorities have warned of threats posed by outbreaks of disease and other public health threats. On February 11, 2020, the World Health Organization announced the official name for the outbreak of COVID-19. COVID-19 has since spread across the globe. The spread of COVID-19 had significant adverse health and financial impacts throughout the world. As of this date, several vaccines have been provided approval by federal health authorities and are widely available, and both the national emergency and state of emergency have officially ended, and the World Health Organization declared an end to the COVID-19 global health emergency.

The Office of Education's operations and financial results could be harmed by a national or localized outbreak of a highly contagious or epidemic disease, such as the COVID-19 pandemic. The Office of Education cannot predict any costs associated with the potential treatment of an infectious disease outbreak or preparation for such treatment, and there can be no assurance that an infectious disease outbreak will not have a material effect on the Office of Education's ability to make the Lease Payments.

State of California Financial Condition

The financial condition of the State of California has an impact on the level of revenues received by the Office of Education. No prediction can be made as to whether the State will encounter budgetary problems in future fiscal years, and if it were to do so, it is not clear what measures would be taken by the State to balance its budget, as required by law. In addition, the Office of Education cannot predict the direction or outcome of future State budget negotiations, the impact that such budgets will have on its finances and operations or what actions will be taken in the future by the State legislature and Governor to deal with changing State revenues and expenditures. Current and future State budgets will be affected by national and State economic conditions and other factors, including economic downturns, over which the Office of Education has no control. There can be no assurance that the State's efforts to balance the State general fund will not materially adversely affect the financial condition of the Office of Education.

No Liability of Corporation to the Owners

Except as expressly provided in the Trust Agreement, the Corporation will not have any obligation or liability to the Owners of the Certificates with respect to the payment when due of the Lease Payments by the Office of Education, or with respect to the performance by the Office of Education of other agreements and covenants required to be performed by it contained in the Lease Agreement or the Trust Agreement, or with respect to the performance by the Trustee of any right or obligation required to be performed by it contained in the Trust Agreement.

Substitution and Removal of the Leased Property

The Lease Agreement permits the Office of Education, under certain circumstances described in "SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES – Substitution or Removal of Leased Property", to remove and or substitute all or a portion of the Leased Property so long as the resulting Leased Property has a value at least equal to the thenoutstanding principal amount of the Certificates. The Lease Agreement does not require that the Leased Property after the substitution or release have a value equal to the value of the Leased Property prior to such substitution or release. Thus, a portion of the property comprising the Leased Property could be replaced with less valuable property, or could be released altogether. Such a replacement or release could have an adverse impact on the security for the Certificates, particularly if an event requiring abatement of Lease Payments were to occur subsequent to such substitution or release.

Litigation

The Office of Education may become a party to litigation that has the potential to have an impact on the Office of Education's funds. Although the Office of Education maintains certain insurance policies that provide coverage under certain circumstances and with respect to certain types of incidents, the Office of Education cannot predict what types of liabilities may arise in the future and whether these may adversely affect the ability of the Office of Education to pay Lease Payments under the Lease Agreement when due. See also "LITIGATION."

State Law Limitations on Appropriations

Article XIIIB of the California Constitution limits the amount that local governments can appropriate annually. The ability of the Office of Education to make Lease Payments and other payments due under the Lease Agreement may be affected if the Office of Education should exceed its appropriations limit. The State may increase the appropriation limit of other agencies in the State by decreasing the State's own appropriation limit. The Office of Education does not anticipate exceeding its appropriations limit. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS – Article XIIB of the State Constitution" below.

Property Tax Allocation by the State; Changes in Law

The responsibility for allocating general property taxes was assigned to the State by Proposition 13, which stated that property taxes were to be allocated "according to law." The formula for such allocation was contained in Assembly Bill 8 ("**AB 8**"), adopted in 1978, which allocates property taxes among cities, counties, and school districts. The formulas contained in AB 8 were designed to allocate property taxes in proportion to the share of property taxes received

by a local entity prior to Proposition 13. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS – Article XIIIA of the State Constitution."

Beginning in its Fiscal Year 1992-93, in response to its own budgetary shortfalls, the State began to permanently redirect billions of dollars of property taxes Statewide from cities, counties, and certain special districts to schools and community college districts. These redirected funds reduced the State's funding obligation for K-14 school districts by a commensurate amount. In response, Proposition 1A of 2004, approved by State voters in November 2004 and generally effective in Fiscal Year 2006-07, provided that the State may not reduce any local sales tax rate, limit existing local government authority to levy a sales tax rate or change the allocation of local sales tax revenues, subject to certain limitations. However, pursuant to Proposition 1A and beginning in Fiscal Year 2008-09, the State could, upon gubernatorial proclamation of fiscal hardship and following approval of two-thirds of both houses of the legislature, and it did, shift to schools and community colleges up to 8% of local government ad valorem property tax revenues, which amount must be repaid, with interest, within three years. The State could also approve voluntary exchanges of local sales tax and property tax revenues among local governments within a county. In November 2010, State voters approved Proposition 22, which amends the State's constitution to eliminate the State's authority to temporarily shift additional ad valorem property taxes from cities, counties and special districts to schools, among other things. See "CONSTITUTIONAL AND STATUTORY LIMITATIONS ON TAXES AND APPROPRIATIONS -Proposition 22." The state last passed a redirection or property tax shift applicable to fiscal years 2004-05 and 2005-06.

No assurance can be given that the State or the County will not at some future time adopt initiatives, or that the State Legislature will not enact legislation that will amend the laws of the State in a manner that could result in a reduction of the Office of Education's property tax allocations or its other revenues and therefore a reduction of the funds legally available to the Office of Education to pay Lease Payments and other payments due under the Lease Agreement.

Early Prepayment Risk

Early payment of the Lease Payments and early prepayment of the Certificates may occur in whole or in part, without premium, from the proceeds of insurance, on any date, if the Leased Property, or a portion thereof, is lost, destroyed or damaged beyond repair or taken by eminent domain and if the Office of Education exercises it right to prepay the Lease Payments in whole or in part pursuant to the provisions of the Lease Agreement and the Trust Agreement. See "THE CERTIFICATES – Prepayment – Special Mandatory Prepayment from Insurance or Condemnation Proceeds."

Loss of Tax-Exemption

The Office of Education and the Corporation have covenanted in the Trust Agreement that each will not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income of interest on the Certificates under Section 103 of the Internal Revenue Code of 1986. In the event either the Office of Education or the Corporation fails to comply with the foregoing tax covenant, interest on the Certificates may be includable in the gross income of the Owners thereof for federal tax purposes retroactive to the date of issuance. Should such an event of taxability occur, the Certificates would not be subject to a special prepayment and would remain Outstanding until maturity or until prepaid under the prepayment provisions contained in the Trust Agreement. See "TAX MATTERS."

Secondary Market for Certificates

There can be no guarantee that there will be a secondary market for the Certificates or, if a secondary market exists, that any Certificates can be sold for any particular price. Occasionally, because of general market conditions or because of adverse history or economic prospects connected with a particular issue, secondary marketing practices in connection with a particular issue are suspended or terminated. Additionally, prices of issues for which a market is being made will depend upon then-prevailing circumstances. Such prices could be substantially different from the original purchase price.

