

AGENDA FOR THE MEETING OF THE GOVERNING BOARD OF
THE SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
January 14, 2014

Immediately following the 6:00 pm meeting of the Sierra County Board of Education
Sierra County Office of Education, 109 Beckwith Rd., Room 4, Loyalton, CA 96118,

This meeting will be available for videoconferencing at Downieville School, 130 School Street, Downieville, CA
In the case of a technological difficulty at either school site, videoconferencing will not be available.

Any individual who requires disability-related accommodations or modifications including auxiliary aids and services in order to participate in the Board meeting should contact the Superintendent or designee in writing.

Public inspection of agenda documents that are distributed to the Board less than 72 hours before the meeting, will be made available at Sierra-Plumas Joint Unified School District, 109 Beckwith Road, Room 3, Loyalton, CA, 96118, and posted with the online agenda at <http://www.sierracountyofficeofeducation.org> (Government Code 54957.5)

A. CALL TO ORDER

(Please be advised that this meeting will be recorded.)

B. ROLL CALL

C. APPROVAL OF AGENDA

D. INFORMATION/DISCUSSION ITEMS

1. Superintendent's Report

- a. California State Budget for 2014-15
- b. Facilities Updates

2. Business Report

- a. Board Report-Expenditures by Object 7/1/13 to 12/31/13**
- b. Fourth Month Enrollments for the 2013-2014 School Year**

3. Staff Reports (5 minutes)

4. SPTA Report (5 minutes)

5. Board Members' Report (5 minutes)

6. Collective Bargaining Agreement Disclosure**

This is an opportunity for members of the public to directly address the governing board on the Collective Bargaining Agreements listed on this Agenda as Items F, 1, 1314-0127 through 1314-131

7. Public Comment –This is an opportunity for members of the public to directly address the governing board on any item of interest that is within the subject matter jurisdiction of the governing board whether or not it is listed on the agenda. Five minutes may be allotted to each speaker and a maximum of twenty minutes to each subject matter. (Education Code 35145.5; Bylaw 9322; Government Code 54954.3)

- a. Current location
- b. Videoconference location

E. CONSENT CALENDAR

1. Approval of the minutes of the Regular Board meeting held December 10, 2013**
2. Approval of the bill warrants for the month of December 2013**
3. Approval of Quarterly Report on Williams Uniform Complaints for quarter ending December 2013. It is required per Education Code 35186 section (d) *that a school district shall report summarized data on the nature and resolution of all complaints on a quarterly basis to the county superintendent of schools and the governing board of the school district.* No complaints regarding textbooks and instructional materials, teacher vacancy or misassignment or conditions of facilities were filed with Sierra-Plumas Joint Unified School District during the quarter ending December 2013.
4. Accept notice of resignation from Tammy Muldoon, Instructional Aide, Loyalton Elementary, effective January 2, 2013 (**under separate cover)
5. Assignment of Tammy Muldoon, Instructional Aide, 5.0 hours daily, Loyalton Elementary, effective January 6, 2013; funded by English Language Learner resources
6. Approval of modifications of Superintendent's Goals for 2013-2014 school year^^

F. ACTION ITEMS

1. New Business

- | | |
|-----------|---|
| 1314-0127 | Approval of Completion of Bargaining, 2012-2013 school year, Sierra-Plumas Teachers' Association^^ |
| 1314-0128 | Approval of Completion of Bargaining, 2013-2014 school year, Sierra-Plumas Classified Employees' Association^^ |
| 1314-0129 | Approval of Completion of Bargaining, 2013-2014 school year, Confidential Employees^^ |
| 1314-0130 | Approval of Completion of Bargaining, 2013-2014 school year, Administrative Employees^^ |
| 1314-0131 | Approval of Completion of Bargaining, 2013-2014 school year, Management Employees^^ |
| 1314-0132 | Authorization to fill Instructional Aide position, Loyalton Elementary, 2.20 hours daily, Loyalton Elementary; funded by English Language Learner resources (Grant) |
| 1314-0133 | Authorization to fill Instructional Aide position, Downieville Jr/Sr High, 1.75 hours daily; funded by Title 1 (Grant) |
| 1314-0134 | Acceptance of Financial Audit for 2012-2013** (Asquith) |
| 1314-0135 | Adoption of the 2013-2014 First Interim Revised Multi Year Projection and Cashflow/Budget Year 2** (Asquith) |


Sierra-Plumas Joint Unified School District
Governing Board Agenda
January 14, 2014

- 1314-0136 Approval of Piggyback Consent Form for Apple, Inc., Purchase Orders** (Asquith)
- 1314-0137 Discussion and Possible Authorization for Superintendent to Enter into an Agreement with CRM Group for Loyalton High School Paving Project** (Grant)
- 1314-0138 Approval of Revision of Board Policy 3513.3, Tobacco Free Schools** (Grant)
- 1314-0139 Review and Approval of Administrative Regulation and Board Policy 6145, Extra Curricular and Co-Curricular Activities per Education Code §35160.5** (Grant)

G. ADVANCED PLANNING

- 1. Next Regular Board Meeting will be held on Tuesday, February 11, 2014, at Downieville School, 130 School Street, Downieville, California, following the 6 pm meeting of the Sierra County Board of Education.
- 2. Suggested Agenda items
 - a. Transportation
 - b. _____
 - c. _____

H. ADJOURNMENT



Dr. Merrill M. Grant, Superintendent

**enclosed
*handout
^^County agenda backup

Balances through December						Fiscal Year 2012/13
Object	Description	Adopted Budget	Revised Budget	Encumbered	Expenditure	Account Balance
Fund 01 - General FD						
1100	Teachers Salaries	1,410,527.00	1,388,307.00		550,379.87	837,927.13
1120	Certificated Substitutes	40,368.00	46,420.00		14,230.00	32,190.00
1300	Certificated Superv/Admin Sala	282,602.00	279,449.00		139,724.76	139,724.24
1310	Teacher In Charge/Head Teacher	18,000.00	28,000.00		5,000.00	23,000.00
1900	Other Certificated Salaries	8,749.00	8,574.00		4,287.00	4,287.00
	Total for Object 1000	1,760,246.00	1,750,750.00	.00	713,621.63	1,037,128.37
2100	Instructional Aides Salaries	127,399.00	136,017.00		50,432.90	85,584.10
2200	Classified Support Salaries	324,802.00	330,488.00		142,669.16	187,818.84
2220	Classified Support Substitute		18,404.00		18,963.58	559.58-
2300	Classified Sup/Admin Salaries	2,700.00	2,115.00		945.00	1,170.00
2400	Clerical & Office Salaries	267,663.00	239,706.00		121,268.90	118,437.10
2900	Other Classified Salaries	24,905.00	43,090.00		8,211.73	34,878.27
	Total for Object 2000	747,469.00	769,820.00	.00	342,491.27	427,328.73
3101	State Teachers Retirement Syst	135,489.00	136,176.00		55,929.48	80,246.52
3102	State Teachers Retirement Syst	825.00	825.00			825.00
3201	Public Employees Retirement Sy	6,095.00	5,605.00		2,263.43	3,341.57
3202	Public Employees Retirement Sy	81,250.00	69,161.00		31,499.58	37,661.42
3212	Pers Pickup-Classified Employe	12,884.00	10,128.00		5,028.00	5,100.00
3311	OASDI-Certificated Positions	3,064.00	3,855.00		1,449.58	2,405.42
3312	OASDI-Classified Positions	44,934.00	46,559.00		21,213.29	25,345.71
3321	Medicare-Certificated Position	25,440.00	23,441.00		9,841.85	13,599.15
3322	Medicare-Classified Positions	10,670.00	11,049.00		4,970.36	6,078.64
3401	Health & Welfare -Certificated	390,571.00	388,263.00		159,387.95	228,875.05
3402	Health & Welfare-Classified Po	183,990.00	146,344.00		88,413.45	57,930.55
3501	State Unemployment Insurance-C	20,699.00	19,215.00		8,995.68	10,219.32
3502	State Unemployment Insurance-	8,229.00	8,469.00		4,282.38	4,186.62
3601	Workers' Compensation Insuranc	99,122.00	91,746.00		37,760.72	53,985.28
3602	Workers' Compensation Insuranc	40,056.00	41,633.00		18,680.85	22,952.15
3701	Retiree Benefits Cert.	121,060.00	121,041.00		17,538.37	103,502.63
3702	Retiree Benefits Class				2,306.74	2,306.74-
3801	PERS Reduction-Certificated		787.00		317.80	469.20
3802	PERS Reduction-Classified	10,686.00	9,302.00		4,368.39	4,933.61
3901	Other Benefits, Certificated P	399.00	418.00		1,172.94	754.94-
3902	Other Benefits, Classified Pos				2,174.00	2,174.00-
	Total for Object 3000	1,195,463.00	1,134,017.00	.00	477,594.84	656,422.16

Balances through December						Fiscal Year 2012/13
Object	Description	Adopted Budget	Revised Budget	Encumbered	Expenditure	Account Balance
Fund 01 - General FD (continued)						
4100	Textbooks	9,266.00	11,615.00	498.48	1,369.09	9,747.43
4200	Books Other Than Textbooks			914.52	5,370.37	6,284.89-
4300	Materials and Supplies	86,917.00	93,848.00	15,094.79	60,018.82	18,734.39
4350	Vehicle Maint. M&S	6,500.00	6,500.00	5,764.06	553.71	182.23
4400	Non-Capital Equipment (Up to \$		31,639.00	4,561.16	30,819.62	3,741.78-
	Total for Object 4000	102,683.00	143,602.00	26,833.01	98,131.61	18,637.38
5100	Subagreement for Services	568,724.00	571,243.00	304,395.42	266,847.58	.00
5200	Travel & Conferences	34,300.00	51,526.00	5,221.27	8,112.52	38,192.21
5300	Dues & Membership	5,447.00	6,707.00	11.90	5,918.32	776.78
5400	Insurance-Fire, liability, etc	51,300.00	51,300.00		47,796.24	3,503.76
5510	Power	91,634.00	91,634.00	61,488.16	24,115.89	6,029.95
5520	Garbage	20,713.00	20,713.00	4,629.00	2,931.00	13,153.00
5530	Water	48,600.00	48,600.00	17,023.12	31,578.35	1.47-
5540	Propane	71,775.00	71,775.00	61,869.58	9,655.42	250.00
5590	Miscellaneous Utilities	15,500.00	15,500.00	11,857.22	3,142.78	500.00
5600	Rentals, Leases & Repairs	30,773.00	30,773.00	4,896.41	19,656.81	6,219.78
5800	Services & Operating Expense	53,000.00	53,000.00	29,383.86	22,416.14	1,200.00
5810	Legal Expenses			316.25	620.25-	304.00
5812	Board Election Expense	3,550.00	3,550.00			3,550.00
5840	Audit Expense	12,000.00	12,000.00	7,750.00	4,750.00	500.00-
5860	Solid Waste Tax	15,613.00	15,613.00	5,430.45	4,450.97	5,731.58
5870	Property Tax - Pliocene Mobil	328.00	328.00			328.00
5890	Miscellaneous Contracts/Servic	346,504.00	309,830.00	295,078.78	143,049.44	128,298.22-
5899	SCOE Interagency Reimburse			14,610.73	1,845.93	16,456.66-
5900	Communications	5,853.00	5,853.00	1,125.00	1,800.82	2,927.18
5910	Telephone-Monthly Service	16,839.00	16,839.00	11,752.62	1,672.55	3,413.83
5920	T Lines	4,800.00	4,800.00	1,488.84	1,211.16	2,100.00
5990	Other Communications	225.00	225.00			225.00
	Total for Object 5000	1,397,478.00	1,381,809.00	838,328.61	600,331.67	56,851.28-
6200	BUILDING & IMPROVEMENT OF BUIL	190,742.00	212,350.00	409.38	30,415.43	181,525.19
6400	Equipment		16,733.00		16,732.58	.42
	Total for Object 6000	190,742.00	229,083.00	409.38	47,148.01	181,525.61
7142	Other Tuition, Excess Cost, an	35,594.00	16,774.00			16,774.00
7310	Direct Support/Indirect Costs					.00
7616	Trans fr Gen Fund to Cafeteria	78,281.00	78,281.00			78,281.00

Balances through December						Fiscal Year 2012/13
Object	Description	Adopted Budget	Revised Budget	Encumbered	Expenditure	Account Balance
Fund 01 - General FD (continued)						
	Total for Object 7000	113,875.00	95,055.00	.00	.00	95,055.00
	Total for Expense accounts	5,507,956.00	5,504,136.00	865,571.00	2,279,319.03	2,359,245.97
	Total for Org 006, Fund 01 and Expense accounts	5,507,956.00	5,504,136.00	865,571.00	2,279,319.03	2,359,245.97

ENROLLMENT BY SCHOOL MONTH 2013-2014

	Loyalton Elementary	Loyalton Jr High	Loyalton Sr High	Downieville Elementary	Downieville Jr/Sr High	Sierra Pass Cont	Long Term ISP	TOTAL
Ending 2012-2013	162	45	109	30	26	8	12	392
1st Day 2013-2014 2013 CBEDS	171	43	102	30	21	8	11	386

	Month	Loyalton Elementary	Loyalton Jr High	Loyalton Sr High	Downieville Elementary	Downieville Jr/Sr High	Sierra Pass Cont	Long Term ISP	TOTAL
September	1	167	44	95	29	21	9	14	379
October	2	167	44	92	29	21	9	14	376
November	3	169	43	92	31	21	8	14	378
December	4	166	43	89	31	21	8	15	373
January	5								
February	6								
March	7								
April	8								
May	9								
June	10								

	<u>S-PJUSD</u>	<u>SDC</u>	<u>Washoe Cnty</u>
P-1 ADA	351.79	0	13.23
P-2 ADA			
Annual ADA			

Enrollment difference from June 2013 to
December 13, 2013: -19

2012-2013 P1 ADA = 361.62
2012-2013 P2 ADA = 363.89
2012-2013 Annual ADA = 365.21

Sierra County Office of Education
Sierra-Plumas Joint Unified School District
Collective Bargaining Disclosure Statement
January 14, 2014

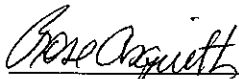
In accordance with the requirements of Government Code Section 3547.5 and AB 1200 the Superintendent and Chief Business Official of Sierra County Office of Education (County) and Sierra-Plumas Joint Unified School District (District) hereby certify that the District/County can meet the cost incurred under the 2013-14 bargaining agreements offset by assumption stated in the 2013-2014 First Interim. The First Interim was adopted by the Governing Boards at the December 10, 2013, board meeting.

The agreements are between the District/County and the bargaining units listed below:

1. Sierra-Plumas Teachers' Association
2. Sierra-Plumas Classified Employees' Association
3. Confidential Employees
4. Administrative Employees
5. Management Employees

Sierra COE	FY 2013-2014 4.5% Salary Inc	FY 2014-2015 2% Salary Inc	FY 2015-2016
Salary	\$28,500	\$34,900	\$35,100
Statutory Benefits	\$ 3,420	\$ 4,200	\$ 4,215
Total	\$31,920	\$39,100	\$39,315


Sierra-Plumas	FY 2013-2014 4.5% Salary Inc	FY 2014-2015 2% Salary Inc	FY 2015-2016
Salary	\$99,000	\$142,000	\$151,000
Statutory Benefits	\$11,800	\$ 17,000	\$ 18,000
Total	\$110,800	\$157,900	\$169,000



Rose Asquith, Business Manager

1/9/2014

Date



Dr. Merrill M. Grant, Superintendent

1/9/2014

Date

MINUTES FOR THE REGULAR MEETING OF THE GOVERNING BOARD OF
THE SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

December 10, 2013

Downieville School, Downieville, California

This meeting was videoconferenced to Sierra County Office of Education, 109 Beckwith Rd.,
Room 4, Loyalton, CA 96118

A. CALL TO ORDER

President Mike Moore called the meeting to order at 7:06 pm.