IRS Audit of Tax-Exempt Issues

The Internal Revenue Service (the "**IRS**") has initiated an expanded program for the auditing of tax-exempt issues, including both random and targeted audits. It is possible that the Certificates will be selected for audit by the IRS. It is also possible that the market value of the Certificates might be affected as a result of such an audit of the Certificates (or by an audit of similar obligations).

Property Taxes

Levy and Collection. The Office of Education does not have any independent power to levy and collect property taxes. Any reduction in the tax rate or the implementation of any constitutional or legislative property tax decrease could reduce the Office of Education's share of local property tax revenues, and accordingly, could have an adverse impact on the ability of the Office of Education to make Lease Payments. Likewise, delinquencies in the payment of property taxes could have an adverse effect on the Office of Education's ability to pay principal and interest with respect to the Certificates when due.

Reduction in Inflationary Rate. Article XIIIA of the California Constitution provides that the full cash value base of real property used in determining assessed value may be adjusted from year to year to reflect the inflationary rate, not to exceed a 2% increase for any given year, or may be reduced to reflect a reduction in the consumer price index or comparable local data. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING OFFICE OF EDUCATION REVENUES AND APPROPRIATIONS." Such measure is computed on a calendar year basis. Because Article XIIIA limits inflationary assessed value adjustments to the lesser of the actual inflationary rate or 2%, there have been years in which the assessed values were adjusted by actual inflationary rates, which were less than 2%. The Office of Education is unable to predict if any adjustments to the full cash value base of real property within the Office of Education, whether an increase or a reduction, will be realized in the future.

Reassessments and Appeals of Assessed Values. There are two types of appeals of assessed values that could adversely impact property tax revenues:

<u>Proposition 8 Appeals</u>. Most of the appeals that might be filed in the Office of Education would be based on Section 51 of the Revenue and Taxation Code, which requires that for each lien date the value of real property must be the lesser of its base year value annually adjusted by the inflation factor pursuant to Article XIIIA of the State Constitution or its full cash value, taking into account reductions in value due to damage, destruction, depreciation, obsolescence, removal of property or other factors causing a decline in value.

Under California law, property owners may apply for a reduction of their property tax assessment by filing a written application, in form prescribed by the State Board of Equalization, with the appropriate county board of equalization or assessment appeals board. In most cases, the appeal is filed because the applicant believes that present market conditions (such as residential home prices) cause the property to be worth less than its current assessed value. These market driven appeals are known as Proposition 8 appeals.

Any reduction in the assessment ultimately granted as a Proposition 8 appeal applies to the year for which application is made and during which the written application was filed. These reductions are often temporary and are adjusted back to their original values when market conditions improve. Once the property has regained its prior value, adjusted for inflation, it once again is subject to the annual inflationary factor growth rate allowed under Article XIIIA. However, current case law is uncertain as to whether or not property may be adjusted to its prior value at once or if adjustments may only be made subject to the 2% limitation. See "CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING OFFICE OF EDUCATION REVENUES AND APPROPRIATIONS – Article XIIIA of the California Constitution – Litigation Regarding 2% Limitation."

<u>Base Year Appeals</u>. A second type of assessment appeal is called a base year appeal, where the property owners challenge the original (basis) value of their property. Appeals for reduction in the "base year" value of an assessment, if successful, reduce the assessment for the year in which the appeal is taken and prospectively thereafter. The base year is determined by the completion date of new construction or the date of change of ownership. Any base year appeal must be made within four years of the change of ownership or new construction date.

No assurance can be given that property tax appeals or blanket reassessments initiated by the County Assessor in the future will not significantly reduce the Office of Education's property tax revenues.

Local Housing Market. Economic downturns, such as those that have been experienced in recent years on a national scale, can have a negative impact on local property values, in part due to fallout from the subprime mortgage crisis, tight credit markets and the recession. High rates of foreclosures tend to depreciate values of homes in the overall market, which could lead to more Proposition 8 appeals. Although the Office of Education's total assessed valuation is again increasing, it is not possible to predict how a future mortgage crisis, tightening credit markets, increased foreclosure activity and major reductions in home prices throughout the region could affect home values, assessed values, assessment appeals or collections of property taxes by the County.

State Budget Considerations

School districts in California receive a significant amount of their funding from State appropriations, as determined in each year's State budget. As a result, decreases in State revenue sources may impact the amount of funds appropriated to school districts, as has occurred in recent years. A deterioration in the State's economy due to factors such as reduced income tax revenues and sales tax revenues can negatively impact the State budget and the Office of Education's revenues, and therefore funds available to make Lease Payments. In addition, the State Legislature has at times adopted legislation in connection with its annual budgets which

may impact education funding, and may do so again in the future. The Office of Education cannot predict how State budgets and future legislation may impact its finances.

Natural and Other Disasters

The District, like all California districts, may be subject to unpredictable seismic activity, wildfires, flood, or other natural or man-made disasters. Seismic activity, wildfires, floods and other natural disasters represents a potential risk for damage to buildings, roads, bridges and other property within the District. Such calamities may adversely affect economic activity in the District or require the District to expend funds to counteract the effects of such calamities, which could have a material adverse effect on the District's finances. Additionally, a calamity adversely affecting the Leased Property could have a negative impact of the District's use of such property, which could result in abatement of Lease Payments. See "– Abatement" above.

Seismic. The District, like much of California, is subject to seismic activity that could result in interference with its right to use and possession of the Leased Property. The District is not obligated by the Lease Agreement or otherwise to maintain earthquake insurance with respect to the Leased Property unless such coverage is available at reasonable cost from reputable insurers in the reasonable determination of the District, whose determination is final and conclusive. The occurrence of severe seismic activity in the area of the Leased Property could result in substantial damage and interference with the District's right to use and occupy all or a portion of the Leased Property, and result in Lease Payments being subject to abatement.

Wildfire. In recent years, wildfires have caused extensive damage throughout the State. Certain of these fires have burned thousands of acres and destroyed hundreds and in some cases thousands of homes. In some instances, entire neighborhoods have been destroyed. Several fires that occurred in recent years damaged or destroyed property in areas that were not previously considered to be at risk from such events. There is a risk of property within the District being destroyed by wildfires and no assurance can be given as to the severity or frequency of wildfires within the District.

The threat of wildfire and potential losses are constantly increasing as human development and population increase and the wildland urban interface areas expand. Due to its high fuel load and long, dry summers, the District continues to be at risk from wildfire. In the event taxable property within the District were destroyed by wildfires, the assessed valuation of such property would be reduced. Such reduction of assessed valuations could result in a reduction of property tax revenues to the District.

Floods. The District is not located within the 100-year flood zone. However, there can be no assurance that flooding will not occur in the future or that the severity of flooding will not be material. The Leased Property is not located within any known or mapped flood zone.

Droughts. As with much of the State, the District experiences recurring drought as a result of its climate conditions. Droughts impact public health and safety related to both water supply and wildfire risk, and may impact overall economic activities and outputs. On October 19, 2021, the Governor declared a Statewide drought state of emergency and requested that all water users voluntarily reduce water use by 15%. On March 24, 2023, the Governor eased the emergency drought restrictions imposed as a result of the Governor's 2021 declaration. There can be no assurance that subsequent declarations will not impose mandatory water use restrictions should dry conditions persist in future years.