B. ROLL CALL

PRESENT: Mr. Mike Moore, President
Mr. Tim Driscoll, Vice President
Ms. Sharon Dryden, Clerk
Ms. Patty Hall, Member
Mr. Allen Wright, Member

ABSENT: None

VACANT: None

C. APPROVAL OF THE AGENDA

WRIGHT/HALL

AYES: 5 NOES: 0

D. BOARD ORGANIZATION

ELECTION OF OFFICERS FOR 2014

WRIGHT proposed that the Board retain the same officers as in 2013:

1. President – Mike Moore
2. Vice President – Tim Driscoll
3. Clerk – Sharon Dryden

WRIGHT/HALL

AYES: 5 NOES: 0

E. INFORMATION/DISCUSSION ITEMS

1. Superintendent's Report
 - a) Ag Barn Fire Update and Construction Status – The District is gathering bids to repair the barn.
 - b) Facility Hardship Application Update – The funding was approved; total amount \$1,011,161.
 - c) LHS Track Update – See Sierra County Board of Education Meeting Minutes, Item I, 1.
 - d) Inter-District Attendance Agreements
2. Business Report
 - a. Board Report-Expenditures by Object 7/1/13 to 11/30/13
 - b. Third Month Enrollments for the 2013-2014 School Year
 - c. Business Offices will be closed December 23, 2013, through January 1, 2014
 - d. Correspondence from SingletonAuman, PC

Sierra-Plumas Joint Unified School District
Minutes of the School District Governing Board
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- e. Cafeteria Report – Staff has created additional recipes that kids enjoy while still meeting the nutritional guidelines.
3. STAFF Report – Derek Cooper and Marla Stock reported on activities at their sites.
4. SPTA Report – There was no report.
5. Board Members’ Report
HALL expressed a thank you to Alicia Schofield, Amber Sainsbury, Hillary Lozano and Allison Baca for their work on the festival.
Downieville Student Council boys did a fine job at the Holiday on Main.
6. Public Comment –This is an opportunity for members of the public to directly address the governing board on any item of interest that is within the subject matter jurisdiction of the governing board whether or not it is listed on the agenda. Five minutes may be allotted to each speaker and a maximum of twenty minutes to each subject matter. (Education Code [35145.5](#); Bylaw 9322; Government Code [54954.3](#))
 - a. Current location – Parent: Dr. Grant and Lauriel Wentling have been to Downieville lately and have made a big impact on the students. When other people are around from the district it means something to the students.
 - b. Videoconference location – No comment

F. CONSENT CALENDAR

1. Approval of the minutes of the Regular Board meeting held November 12, 2013
2. Approval of the bill warrants for the month of November 2013
3. Assignment of Loyalton 7-8th Grade Basketball Coaches:
 - 7th Grade Boys: Tim Lysen
 - 7th Grade Girls: Sheri Roen
 - 8th Grade Boys: Bryan Griffin
 - 8th Grade Girls: Megan Meschery
4. Assignment of Andrea White, 2013-2014 Loyalton Elementary School Site Tech Coordinator

WRIGHT/HALL

AYES: 5 NOES: 0

G. ACTION ITEMS

1. Old Business

1314-104 Administrative Regulation 4361.2 (Management), Personal Leave, revision
DRYDEN/HALL
AYES: 5 NOES: 0

2. New Business

1314-105 Approval of 2014 Sierra County Board of Education/Sierra-Plumas Joint Unified School District meeting calendar
DRYDEN/WRIGHT
AYES: 5 NOES: 0

Sierra-Plumas Joint Unified School District
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1314-106 Authorization to fill the following four positions, funded by English Language Learner (ELL):

- .83 FTE (5.0 hours daily) Instructional Aide position, Loyalton Elementary
- .50 FTE (3.0 hours daily) Instructional Aide position, Loyalton High
- .29 FTE (1.75 hours daily) Instructional Aide position, Downieville Elementary
- .25 FTE (1.5 hours daily) Instructional Aide position, Downieville Jr/Sr High

HALL/WRIGHT

AYES: 5 NOES: 0

1314-107 Approval of the Teacher-In-Charge Memorandum of Understanding between the S-PJUSD and the S-PTA and approval of an employee to the assignment

HALL/ALLEN

AYES: 5 NOES: 0

1314-108 Authorization to process 2012-2013 payroll adjustment for Lynn Fillo, additional FTE .11688

HALL/WRIGHT

AYES: 5 NOES: 0

1314-109 Technology Task Force Discussion

The latest meeting focused on technology needs of the district as follows:

▪ LHS:

Chrome Books for Geography class next semester (they will test one before purchasing)
Science -10 to 15 PCs

▪ Downieville:

Science/Math has a grant request into Sierra Schools Foundation for 10 iPads; the District will provide 5 more.

▪ LES:

K-3 requested iPads or tablets to include with their mathbook lab.

Funding sources: County: (restricted) REAP; District: Title 1, ELL, Common Core.

1314-110 Approval of Sierra County Office of Education and Sierra-Plumas Joint Unified School District Goals for Areas of Emphasis for 2013/14 school year

WRIGHT/HALL

AYES: 5 NOES: 0

1314-111 Additions/Changes to Safe School Plan

No action taken

1314-112 Assignment of two Board Trustees to the Transportation Committee for year 2014

MOORE/HALL

AYES: 5 NOES: 0

1314-113 Assignment of two Board Trustees to the Negotiations Committee for year 2014

MOORE/WRIGHT

AYES: 5 NOES: 0

Sierra-Plumas Joint Unified School District
Minutes of the School District Governing Board
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- 1314-114 Assignment of two Board Trustees to the Facilities Committee for year 2014
DRISCOLL/DRYDEN
AYES: 5 NOES: 0
- 1314-115 Approval of Specific Waiver: Shared School Site Council, Downieville
WRIGHT/HALL
AYES: 5 NOES: 0
- 1314-116 Authorization for Superintendent to enter into an Annual Services Agreement Between
the SCOE and the S-PJUSD
WRIGHT/HALL
AYES: 5 NOES: 0
- 1314-117 Authorization for Superintendent to enter into an Annual Services Agreement Between
the S-PJUSD and the SCOE
HALL/WRIGHT
AYES: 5 NOES: 0
- 1314-118 Approval of Third Amendment to Cooperative Agreement (Sierraville School)
DRYDEN/HALL
AYES: 5 NOES: 0
- 1314-119 Authorization for Superintendent to endorse Release and Assignment for Western Surety
Company
WRIGHT/DRISCOLL
AYES: 5 NOES: 0
- 1314-120 Adoption of 2013-2014 Budget and Criteria & Standards Report and First Interim Actuals as of
October 31, 2013
WRIGHT/DRISCOLL
AYES: 5 NOES: 0

BOARD POLICIES AND ADMINISTRATIVE REGULATIONS

- 1314-121 Board Policy 0460, Local Control and Accountability Plan, New
- 1314-122 Administrative Regulation 0460, Local Control and Accountability Plan, New
- 1314-123 Board Policy 0500, Accountability, Revision
- 1314-124 Board Policy 3100, Budget, Revision
- 1314-125 Administrative Regulation 3100, Budget, Revision
- 1314-126 Board Policy 3110, Transfer of Funds, Revision

DRYDEN motioned to adopt 1314-121 through 1314-126 simultaneously. HALL seconded.
AYES: 5 NOES: 0

Sierra-Plumas Joint Unified School District
Minutes of the School District Governing Board
Regular Meeting
December 10, 2013

H. ADVANCED PLANNING

1. The next Regular Board Meeting will be held on January 14, 2014, Sierra County Office of Education, 109 Beckwith Road, Loyalton, California, immediately following the 6:00 pm meeting of the Sierra County Board of Education.
2. Suggested Agenda items:
 - a. Superintendent's Division of Work Hours
 - b. Negotiations
 - c. LHS Parking Lot
 - d. State Budget

I. ADJOURNMENT

HALL/DRISCOLL
AYES: 5 NOES: 0

ADJOURNED at 8:08 pm.

Sharon Dryden, Clerk

Dr. Merrill M. Grant, Superintendent

Checks Dated 12/01/2013 through 12/31/2013

Check Number	Check Date	Pay to the Order of	Fund Object	Expensed Amount	Check Amount
00078914	12/04/2013	ACSA'S FOUNDATION FOR EDUCATIO	01-5200		545.00
00078915	12/04/2013	AIRGAS, USA, LLC	01-5600		89.82
00078916	12/04/2013	APPLE INC.	01-4300		299.99
00078917	12/04/2013	JOEL ARMSTRONG	01-5890		20.00
00078918	12/04/2013	AT&T	01-5890	29.56	
			01-5899	16.43	
			01-5910	218.33	264.32
00078919	12/04/2013	PENNY BERRY	01-5890		720.00
00078920	12/04/2013	KATIE CAMPBELL	01-5200		28.00
00078921	12/04/2013	CITY OF LOYALTON	01-5530	5,394.15	
			01-5899	230.58	5,624.73
00078922	12/04/2013	EMPLOYMENT DEVELOPMENT DEPARTMENT	01-3501	120.42	
			01-3502	50.40	170.82
00078923	12/04/2013	EDUCATIONAL RESOURCES INC.	01-4300		227.70
00078924	12/04/2013	HOUGHTON MIFFLIN COMPANY	01-4300		519.47
00078925	12/04/2013	HUNT & SONS, INC.	01-5590		1,712.92
00078926	12/04/2013	IMPACT CONSTR. & EXCAV.	40-6200		2,160.00
00078927	12/04/2013	K 12 MANAGEMENT INC.	01-5890		798.00
00078928	12/04/2013	MARIAN LAVEZZOLA	01-5600		200.00
00078929	12/04/2013	LIBERTY UTILITIES	01-5510	4,411.17	
			01-5899	212.76	4,623.93
00078930	12/04/2013	MODEL DAIRY, LLC	13-4700		246.99
00078931	12/04/2013	MIKE MOORE	76-9576		610.45
00078932	12/04/2013	OFFICE DEPOT, INC	01-4300		33.00
00078933	12/04/2013	PACIFIC GAS & ELECTRIC COMPANY	01-5510		22.03
00078934	12/04/2013	SIERRA COUNTY HEALTH DEPARTMENT	01-5510		289.50
00078935	12/04/2013	SIERRA COUNTY TREASURER	01-5860		3,464.11
00078936	12/04/2013	SIERRA DISPOSAL	01-5520	631.50	
			01-5899	13.50	645.00
00078937	12/04/2013	SMALL SCHOOL DIST. ASSN.	01-9510		90.00
00078938	12/04/2013	MARLA STOCK	01-5200		36.00
00078939	12/04/2013	SUBURBAN PROPANE	01-5540		2,815.31
00078940	12/04/2013	TRI COUNTY SCHOOLS INS. GR.	01-3902	2,306.74	
			01-9535	13,295.26	
			76-9576	57,940.36	73,542.36
00078941	12/04/2013	US FOODSERVICE, INC.	13-4300	509.20	
			13-4700	2,879.55	3,388.75
00078942	12/04/2013	VERIZON WIRELESS	01-5910		227.64
00078943	12/04/2013	WAYNE WHITE WHITE'S BUS	01-5100	112,500.00	
			01-5890	6,250.00	118,750.00
00078944	12/11/2013	BRECHT'S DATABASE SOLUT, INC	01-5890		2,000.00
00078945	12/11/2013	CALIFORNIA ASSOC. FFA ANGIE MILES, FINANCIAL SERVICE	01-4300		317.50
00078946	12/11/2013	CALEB DORSEY	01-5200		36.00
00078947	12/11/2013	DOWNIEVILLE PUBLIC UTILITY DIS	01-5530		164.00
00078948	12/11/2013	GOLD COUNTRY DISTRIBUTORS	13-4700		144.68

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

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Checks Dated 12/01/2013 through 12/31/2013

Check Number	Check Date	Pay to the Order of	Fund Object	Expensed Amount	Check Amount
00078949	12/11/2013	SUSAN GRESSEL	01-5200		36.00
00078950	12/11/2013	CAROLINE GRIFFIN	01-5200		79.16
00078951	12/11/2013	K 12 MANAGEMENT INC.	01-5890		598.00
00078952	12/11/2013	KATIE O'HARA KELLY	01-5890		407.13
00078953	12/11/2013	LES SCHAWB TIRE CENTER	01-4350		1,059.49
00078954	12/11/2013	JANET MCHENRY	01-5200		10.00
00078955	12/11/2013	KIM MCKINNEY	01-5200		36.00
00078956	12/11/2013	MERIWETHER PUBLISHING LTD	01-4300	76.03	
			Unpaid Sales Tax	4.71-	71.32
00078957	12/11/2013	MEGAN A. MESCHERY	01-5200		10.00
00078958	12/11/2013	MODEL DAIRY, LLC	13-4700		302.96
00078959	12/11/2013	NICHOLS, MELBURG & ROSSETTO	35-6200		3,433.74
00078960	12/11/2013	CRM GROUP	35-6200		2,778.00
00078961	12/11/2013	OFFICE DEPOT, INC	01-4300		1,331.25
00078962	12/11/2013	OLIVER WORLDCLASS LABS	01-5890		389.78
00078963	12/11/2013	PACIFIC GAS & ELECTRIC COMPANY	01-5510		1,801.09
00078964	12/11/2013	GLEN SABOL	35-6200		720.00
00078965	12/11/2013	SCHOLASTIC INC. CLASSROOM MAGAZINES	01-4300		328.35
00078966	12/11/2013	SCHOOL PATHWAYS LLC	01-5800		150.00
00078967	12/11/2013	SIERRA DISPOSAL	01-5520	467.50	
			01-5899	13.50	481.00
00078968	12/11/2013	SIERRA HARDWARE	01-4300		58.44
00078969	12/11/2013	SIERRA VALLEY HOME CENTER	01-4300		335.10
00078970	12/11/2013	SIERRA-PLUMAS JOINT UNIFIED	01-4300	250.00	
			01-5200	68.51	318.51
00078971	12/11/2013	THE SIGN SHOP	01-4300		60.76
00078972	12/11/2013	SUBURBAN PROPANE	01-5540		619.76
00078973	12/11/2013	U.S. BANK	01-4200	102.11	
			01-4300	347.21	
			01-5890	12.99	462.31
00078974	12/11/2013	VOYAGER FLEET SYSTEMS INC.	01-4300	968.12	
			01-5200	325.16	
			01-9210	492.31	1,785.59
00078975	12/11/2013	WEST MUSIC	01-4300	121.91	
			Unpaid Sales Tax	8.51-	113.40
00078976	12/26/2013	AT&T	01-5910		82.44
00078977	12/26/2013	PENNY BERRY	01-5890		720.00
00078978	12/26/2013	CENTRAL SANITARY SUPPLY	01-4300	187.48	
			01-5899	46.18	233.66
00078979	12/26/2013	DEREK COOPER	01-5200		528.84
00078980	12/26/2013	DOCUMENT TRACKING SERVICES	01-5890		1,170.00
00078981	12/26/2013	BLAINE DONNELLY	01-5200	350.95	
			01-5899	39.00	389.95
00078982	12/26/2013	GOLD COUNTRY DISTRIBUTORS	13-4700		149.02
00078983	12/26/2013	W.W. GRAINGER, INC.	01-4300		405.39
00078984	12/26/2013	MERRILL GRANT	01-5200		430.28

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Checks Dated 12/01/2013 through 12/31/2013

Check Number	Check Date	Pay to the Order of	Fund Object	Expensed Amount	Check Amount
00078985	12/26/2013	HOME DEPOT CREDIT SRV	01-5600		808.60
00078986	12/26/2013	HOUGHTON MIFFLIN COMPANY	01-4300		103.64
00078987	12/26/2013	HUNT & SONS, INC.	01-5590		961.05
00078988	12/26/2013	INLAND SUPPLY	01-4300		371.97
00078989	12/26/2013	MARIAN LAVEZZOLA	01-5600		200.00
00078990	12/26/2013	MODEL DAIRY, LLC	13-4700		200.46
00078991	12/26/2013	MIKE MOORE	01-5200	28.25	
			76-9576	610.45	638.70
00078992	12/26/2013	NORTHEASTERN JOINT POWERS AUTHORITY	76-9571		33,465.00
00078993	12/26/2013	OLIVER WORLDCLASS LABS	01-4400		3,225.15
00078994	12/26/2013	QUILL CORPORATION	01-4300		183.30
00078995	12/26/2013	RAY MORGAN COMPANY	01-5600	2,028.64	
			01-5899	39.08	2,067.72
00078996	12/26/2013	REED'S LOCKSMITHING, INC.	01-5600		1,800.43
00078997	12/26/2013	SCHOLASTIC INC. CLASSROOM MAGAZINES	01-4200		184.20
00078998	12/26/2013	S I & A DEPOSITS	01-5890		1,500.00
00078999	12/26/2013	SIERRA COUNTY HEALTH DEPARTMENT	01-5510		289.50
00079000	12/26/2013	SIERRA HARDWARE	01-4300		35.10
00079001	12/26/2013	SIERRA VALLEY HOME CENTER	01-4300		134.70
00079002	12/26/2013	SIERRA-PLUMAS JOINT UNIFIED	01-5890		301.08
00079003	12/26/2013	SMALL SCHOOL DISTRICTS' ASSN	01-5300		600.00
00079004	12/26/2013	SMITH'S TREE SERVICE	01-5600		500.00
00079005	12/26/2013	STAPLES CONTRACT & COMM.	01-4300	139.97	
			01-5899	46.65	186.62
00079006	12/26/2013	DEPARTMENT OF JUSTICE ACCOUNTING OFFICE	01-5890		64.00
00079007	12/26/2013	SUBURBAN PROPANE	01-5540	4,578.89	
			01-5899	900.93	5,479.82
00079008	12/26/2013	TERMINIX PROCESSING CENTER	01-5890		106.00
00079009	12/26/2013	TIMBERLINE AUTO PARTS & POWER EQUIPMENT	01-4350		2.69
00079010	12/26/2013	TIP INC., PRINTING & GRAPHIX	01-5900		264.45
00079011	12/26/2013	TRI COUNTY SCHOOLS INS. GR.	01-3902	2,306.74	
			01-9535	13,295.26	
			76-9576	57,940.36	73,542.36
00079012	12/26/2013	U.S. BANK	01-4200	81.09	
			01-4300	1,687.22	
			01-4400	2,188.65	
			01-5890	12.99	
			01-5899	65.79	4,035.74
00079013	12/26/2013	US FOODSERVICE, INC.	13-4300	264.10	
			13-4700	1,787.19	2,051.29
00079014	12/26/2013	VERIZON WIRELESS	01-5910		227.61
00079015	12/26/2013	ALLEN WRIGHT	01-5200		27.97

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

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Checks Dated 12/01/2013 through 12/31/2013

Check Number	Check Date	Pay to the Order of	Fund Object	Expensed Amount	Check Amount
Total Number of Checks				102	380,273.89

Fund Summary

Fund	Description	Check Count	Expensed Amount
01	General Fund	89	214,144.60
13	Cafeteria Fund	7	6,484.15
35	State School Facility Fund	3	6,931.74
40	Special Reserve for Capital Ou	1	2,160.00
76	Warrant/Pass Through (payroll)	5	150,566.62
Total Number of Checks		102	380,287.11
Less Unpaid Sales Tax Liability			13.22-
Net (Check Amount)			380,273.89

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

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Page 4 of 4

October 5, 2013

To the Board of Directors
Sierra-Plumas Joint Unified School District

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Sierra-Plumas Joint Unified School District for the year ended June 30, 2013. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards*, and OMB Circular A-133, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our engagement letter. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Sierra-Plumas Joint Unified School District are described in Note A to the financial statements. No new accounting policies were adopted during 2012/2013. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the District's financial statements was:

Management's estimate of the ultimate collectability of receivables from the State of California is based on currently known state budgets. We evaluated the key factors and assumptions used to develop the collectability of receivables from the State of California in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of Concentration of Funding Risk in Note N to the financial statements.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements.

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**SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
COUNTY OF SIERRA
SIERRAVILLE, CALIFORNIA**

**AUDIT REPORT
JUNE 30, 2013**

Introductory Section

Sierra-Plumas Joint Unified School District
 Audit Report
 For The Year Ended June 30, 2013

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Sierra-Plumas Joint Unified School District
Audit Report
For The Year Ended June 30, 2013

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Financial Section

Independent Auditor's Report

To the Board of Trustees
Sierra-Plumas Joint Unified School District
Sierraville, California 96126

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Sierra-Plumas Joint Unified School District ("the District") as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Sierra-Plumas Joint Unified School District as of June 30, 2013, and the respective changes in financial position, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information identified as Required Supplementary Information in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the Required Supplementary Information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sierra-Plumas Joint Unified School District's basic financial statements. The individual nonmajor fund financial statements are presented for purposes of additional analysis and are not required parts of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements. The accompanying other supplementary information is presented for purposes of additional analysis as required by the State's audit guide, *Standards and Procedures for Audits of California K-12 Local Education Agencies 2012-13*, published by the Education Audit Appeals Panel, and is also not a required part of the basic financial statements.

The individual nonmajor fund financial statements and other supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information, except for that portion labeled "unaudited" on which we express no opinion, has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual nonmajor fund financial statements and other supplementary information and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 5, 2013 on our consideration of Sierra-Plumas Joint Unified School District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Sierra-Plumas Joint Unified School District's internal control over financial reporting and compliance.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "SingletonAuman PC".

SingletonAuman PC
Susanville, CA
October 5, 2013

Basic Financial Statements

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
Management's Discussion and Analysis (MD&A)
June 30, 2013

INTRODUCTION

Our discussion and analysis of Sierra Plumas Joint Unified School District's (District) financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2013. It should be read in conjunction with the District's financial statements (including notes and supplementary information), which follow this section.

FINANCIAL HIGHLIGHTS

- Total net position was \$7,028,630 at June 30, 2013; this was a decrease of \$519,201 from the prior year. Net asset decreased from the prior year due to the reroof project at Loyalton High School.
- Overall revenues were \$5,079,026 which was less than expenses of \$5,598,227 by \$519,201.
- The general fund reported a fund balance this year of \$2,496,090.
- The total cost of the District's programs decreased by \$205,008 from last year.
- Long-term debt increased over prior year by \$19,236 due to an increase in Other Post Employment Benefits liability.
- The District's P-2 Average Daily Attendance (ADA) decreased from 383 in fiscal year 2011-2012 down to 364 ADA in fiscal year 2012-2013, a decrease of 5.3%.

OVERVIEW OF FINANCIAL STATEMENTS

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

- **Government-wide financial statements**, which comprise the first two statements, provide both short-term and long-term information about the entity's overall financial position.
- **Fund financial statements** focus on reporting the individual parts of the District operations in more detail. The fund financial statements comprise the remaining statements.
 - **Governmental funds** statements tell how general government services were financed in the short term as well as what remains for future spending.
 - **Fiduciary fund** statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others, to whom the resources belong.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The basic financial statements are followed by a section of required supplementary information that further explains and supports the financial statements. A comparison of the district's budget for the year is included.

Government-Wide Statements

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

The two government-wide statements report the District's net position and how it has changed. Net Position, the difference between the assets and liabilities, is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net position is an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the District, one needs to consider additional nonfinancial factors such as changes in enrollment, changes in the property tax base, changes in program funding by the Federal and State governments, and condition of facilities.

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

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds-not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular programs. Some funds are required to be established by state law and by bond covenants. The Board of Trustees establishes other funds to control and manage money for particular purposes or to show that the District is meeting legal responsibilities for using certain revenues. The District has two kinds of funds:

- Governmental funds - Most of the District's basic services are included in governmental funds, which generally focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that help you determine whether there are more or fewer financial resources that can be spent in the near future to finance the District's programs. Because this information does not encompass the additional long-term focus of the government-wide statements, we provide additional information at the bottom of the government funds statements that explains the relationship (or differences) between them.
- Fiduciary funds - the District is the trustee, or fiduciary, for assets that belong to others; for the district, the student body activities fund is an agency fund. The District is responsible for ensuring that assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the district-wide financial statements because the District cannot use the assets to finance its operations.

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE

Net Position

The District's combined net position was \$7,028,630 at June 30, 2013. See Table 1.

Many factors contributed to the change in net position. However, one event last year that stands out beyond the others is the cost to remove the mold and replace the roof at Loyalton High School. The project was completed in August 2013, and the State Facility Hardship Apportionment was approved November 2013. The hardship program will reimburse the District 60% of allowable expenditures.

**Table 1:
Net Position**

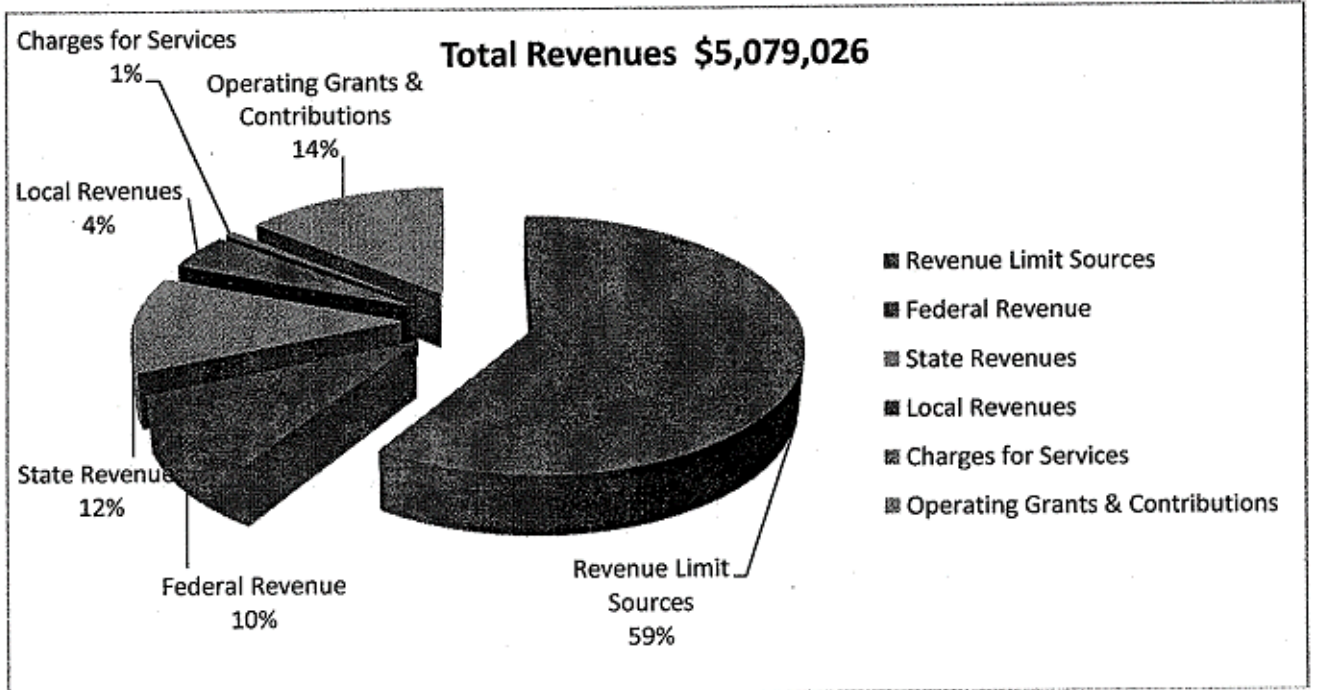
	Governmental Activities		Change
	2013	2012	2013-2012
Assets			
Cash & Investments	\$ 3,623,930	\$ 3,779,106	-4.11%
Accounts Receivable	115,229	210,934	-45.37%
Prepaid Expenses	7,486	11,761	-36.35%
Capital Assets, Net of Accumulated Depreciation	4,725,621	4,197,621	12.58%
TOTAL ASSETS	8,472,266	8,199,422	3.33%
Liabilities			
Accounts Payable	1,229,989	453,299	171.34%
Unearned Revenue	6,062	9,933	-38.97%
Short-Term Debt	191,242	127,339	50.18%
Long-Term Debt	16,353	61,020	-73.20%
TOTAL LIABILITIES	1,443,646	651,591	121.56%
Net Assets			
Net Investment in Capital Assets	4,725,631	4,191,342	12.75%
Restricted	76,940	47,809	60.93%
Unrestricted (deficit)	2,226,059	3,308,680	-32.72%
TOTAL NET POSITION	\$ 7,028,630	\$ 7,547,831	-6.88%

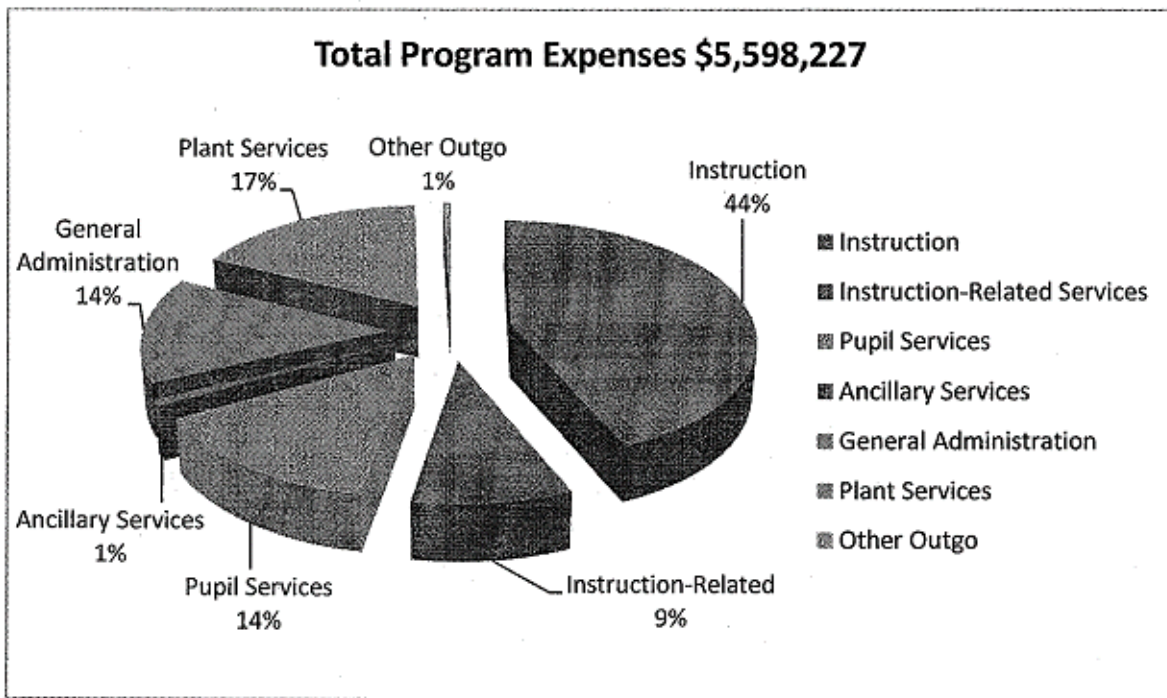
Changes in Net Position

The District's total revenues were \$5,079,026. A majority of the revenue comes from Revenue Limit and property taxes (59%). Federal and state aid for specific programs accounted for another 22% of total revenues. Revenues decreased from the prior year, because of a decrease in federal and local revenues. The total cost of all programs and services was \$5,598,227. The District's expenses are predominately related to educating and caring for students (67%). Administrative activities accounted for just 14% of total costs. The remaining expenses were for plant services (maintenance and operations), ancillary services, and other outgo. Program expenses decreased from the prior year because of lower instruction compensation and benefits, and equipment.

**Table 2:
Changes in Net Position**

	Governmental Activities		Total Percentage
	2013	2012	Change 2013-2012
Revenues			
Program Revenues:			
Charges for Services	\$ 30,737	\$ 32,814	-6.33%
Operating Grants & Contributions	709,226	729,750	-2.81%
General Revenues			
Revenue Limit Sources	2,997,031	3,067,795	-2.31%
Federal Revenues	499,656	624,584	-20.00%
State Revenues	614,960	566,414	-7.95%
Local Revenues	227,416	247,048	-7.95%
TOTAL REVENUES	5,079,026	5,268,405	-3.59%
Program Expenses			
Instruction	2,437,304	2,659,413	-8.35%
Instruction-Related Services	510,478	528,742	-3.45%
Pupil Services	805,171	806,778	-0.20%
Ancillary Services	50,841	45,153	12.60%
General Administration	794,293	819,274	-3.05%
Plant Services	971,057	943,247	2.95%
Other Outgo	29,083	627	4538.44%
TOTAL EXPENSES	5,598,227	5,803,234	-3.53%
INCREASE IN NET POSITION	\$ (519,201)	\$ (534,829)	-2.92%





Governmental Activities

Table 3 presents the cost of each of the District's functions as well as each function's net cost (total cost less fees generated by the activities and intergovernmental aid). The net cost reflects what was funded by charges for services, operating grants and capital grants and contributions.

The cost of all governmental activities this year was \$5,598,227.

The amount that our taxpayers paid for these activities through property taxes was 2,349,843.

Some of the costs were paid directly from people who directly benefited from the programs \$30,737 (Charges for Services) or by grants and contributions \$709,226.

**Table 3
Net Cost of Governmental Activities**

	Total Cost of Services		Net Cost of Services	
	2013	2012	2013	2012
Instruction	\$ 2,437,304	\$ 2,659,413	\$ 2,139,037	\$ 2,353,700
Instruction-Related Service	510,478	528,742	448,145	465,104
Pupil Services	805,171	806,778	629,695	616,745
Ancillary Services	50,841	45,153	44,532	39,613
General Administration	794,293	819,274	694,246	719,738
Plant Services	971,057	943,247	873,526	845,143
Other Outgo	29,083	627	29,083	627
TOTAL	\$ 5,598,227	\$ 5,803,234	\$ 4,858,264	\$ 5,040,670

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The overall financial performance of the District as a whole is reflected in its governmental funds as well. As the District completed the year, its governmental funds reported a combined fund balance of \$2,510,594, which is a decline from last year's ending fund balance of \$1,027,975. The district removed mold and replaced the roof at Loylton High School.

General Fund Budgetary Highlights

Over the course of the year, the District revises its annual budget to reflect unexpected changes in revenues and expenditures. The final amendment to the budget was approved August 2013. A schedule of the District's original and final budget amounts compared with actual revenues and expenses is provided in the supplemental section of the audited financial report.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At June 30, 2013, the District had invested \$4,725,631 in a broad range of capital assets including land, buildings and improvements, equipment and vehicles. During the year the District invested in building renovations. See Table 4. More detailed information about the District's capital assets is presented in the notes to the financial statements.