Climate Change

The State is susceptible to wildfires and hydrologic variability. As greenhouse gas emissions continue to accumulate in the atmosphere as a result of economic activity, climate change is expected to intensify, increasing the frequency, severity and timing of extreme weather events such as coastal storm surges, drought, wildfires, floods and heat waves, and raising sea levels. The future fiscal impact of climate change on the District is difficult to predict, but it could be significant and it could have a material adverse effect on the District's general funds by requiring greater expenditures to counteract the effects of climate change or by changing the operations and activities of District residents and business establishments.

Absence of Earthquake and Flood Insurance

If any portion of the Leased Property is destroyed or rendered useless by a natural hazard such as an earthquake or flood, an abatement could occur and result in the Trustee having inadequate funds to pay the principal and interest represented by the Certificates as and when due. The Lease Agreement does not require the Office of Education to obtain earthquake or flood insurance on the Leased Property.

All building components of the Leased Property were constructed under the standards of the "Field Act" (California State Building Code, Title 24). The Field Act requires substantially higher construction standards for public schools and hospitals than are required for other types of construction. The Field Act requires that building systems be capable of withstanding seismic forces from the "most credible" earthquake likely to occur in the vicinity of the building system being constructed.

Cybersecurity

The District faces multiple cyber threats including, but not limited to, hacking, viruses, ransomware, malware and other attacks on computers and other sensitive digital networks and systems. Although the District has protections in place to help guard against such attacks, no assurances can be given that the security and operational control measures of the District will be successful in preventing any and each cyber threat and attack. The results of any attack on the computer and information technology systems could have a material adverse impact on the operations of the District and damage the digital networks and systems. The resulting costs or impacts on operations could be material.

Limitations on Remedies; Bankruptcy

The rights of the owners of the Certificates are subject to the limitations on legal remedies against public entities in the State, including a limitation on enforcement of judgments against funds needed to serve the public welfare and interest. Additionally, enforceability of the rights and remedies of the owners of the Certificates, and enforcement of the Office of Education's obligations under the Lease Agreement, may become subject to the federal bankruptcy code and applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws relating to or affecting the enforcement of creditor's rights generally, now or hereafter in effect, equity principles which may limit the specific enforcement under State law of certain remedies, the exercise by the United States of America of the powers delegated to it by the Constitution, the reasonable and necessary exercise, in certain exceptional situations, of the police powers inherent in the sovereignty of the State and its governmental bodies in the interest of serving a significant and legitimate public purpose and the limitations on remedies against cities in the State.

Bankruptcy proceedings under Chapter 9 of the Bankruptcy Code (Title 11, United States Code), which governs the bankruptcy proceedings for public agencies such as the Office of Education, or the exercise of powers by the federal or State government, if initiated, could subject the owners of the Certificates to judicial discretion and interpretation of their rights in bankruptcy or otherwise, and consequently may entail risks of delay, limitation, or modification of their rights. See "– Limited Recourse on Default" above.

LEGAL OPINION

The proceedings in connection with the authorization, sale, execution and delivery of the Certificates are subject to the approval as to their legality of Jones Hall, A Professional Law Corporation, San Francisco, California ("**Special Counsel**"). A copy of the legal opinion, certified by the official in whose office the original is filed, will be attached to each Certificate, and a form of such opinion is attached as APPENDIX D. Jones Hall, A Professional Law Corporation, San Francisco, California, is acting as Disclosure Counsel to the Office of Education ("**Disclosure Counsel**"). Dannis Woliver Kelley, Long Beach, California, is serving as counsel to the Underwriter ("**Underwriter's Counsel**").

MUNICIPAL ADVISOR

Isom Advisors, a Division of Urban Futures, Inc., Walnut Creek, California, is acting as the Office of Education's municipal advisor (the "**Municipal Advisor**") in connection with the Certificates. The Municipal Advisor is a registered "Municipal Advisor" with the Securities Exchange Commission and the Municipal Securities Rulemaking Board. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement. The fees of the Municipal Advisor with respect to the Certificates are contingent upon their sale and delivery. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal or other public securities.

Payment of the fees of Special Counsel, Disclosure Counsel, the Trustee, the Municipal Advisor, the Underwriter and Underwriter's Counsel is contingent upon the execution and delivery of the Certificates.

TAX MATTERS

Tax Exemption

Federal Tax Status. In the opinion of Jones Hall, A Professional Law Corporation, San Francisco, California, Special Counsel, subject, however to the qualifications set forth below, under existing law, the portion of the Lease Payments designated as and comprising interest and received by the Owners of the Certificates is excluded from gross income for federal income tax purposes and such interest is not an item of tax preference for purposes of the federal alternative minimum tax. Such interest may be subject to the corporate alternative minimum tax.

The opinions set forth in the preceding paragraph are subject to the condition that the Office of Education comply with all requirements of the Internal Revenue Code of 1986, as amended (the **"Tax Code"**) relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the Certificates. The Office of Education has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of execution and delivery of the Certificates.

Tax Treatment of Original Issue Discount and Premium. If the initial offering price to the public at which a Certificates is sold is less than the amount payable at maturity thereof, then such difference constitutes "original issue discount" for purposes of federal income taxes and State of California personal income taxes. If the initial offering price to the public at which a Certificates is sold is greater than the amount payable at maturity thereof, then such difference constitutes "original issue premium" for purposes of federal income taxes and State of California personal income taxes. *De minimis* original issue discount and original issue premium is disregarded.

Under the Tax Code, original issue discount is treated as interest excluded from federal gross income and exempt from State of California personal income taxes to the extent properly allocable to each owner thereof subject to the limitations described in the first paragraph of this section. The original issue discount accrues over the term to maturity of the Certificates on the basis of a constant interest rate compounded on each interest or principal payment date (with straight-line interpolations between compounding dates). The amount of original issue discount accruing during each period is added to the adjusted basis of such Certificates to determine taxable gain upon disposition (including sale, redemption, or payment on maturity) of such Certificates. The Tax Code contains certain provisions relating to the accrual of original issue discount in the case of purchasers of the Certificates who purchase the Certificates after the initial offering of a substantial amount of such maturity. Owners of such Certificates with original issue discount, including the treatment of purchasers who do not purchase in the original offering, the allowance of a deduction for any loss on a sale or other disposition, and the treatment of accrued original issue discount on such Certificates under federal individual minimum taxes.

Under the Tax Code, original issue premium is amortized on an annual basis over the term of the Certificates (said term being the shorter of the Certificate's maturity date or its call date). The amount of original issue premium amortized each year reduces the adjusted basis of the owner of the Certificates for purposes of determining taxable gain or loss upon disposition. The amount of original issue premium on a Certificates is amortized each year over the term to maturity of the Certificates on the basis of a constant interest rate compounded on each interest

or principal payment date (with straight-line interpolations between compounding dates). Amortized Certificates premium is not deductible for federal income tax purposes. Owners of premium Certificates, including purchasers who do not purchase in the original offering, should consult their own tax advisors with respect to State of California personal income tax and federal income tax consequences of owning such Certificates.

California Tax Status. In the further opinion of Special Counsel, the portion of Lease Payments designated as and comprising interest and received by the owners of the Certificates is exempt from California personal income taxes.

Other Tax Considerations. Current and future legislative proposals, if enacted into law, clarification of the Tax Code or court decisions may cause interest with respect to the Certificates to be subject, directly or indirectly, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent beneficial owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals, clarification of the Tax Code or court decisions may also affect the market price for, or marketability of, the Certificates. It cannot be predicted whether or in what form any such proposal might be enacted or whether, if enacted, such legislation would apply to Certificates issued prior to enactment.