Table 4
Capital Assets

	Governmental Activities		Total Percentage
	2013	2012	Change 2013-2012
Land	\$ 182,692	\$ 182,692	0.00%
Construction in Progress	873,797	\$ 133,142	556.29%
Buildings & Improvements	7,755,444	7,702,482	0.69%
Machinery and Equipment	574,217	605,839	-5.22%
Totals at Historical Cost	9,386,150	8,624,155	8.84%
Total Accumulated Depreciation	(4,660,519)	(4,426,534)	5.29%
NET CAPITAL ASSETS	\$ 4,725,631	\$ 4,197,621	12.58%

The District's fiscal year 2014 budget projects spending of \$1,312,367 for capital projects, primarily to complete the reroof project at Loyaltan High. The capital projects will be funded by the general fund and 60% of allowable reroof cost will be reimbursed by the State's Facility Hardship program.

Long-Term Debt

At year end, the District had \$207,595 in debt, consisting of Compensated Absences, and Other Post Employment Benefits, as shown in Table 5. The District added \$19,236 in debt during the fiscal year. More detailed information about the District's debt is presented in the notes to the financial statements.

Table 5
Long-Term Debt

	Governmental Activities		Total Percentage
	2013	2012	Change 2013-2012
Compensated Absences	\$ 16,353	\$ 16,426	-0.44%
Post Employment Benefits	191,242	165,654	15.45%
Capital Lease	-	6,279	-100.00%
TOTAL LONG-TERM DEBT	\$ 207,595	\$ 188,359	10.21%

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

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

- The uncertainty of federal and state funding can have a profound impact on the financial health of the District. Although no changes are currently anticipated, the federal and the state governments could implement budget cuts.
- The continuing increases in premiums for health care insurance and worker's compensation could have a significant effect on the future financial health of the District. The 2013 premium for health insurance increased by 8% over the 2012 premium. The worker's compensation rate increased by 3.5% over the 2012 rate. Health care premiums are predicted to continue to increase into the foreseeable future.
- The budget assumptions used to prepare the budget for 2013 included a 1.565% cost of living allowance (COLA).

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, parents, participants, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. If you have questions about this report, or need additional financial information, contact:

Rose Asquith
Sierra-Plumas Joint Unified School District
Post Office Box 955
109 Beckwith Road
Loyalton, CA 96118

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2013

	Governmental Activities
ASSETS:	
<i>Cash in County Treasury</i>	\$ 3,620,530
<i>Cash in Revolving Fund</i>	3,400
<i>Accounts Receivable</i>	1,995
<i>Due from Grantor Governments</i>	113,234
<i>Prepaid Expenses</i>	7,486
Capital Assets:	
<i>Land</i>	182,692
<i>Buildings, Net</i>	3,592,081
<i>Equipment, Net</i>	77,061
<i>Work in Progress</i>	873,797
Total Assets	<u>8,472,276</u>
LIABILITIES:	
<i>Accounts Payable</i>	934,440
<i>Due to Grantor Governments</i>	295,549
<i>Unearned Revenue</i>	6,062
Noncurrent Liabilities:	
Other Postemployment Benefit Obligation	191,242
<i>Due in more than one year</i>	16,353
Total Liabilities	<u>1,443,646</u>
NET POSITION	
Net Investment in Capital Assets	4,725,631
Restricted For:	
Federal and State Programs	62,436
Capital Projects	14,504
Unrestricted	2,226,059
Total Net Position	<u>\$ 7,028,630</u>

The accompanying notes are an integral part of this statement.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2013

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for Services	Operating Grants and Contributions	Revenue and Changes in Net Position
				Governmental Activities
PRIMARY GOVERNMENT:				
Government Activities:				
<i>Instruction</i>	\$ 2,437,304	\$ 2,754	\$ 295,513	\$ (2,139,037)
<i>Instruction-Related Services</i>	510,478	576	61,757	(448,145)
<i>Pupil Services</i>	805,171	25,523	149,953	(629,695)
<i>Ancillary Services</i>	50,841	58	6,251	(44,532)
<i>General Administration</i>	794,293	925	99,122	(694,246)
<i>Plant Services</i>	971,057	901	96,630	(873,526)
<i>Other Outgo</i>	29,083			(29,083)
Total Governmental Activities	5,598,227	30,737	709,226	(4,858,264)
Total Primary Government	\$ 5,598,227	\$ 30,737	\$ 709,226	(4,858,264)
General Revenues:				
<i>Revenue Limit Sources</i>				2,997,031
<i>Federal Revenues</i>				499,656
<i>State Revenues</i>				614,960
<i>Local Revenues</i>				227,416
Transfers				
Total General Revenues and Transfers				4,339,063
Change in Net Position				(519,201)
Net Position - Beginning				7,547,831
Net Position - Ending				\$ 7,028,630

The accompanying notes are an integral part of this statement.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
JUNE 30, 2013

	General Fund	County School Facilities Fund	Other Governmental Funds	Total Governmental Funds
ASSETS:				
<i>Cash in County Treasury</i>	\$ 3,059,455	\$ 561,075	\$	\$ 3,620,530
<i>Cash in Revolving Fund</i>	3,400			3,400
<i>Accounts Receivable</i>	1,333		662	1,995
<i>Due from Grantor Governments</i>	79,570		33,664	113,234
<i>Due from Other Funds</i>	6,956			6,956
<i>Prepaid Expenditures</i>	7,487			7,487
Total Assets	<u>\$ 3,158,201</u>	<u>\$ 561,075</u>	<u>\$ 34,326</u>	<u>\$ 3,753,602</u>
LIABILITIES AND FUND BALANCE:				
Liabilities:				
<i>Accounts Payable</i>	\$ 360,500	\$ 561,075	\$ 12,865	\$ 934,440
<i>Due to Grantor Governments</i>	295,549			295,549
<i>Due to Other Funds</i>			6,957	6,957
<i>Unearned Revenue</i>	6,062			6,062
Total Liabilities	<u>662,111</u>	<u>561,075</u>	<u>19,822</u>	<u>1,243,008</u>
Fund Balance:				
Nonspendable Fund Balances:				
<i>Revolving Cash</i>	3,400			3,400
<i>Prepaid Items</i>	7,487			7,487
Restricted Fund Balances	62,436		14,504	76,940
Assigned Fund Balances	194,980			194,980
Unassigned:				
<i>Reserve for Economic Uncertainty</i>	520,073			520,073
<i>Other Unassigned</i>	1,707,714			1,707,714
Total Fund Balance	<u>2,496,090</u>	<u></u>	<u>14,504</u>	<u>2,510,594</u>
Total Liabilities and Fund Balances	<u>\$ 3,158,201</u>	<u>\$ 561,075</u>	<u>\$ 34,326</u>	<u>\$ 3,753,602</u>

The accompanying notes are an integral part of this statement.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
*RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2013*

Total fund balances - governmental funds balance sheet	\$ 2,510,594
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets used in governmental activities are not reported in the funds.	4,725,631
Payables for compensated absences which are not due in the current period are not reported in the funds.	(16,353)
Other long-term liabilities which are not due and payable in the current period are not reported in the funds.	<u>(191,242)</u>
Net position of governmental activities - Statement of Net Position	<u>\$ 7,028,630</u>

The accompanying notes are an integral part of this statement.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES

IN FUND BALANCES - GOVERNMENTAL FUNDS

FOR THE YEAR ENDED JUNE 30, 2013

	General Fund	County School Facilities Fund	Other Governmental Funds	Total Governmental Funds
Revenues:				
Revenue Limit Sources:				
State Apportionments	\$ 647,188	\$	\$	\$ 647,188
Local Sources	2,349,843			2,349,843
Federal Revenue	607,442		64,418	671,860
Other State Revenue	1,126,226		5,352	1,131,578
Other Local Revenue	226,561	1	51,995	278,557
Total Revenues	<u>4,957,260</u>	<u>1</u>	<u>121,765</u>	<u>5,079,026</u>
Expenditures:				
Instruction	2,374,662			2,374,662
Instruction - Related Services	502,270			502,270
Pupil Services	652,129		153,042	805,171
Ancillary Services	50,841			50,841
General Administration	806,173			806,173
Plant Services	785,895	727,942	18,685	1,532,522
Other Outgo	28,762			28,762
Debt Service:				
Principal			6,278	6,278
Interest			322	322
Total Expenditures	<u>5,200,732</u>	<u>727,942</u>	<u>178,327</u>	<u>6,107,001</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(243,472)</u>	<u>(727,941)</u>	<u>(56,562)</u>	<u>(1,027,975)</u>
Other Financing Sources (Uses):				
Transfers In		770,601	64,466	835,067
Transfers Out	(835,067)			(835,067)
Total Other Financing Sources (Uses)	<u>(835,067)</u>	<u>770,601</u>	<u>64,466</u>	
Net Change in Fund Balance	(1,078,539)	42,660	7,904	(1,027,975)
Fund Balance, July 1	3,574,629	(42,660)	6,600	3,538,569
Fund Balance, June 30	<u>\$ 2,496,090</u>	<u>\$</u>	<u>\$ 14,504</u>	<u>\$ 2,510,594</u>

The accompanying notes are an integral part of this statement.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
*RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
 TO THE STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2013*

Net change in fund balances - total governmental funds	\$ (1,027,975)
Amounts reported for governmental activities in the Statement of Activities ("SOA") are different because:	
Capital outlays are not reported as expenses in the SOA.	810,350
The depreciation of capital assets used in governmental activities is not reported in the funds.	(282,340)
Repayment of capital lease principal is an expenditure in the funds but is not an expense in the SOA.	6,279
Compensated absences are reported as the amount earned in the SOA but as the amount paid in the funds.	73
Post Employment benefits are reported as the amount earned in the SOA but as the amount paid in the funds.	<u>(25,588)</u>
Change in net position of governmental activities - Statement of Activities	<u>\$ (519,201)</u>

The accompanying notes are an integral part of this statement.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

STATEMENT OF FIDUCIARY NET POSITION

FIDUCIARY FUNDS

JUNE 30, 2013

	Foundation Trust Fund	Agency Fund	Student Body Fund
ASSETS:			
<i>Cash in County Treasury</i>	\$ 18,742	\$	
<i>Cash on Hand and in Banks</i>			51,205
<i>Investments</i>	34,277		
Total Assets	53,019		51,205
LIABILITIES:			
<i>Accounts Payable</i>	\$ 3,000	\$	
<i>Due to Student Groups</i>			51,205
Total Liabilities	3,000		51,205
NET POSITION:			
<i>Held in Trust</i>	50,019		
Total Net Position	\$ 50,019	\$	

The accompanying notes are an integral part of this statement.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT*STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**PRIVATE-PURPOSE TRUST FUND**FOR THE YEAR ENDED JUNE 30, 2013*

	Foundation Trust Fund
Additions:	
Investment Income	\$
Net (Decrease) in Fair Value of Investments	(5,295)
Total Additions	<u>(5,295)</u>
Deductions:	
Professional Services	3,000
Total Deductions	<u>3,000</u>
Change in Net Position	(8,295)
Net Position-Beginning of the Year	58,314
Net Position-End of the Year	<u>\$ 50,019</u>

The accompanying notes are an integral part of this statement.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2013

A. Summary of Significant Accounting Policies

Sierra-Plumas Joint Unified School District (District) accounts for its financial transactions in accordance with the policies and procedures of the Department of Education's "California School Accounting Manual." The accounting policies of the District conform to accounting principles generally accepted in the United States of America (GAAP) as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).

1. Reporting Entity

The District's combined financial statements include the accounts of all its operations. The District evaluated whether any other entity should be included in these financial statements. The criteria for including organizations as component units within the District's reporting entity, as set forth in GASB Statement No. 14, "The Financial Reporting Entity," include whether:

- the organization is legally separate (can sue and be sued in its name)
- the District holds the corporate powers of the organization
- the District appoints a voting majority of the organization's board
- the District is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the District
- there is fiscal dependency by the organization on the District

The District also evaluated each legally separate, tax-exempt organization whose resources are used principally to provide support to the District to determine if its omission from the reporting entity would result in financial statements which are misleading or incomplete. GASB Statement No. 14 requires inclusion of such an organization as a component unit when: 1) The economic resources received or held by the organization are entirely or almost entirely for the direct benefit of the District, its component units or its constituents; and 2) The District or its component unit is entitled to, or has the ability to otherwise access, a majority of the economic resources received or held by the organization; and 3) Such economic resources are significant to the District.

Based on these criteria, the District has no component units. Additionally, the District is not a component unit of any other reporting entity as defined by the GASB Statement.

2. Basis of Presentation, Basis of Accounting

a. Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the District's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. The District does not allocate indirect expenses in the statement of activities. Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements: The fund financial statements provide information about the District's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013

The District reports the following major governmental funds:

General Fund. This is the District's primary operating fund. It accounts for all financial resources of the District except those required to be accounted for in another fund.

The County School Facilities Fund is established to receive funds authorized by the State Allocation Board for new school facility construction, modernization projects, and facility hardship grants.

In addition, the District reports the following fund types:

Private-Purpose Trust Funds: These funds are used to report trust arrangements under which principal and income benefit individuals, private organizations, or other governments not reported in other fiduciary fund types.

Agency Funds: These funds are used to report student activity funds and other resources held in a purely custodial capacity (assets equal liabilities). Agency funds typically involve only the receipt, temporary investment, and remittance of fiduciary resources to individuals, private organizations, or other governments.

Fiduciary funds are reported in the fiduciary fund financial statements. However, because their assets are held in a trustee or agent capacity and are therefore not available to support District programs, these funds are not included in the government-wide statements.

b. Measurement Focus, Basis of Accounting

Government-wide and Fiduciary Fund Financial Statements: These financial statements are reported using the economic resources measurement focus. They are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include property taxes, grants, entitlements, and donations. Revenue from property taxes is recognized in the fiscal year for which the taxes are received. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental Fund Financial Statements: Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers revenues collected within 60 days after its year-end to be available in the current period. Revenues from local sources consist primarily of property taxes. Property tax revenues and revenues received from the State are recognized under the susceptible-to-accrual concept. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received. Investment earnings are recorded as earned, since they are both measurable and available. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

When the District incurs an expenditure or expense for which both restricted and unrestricted resources may be used, it is the District's policy to use restricted resources first, then unrestricted resources.

3. Encumbrances

Encumbrance accounting is used in all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid. All encumbrances are liquidated as of June 30.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2013

4. Budgets and Budgetary Accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. By state law, the District's governing board must adopt a final budget no later than July 1. A public hearing must be conducted to receive comments prior to adoption. The District's governing board satisfied these requirements.

These budgets are revised by the District's governing board and district superintendent during the year to give consideration to unanticipated income and expenditures. It is the final revised budget that is presented in the financial statements.

Formal budgetary integration was used as a management control device during the year for all budgeted funds. Expenditures cannot legally exceed appropriations by major object code.

5. Assets, Liabilities, and Equity

a. Deposits and Investments

Cash balances held in banks and in revolving funds are insured to \$250,000 by the Federal Depository Insurance Corporation. All cash held by the financial institutions is fully insured or collateralized.

In accordance with Education Code Section 41001, the District maintains substantially all its cash in the Sierra County Treasury. The county pools these funds with those of other districts in the county and invests the cash. These pooled funds are carried at cost, which approximates market value. Interest earned is deposited quarterly into participating funds, except for the Tax Override Funds, in which interest earned is credited to the general fund. Any investment losses are proportionately shared by all funds in the pool.

The county is authorized to deposit cash and invest excess funds by California Government Code Section 53648 et seq. The funds maintained by the county are either secured by federal depository insurance or are collateralized.

Information regarding the amount of dollars invested in derivatives with Sierra County Treasury was not available.

b. Stores Inventories and Prepaid Expenditures

Inventories are recorded using the purchases method in that the cost is recorded as an expenditure at the time individual inventory items are purchased. These inventories are immaterial and have been omitted from these statements.

The District has the option of reporting an expenditure in governmental funds for prepaid items either when purchased or during the benefiting period. The District has chosen to report the expenditure during the benefiting period.

c. Capital Assets

Purchased or constructed capital assets are reported at cost or estimated historical cost. Donated fixed assets are recorded at their estimated fair value at the date of the donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized. A capitalization threshold of \$5,000 is used.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013

Capital assets are being depreciated using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Lives</u>
Buildings	50
Building Improvements	20
Vehicles	2-15
Office Equipment	3-15
Computer Equipment	3-15

d. Receivable and Payable Balances

The District believes that sufficient detail of receivable and payable balances is provided in the financial statements to avoid the obscuring of significant components by aggregation. Therefore, no disclosure is provided which disaggregates those balances.