The opinions expressed by Special Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of such opinion, and Special Counsel has expressed no opinion with respect to any proposed legislation or as to the tax treatment of interest with respect to the Certificates, or as to the consequences of owning or receiving interest with respect to the Certificates, as of any future date. Prospective purchasers of the Certificates should consult their own tax advisors regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Special Counsel expresses no opinion.

Owners of the Certificates should also be aware that the ownership or disposition of, or the accrual or receipt of interest with respect to, the Certificates may have federal or state tax consequences other than as described above. Other than as expressly described above, Special Counsel expresses no opinion regarding any federal or state tax consequences arising with respect to the Certificates, the ownership, sale or disposition of the Certificates, or the amount, accrual or receipt of interest with respect to the Certificates.

Form of Opinion. A copy of the proposed form of opinion of Special Counsel is attached hereto as APPENDIX D.

ABSENCE OF MATERIAL LITIGATION

<u>No Litigation Regarding Certificates or Existence of Office of Education</u>. There is no action, suit or proceeding known to be pending, or threatened, restraining or enjoining the execution or delivery of the Certificates, the Trust Agreement, the Lease Agreement, the Site Lease, the Assignment Agreement or any other document relating to the Certificates or in any way contesting or affecting the validity of the foregoing.

<u>Claims and Lawsuits Against Public School Districts and Offices of Education Generally.</u> The Office of Education is subject to lawsuits and claims that may arise in the normal course of operating the Office of Education. In the opinion of the Office of Education, such suits and claims will not have a material adverse affect on the ability of the Office of Education to make Lease Payments with respect to the Certificates. The Office of Education may be or may become a party to lawsuits and claims which are unrelated to the Certificates or actions taken with respect to the Certificates and which have arisen in the normal course of operating the Office of Education, including with respect to fees it has received or expects to receive from developers. The Office of Education maintains certain insurance policies which provide coverage under certain circumstances and with respect to certain types of incidents. The Office of Education cannot predict what types of claims may arise in the future, including but not limited to claims relating to health issues and pandemics, or claims that may be made available by future legislation.

[Assembly Bill 218 effective January 1, 2020, extended the statute of limitations on certain lawsuits based on past sexual abuse, including abuse by educators or public-school staff. The Office of Education is aware of _____ pending case against it. At this time, the Office of Education cannot predict the outcome of pending legal proceedings and whether or not there will be a resulting liability, and the extent damages, if any, may be covered by insurance policies maintained by the Office of Education. Damages not covered by insurance would be payable from the Office of Education's general fund.]

RATING

S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC business ("**S&P**") has assigned a rating of "___" to the Certificates. Such rating reflects only the view of S&P and an explanation of the significance of such rating may be obtained only from S&P. The Office of Education has provided certain additional information and materials to S&P (some of which does not appear in this Official Statement).

Future events could have an adverse impact on the rating of the Certificates, and there is no assurance that the criteria required by S&P to achieve the rating on the Certificates will not change during the period that the Certificates remain outstanding.

There is no assurance that such rating will continue for any given period of time or that the rating will not be revised downward or withdrawn entirely by S&P, if in the judgment of such rating agency, circumstances so warrant. Any such downward revision or withdrawal of such rating may have an adverse effect on the market price of the Certificates.

CONTINUING DISCLOSURE

The Office of Education has covenanted, for the benefit of holders and beneficial owners of the Certificates to provide certain financial information and operating data relating to the Office of Education to the Municipal Securities Rulemaking Board on an annual basis (an **"Annual Report"**) not later than nine months after the end of the Office of Education's fiscal year (which currently would be March 31), commencing March 31, 2025, with the report for the 2023-24 Fiscal Year, and to provide notices of the occurrence of certain enumerated events. The Annual Report and other required notices will be filed by the Office of Education with the Municipal Securities Rulemaking Board (the **"MSRB**") in the manner prescribed by the Securities Exchange Commission. The specific nature of such information is set forth below under the caption "APPENDIX E – Form of Continuing Disclosure Certificate." These covenants have been made in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the **"Rule"**).

The Office of Education has prior undertakings pursuant to the Rule. During the previous five years, ______. The Office of Education has engaged ______ to serve as its dissemination agent with respect to its undertakings in connection with each of its undertakings including the Certificates.

UNDERWRITING

The Certificates are being purchased by D.A. Davidson & Co. (the "**Underwriter**"). Under a Certificate Purchase Agreement (the "**Certificate Purchase Agreement**"), the Underwriter has agreed to purchase the Certificates at a purchase price of \$______ (which is equal to the principal amount represented by the Certificates, plus/less [net] original issue premium/discount of \$______, less an Underwriter's discount of \$______). The Purchase Agreement provides that the Underwriter will purchase all of the Certificates (if any are purchased), and the Underwriter's obligation to purchase is subject to certain terms and conditions, including the approval of certain legal matters by counsel.

The Underwriter may offer and sell the Certificates to certain dealers and others at prices lower than the offering prices stated on the inside cover page hereof. The offering prices may be changed by the Underwriter.

EXECUTION

The execution and delivery of this Official Statement have been duly authorized by the Office of Education.

TULARE COUNTY OFFICE OF EDUCATION

By: _____Superintendent

APPENDIX A

SUMMARY OF CERTAIN PROVISIONS OF PRINCIPAL LEGAL DOCUMENTS

The following is a brief summary of certain provisions of the Site Lease, the Lease Agreement, the Trust Agreement, and the Assignment Agreement. This summary is not intended to be definitive and is qualified in its entirety by reference to such documents for the complete terms thereof. Copies of such documents are available upon request from the Tulare County Office of Education.

APPENDIX B

AUDITED FINANCIAL STATEMENTS OF THE OFFICE OF EDUCATION FOR FISCAL YEAR ENDED JUNE 30, 2023

APPENDIX C

GENERAL INFORMATION ABOUT THE COUNTY OF TULARE

The Certificates are not a debt of the County of Tulare (the **"County"**). The County, including its Board of Supervisors, officers, officials, agents and other employees, are required, only to the extent required by law, to: (i) levy and collect ad valorem taxes for payment of the Certificates in accordance with the law; and (ii) transmit the proceeds of such taxes to the paying agent for the payment of the principal of and interest on the Certificates at the time such payment is due.

General Information

Founded in 1852, the County is located in California's San Joaquin Valley, a large agriculturally rich basin that runs through the center of the State. The County is the second top agricultural producing county in the nation. It is surrounded by Fresno County to the north, Inyo County to the east, Kern County to the south and Kings County to the west. Almost half the entire county area is devoted to national parks and forests, including the famous Sequoia and Kings Canyon National Parks, Inyo and Sequoia National Forests. These natural resources provide year-round recreational opportunities for hiking, fishing, skiing and camping.

Population

The following table lists population estimates for the County for the last five calendar years, as of January 1.