There are no significant receivables which are not scheduled for collection within one year of year end.

e. Compensated Absences

Accumulated unpaid employee vacation benefits are recognized as liabilities of the District. The current portion of the liabilities is recognized in the general fund at year end.

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

f. Unearned Revenue

Cash received for federal and state special projects and programs is recognized as revenue to the extent that qualified expenditures have been incurred. Unearned revenue is recorded to the extent cash received on specific projects and programs exceeds qualified expenditures.

g. Interfund Activity

Interfund activity results from loans, services provided, reimbursements or transfers between funds. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures or expenses. Reimbursements occur when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers In and Transfers Out are netted and presented as a single "Transfers" line on the government-wide statement of activities. Similarly, interfund receivables and payables are netted and presented as a single "Internal Balances" line of the government-wide statement of net assets.

h. Property Taxes

Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are payable in two installments on November 1 and February 1. Unsecured property taxes are payable in one installment on or before August 31. The Counties of Sierra and Plumas bill and collect the taxes for the District.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013

i. Equity Classifications

Fund Balances - Governmental Funds

Fund balances of the governmental funds are classified as follows:

Nonspendable Fund Balance - represents amounts that cannot be spent because they are either not in spendable form (such as inventory or prepaid insurance) or legally required to remain intact (such as notes receivable or principal of a permanent fund).

Restricted Fund Balance - represents amounts that are constrained by external parties, constitutional provisions or enabling legislation.

Committed Fund Balance - represents amounts that can only be used for a specific purpose because of a formal action by the District's governing board. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. Committed fund balance amounts may be used for other purposes with appropriate due process by the governing board. Commitments are typically done through adoption and amendment of the budget. Committed fund balance amounts differ from restricted balances in that the constraints on their use do not come from outside parties, constitutional provisions, or enabling legislation.

Assigned Fund Balance - represents amounts which the District intends to use for a specific purpose, but that do not meet the criteria to be classified as restricted or committed. Intent may be stipulated by the governing board or by an official or body to which the governing board delegates the authority. Specific amounts that are not restricted or committed in a special revenue, capital projects, debt service or permanent fund are assigned for purposes in accordance with the nature of their fund type or the fund's primary purpose. Assignments within the general fund conveys that the intended use of those amounts is for a specific purpose that is narrower than the general purposes of the District itself.

Unassigned Fund Balance - represents amounts which are unconstrained in that they may be spent for any purpose. Only the general fund reports a positive unassigned fund balance. Other governmental funds might report a negative balance in this classification because of overspending for specific purposes for which amounts had been restricted, committed or assigned.

When an expenditure is incurred for a purpose for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds.

The District is committed to maintaining a prudent level of financial resources to protect against the need to reduce service levels because of temporary revenue shortfalls or unpredicted expenditures. The District's Minimum Fund Balance Policy requires a Reserve for Economic Uncertainties, consisting of unassigned amounts, equal to 10% of general fund operating expenditures plus an additional \$750,000 for operations in fiscal year 2012/2013. If a fund balance drops below 5%, it shall be recovered at a minimum rate of 1% each year.

Government-Wide Financial Statements

Equity is classified as net position and displayed in three components:

Net Investment in Capital Assets consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of debt borrowings that are attributable to the acquisition, construction, or improvement of those assets.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2013

Restricted Net Position consists of net assets with restrictions placed on the use either by external groups such as contributors, grantors, laws or regulations of other governments, or law through constitutional provisions or enabling legislation.

Unrestricted Net Position consists of all other net assets that do not meet the definition of "restricted" or "net investment in capital assets."

j. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of management's estimates. Actual results could differ from those estimates.

k. Subsequent Event Evaluation

Management has evaluated subsequent events through October 5, 2013, the date the financial statements were available to be issued.

B. Compliance and Accountability

1. Finance-Related Legal and Contractual Provisions

In accordance with GASB Statement No. 38, "Certain Financial Statement Note Disclosures," violations of finance-related legal and contractual provisions, if any, are reported below, along with actions taken to address such violations:

<u>Violation</u>	<u>Action Taken</u>
None reported	Not applicable

2. Deficit Fund Balance or Fund Net Assets of Individual Funds

Following are funds having deficit fund balances or fund net assets at year end, if any, along with remarks which address such deficits:

<u>Fund Name</u>	<u>Deficit Amount</u>	<u>Remarks</u>
None	\$ N/A	N/A

C. Excess of Expenditures Over Appropriations

As of June 30, 2013, no expenditures exceeded appropriations in individual funds.

D. Cash and Investments

1. Cash in County Treasury:

In accordance with Education Code Section 41001, the District maintains substantially all of its cash in the Sierra County Treasury as part of the common investment pool (\$15,791,485 as of June 30, 2013). The fair value of the District's portion of this pool as of that date, as provided by the pool sponsor, was \$3,639,272. Assumptions made in determining the fair value of the pooled investment portfolios are available from the County Treasurer.

2. Cash on Hand, in Banks, and in Revolving Fund

Cash balances on hand and in banks (\$51,205 as of June 30, 2013) and in the revolving fund (\$3,400) are insured up to \$250,000 by the Federal Depository Insurance Corporation. All cash held by the financial institution is fully insured or collateralized.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013

3. Investments:

The District owns 1,110 shares of Exelon Corporation common stock, donated to the District for the benefit of Loyalton High School students. The value of this stock fluctuates on a daily basis and may lose value. The stock is maintained in the Foundation Trust Fund and does not follow the District's investment policy.

The District's Trust Fund investment at June 30, 2013 is shown below.

<u>Investment or Investment Type</u>	<u>Maturity</u>	<u>Fair Value</u>
Exelon Corporation Common Stock (1,110 Sh)	N/A	\$ 34,277
Total Investments		\$ 34,277

5. Investment Accounting Policy

The District is required by GASB Statement No. 31 to disclose its policy for determining which investments, if any, are reported at amortized cost. The District's general policy is to report money market investments and short-term participating interest-earning investment contracts at amortized cost and to report nonparticipating interest-earning investment contracts using a cost-based measure. However, if the fair value of an investment is significantly affected by the impairment of the credit standing of the issuer or by other factors, it is reported at fair value. All other investments are reported at fair value unless a legal contract exists which guarantees a higher value. The term "short-term" refers to investments which have a remaining term of one year or less at time of purchase. The term "nonparticipating" means that the investment's value does not vary with market interest rate changes. Nonnegotiable certificates of deposit are examples of nonparticipating interest-earning investment contracts.

The District's investments in external investment pools are reported at an amount determined by the fair value per share of the pool's underlying portfolio, unless the pool is 2a7-like, in which case they are reported at share value. A 2a7-like pool is one which is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940.

E. Capital Assets

Capital asset activity for the year ended June 30, 2013, was as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
<u>Governmental activities:</u>				
<u>Capital assets not being depreciated:</u>				
Land	\$ 182,692	\$	\$	\$ 182,692
Work in progress	133,142	740,655		873,797
Total capital assets not being depreciated	<u>315,834</u>	<u>740,655</u>		<u>1,056,489</u>
<u>Capital assets being depreciated:</u>				
Buildings and Improvements	7,702,482	52,962		7,755,444
Equipment	605,839	16,733	48,355	574,217
Total capital assets being depreciated	<u>8,308,321</u>	<u>69,695</u>	<u>48,355</u>	<u>8,329,661</u>
Less accumulated depreciation for:				
Buildings and Improvements	(3,941,501)		221,862	(4,163,363)
Equipment	(485,033)	48,355	60,478	(497,156)
Total accumulated depreciation	<u>(4,426,534)</u>	<u>48,355</u>	<u>282,340</u>	<u>(4,660,519)</u>
Total capital assets being depreciated, net	<u>3,881,787</u>	<u>118,050</u>	<u>330,695</u>	<u>3,669,142</u>
Governmental activities capital assets, net	\$ <u>4,197,621</u>	\$ <u>858,705</u>	\$ <u>330,695</u>	\$ <u>4,725,631</u>

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2013

Depreciation was charged to functions as follows:

Instruction	\$ 37,127
Instruction-Related Services	8,208
General Administration	4,853
Plant Services	232,152
	<u>\$ 282,340</u>

F. Interfund Balances and Activities

1. Due To and From Other Funds

Balances due to and due from other funds at June 30, 2013, consisted of the following:

Due To Fund	Due From Fund	Amount	Purpose
General Fund	Other Governmental Funds	\$ 2,073	Reimburse expenses
General Fund	Special Reserve for Cap Outlay	4,883	Reimburse short term loan
	Total	<u>\$ 6,956</u>	

All amounts due are scheduled to be repaid within one year.

2. Transfers To and From Other Funds

Transfers to and from other funds at June 30, 2013, consisted of the following:

Transfers From	Transfers To	Amount	Reason
General Fund	Other Governmental Funds	\$ 58,496	Reimburse expenses
General Fund	Special Reserve for Cap Outlay	5,970	Supplement other funds sources
General Fund	County School Facility Fund	770,601	Fund Capital Outlay Project
	Total	<u>\$ 835,067</u>	

G. Long-Term Obligations

1. Long-Term Obligation Activity

Long-term obligations include debt and other long-term liabilities. Changes in long-term obligations for the year ended June 30, 2013, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Amounts Due Within One Year
Governmental activities:					
Capital leases	\$ 6,279		\$ 6,279	\$	
Compensated absences	16,426		73	16,353	
Other Post Employment Ben	165,654	25,588		191,242	
Total governmental activities	<u>\$ 188,359</u>	<u>\$ 25,588</u>	<u>\$ 6,352</u>	<u>\$ 207,595</u>	

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2013

The funds typically used to liquidate other long-term liabilities in the past are as follows:

<u>Liability</u>	<u>Activity Type</u>	<u>Fund</u>
Compensated absences	Governmental	General
Capital Leases	Governmental	Special Reserve for Capital Outlay
Other Post Employment Ben	Governmental	General

H. Joint Ventures (Joint Powers Agreements)

The District participates in three Joint Powers Agreements (JPA's), the Sierra Self Insurance Group, the Tri-Counties Schools Insurance Group, and the Northeastern JPA. The insurance groups arrange for and provide property, liability, health and worker's compensation insurance for their members. The District pays premiums commensurate with the level of coverage requested. These are partial self-insurance programs.

An executive committee consisting of representatives from each member's District governs the JPA's. The governing boards control the operations of their JPA's independent of any influence by the District beyond the District's representation on the governing boards.

The JPA's are independently accountable for their fiscal matters. The insurance groups maintain their own accounting records. The budget is not subject to any approval other than that of the executive committee. The relationship between the District and the JPA's is such that the JPA's are not component units of the District for financial reporting purposes.

Condensed financial information for the JPA's for June 30, 2013 was not available as of our report date.

I. Employee Retirement Systems

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Certificated employees are members of the State Teachers' Retirement System (STRS), and classified employees are members of the Public Employees' Retirement System (PERS).

PERS:

Plan Description

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

Funding Policy

Active plan members are required to contribute 6% to 7% of their salary and the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2012-13 was 11.417% of annual payroll. The contribution requirements of the plan members are established by state statute. The District's contributions to CalPERS for the fiscal year ending June 30, 2013, 2012 and 2011 were \$85,221, \$78,544 and \$75,686, respectively, and equal 100% of the required contributions for each year.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2013

STRS:

Plan Description

The District contributes to the State Teachers' Retirement System (STRS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by STRS. The plan provides retirement, disability, and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. STRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the STRS annual financial report may be obtained from the CalSTRS, 100 Waterfront Place, West Sacramento, California 95605.

Funding Policy

Active plan members are required to contribute 8% of their salary and the District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the STRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2012-13 was 8.25% of annual payroll. The contribution requirements of the plan members are established by state statute. The District's contributions to STRS for the fiscal year ending June 30, 2013, 2012 and 2011 were \$133,876, \$133,633 and \$151,918, respectively, and equal 100% of the required contributions for each year. The amount contributed by the State on behalf of the District was \$73,741.

J. Commitments and Contingencies

Litigation

The District is not involved in any litigation. In the opinion of management and legal counsel, the disposition of all litigation pending will not have a material effect on the financial statements.

State and Federal Allowances, Awards, and Grants

The District has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under terms of the grants, it is believed that any required reimbursement will not be material.

K. Subsequent Events

Sale of School Site

On July 19, 2013, the District sold the Pliocene Ridge school site. The selling price was \$500,000 and the District received \$467,749 after escrow closing costs and commissions.

Loyalton High School Roof Construction Project

The District is in the middle of a construction project to completely reroof Loyalton High School. The expected cost of the project is \$1.6 million. The District entered in to a \$225,890 interim financing agreement with Randy Hill Construction and will fund the rest of the project with District reserves. The District expects a \$1 million reimbursement from state school construction funds. Construction is expected to be completed in the summer of 2013.

L. Related Party Transaction

Sierra County Office of Education serves only the Sierra-Plumas Joint Unified School District. As a result, the two entities are housed in the same building and share a common administration, including board members, and share office space and personnel. For the year ended June 30, 2013, the District charged the County Office \$26,040 for one half of the board members' health benefits; \$104,938 for the cost to operate the opportunity program; \$17,968 for the cost to operate career technical education classes, and \$52,732

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2013

for business related services. During the same period of time, the County Office charged the District \$240,298 for business related services.

M. Other Post Employment Benefits

During the fiscal year ending June 30, 2009, the District implemented Governmental Accounting Standards Board Statement No. 45 Accounting and Reporting for Postemployment Benefits Other than Pensions, for certain postemployment health care benefits provided by the District. The requirements of this Statement were implemented prospectively, and accordingly, for financial reporting purposes, no liability is reported for the postemployment health care and life insurance benefits liability at the date of transition. The recognition of the liability accumulated from prior years will be phased in over 30 years.

Plan Description and Eligibility Requirements

Confidential and classified employees may elect in writing to take advantage of their choice of 1 of the following offers:

- A. 1 year of retiree benefits (at the Tiered Rate) for medical, dental, and vision plans for the retiree, spouse and family, or
- B. \$12,604.50 for the term of 1 year.

Certificated employees may elect in writing to take advantage of their choice of 1 of the following offers:

- A. 3 years of retiree benefits (at the Tiered Rate) for medical, dental, and vision plans for the retiree, spouse and family, capped at the employer dollar contribution in the year of the unit member's final year of service, or
- B. A lump sum dollar amount per year for 3 years set up at the dollar contribution per paragraph "a" above made by the employer in the year of the unit members final year of service.

All contracts with District employees will be renegotiated periodically in the future, thus costs and benefits are subject to change. Benefits and contribution requirements for the Other Post Employment Benefits (OPEB) plan are established by various labor agreements.

For the District, OPEB benefits are administered by District personnel. No separate financial statements are issued.

The number of participants as of July 1, 2011, the effective date of the triennial OPEB valuation is 41 active employees and 6 retirees for a total of 47 participants.

Funding Policy

The District currently pays for post employment healthcare benefits on a pay-as-you-go basis. The District is considering creating a Trust Fund to accumulate assets for future retiree obligations. Due to the requirements of GASB No. 45, assets intended to fund future obligations are not considered to offset the unfunded benefit obligation until the assets are transferred to an irrevocable trust designed to pay for future OPEB costs. Currently, these financial statements assume that funding on a pay-as-you-go basis will continue.

Actuarial Methods and Assumptions

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

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2013

Plan Type	Projected Unit Method
Actuarial Valuation Date	July 1, 2011
Amortization Method	Level Percentage of Projected Payroll
Remaining Amortization Period	25 Years
Actuarial Assumptions:	
Investment Rate of Return	2.00%
Projected Salary Increases	1.00%
Healthcare Inflation Rate	5.00%

Annual OPEB Cost and Net OPEB Obligations

The following table shows the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation:

Description	<u>June 30, 2013</u>
Normal Cost (service cost for one year)	\$ 70,725
Amortization of Unfunded Actuarial Accrued Liability	50,335
Interest on Normal Cost and Amortization	<u> </u>
Annual Required Contribution (ARC)	121,060
Interest on Net OPEB Obligation	3,230
Adjustment to Annual Required Contribution	<u>(6,968)</u>
Annual OPEB Cost (Expense)	117,322
Contribution toward the OPEB Cost (Expense Reduction)	<u>(91,735)</u>
Increase (Decrease) in Net OPEB Obligation	25,587
Net OPEB Obligation, Beginning of the Year	<u>165,655</u>
Net OPEB Obligation, End of the Year	<u>\$ 191,242</u>

The District's annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended June 30, 2013 and the two preceding years are as follows:

Fiscal Year Ended	Annual OPEB Cost	Contribution	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
June 30, 2011	\$ 113,751	\$ 71,576	62.92%	\$ 117,908
June 30, 2012	\$ 121,060	\$ 73,313	60.56%	\$ 165,655
June 30, 2013	\$ 117,322	\$ 91,735	78.19%	\$ 191,242

Funding Status and Funding Progress

The required schedule of funding progress presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED JUNE 30, 2013

The funded status of the plan as of June 30, 2013 and the two preceding years are as follows:

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded ALL (UALL) (b-a)	Funded Ratio a/b	Covered Payroll (c)	UAAL as a Percentage Of Covered Payroll ((b-a)/c)
6/30/11	\$ -	\$ 883,923	\$ 883,923	0.00%	\$ 2,487,297	35.54%
6/30/12	\$ -	\$ 1,175,680	\$ 1,175,680	0.00%	\$ 2,807,181	41.88%
6/30/13	\$ -	\$ 1,175,680	\$ 1,175,680	0.00%	\$ 2,520,781	46.64%

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

N. Concentration of Funding Risk

Due to the nature of the District's operating environment, the District is dependent on Federal and State funding to maintain the current level of services to its students. A significant recession beginning in December 2007 has created a climate of uncertainty for the Federal and State governments. As governmental agencies look to balance budgets and improve cash flow, funding for the District's programs may be at risk of being restructured, reduced, or eliminated.