COUNTY OF TULARE Population Estimates Calendar Years 2020 through 2024 as of January 1

	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>	<u>2023</u>
Dinuba	25,759	25,008	25,237	25,458	25,573
Exeter	11,023	10,297	10,250	10,171	10,179
Farmersville	11,384	10,295	10,230	10,146	10,327
Lindsay	13,131	12,622	12,557	12,461	12,594
Porterville	59,491	62,770	62,653	62,508	62,934
Tulare	68,058	69,260	69,416	69,565	70,799
Visalia	138,456	141,489	142,146	142,968	144,532
Woodlake	7,825	7,518	7,643	7,700	7,713
Balance of County	144,276	134,741	134,492	133,703	134,267
County Total	479,403	474,000	474,624	474,680	478,918

Source: State Department of Finance estimates (as of January 1).

Employment and Industry

The Office of Education is included in the Visalia-Porterville Metropolitan Statistical Area ("**MSA**"). The unemployment rate in Tulare County was 10.9% in July 2024, up from a revised 10.0% in June 2024, and above the year-ago estimate of 9.9%. This compares with an unadjusted unemployment rate of 5.8% for California and 4.5% for the nation during the same period.

The table below provides information about employment by industry type for the MSA for calendar years 2019 through 2023.

VISALIA-PORTERVILLE MSA (County of Tulare) Annual Average Civilian Labor Force, Employment and Unemployment (March 2023 Benchmark)

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
Civilian Labor Force ⁽¹⁾	202,100	202,500	200,800	206,700	213,300
Employment	182,400	175,200	179,500	189,600	192,000
Unemployment	19,800	27,200	21,300	17,100	21,300
Unemployment Rate	9.8%	13.4%	10.6%	8.3%	10.0%
Wage and Salary Employment: (2)					
Agriculture	38,800	36,600	35,700	37,600	37,000
Mining, Logging and Construction	6,400	6,600	7,000	7,600	7,500
Manufacturing	12,900	12,700	13,000	13,800	13,800
Wholesale Trade	4,400	4,300	4,400	4,400	4,400
Retail Trade	16,200	15,600	16,600	16,900	16,800
Trans., Warehousing and Utilities	7,200	7,200	8,500	9,500	9,700
Information	700	600	600	600	600
Financial Activities	4,000	3,800	3,700	3,700	3,600
Professional and Business Services	11,400	11,000	10,700	11,200	11,200
Educational and Health Services	17,100	17,300	18,300	19,800	21,900
Leisure and Hospitality	12,100	10,700	12,200	13,800	14,200
Other Services	3,500	3,200	3,500	3,800	3,900
Federal Government	1,100	1,100	1,000	1,000	1,000
State Government	1,700	1,600	1,600	1,600	1,600
Local Government	30,000	29,200	29,100	30,600	31,600
Total, All Industries ⁽³⁾	167,300	161,300	165,800	175,900	178,900

(1) Labor force data is by place of residence; includes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(2) Industry employment is by place of work; excludes self-employed individuals, unpaid family workers, household domestic workers, and workers on strike.

(3) Totals may not add due to rounding.

Source: State of California Employment Development Department.

Major Employers

The table below lists the major employers in the County as of September 2024, listed alphabetically.

COUNTY OF TULARE Major Employers (Listed Alphabetically) September 2024

Employer Name	Location	Industry
Adventist Health Tulare	Tulare	Hospitals
Eagle Mountain Casino	Porterville	Casinos
Kings Canyon National Park	Springville	National Parks/Preserves
Land O'Lakes Indl Cheese	Tulare	Cheese Processors (mfrs)
Latino Farm Labor Svc	Visalia	Contractors
Monrovia Nursery Co	Woodlake	Nurseries-Plants Trees & Etc-Wholesale
Porterville Developmental Ctr	Porterville	Hospitals
Prima Wawona	Cutler	Fruits & Vegetables-Growers & Shippers
Saputo Cheese USA Inc	Tulare	Cheese Processors (mfrs)
Sierra View Medical Ctr	Porterville	Hospitals
Solid Waste Collection	Tulare	Public Works Department
Sun Pacific	Exeter	Fruits & Vegetables-Growers & Shippers
Tulare City	Tulare	General Government Support
Tulare County Child Care Prgm	Visalia	Child Care Service
Tulare County Lake Patrol	Visalia	Government Offices-County
Tulare County Ofc of Edu Sicon	Visalia	Schools
Tulare County Parks & Rec Dept	Visalia	Parks
Tulare County Resource Mgmt	Visalia	Government Offices-County
Tulare Joint Union High Sch	Tulare	Schools
Tulare Local Healthcare Dist	Tulare	Health Care Management
US Cotton Classing Office	Visalia	Government Offices-Federal
Valley Labor Svc Inc	Dinuba	Services NEC
Visalia Public Works Admin	Visalia	Public Works Department
Walmart Distribution Ctr	Porterville	Distribution Centers (whls)
Yokuts Coffee House	Porterville	Full-Service Restaurant

Source: State of California Employment Development Department, extracted from The America's Labor Market Information System (ALMIS) Employer Database, 2025 1st Edition.

Effective Buying Income

"Effective Buying Income" is defined as personal income less personal tax and nontax payments, a number often referred to as "disposable" or "after-tax" income. Personal income is the aggregate of wages and salaries, other labor-related income (such as employer contributions to private pension funds), proprietor's income, rental income (which includes imputed rental income of owner-occupants of non-farm dwellings), dividends paid by corporations, interest income from all sources, and transfer payments (such as pensions and welfare assistance). Deducted from this total are personal taxes (federal, state and local), nontax payments (fines, fees, penalties, etc.) and personal contributions to social insurance. According to U.S. government definitions, the resultant figure is commonly known as "disposable personal income."

The following table summarizes the total effective buying income and median household effective buying income for the County of Tulare, the State of California and the United States for the years 2021 through 2025.

Year	Area	Total Effective Buying Income (000's Omitted)	Median Household Effective Buying Income
2021	County of Tulare	\$8,477,603	\$45,662
	California	1,290,894,604	67,956
	United States	9,809,944,764	56,790
2022	County of Tulare	\$9,831,089	\$56,094
	California	1,452,426,153	77,058
	United States	11,208,582,541	64,448
2023	County of Tulare	\$10,654,634	\$58,350
	California	1,461,799,662	77,175
	United States	11,454,846,397	65,326
2024	County of Tulare	\$10,865,248	\$58,524
	California	1,510,708,521	80,973
	United States	11,987,185,826	67,876
2025	County of Tulare	\$11,609,695	\$62,238
	California	1,557,429,767	82,725
	United States	12,525,577,707	69,687

COUNTY OF TULARE, STATE OF CALIFORNIA AND THE UNITED STATES Effective Buying Income 2021 through 2025

Source: Claritas, LLC.

Commercial Activity

Summaries of historic taxable sales within the County during the past five years in which data is available are shown in the following table. Total taxable sales during the first quarter of calendar year 2024 in the County were reported to be \$2,621,563,109, a 1.18% increase over the total taxable sales of \$2,590,875,145 reported during the first quarter of calendar year 2023.

TULARE COUNTY Taxable Retail Sales Number of Permits and Valuation of Taxable Transactions (Dollars in Thousands)

	Retail Stores		Total All Outlets		
	Number	Taxable	Number	Taxable	
	of Permits	Transactions	of Permits	Transactions	
2019	5,985	\$5,322,674	9,524	\$7,959,356	
2020	6,527	7,201,489	10,463	9,972,892	
2021	6,189	8,007,044	10,012	11,227,863	
2022	6,366	8,016,623	10,416	11,723,374	
2023	6,090	7,695,419	10,036	11,470,864	

Source: State Department of Tax and Fee Administration.

Construction Trends

Provided below are the building permits and valuations for the County for calendar years 2019 through 2023.

COUNTY OF TULARE Total Building Permit Valuations Calendar Years 2019 through 2023 (valuations in thousands)

	2019	2020	2021	2022	2023
Permit Valuation					
New Single-family	\$334,633.5	\$301,265.9	\$297,160.6	\$375,120.8	\$266,273.3
New Multi-family	54,029.7	41,660.1	38,898.9	115,208.0	26,761.8
Res. Alterations/Additions	<u>20,579.9</u>	<u>17,214.3</u>	<u>17,400.6</u>	<u>46,377.4</u>	<u>162,638.2</u>
Total Residential	409,243.1	360,140.3	353,460.1	536,706.2	455,673.3
New Commercial	111,930.3	172,267.4	123,073.2	191,379.3	86,980.0
New Industrial	7,119.9	107,000.0	0.0	15,828.8	15,000.0
New Other	45,954.0	48,696.6	45,101.3	81,577.6	215,222.4
Com. Alterations/Additions	<u>41,474.6</u>	<u>56,458.6</u>	<u>63,102.6</u>	<u>94,929.0</u>	<u>49,299.5</u>
Total Nonresidential	206,478.8	384,422.6	231,277.1	383,714.7	366,501.9
New Dwelling Units					
Single Family	1,612	1,349	1,293	1,445	1,036
Multiple Family	427	532	271	1,182	137
TOTAL	2,039	1,881	1,564	2,627	1,173

Source: Construction Industry Research Board, Building Permit Summary.

Transportation

Situated on Highway 99, the County offers excellent transportation access routes throughout California and the Western United States. There are 200 major carriers within 45 minutes of the City of Visalia who provide interstate trucking services. Many communities in the County offer airports for corporate service. Air service is available approximately 45 minutes north at Tulare Yosemite International Airport. San Francisco International Airport is about 3-1/2 hours driving time away.

Union-Southern Pacific, Burlington Northern-Santa Fe Railroads are the San Joaquin Valley Rail companies serve Tulare County with extensive spur track, piggyback service, reciprocal switching, and refrigerated shipping.

APPENDIX D

FORM OF PROPOSED OPINION OF SPECIAL COUNSEL

[CLOSING DATE]

Board of Education Tulare County Office of Education 6200 South Mooney Boulevard Visalia, California 93278

> **OPINION:** \$______2024 Certificates of Participation Evidencing the Direct, Undivided Fractional Interests of the Owners Thereof in Lease Payments to be Made by the Tulare County Office of Education, California as the Rental for Certain Property Under a Lease Agreement with the Local Facilities Finance Corporation

Members of the Board of Education:

We have acted as special counsel in connection with the delivery by the Tulare County Office of Education (the "Office of Education"), of a Lease Agreement dated as of November 1, 2024 (the "Lease Agreement"), between the Local Facilities Finance Corporation (the "Corporation") as lessor and the Office of Education, as lessee. Under a Trust Agreement dated as of November 1, 2024 (the "Trust Agreement"), among the Office of Education, the Corporation and Wilmington Trust, National Association, as trustee thereunder (the "Trustee"), the Trustee has executed and delivered §______ aggregate principal amount of 2024 Certificates of Participation (the "Certificates") evidencing the direct, undivided fractional interests of the owners thereof in lease payments to be made by the Office of Education under the Lease Agreement (the "Lease Payments"), which have been assigned by the Corporation to the Trustee under an Assignment Agreement dated as of November 1, 2024 (the "Assignment Agreement") between the Corporation and the Trustee. We have examined the law and such certified proceedings and other papers as we deem necessary to render this opinion.

As to questions of fact material to our opinion, we have relied upon representations of the Office of Education contained in the Lease Agreement and the Trust Agreement, and in certified proceedings and other certifications of public officials and others furnished to us, without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Office of Education is a county office of education duly organized and validly existing under the laws of the State of California with the full power to enter into the Lease Agreement and the Trust Agreement and to perform the agreements on its part contained therein.

2. The Lease Agreement and the Trust Agreement have been duly approved by the Office of Education and constitute valid and binding obligations of the Office of Education enforceable against the Office of Education in accordance with their respective terms.

3. The Certificates have been validly executed and delivered by the Trustee under the Trust Agreement and, by virtue of the assignment made under the Assignment Agreement, the owners of the Certificates are entitled to the benefits of the Lease Agreement.

4. The portion of the Lease Payments designated as and comprising interest and received by the owners of the Certificates is excluded from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. It should be noted, however, that said interest may be subject to the corporate alternative minimum tax. The opinions set forth in the preceding sentences are subject to the condition that the Office of Education comply with all requirements of the Internal Revenue Code of 1986, as amended, relating to the exclusion from gross income for federal income tax purposes of interest with respect to obligations such as the Certificates. The Office of Education has made certain representations and covenants in order to comply with each such requirement. Inaccuracy of those representations, or failure to comply with certain of those covenants, may cause the inclusion of such interest in gross income for federal income tax purposes, which may be retroactive to the date of delivery of the Lease Agreement.

5. The portion of the Lease Payments designated as and comprising interest and received by the owners of the Certificates is exempt from personal income taxation imposed by the State of California.

We express no opinion regarding any other tax consequences arising with respect to the ownership, sale or disposition of, or the amount, accrual or receipt of interest on, the Lease Agreement or the Certificates.

The rights of the owners of the Certificates and the enforceability of the Lease Agreement and the Trust Agreement are limited by bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally, and by equitable principles, whether considered at law or in equity.

This opinion is given as of the date hereof, and we assume no obligation to revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention, or any changes in law that may hereafter occur.

Respectfully submitted,

A Professional Law Corporation

APPENDIX E

FORM OF CONTINUING DISCLOSURE CERTIFICATE

\$

2024 CERTIFICATES OF PARTICIPATION Evidencing the Direct, Undivided Fractional Interests of the Owners Thereof in Lease Payments to be Made by the TULARE COUNTY OFFICE OF EDUCATION to the Local Facilities Finance Corporation

CONTINUING DISCLOSURE CERTIFICATE

This Continuing Disclosure Certificate (this "**Disclosure Certificate**") is dated ______, 2024 and is executed and delivered by the Tulare County Office of Education (the "**Office of Education**") in connection with the execution and delivery of the captioned certificate of participation (the "**Certificates**"). The Certificates are being executed and delivered pursuant to a Trust Agreement dated as of November 1, 2024 (the "**Trust Agreement**"), by and among the Office of Education, the Local Facilities Finance Corporation and Wilmington Trust, National Association, as trustee for the Certificates (the "**Trustee**").

The Office of Education hereby covenants and agrees as follows:

Section 1. <u>Purpose of the Disclosure Certificate</u>. This Disclosure Certificate is being executed and delivered by the Office of Education for the benefit of the holders and beneficial owners of the Certificates and in order to assist the Participating Underwriter in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission.

Section 2. <u>Definitions</u>. In addition to the definitions set forth above and in the Trust Agreement, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section 2, the following capitalized terms have the following meanings:

"Annual Report" means any Annual Report provided by the Office of Education under and as described in Sections 3 and 4.

"Annual Report Date" means the date not later than nine months after the end of each fiscal year of the Office of Education (currently June 30th).