Required Supplementary Information

Required supplementary information includes financial information and disclosures required by the Governmental Accounting Standards Board but not considered a part of the basic financial statements.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

EXHIBIT B-1

**GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2013**

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Revenue Limit Sources:				
<i>State Apportionments</i>	\$ 682,008	\$ 686,101	\$ 647,188	\$ (38,913)
<i>Local Sources</i>	2,229,186	2,317,283	2,349,843	32,560
<i>Federal Revenue</i>	146,602	630,184	607,442	(22,742)
<i>Other State Revenue</i>	1,057,085	1,072,965	1,126,226	53,261
<i>Other Local Revenue</i>	187,650	234,575	226,561	(8,014)
Total Revenues	4,302,531	4,941,108	4,967,260	16,152
Expenditures:				
Current:				
<i>Certificated Salaries</i>	1,760,246	1,730,038	1,719,917	10,121
<i>Classified Salaries</i>	747,469	746,774	722,909	23,865
<i>Employee Benefits</i>	1,195,463	1,156,396	1,144,014	12,382
<i>Books And Supplies</i>	102,683	236,537	184,336	52,201
<i>Services And Other Operating Expenditures</i>	1,397,478	1,465,112	1,353,514	111,598
<i>Other Outgo</i>	35,594	28,774	28,762	12
<i>Capital Outlay</i>	190,742	48,002	47,280	722
Total Expenditures	5,429,675	5,411,633	5,200,732	210,901
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,127,144)	(470,525)	(243,472)	227,053
Other Financing Sources (Uses):				
<i>Transfers Out</i>	(78,281)	(858,117)	(835,067)	23,050
Total Other Financing Sources (Uses)	(78,281)	(858,117)	(835,067)	23,050
Net Change in Fund Balance	(1,205,425)	(1,328,642)	(1,078,539)	250,103
Fund Balance, July 1	3,574,629	3,574,629	3,574,629	
Fund Balance, June 30	\$ 2,369,204	\$ 2,245,987	\$ 2,496,090	\$ 250,103

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

EXHIBIT C-1

CAFETERIA FUND
 SPECIAL REVENUE FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED JUNE 30, 2013

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Federal Revenue</i>	\$ 61,500	\$ 64,418	\$ 2,918
<i>Other State Revenue</i>	5,500	5,352	(148)
<i>Other Local Revenue</i>	20,000	24,776	4,776
Total Revenues	<u>87,000</u>	<u>94,546</u>	<u>7,546</u>
Expenditures:			
Current:			
<i>Certificated Salaries</i>	4,749	4,748	1
<i>Classified Salaries</i>	73,380	73,209	171
<i>Employee Benefits</i>	32,735	32,617	118
<i>Books And Supplies</i>	51,070	41,284	9,786
<i>Services And Other Operating Expenditures</i>	4,317	1,184	3,133
Total Expenditures	<u>166,251</u>	<u>153,042</u>	<u>13,209</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(79,251)</u>	<u>(58,496)</u>	<u>20,755</u>
Other Financing Sources (Uses):			
<i>Transfers In</i>	79,251	58,496	(20,755)
Total Other Financing Sources (Uses)	<u>79,251</u>	<u>58,496</u>	<u>(20,755)</u>
Net Change in Fund Balance			
Fund Balance, July 1			
Fund Balance, June 30	<u>\$</u>	<u>\$</u>	<u>\$</u>

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
 COUNTY SCHOOL FACILITIES FUND
 CAPITAL PROJECTS FUND
 BUDGETARY COMPARISON SCHEDULE
 FOR THE YEAR ENDED JUNE 30, 2013

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Other Local Revenue</i>	\$	\$	\$
Total Revenues	<u>1</u>	<u>1</u>	<u>1</u>
Expenditures:			
Current:			
<i>Services And Other Operating Expenditures</i>	205	203	2
<i>Capital Outlay</i>	730,000	727,739	2,261
Total Expenditures	<u>730,205</u>	<u>727,942</u>	<u>2,263</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(730,205)</u>	<u>(727,941)</u>	<u>2,264</u>
Other Financing Sources (Uses):			
<i>Transfers In</i>	772,866	770,601	(2,265)
Total Other Financing Sources (Uses)	<u>772,866</u>	<u>770,601</u>	<u>(2,265)</u>
Net Change in Fund Balance	<u>42,661</u>	<u>42,660</u>	<u>(1)</u>
Fund Balance, July 1	(42,660)	(42,660)	
Fund Balance, June 30	<u>\$ 1</u>	<u>\$ 1</u>	<u>\$ (1)</u>

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
SPECIAL RESERVE FUND FOR CAPITAL OUTLAY PROJECTS
CAPITAL PROJECTS FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2013

	Budget	Actual	Variance Positive (Negative)
Revenues:			
<i>Other Local Revenue</i>	\$ 27,219	\$ 27,219	\$
Total Revenues	<u>27,219</u>	<u>27,219</u>	<u>\$</u>
Expenditures:			
Current:			
<i>Services And Other Operating Expenditures</i>	6,000	5,971	29
<i>Capital Outlay</i>	27,219	12,714	14,505
Debt Service:			
<i>Principal</i>	6,278	6,276	
<i>Interest</i>	322	322	
Total Expenditures	<u>39,819</u>	<u>25,286</u>	<u>14,534</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(12,600)</u>	<u>1,934</u>	<u>14,534</u>
Other Financing Sources (Uses):			
<i>Transfers In</i>	6,000	5,970	(30)
Total Other Financing Sources (Uses)	<u>6,000</u>	<u>5,970</u>	<u>(30)</u>
Net Change in Fund Balance	<u>(6,600)</u>	<u>7,904</u>	<u>14,504</u>
Fund Balance, July 1	6,600	6,600	
Fund Balance, June 30	<u>\$ 14,504</u>	<u>\$ 14,504</u>	<u>\$ 14,504</u>

Other Supplementary Information

This section includes financial information and disclosures not required by the Governmental Accounting Standards Board and not considered a part of the basic financial statements. It may, however, include information which is required by other entities.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

LOCAL EDUCATION AGENCY

ORGANIZATION STRUCTURE

JUNE 30, 2013

The Sierra-Plumas Joint Unified School District was established in 1951, and comprises an area of approximately 1,600 square miles located in Plumas and Sierra Counties. There were no changes in the boundaries of the District during the current year. The District is currently operating two elementary schools, one middle school, two high schools, and one continuation high school.

Governing Board

<u>Name</u>	<u>Office</u>	<u>Term and Term Expiration</u>
Mike Moore	President	4 years expiring December 2014
Sharon Dryden	Clerk	4 years expiring December 2014
Tim Driscoll	Vice President	4 years expiring December 2016
Allen Wright	Member	4 years expiring December 2014
Patricia Hall	Member	4 years expiring December 2016

Administration

Stan Hardeman
SuperintendentRose Asquith
Business Manager

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF AVERAGE DAILY ATTENDANCE
YEAR ENDED JUNE 30, 2013

TABLE D-1

	Second Period Report		Annual Report	
	Original	Revised	Original	Revised
Elementary:				
Kindergarten	22.11	22.11	22.08	22.08
Grades 1 through 3	74.68	74.68	75.39	75.39
Grades 4 through 6	87.01	87.01	87.23	87.23
Grades 7 and 8	55.24	55.24	54.94	54.94
Elementary totals	<u>239.04</u>	<u>239.04</u>	<u>239.64</u>	<u>239.64</u>
High School:				
Grades 9 through 12, regular classes	120.19	120.19	121.20	121.20
Continuation education	4.66	4.66	4.36	4.36
High school totals	<u>124.85</u>	<u>124.85</u>	<u>125.56</u>	<u>125.56</u>
ADA totals	<u><u>363.89</u></u>	<u><u>363.89</u></u>	<u><u>365.20</u></u>	<u><u>365.20</u></u>

<u>Summer School</u>	<u>Hours of Attendance</u>
Elementary	N/A
High School	N/A

Average daily attendance is a measurement of the number of pupils attending classes of the district. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of state funds are made to school districts. This schedule provides information regarding the attendance of students at various grade levels and in different programs.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF INSTRUCTIONAL TIME
YEAR ENDED JUNE 30, 2013

TABLE D-2

Grade Level	1982-83 Actual Minutes	1982-83 Adjusted & Reduced	1986-87 Minutes Requirement	1986-87 Adjusted & Reduced	2012-13 Actual Minutes	Number of Days Traditional Calendar	Number of Days Multitrack Calendar	Status
Kindergarten	N/A	N/A	36,000	35,000	37,800	180	-	In Compliance
Grade 1	N/A	N/A	50,400	49,000	53,290	180	-	In Compliance
Grade 2	N/A	N/A	50,400	49,000	53,290	180	-	In Compliance
Grade 3	N/A	N/A	50,400	49,000	53,290	180	-	In Compliance
Grade 4	N/A	N/A	54,000	52,500	57,580	180	-	In Compliance
Grade 5	N/A	N/A	54,000	52,500	57,580	180	-	In Compliance
Grade 6	N/A	N/A	54,000	52,500	57,580	180	-	In Compliance
Grade 7	N/A	N/A	54,000	52,500	66,274	180	-	In Compliance
Grade 8	N/A	N/A	54,000	52,500	66,274	180	-	In Compliance
Grade 9	N/A	N/A	64,800	63,000	67,200	180	-	In Compliance
Grade 10	N/A	N/A	64,800	63,000	67,200	180	-	In Compliance
Grade 11	N/A	N/A	64,800	63,000	67,200	180	-	In Compliance
Grade 12	N/A	N/A	64,800	63,000	67,200	180	-	In Compliance

Districts, including basic aid districts, must maintain their instructional minutes at either the 1982-83 actual minutes or the 1986-87 requirements, whichever is greater, as required by Education Code Section 46201. This schedule is required of all districts, including basic aid districts.

The District has received incentive funding for increasing instructional time as provided by the Incentives for Longer Instructional Day. This schedule presents information on the amount of instruction time offered by the District and whether the District complied with the provisions of Education Code Sections 46200 through 46206.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
YEAR ENDED JUNE 30, 2013

TABLE D-3

General Fund	Budget 2014 (see note 1)	2013	2012	2011
Revenues and other financial sources	\$ 4,861,742	\$ 4,957,260	\$ 5,094,467	\$ 6,307,188
Expenditures	5,161,368	5,200,732	5,276,758	5,447,299
Other uses and transfers out	453,308	835,067	42,084	58,578
Total outgo	5,614,676	6,035,799	5,318,842	5,505,877
Change in fund balance (deficit)	(752,934)	(1,078,539)	(224,375)	801,311
Ending fund balance	\$ 1,743,156	\$ 2,496,090	\$ 3,567,285	\$ 3,791,660
Available reserves (see note 2)	\$ 1,440,225	\$ 2,227,788	\$ 3,299,799	\$ 3,340,441
Available reserves as a percentage of total outgo (see note 3)	25.7%	36.9%	62.0%	60.7%
Total long-term debt	\$ 207,595	\$ 207,595	\$ 188,359	\$ 146,756
Average daily attendance at P-2	358	364	383	394

This schedule discloses the district's financial trends by displaying past years' data along with current year budget information. These financial trend disclosures are used to evaluate the district's ability to continue as a going concern for a reasonable period of time.

The District's reserves remain well above guidelines established by the State Department of Education. However, due to the State of California's economic problems, the district should be diligent in maintaining its reserves.

NOTES:

- 1 Budget 2014 is included for analytical purposes only and has not been subjected to audit.
- 2 Available reserves consist of all unassigned fund balances and all funds reserved for economic uncertainties contained within the General Fund.
- 3 On behalf payments have been excluded from the calculation of available reserves for the fiscal years ending June 30, 2013, 2012 and 2011.

All fund balances from the annual financial and budget report reconcile to the audited financial statements.

This schedule provides the information necessary to reconcile the fund balances of all funds as reported on the SACS report to the audited financial statements. Funds that required no adjustment are not presented.

No charter schools are chartered by Sierra-Plumas Joint Unified School District.

<u>Charter Schools</u>	<u>Included In Audit?</u>
None	N/A

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2013

TABLE D-6

Federal Grantor/ Pass-Through Grantor/ Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
<u>U. S. DEPARTMENT OF EDUCATION</u>			
Direct Program:			
Small Rural School Achievement Program	84.358	N/A	\$ 11,402
Passed Through State Department of Education:			
Title I - Basic Grants *	84.010	14329	79,518
Vocational Education	84.048	14894	3,026
Title II - Improving Teacher Quality	84.367	14341	13,840
Total Passed Through State Department of Education			<u>96,384</u>
Total U. S. Department of Education			<u>107,786</u>
<u>U. S. DEPARTMENT OF AGRICULTURE</u>			
Passed Through State Department of Education:			
School Breakfast Program *	10.553	13525	12,565
National School Lunch Program *	10.555	13523	51,853
Food Distribution	10.558	13534	15,643
Total Passed Through State Department of Education			<u>80,061</u>
Passed Through Sierra County Office of Education:			
Forest Reserve *	10.665	N/A	499,608
Total U. S. Department of Agriculture			<u>579,669</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 687,455</u>

* Indicates clustered program under OMB Circular A-133 Compliance Supplement

The accompanying notes are an integral part of this schedule.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2013

Basis of Presentation

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Sierra-Plumas Joint Unified School District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the general purpose financial statements.

Other Independent Auditor's Reports

Independent Auditor's Report on Internal Control over Financial Reporting and
On Compliance and Other Matters Based on an Audit of Financial Statements
Performed In Accordance With *Government Auditing Standards*

Board of Trustees
Sierra-Plumas Joint Unified School District
Sierraville, California 96126

Members of the Board of Trustees:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Sierra-Plumas Joint Unified School District, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise Sierra-Plumas Joint Unified School District's basic financial statements, and have issued our report thereon dated October 5, 2013.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Sierra-Plumas Joint Unified School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Sierra-Plumas Joint Unified School District's internal control. Accordingly, we do not express an opinion on the effectiveness of Sierra-Plumas Joint Unified School District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as item 2013-1 to 2013-2 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2013-1 to 2013-4 to be significant deficiencies.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether Sierra-Plumas Joint Unified School District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Sierra-Plumas Joint Unified School District's Response to Findings

Sierra-Plumas Joint Unified School District's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Sierra-Plumas Joint Unified School District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Respectfully submitted,



SingletonAuman PC
Susanville, CA
October 5, 2013

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133

Board of Trustees
Sierra-Plumas Joint Unified School District
Sierraville, California 96126

Members of the Board of Trustees:

Report on Compliance for Each Major Federal Program

We have audited Sierra-Plumas Joint Unified School District's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Sierra-Plumas Joint Unified School District's major federal programs for the year ended June 30, 2013. Sierra-Plumas Joint Unified School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Sierra-Plumas Joint Unified School District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Sierra-Plumas Joint Unified School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Sierra-Plumas Joint Unified School District's compliance.

Opinion on Each Major Federal Program

In our opinion, Sierra-Plumas Joint Unified School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2013.

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Report on Internal Control Over Compliance

Management of Sierra-Plumas Joint Unified School District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Sierra-Plumas Joint Unified School District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Sierra-Plumas Joint Unified School District's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2013-1 to 2013-2 to be material weaknesses.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2013-1 to 2013-2 to be significant deficiencies.

Sierra-Plumas Joint Unified School District's response to the internal control over compliance findings identified in our audit is described in the accompanying schedule of findings and questioned costs. Sierra-Plumas Joint Unified School District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Respectfully submitted,



SingletonAuman PC
Susanville, CA
October 5, 2013

Independent Auditor's Report on State Compliance

Board of Trustees
 Sierra-Plumas Joint Unified School District
 Sierraville, California 96126

Members of the Board of Trustees:

Report on State Compliance

We have audited the district's compliance with the types of compliance requirements described in the *Standards and Procedures for Audits of California K-12 Local Education Agencies 2012-13*, published by the California Education Audit Appeals Panel that could have a direct and material effect on each of the district's state programs identified below for the fiscal year ended June 30, 2013.