"Dissemination Agent" means, initially, _____, or any successor Dissemination Agent designated in writing by the Office of Education and which has filed with the Office of Education a written acceptance of such designation.

"Listed Events" means any of the events listed in Section 5(a).

"MSRB" means the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the sole repository of disclosure information for purposes of the Rule.

"Official Statement" means the final official statement executed by the Office of Education in connection with the execution and delivery of the Certificates.

"Participating Underwriter" means D.A. Davidson & Co., the original underwriter of the Certificates required to comply with the Rule in connection with offering of the Certificates.

"Rule" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"Trustee" means Wilmington Trust, National Association, or any successor thereto.

Section 3. Provision of Annual Reports.

The Office of Education shall, or shall cause the Dissemination Agent to, not later (a) than the Annual Report Date, commencing not later than March 31, 2025, with the report for the 2023-24 fiscal year, provide to the MSRB in an electronic format as prescribed by the MSRB, an Annual Report that is consistent with the requirements of Section 4. Not later than 15 Business Days prior to the Annual Report Date, the Office of Education shall provide the Annual Report to the Dissemination Agent (if other than the Office of Education). If by 15 Business Days prior to the Annual Report Date the Dissemination Agent (if other than the Office of Education) has not received a copy of the Annual Report, the Dissemination Agent shall contact the Office of Education to determine if the Office of Education is in compliance with the previous sentence. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may include by reference other information as provided in Section 4; provided that the audited financial statements of the Office of Education may be submitted separately from the balance of the Annual Report, and later than the Annual Report Date, if not available by that date. If the Office of Education's fiscal year changes, it shall give notice of such change in the same manner as for a Listed Event under Section 5(c). The Office of Education shall provide a written certification with each Annual Report furnished to the Dissemination Agent to the effect that such Annual Report constitutes the Annual Report required to be furnished by the Office of Education hereunder.

(b) If the Office of Education does not provide (or cause the Dissemination Agent to provide) an Annual Report by the Annual Report Date, the Office of Education shall provide (or cause the Dissemination Agent to provide) in a timely manner to the MSRB, in an electronic format as prescribed by the MSRB, a notice in substantially the form attached as Exhibit A, with a copy to the Trustee and Participating Underwriter.

- (c) With respect to each Annual Report, the Dissemination Agent shall:
 - (i) determine each year prior to the Annual Report Date the thenapplicable rules and electronic format prescribed by the MSRB for the filing of annual continuing disclosure reports; and
 - (ii) if the Dissemination Agent is other than the Office of Education, file a report with the Office of Education certifying that the Annual Report has been provided under this Disclosure Certificate, and stating the date it was provided.

Section 4. <u>Content of Annual Reports</u>. The Office of Education's Annual Report shall contain or incorporate by reference the following:

(a) The Board of Education's audited financial statements prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the Board of Education's audited financial statements are not available by the Annual Report Date, the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

(b) Unless otherwise provided in the audited financial statements filed on or prior to Annual Report Date, financial information and operating data with respect to the Board of Education for the preceding fiscal year, substantially similar to that provided in the corresponding tables and charts in the Official Statement:

- (i) adopted general fund budget;
- (ii) average daily attendance;
- (iii) outstanding debt;
- (iv) information regarding total assessed valuation of taxable properties within the Board of Education;
- (v) the Board of Education's revenue sources (LCFF sources, federal, state and local) for the most recent fiscal year; and
- (vi) if the Board of Education is not participating in the Teeter Plan, information regarding secured tax charges and delinquencies on taxable properties within the Board of Education.

(c) In addition to any of the information expressly required to be provided under this Disclosure Certificate, the Board of Education shall provide such further material information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

(d) Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the Board of Education or related public entities, which are available to the public on the MSRB's internet web site or filed with the Securities and Exchange Commission. The Board of Education shall clearly identify each such other document so included by reference.

Section 5. <u>Reporting of Significant Events</u>.

(a) The Office of Education shall give, or cause to be given, notice of the occurrence of any of the following Listed Events with respect to the Certificates:

- (1) Principal and interest payment delinquencies.
- (2) Non-payment related defaults, if material.

- (3) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (4) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (5) Substitution of credit or liquidity providers, or their failure to perform.
- (6) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.
- (7) Modifications to rights of security holders, if material.
- (8) Certificate calls, if material, and tender offers.
- (9) Defeasances.
- (10) Release, substitution, or sale of property securing repayment of the securities, if material.
- (11) Rating changes.
- (12) Bankruptcy, insolvency, receivership or similar event of the Office of Education.
- (13) The consummation of a merger, consolidation, or acquisition involving the Office of Education or the sale of all or substantially all of the assets of the Office of Education, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material.
- (14) Appointment of a successor or additional Trustee or the change of name of a Trustee, if material.
- (15) Incurrence of a financial obligation of the obligated person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the obligated person, any of which affect security holders, if material.
- (16) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a financial obligation of the obligated person, any of which reflect financial difficulties.

(b) Whenever the Office of Education obtains knowledge of the occurrence of a Listed Event, the Office of Education shall, or shall cause the Dissemination Agent (if not the Office of Education) to, file a notice of such occurrence with the MSRB, in an electronic format as prescribed by the MSRB, in a timely manner not in excess of 10 business days after the occurrence of the Listed Event. Notwithstanding the foregoing, the notice of Listed Event described in subsection (a)(8) above need not be given under this subsection any earlier than the notice (if any) of the underlying event is given to holders of affected Certificates under the Trust Agreement.

(c) The Office of Education acknowledges that the events described in subparagraphs (a)(2), (a)(7), (a)(8) (if the event is a certificate call), (a)(10), (a)(13), (a)(14), and (a)(15) of this Section 5 contain the qualifier "if material" and that subparagraph (a)(6) also contains the qualifier "material" with respect to certain notices, determinations or other events affecting the tax status of the Lease Payments relating to the Certificates. The Office of Education shall cause a notice to be filed as set forth in paragraph (b) above with respect to any such event only to the extent that it determines the event's occurrence is material for purposes of U.S. federal securities law. Whenever the Office of Education obtains knowledge of the occurrence of any of these Listed Events, the Office of Education will as soon as possible determine if such event would be material under applicable federal securities law. If such event is determined to be material, the Office of Education will cause a notice to be filed as set forth in paragraph (b) above.

(d) For purposes of this Disclosure Certificate, any event described in paragraph (a)(12) above is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent, or similar officer for the Office of Education in a proceeding under the United States Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Office of Education, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement, or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Office of Education by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Office of Education.

(e) For purposes of Section 5(a)(15) and (16), "financial obligation" means a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) guarantee of (i) or (ii). The term financial obligation shall not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

Section 6. <u>Identifying Information for Filings with the MSRB</u>. All documents provided to the MSRB under the Disclosure Certificate shall be accompanied by identifying information as prescribed by the MSRB.

Section 7. <u>Termination of Reporting Obligation</u>. The Office of Education's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior prepayment or payment in full of all of the Certificates. If such termination occurs prior to the final maturity of the Certificates, the Office of Education shall give notice of such termination in the same manner as for a Listed Event under Section 5(c).

Section 8. <u>Dissemination Agent</u>. The Office of Education may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any Dissemination Agent, with or without appointing a successor Dissemination Agent. Any Dissemination Agent may resign by providing 30 days' written notice to the Office of Education and the Trustee.