Management's Responsibility for State Compliance

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each applicable program as identified in the State's audit guide, *Standards and Procedures for Audits of California K-12 Local Education Agencies 2012-13* published by the Education Audit Appeals Panel. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the State's audit guide *Standards and Procedures for Audits of California K-12 Local Education Agencies 2012-13* published by the Education Audit Appeals Panel. Those standards and audit guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on the state programs noted below. An audit includes examining, on a test basis, evidence about the district's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the district's compliance with those requirements.

In connection with the audit referred to above, we selected and tested transactions and records to determine the district's compliance with the state laws and regulations applicable to the following items:

<u>Description</u>	<u>Procedures In Audit Guide</u>	<u>Procedures Performed</u>
Attendance Accounting:		
Attendance Reporting	6	Yes
Teacher Certification and Misassignments	3	Yes
Kindergarten Continuance	3	Yes
Independent Study	23	No (See Below)
Continuation Education	10	No (See Below)
Instructional Time:		
School Districts	6	Yes
County Offices of Education	3	N/A

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Instructional Materials, General Requirements	8	Yes
Ratios of Administrative Employees to Teachers	1	Yes
Classroom Teacher Salaries	1	Yes
Early Retirement Incentive	4	N/A
GANN Limit Calculation	1	Yes
School Accountability Report Card	3	Yes
Juvenile Court Schools	8	N/A
Class Size Reduction (Including Charter Schools):		
General Requirements	7	Yes
Option One	3	Yes
Option Two	4	N/A
Only One School Serving Grades K-3	4	N/A
After School Education and Safety Program:		
General Requirements	4	N/A
After School	5	N/A
Before School	6	N/A
Charter Schools		
Contemporaneous Records of Attendance	1	N/A
Mode of Instruction	1	N/A
Nonclassroom-Based Instruction/Independent Study	15	N/A
Determination of Funding for Nonclassroom-Based Instruction	3	N/A
Annual Instructional Minutes - Classroom Based	4	N/A

The term "N/A" is used above to mean either the district did not offer the program during the current fiscal year or the program applies to a different type of local education agency.

We did not perform testing for Independent Study or Continuation Education as the ADA was below the level required for testing.

Opinion on State Compliance

In our opinion, Sierra-Plumas Joint Unified School District complied, in all material respects, with the compliance requirements referred to above that are applicable to the statutory requirements listed in the schedule above for the year ended June 30, 2013. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with the State's audit guide, *Standards and Procedures for Audits of California K-12 Local Education Agencies 2012-13*, published by the Education Audit Appeals Panel and which are described in the accompanying Schedule of Findings and Questioned Costs as item 2013-4.

Respectfully submitted,



SingletonAuman PC

Susanville, CA
October 5, 2013

Findings and Recommendations Section

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

A. Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued: Unqualified

Internal control over financial reporting:

One or more material weaknesses identified? X Yes No

One or more significant deficiencies identified that are not considered to be material weaknesses? X Yes None Reported

Noncompliance material to financial statements noted? Yes X No

2. Federal Awards

Internal control over major programs:

One or more material weaknesses identified? X Yes No

One or more significant deficiencies identified that are not considered to be material weaknesses? Yes X None Reported

Type of auditor's report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133? X Yes No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.665	Forest Reserve

Dollar threshold used to distinguish between type A and type B programs: \$300,000

Auditee qualified as low-risk auditee? Yes X No

3. State Awards

Internal control over state programs:

One or more material weaknesses identified? Yes X No

One or more significant deficiencies identified that are not considered to be material weaknesses? X Yes None Reported

Type of auditor's report issued on compliance for state programs: Unqualified

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

B. Yellow Book/Financial Statement Findings

Internal Control - Material Weakness

Finding 2013-1 Lack of Segregation of Duties (CDDC#30000)

Criteria upon which audit finding is based (Legal Citation)

Yellow Book paragraphs 5.10 - 5.14 and Appendix I, SAS No. 122.

Finding (Condition)

An inadequate segregation of duties exists.

Amount of Questioned costs, How Computed and Prevalence

None.

Effect

The District has exposure to risk of financial statement misstatement and the potential risk of fraud.

Cause

Due to the number of personnel assigned to duties that involve access to the general ledger and other accounting records and who also have custody of and responsibility for handling cash and other assets, an inadequate segregation of duties exists.

Recommendation

We recommend that the District employees and Board maintain diligence for the potential risks of not having an adequate segregation of duties.

District's Response

The District concurs with this finding.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

B. Yellow Book/Financial Statement Findings (Continued)

Internal Control - Material Weakness

Finding 2013-2 Financial Reporting (CDDC#30000)

Criteria upon which audit finding is based (Legal Citation)

In accordance with Statement on Auditing Standards No. 122 (SAS 122), the District is responsible for preparing complete and accurate financial statements and footnote disclosures in accordance with Generally Accepted Accounting Principles (GAAP).

Finding (Condition)

Similar to many other small school districts, the District does not have policies and procedures in place to ensure that complete and accurate financial statements, MD&A and footnote disclosures are prepared in accordance with GAAP prior to the annual audit. Management relies upon the auditor to recommend footnote disclosures for the financial statements and to prepare adjusting journal entries for approval in order to report financial information in accordance with GAAP.

Amount of Questioned Costs, How Computed and Prevalence

None.

Effect

There is a risk that a material financial statement misstatement may exist and not be prevented or detected by the District's system of internal control.

Cause

This condition has always existed at the District, and is being reported in accordance with SAS 122.

Recommendation

We recommend that the District consider the cost benefit of hiring an accountant familiar with GAAP or contracting with an independent CPA firm to compile financial statements in conformity with GAAP.

District's Response

The District has determined that the costs of correcting this control weakness outweigh the benefits to be received. The District will continue to rely on the independent auditor to prepare its annual financial statements.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

B. Yellow Book/Financial Statement Findings (Continued)

Internal Control - Significant Deficiency

Finding 2013-3 Control over Student Body Funds(CDDC#30000)

Criteria upon which audit finding is based (Legal Citation)

District student body fund policies and procedures.

Finding (Condition)

During our testing of the Loyaltan Middle School Student Body we noted that cash receipts were not always adequately supported with proper documentation, such as two-person cash counts.

Amount of Questioned Costs, How Computed and Prevalence

No questioned costs.

5 of 5 receipts tested were not recorded and counted appropriately.

Effect

The District has exposure to risk of financial statement misstatement and the potential risk of fraud.

Cause

District personnel were not fully aware of appropriate policies and procedures.

Recommendation

We recommend that the District fully implement its student body activity policies and procedures.

District's Response

The District concurs with this recommendation.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

C. State Award Findings and Questioned Costs

Finding 2013-4 Classroom Teacher Salaries (CDDC#61000)

Criteria upon which audit finding is based (Legal Citation)

Education Code Sections 41372 and 41374.

Finding (Condition)

The District did not meet current expense of education requirements for expenditure for salaries of classroom teachers as set forth in Education Code Section 41372.

Amount of Questioned costs, How Computed and Prevalence

None. A waiver of Education Code Section 41372 was granted by the Sierra County Office of Education.

Effect

There is no impact on the District since the waiver was approved.

Cause

The District believed it met the criteria for exemption from these provisions.

Recommendation

The District should adjust its classroom salaries and benefits to meet the provisions of Education Code Section 41372.

District's Response

The District concurs with this finding.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2013

D. Federal Award Findings and Questioned Costs

Internal Control - Material Weakness

See Yellow Book Findings 2013-1 and 2013-2. Findings also relate to the major programs listed below:

Program Name: Forest Reserve

Federal Agency: U.S. Department of Agriculture

Award Year: 2012-2013

Catalog Number: 10.665

Name of Pass-Through Entity: Sierra County Office of Education

Internal Control - Significant Deficiencies Not Material Weaknesses
None.

Material Non-Compliance with Laws and Regulations
None.

Non-Material Non-Compliance with Laws and Regulations
None.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

FOR THE YEAR ENDED JUNE 30, 2013

<u>Finding/Recommendation</u>	<u>Current Status</u>	<u>Management's Explanation If Not Implemented</u>
<u>Finding 2012-1</u> Lack of Segregation of Duties	Not Implemented.	See current year finding 2013-1
<u>Finding 2012-2</u> Financial Reporting	Not Implemented.	See current year finding 2013-2
<u>Finding 2012-3</u> Control over Student Body Funds	Partially Implemented.	See current year finding 2013-3
<u>Finding 2012-4</u> Classroom Teacher Salaries	Not Implemented.	See current year finding 2013-4

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2013

Person Monitoring Corrective Action Plan
County Superintendent, Dr. Merrill M. Grant

Finding 2013-1 Lack of Segregation of Duties (CDDC#30000)

Finding (Condition)

Due to the number of employees an inadequate segregation of duties exists.

Corrective Action Planned

Due to the number of employees of the District it is not possible for the District to cost effectively mitigate this finding. The District cannot, with its current budget hire an adequate number of employees to insure that custody of assets and accountability for assets is separated.

The District does, however, believe that being aware of this weakness will insure that existing employees and Board members will maintain diligence to potential risks of not having an adequate segregation of duties.

Expected Completion Date

Ongoing.

Finding 2013-2 Financial Reporting (CDDC#30000)

Finding (Condition)

The District is responsible for preparing complete and accurate financial statements, footnote disclosures, and management's discussion and analysis in accordance with Generally Accepted Accounting Principles (GAAP).

Corrective Action Planned

The District has determined that the costs of correcting this control weakness outweigh the benefits to be received. The District will continue to rely on the independent auditor to prepare its annual financial statements.

Expected Completion Date

Ongoing.

Finding 2013-3 Control over Student Body Funds(CDDC#30000)

Finding (Condition)

During our testing of the Loyalton Middle School Student Body we noted that cash receipts were not always adequately supported with proper documentation, such as two-person cash counts.

Corrective Action Planned

The District will provide professional training to student body clerks. In addition, the District office personnel will periodically review student body transactions to ensure that student body receipts have proper documentation and are authorized transactions.

Expected Completion Date

June 30, 2014.

SIERRA-PLUMAS JOINT UNIFIED SCHOOL DISTRICT
CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED JUNE 30, 2013

Finding 2013-4 Classroom Teacher Salaries (CDDC#61000)

Finding(Condition)

The District did not meet current expense of education requirements for expenditure for salaries of classroom teachers as set forth in Education Code Section 41372.

Corrective Action Planned

A waiver of Education Code Section 41372 was granted by the Sierra County Office of Education.

Expected Completion Date

Ongoing.

Object	Beginning Balances (Ref. Only)	July	August	September	October	November	December	January	February
ACTUALS THROUGH THE MONTH OF (Enter Month Name):									
A. BEGINNING CASH									
8010-8019		2,980,110.08	2,887,658.08	2,784,415.08	2,573,497.08	2,241,809.08	1,919,332.08	2,995,718.08	2,647,923.08
8020-8079		40,912.00	40,912.00	208,177.00	73,641.00	73,641.00	208,177.00	73,641.00	73,641.00
8080-8099							1,254,828.00		
8100-8299						16,845.00			
8300-8599						13,886.00			468,945.00
8600-8799		4,107.00	3,317.00	5,843.00	33,819.00	2,180.00	15,427.00	11,073.00	43,647.00
8910-8929									
8930-8979									
TOTAL RECEIPTS		45,019.00	44,229.00	214,020.00	107,460.00	106,251.00	1,478,430.00	84,714.00	586,233.00
C. DISBURSEMENTS									
1000-1999		29,931.00	27,606.00	142,955.00	143,359.00	144,389.00	148,192.00	143,886.00	144,628.00
2000-2999		25,956.00	38,157.00	52,898.00	51,405.00	54,983.00	49,700.00	50,398.00	51,565.00
3000-3999		50,533.00	32,088.00	95,348.00	97,574.00	96,842.00	98,184.00	141,107.00	94,451.00
4000-4999		461.00	4,776.00	17,215.00	14,667.00	13,564.00	11,206.00	5,321.00	7,580.00
5000-5999		36,590.00	64,588.00	92,585.00	129,944.00	117,241.00	97,056.00	51,062.00	164,764.00
6000-6599			267.00	3,957.00	2,399.00	1,499.00	2,706.00	734.00	2,532.00
7000-7499								40,000.00	
7600-7629									
7630-7699									
TOTAL DISBURSEMENTS		137,471.00	167,472.00	404,938.00	439,348.00	428,528.00	402,044.00	432,509.00	465,490.00
D. BALANCE SHEET TRANSACTIONS									
Assets									
9111-9199	3,400.00								
9200-9299	402,499.00								
9310									
9320									
9330									
9340									
SUBTOTAL ASSETS	405,899.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Liabilities									
9500-9599									
9610									
9640									
9650									
SUBTOTAL LIABILITIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Nonoperating									
9910									
TOTAL BALANCE SHEET TRANSACTIONS	405,899.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E. NET INCREASE/DECREASE (B - C + D)									
		(92,452.00)	(123,243.00)	(190,918.00)	(331,888.00)	(322,277.00)	1,076,388.00	(347,795.00)	120,743.00
F. ENDING CASH (A + E)									
		2,887,658.08	2,764,415.08	2,573,497.08	2,241,809.08	1,919,332.08	2,995,718.08	2,647,923.08	2,768,666.08
G. ENDING CASH, PLUS CASH ACCRUALS AND ADJUSTMENTS									

Object	March	April	May	June	Accruats	Adjustments	TOTAL	BUDGET
ACTUALS THROUGH THE MONTH OF								
(Enter Month Name)								
A. BEGINNING CASH								
	2,768,666.08	2,565,514.08	2,817,501.08	2,393,651.08				
B. RECEIPTS								
LCCF/Revenue Limit Sources								
Principal Apportionment	208,177.00	45,819.00	2,290.00	134,536.00	172,815.00		1,356,379.00	13,536,379.00
Property Taxes		543,808.00	0.00	474,046.00	181,764.00		2,454,444.00	2,454,444.00
Miscellaneous Funds							0.00	0.00
Federal Revenue			16,945.00	14,875.00	15,045.00		532,656.00	532,656.00
Other State Revenue		11,073.00		13,592.00	32,874.00		82,197.00	82,197.00
Other Local Revenue	1,457.00	1,519.00	7,264.00	67,410.00			185,990.00	185,990.00
Interfund Transfers In							0.00	0.00
All Other Financing Sources							0.00	0.00
TOTAL RECEIPTS	209,634.00	602,219.00	26,499.00	704,459.00	402,499.00	0.00	4,611,666.00	16,791,666.00
C. DISBURSEMENTS								
Certificated Salaries	146,466.00	143,080.00	153,986.00	155,822.00			1,516,290.00	1,516,290.00
Classified Salaries	54,189.00	51,410.00	52,298.00	67,546.00			600,506.00	600,506.00
Employee Benefits	95,608.00	96,892.00	98,264.00	132,869.00			1,126,740.00	1,126,740.00
Books and Supplies	9,519.00	5,830.00	3,420.00	13,775.00			107,304.00	107,304.00
Services	105,754.00	51,836.00	141,676.00	147,288.00			1,200,374.00	1,200,374.00
Capital Outlay	1,250.00	1,184.00	725.00	3,747.00			21,000.00	21,000.00
Other Outgo							0.00	0.00
Interfund Transfers Out				49,233.00			83,233.00	83,233.00
All Other Financing Uses							0.00	0.00
TOTAL DISBURSEMENTS	412,766.00	350,232.00	450,349.00	564,280.00	0.00	0.00	4,655,447.00	4,655,447.00
D. BALANCE SHEET TRANSACTIONS								
Assets								
Cash Not in Treasury							0.00	0.00
Accounts Receivable							0.00	0.00
Due From Other Funds							0.00	0.00
Stores							0.00	0.00
Prepaid Expenditures							0.00	0.00
Other Current Assets							0.00	0.00
SUBTOTAL ASSETS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Liabilities								
Accounts Payable							0.00	0.00
Due To Other Funds							0.00	0.00
Current Loans							0.00	0.00
Deferred Revenues							0.00	0.00
SUBTOTAL LIABILITIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Nonoperating							0.00	0.00
Suspense Clearing							0.00	0.00
TOTAL BALANCE SHEET TRANSACTIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
E. NET INCREASE/DECREASE (B - C + D)								
	(203,152.00)	251,987.00	(423,850.00)	140,179.00	402,499.00	0.00	(43,781.00)	12,136,219.00
F. ENDING CASH (A + E)	2,565,514.08	2,817,501.08	2,393,651.08	2,533,830.08				
G. ENDING CASH, PLUS CASH ACCRUALS AND ADJUSTMENTS								
							2,936,329.08	