Section 9. <u>Amendment; Waiver</u>. Notwithstanding any other provision of this Disclosure Certificate, the Office of Education may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Sections 3(a), 4 or 5(a), it may only be made in connection with a change

in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Certificates, or type of business conducted;

- (b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the primary offering of the Certificates, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and
- (c) the proposed amendment or waiver either (i) is approved by holders of the Certificates in the manner provided in the Trust Agreement for amendments to the Trust Agreement with the consent of holders, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the holders or beneficial owners of the Certificates.

If the annual financial information or operating data to be provided in the Annual Report is amended pursuant to the provisions hereof, the first annual financial information filed pursuant hereto containing the amended operating data or financial information shall explain, in narrative form, the reasons for the amendment and the impact of the change in the type of operating data or financial information being provided.

If an amendment is made to the undertaking specifying the accounting principles to be followed in preparing financial statements, the annual financial information for the year in which the change is made shall present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles. The comparison shall include a qualitative discussion of the differences in the accounting principles and the impact of the change in the accounting principles on the presentation of the financial information, in order to provide information to investors to enable them to evaluate the ability of the Office of Education to meet its obligations. To the extent reasonably feasible, the comparison shall be quantitative. A notice of the change in the accounting principles shall be filed in the same manner as for a Listed Event under Section 5(c).

Section 10. <u>Additional Information</u>. Nothing in this Disclosure Certificate shall be deemed to prevent the Office of Education from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Office of Education chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Office of Education shall have no obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

Section 11. <u>Default</u>. If the Office of Education fails to comply with any provision of this Disclosure Certificate, the Participating Underwriter or any holder or beneficial owner of the Certificates may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Office of Education to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall

not be deemed an Event of Default under the Trust Agreement, and the sole remedy under this Disclosure Certificate in the event of any failure of the Office of Education to comply with this Disclosure Certificate shall be an action to compel performance.

Section 12. Duties, Immunities and Liabilities of Dissemination Agent.

(a) The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Certificate, and the Office of Education agrees to indemnify and save the Dissemination Agent, its officers, directors, employees and agents, harmless against any loss, expense and liabilities which they may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent's negligence or willful misconduct. The Dissemination Agent will have no duty or obligation to review any information provided to it by the Office of Education hereunder, and shall not be deemed to be acting in any fiduciary capacity for the Office of Education, the Certificate holders or any other party. The obligations of the Office of Education under this Section shall survive resignation or removal of the Dissemination Agent and payment of the Certificates.

(b) The Dissemination Agent shall be paid compensation by the Office of Education for its services provided hereunder in accordance with its schedule of fees as amended from time to time, and shall be reimbursed for all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder.

Section 13. <u>Beneficiaries</u>. This Disclosure Certificate shall inure solely to the benefit of the Office of Education, the Dissemination Agent, the Participating Underwriter and holders and beneficial owners from time to time of the Certificates, and shall create no rights in any other person or entity.

Date: _____, 2024

TULARE COUNTY OFFICE OF EDUCATION

By:

Name: Title:

EXHIBIT A

NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Tulare County Office of Education (the "Office of Education")

Name of Issue:
\$______ Tulare County Office of Education 2024 Certificates of Participation

Date of Issuance: _____, 2024

NOTICE IS HEREBY GIVEN that the Office of Education has not provided an Annual Report with respect to the above-named Certificates of Participation as required by the Continuing Disclosure Certificate executed by the Office of Education in connection with the execution and delivery of the Certificates captioned above. The Office of Education anticipates that the Annual Report will be filed by _____.

Dated:_____

TULARE COUNTY OFFICE OF EDUCATION

By: ______ Its: _____

APPENDIX F

BOOK-ENTRY ONLY SYSTEM

The following description of the Depository Trust Company ("DTC"), the procedures and record keeping with respect to beneficial ownership interests in the Certificates, payment of principal, interest and other payments on the Certificates to DTC Participants or Beneficial Owners, confirmation and transfer of beneficial ownership interest in the Certificates and other related transactions between DTC, the DTC Participants and the Beneficial Owners is based solely on information provided by DTC. Accordingly, no representations can be made concerning these matters and neither the DTC Participants nor the Beneficial Owners should rely on the foregoing information with respect to such matters, but should instead confirm the same with DTC or the DTC Participants, as the case may be.

Neither the Office of Education nor the Trustee take any responsibility for the information contained in this Section.

No assurances can be given that DTC, DTC Participants or Indirect Participants will distribute to the Beneficial Owners (a) payments of interest, principal or premium, if any, with respect to the Certificates, (b) Certificates representing ownership interest in or other confirmation or ownership interest in the Certificates, or (c) prepayment or other notices sent to DTC or Cede & Co., its nominee, as the registered owner of the Certificates, or that they will so do on a timely basis, or that DTC, DTC Participants or DTC Indirect Participants will act in the manner described in this APPENDIX. The current "Rules" applicable to DTC are on file with the Securities and Exchange Commission and the current "Procedures" of DTC to be followed in dealing with DTC Participants are on file with DTC.

1. The Depository Trust Company ("DTC") will act as securities depository for the securities (in this APPENDIX, the "Certificates"). The Certificates will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Certificate will be issued for each maturity of each series of the Certificates, in the aggregate principal amount of such maturity, and will be deposited with DTC. If, however, the aggregate principal amount of any maturity exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount and an additional certificate will be issued with respect to any remaining principal amount of such issue.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding

company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. *The information contained on this Internet site is not incorporated herein by reference.*

3. Purchases of Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the Certificates on DTC's records. The ownership interest of each actual purchaser of each Certificate ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Certificates are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive Certificates representing their ownership interests in Certificates, except in the event that use of the book-entry system for the Certificates is discontinued.

4. To facilitate subsequent transfers, all Certificates deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Certificates with DTC and their registration in the name of Cede & Co. or such other nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Certificates; DTC's records reflect only the identity of the Direct Participants to whose accounts such Certificates are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Certificates may wish to take certain steps to augment transmission to them of notices of significant events with respect to the Certificates, such as prepayments, tenders, defaults, and proposed amendments to the Certificate documents. For example, Beneficial Owners of Certificates may wish to ascertain that the nominee holding the Certificates for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of the notices be provided directly to them.

6. Prepayment notices will be sent to DTC. If less than all of the Certificates within an issue are being prepaid, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be prepaid.

7. Neither DTC nor Cede & Co. (nor such other DTC nominee) will consent or vote with respect to the Certificates unless authorized by a Direct Participant in accordance with DTC's

MMI Procedures. Under its usual procedures, DTC sends an Omnibus Proxy as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Prepayment proceeds, distributions, and interest payments on the Certificates will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from Office of Education or Paying Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, Paying Agent, or Office of Education, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of prepayment proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Office of Education or Paying Agent, disbursement of such payments to the Beneficial Owners will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of DTC.

9. DTC may discontinue providing its services as securities depository with respect to the Certificates at any time by giving reasonable notice to Office of Education or Paying Agent. Under such circumstances, in the event that a successor securities depository is not obtained, Certificates are required to be printed and delivered.

10. The Office of Education may decide to discontinue use of the system of book-entryonly transfers through DTC (or a successor securities depository). In that event, Certificate certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Office of Education believes to be reliable, but Office of Education takes no responsibility for the accuracy thereof.

APPENDIX G

TULARE COUNTY INVESTMENT POLICY AND REPORT