Description	Object Codes	Projected Year Totals (Form 011) (A)	% Change (Cols. C-A/A) (B)	2014-15 Projection (C)	% Change (Cols. E-C/C) (D)	2015-16 Projection (E)
(Enter projections for subsequent years 1 and 2 in Columns C and E; current year - Column A - is extracted)						
A. REVENUES AND OTHER FINANCING SOURCES						
1. LCFF/Revenue Limit Sources	8010-8099	3,882,129.00	-1.84%	3,810,823.00	-2.42%	3,718,545.00
2. Federal Revenues	8100-8299	475,000.00	-5.26%	450,000.00	-5.00%	427,500.00
3. Other State Revenues	8300-8599	63,365.00	-8.66%	57,875.00	0.00%	57,875.00
4. Other Local Revenues	8600-8799	160,309.00	3.23%	165,481.00	0.24%	165,881.00
5. Other Financing Sources						
a. Transfers In	8900-8929	236,161.00	-100.00%	0.00	0.00%	0.00
b. Other Sources	8930-8979	467,749.00	-100.00%	0.00	0.00%	0.00
c. Contributions	8980-8999	(25,619.00)	-32.02%	(17,417.00)	3.08%	(17,953.00)
6. Total (Sum lines A1 thru A5c)		5,259,094.00	-15.07%	4,466,762.00	-2.57%	4,351,848.00
B. EXPENDITURES AND OTHER FINANCING USES						
1. Certificated Salaries						
a. Base Salaries				1,642,533.00		1,487,654.00
b. Step & Column Adjustment				12,271.00		23,299.00
c. Cost-of-Living Adjustment				32,850.00		0.00
d. Other Adjustments				(200,000.00)		(125,000.00)
e. Total Certificated Salaries (Sum lines B1a thru B1d)	1000-1999	1,642,533.00	-9.43%	1,487,654.00	-6.84%	1,385,953.00
2. Classified Salaries						
a. Base Salaries				600,536.00		568,823.00
b. Step & Column Adjustment				6,997.00		7,376.00
c. Cost-of-Living Adjustment				11,290.00		0.00
d. Other Adjustments				(50,000.00)		
e. Total Classified Salaries (Sum lines B2a thru B2d)	2000-2999	600,536.00	-5.28%	568,823.00	1.30%	576,199.00
3. Employee Benefits	3000-3999	1,058,424.00	4.42%	1,105,177.00	1.62%	1,123,026.00
4. Books and Supplies	4000-4999	93,542.00	-5.60%	88,306.00	0.00%	88,306.00
5. Services and Other Operating Expenditures	5000-5999	1,319,063.00	-11.33%	1,169,574.00	0.00%	1,169,574.00
6. Capital Outlay	6000-6999	121,000.00	-82.64%	21,000.00	0.00%	21,000.00
7. Other Outgo (excluding Transfers of Indirect Costs)	7100-7299, 7400-7499	0.00	0.00%	0.00	0.00%	0.00
8. Other Outgo - Transfers of Indirect Costs	7300-7399	(15,314.00)	-13.06%	(13,314.00)	0.00%	(13,314.00)
9. Other Financing Uses						
a. Transfers Out	7600-7629	80,968.00	2.80%	83,233.00	1.28%	84,299.00
b. Other Uses	7630-7699	0.00	0.00%	0.00	0.00%	0.00
10. Other Adjustments (Explain in Section F below)						
11. Total (Sum lines B1 thru B10)		4,900,752.00	-7.96%	4,510,453.00	-1.67%	4,435,043.00
C. NET INCREASE (DECREASE) IN FUND BALANCE						
(Line A6 minus line B11)		358,342.00		(43,691.00)		(83,195.00)
D. FUND BALANCE						
1. Net Beginning Fund Balance (Form 011, line F1e)		2,453,364.00		2,811,706.00		2,768,015.00
2. Ending Fund Balance (Sum lines C and D1)		2,811,706.00		2,768,015.00		2,684,820.00
3. Components of Ending Fund Balance (Form 011)						
a. Nonspendable	9710-9719	3,400.00		3,400.00		3,400.00
b. Restricted	9740					
c. Committed						
1. Stabilization Arrangements	9750	0.00		0.00		0.00
2. Other Commitments	9760	0.00		0.00		0.00
d. Assigned	9780	259,193.00		366,412.00		155,889.00
e. Unassigned/Unappropriated						
1. Reserve for Economic Uncertainties	9789	520,868.00		520,778.00		525,780.00
2. Unassigned/Unappropriated	9790	2,028,245.00		1,877,425.00		1,999,751.00
f. Total Components of Ending Fund Balance (Line D3f must agree with line D2)		2,811,706.00		2,768,015.00		2,684,820.00

* Dec. 2013 MYP stated a \$13,314 expense. Unrestricted transfer of Indirect Cost is an offset to Restricted programs, therefore a reimbursement to unrestricted.

Description	Object Codes	Projected Year Totals (Form 011) (A)	% Change (Cols. C-A/A) (B)	2014-15 Projection (C)	% Change (Cols. E-C/C) (D)	2015-16 Projection (E)
E. AVAILABLE RESERVES						
1. General Fund						
a. Stabilization Arrangements	9750	0.00		0.00		0.00
b. Reserve for Economic Uncertainties	9789	520,868.00		520,778.00		525,780.00
c. Unassigned/Unappropriated	9790	2,028,245.00		1,877,425.00		1,999,751.00
(Enter other reserve projections in Columns C and E for subsequent years 1 and 2; current year - Column A - is extracted)						
2. Special Reserve Fund - Noncapital Outlay (Fund 17)						
a. Stabilization Arrangements	9750	0.00				
b. Reserve for Economic Uncertainties	9789	0.00				
c. Unassigned/Unappropriated	9790	0.00				
3. Total Available Reserves (Sum lines E1a thru E2c)		2,549,113.00		2,398,203.00		2,525,531.00

F. ASSUMPTIONS

Please provide below or on a separate attachment, the assumptions used to determine the projections for the first and second subsequent fiscal years. Further, please include an explanation for any significant expenditure adjustments projected in lines B1d, B2d, and B10. For additional information, please refer to the Budget Assumptions section of the SACS Financial Reporting Software User Guide.

2014-2015 reduce up to two certificated staff in and up to one classified FTE. To provide transportation at a saving of \$200,000. FY 2015-16 reduce one certificated staff.

Description	Object Codes	Projected Year Totals (Form 011) (A)	% Change (Cols. C-A/A) (B)	2014-15 Projection (C)	% Change (Cols. E-C/C) (D)	2015-16 Projection (E)
*Enter projections for subsequent years 1 and 2 in Columns C and E; current year - Column A - is extracted)						
A. REVENUES AND OTHER FINANCING SOURCES						
1. LCFF/Revenue Limit Sources	8010-8099	0.00	0.00%	0.00	0.00%	0.00
2. Federal Revenues	8100-8299	145,731.00	-43.28%	82,636.00	(A) -0.77%	82,016.00
3. Other State Revenues	8300-8599	205,572.00	-88.17%	24,322.00	0.04%	24,332.00
4. Other Local Revenues	8600-8799	48,163.00	-57.42%	20,509.00	2.61%	21,044.00
5. Other Financing Sources						
a. Transfers In	8900-8929	0.00	0.00%	0.00	0.00%	0.00
b. Other Sources	8930-8979	0.00	0.00%	0.00	0.00%	0.00
c. Contributions	8980-8999	25,619.00	-32.02%	17,417.00	3.08%	17,953.00
6. Total (Sum lines A1 thru A5c)		425,085.00	-65.91%	144,904.00	0.30%	145,345.00
B. EXPENDITURES AND OTHER FINANCING USES						
1. Certificated Salaries						
a. Base Salaries				38,649.00		28,636.00
b. Step & Column Adjustment				575.00		694.00
c. Cost-of-Living Adjustment				696.00		0.00
d. Other Adjustments				(11,284.00)		0.00
e. Total Certificated Salaries (Sum lines B1a thru B1d)	1000-1999	38,649.00	-25.91%	28,636.00	2.42%	29,330.00
2. Classified Salaries						
a. Base Salaries				53,623.00		31,683.00
b. Step & Column Adjustment				185.00		1,101.00
c. Cost-of-Living Adjustment				616.00		0.00
d. Other Adjustments				(22,741.00)		0.00
e. Total Classified Salaries (Sum lines B2a thru B2d)	2000-2999	53,623.00	-40.92%	31,683.00	3.48%	32,784.00
3. Employee Benefits	3000-3999	27,292.00	-20.99%	21,563.00	3.75%	22,372.00
4. Books and Supplies	4000-4999	157,423.00	-87.93%	18,998.00	(A) -5.21%	18,009.00
5. Services and Other Operating Expenditures	5000-5999	69,573.00	-55.73%	30,800.00	-3.99%	29,571.00
6. Capital Outlay	6000-6999	124,791.00	-100.00%	0.00	0.00%	0.00
7. Other Outgo (excluding Transfers of Indirect Costs)	7100-7299, 7400-7499	0.00	0.00%	0.00	0.00%	0.00
8. Other Outgo - Transfers of Indirect Costs	7300-7399	15,314.00	-13.06%	13,314.00	0.00%	13,314.00
9. Other Financing Uses						
a. Transfers Out	7600-7629	0.00	0.00%	0.00	0.00%	0.00
b. Other Uses	7630-7699	0.00	0.00%	0.00	0.00%	0.00
10. Other Adjustments (Explain in Section F below)				0.00		
11. Total (Sum lines B1 thru B10)		486,665.00	-70.21%	144,994.00	0.27%	145,380.00
C. NET INCREASE (DECREASE) IN FUND BALANCE (Line A6 minus line B11)						
		(61,580.00)		(90.00)		(35.00)
D. FUND BALANCE						
1. Net Beginning Fund Balance (Form 011, line F1e)		61,580.00		0.00		(90.00)
2. Ending Fund Balance (Sum lines C and D1)		0.00		(90.00)		(125.00)
3. Components of Ending Fund Balance (Form 011)						
a. Nonspendable	9710-9719	0.00				
b. Restricted	9740	0.00				
c. Committed						
1. Stabilization Arrangements	9750					
2. Other Commitments	9760					
d. Assigned	9780					
e. Unassigned/Unappropriated						
1. Reserve for Economic Uncertainties	9789					
2. Unassigned/Unappropriated	9790	0.00		(90.00)		(125.00)
f. Total Components of Ending Fund Balance (Line D3f must agree with line D2)		0.00		(90.00)		(125.00)

(A) Reduced Revenue and Expenses by \$75,800 for Common Core Program. The program is funded in 13-14 (one-time).

Description	Object Codes	Projected Year Totals (Form 011) (A)	% Change (Cols. C-A/A) (B)	2014-15 Projection (C)	% Change (Cols. E-C/C) (D)	2015-16 Projection (E)
E. AVAILABLE RESERVES						
1. General Fund						
a. Stabilization Arrangements	9750					
b. Reserve for Economic Uncertainties	9789					
c. Unassigned/Unappropriated Amount	9790					
(Enter current year reserve projections in Column A, and other reserve projections in Columns C and E for subsequent years 1 and 2)						
2. Special Reserve Fund - Noncapital Outlay (Fund 17)						
a. Stabilization Arrangements	9750					
b. Reserve for Economic Uncertainties	9789					
c. Unassigned/Unappropriated	9790					
3. Total Available Reserves (Sum lines E1a thru E2c)						

F. ASSUMPTIONS

Please provide below or on a separate attachment, the assumptions used to determine the projections for the first and second subsequent fiscal years. Further, please include an explanation for any significant expenditure adjustments projected in lines B1d, B2d, and B10. For additional information, please refer to the Budget Assumptions section of the SACS Financial Reporting Software User Guide.

Certificated Salary: Local revenue from Feather River College to support new classes in fiscal year 2012-2013. Certificated .25 FTE transfer to unrestricted. Classified Salary: Current year staff paid from EIA/EL carry over resources. EIA/EL positions reduced in 2014-2015.

Description	Object Codes	Projected Year Totals (Form 011) (A)	% Change (Cols. C-A/A) (B)	2014-15 Projection (C)	% Change (Cols. E-C/C) (D)	2015-16 Projection (E)
*Enter projections for subsequent years 1 and 2 in Columns C and E; current year - Column A - is extracted)						
A. REVENUES AND OTHER FINANCING SOURCES						
1. LCFF/Revenue Limit Sources	8010-8099	3,882,129.00	-1.84%	3,810,823.00	-2.42%	3,718,545.00
2. Federal Revenues	8100-8299	620,731.00	-14.19%	532,656.00	-4.34%	509,516.00
3. Other State Revenues	8300-8599	268,937.00	-69.44%	82,197.00	0.01%	82,207.00
4. Other Local Revenues	8600-8799	208,472.00	-10.78%	185,990.00	0.50%	186,925.00
5. Other Financing Sources						
a. Transfers In	8900-8929	236,161.00	-100.00%	0.00	0.00%	0.00
b. Other Sources	8930-8979	467,749.00	-100.00%	0.00	0.00%	0.00
c. Contributions	8980-8999	0.00	0.00%	0.00	0.00%	0.00
6. Total (Sum lines A1 thru A5c)		5,684,179.00	-18.87%	4,611,666.00	-2.48%	4,497,193.00
B. EXPENDITURES AND OTHER FINANCING USES						
1. Certificated Salaries						
a. Base Salaries				1,681,182.00		1,516,290.00
b. Step & Column Adjustment				12,846.00		23,993.00
c. Cost-of-Living Adjustment				33,546.00		0.00
d. Other Adjustments				(211,284.00)		(125,000.00)
e. Total Certificated Salaries (Sum lines B1a thru B1d)	1000-1999	1,681,182.00	-9.81%	1,516,290.00	-6.66%	1,415,283.00
2. Classified Salaries						
a. Base Salaries				654,159.00		600,506.00
b. Step & Column Adjustment				7,182.00		8,477.00
c. Cost-of-Living Adjustment				11,906.00		0.00
d. Other Adjustments				(72,741.00)		0.00
e. Total Classified Salaries (Sum lines B2a thru B2d)	2000-2999	654,159.00	-8.20%	600,506.00	1.41%	608,983.00
3. Employee Benefits	3000-3999	1,085,716.00	3.78%	1,126,740.00	1.66%	1,145,398.00
4. Books and Supplies	4000-4999	250,965.00	-57.24%	107,304.00	-0.92%	106,315.00
5. Services and Other Operating Expenditures	5000-5999	1,388,636.00	-13.56%	1,200,374.00	-0.10%	1,199,145.00
6. Capital Outlay	6000-6999	245,791.00	-91.46%	21,000.00	0.00%	21,000.00
7. Other Outgo (excluding Transfers of Indirect Costs)	7100-7299, 7400-7499	0.00	0.00%	0.00	0.00%	0.00
8. Other Outgo - Transfers of Indirect Costs	7300-7399	0.00	0.00%	0.00	0.00%	0.00
9. Other Financing Uses						
a. Transfers Out	7600-7629	80,968.00	2.80%	83,233.00	1.28%	84,299.00
b. Other Uses	7630-7699	0.00	0.00%	0.00	0.00%	0.00
10. Other Adjustments				0.00		0.00
11. Total (Sum lines B1 thru B10)		5,387,417.00	-13.59%	4,655,447.00	-1.61%	4,580,423.00
C. NET INCREASE (DECREASE) IN FUND BALANCE (Line A6 minus line B11)						
		296,762.00		(43,781.00)		(83,230.00)
D. FUND BALANCE						
1. Net Beginning Fund Balance (Form 011, line F1e)		2,514,944.00		2,811,706.00		2,767,925.00
2. Ending Fund Balance (Sum lines C and D1)		2,811,706.00		2,767,925.00		2,684,695.00
3. Components of Ending Fund Balance (Form 011)						
a. Nonspendable	9710-9719	3,400.00		3,400.00		3,400.00
b. Restricted	9740	0.00		0.00		0.00
c. Committed						
1. Stabilization Arrangements	9750	0.00		0.00		0.00
2. Other Commitments	9760	0.00		0.00		0.00
d. Assigned	9780	259,193.00		366,412.00		155,889.00
e. Unassigned/Unappropriated						
1. Reserve for Economic Uncertainties	9789	520,868.00		520,778.00		525,780.00
2. Unassigned/Unappropriated	9790	2,028,245.00		1,877,335.00		1,999,626.00
f. Total Components of Ending Fund Balance (Line D3f must agree with line D2)		2,811,706.00		2,767,925.00		2,684,695.00

Description	Object Codes	Projected Year Totals (Form 011) (A)	% Change (Cols. C-A/A) (B)	2014-15 Projection (C)	% Change (Cols. E-C/C) (D)	2015-16 Projection (E)
E. AVAILABLE RESERVES (Unrestricted except as noted)						
1. General Fund						
a. Stabilization Arrangements	9750	0.00		0.00		0.00
b. Reserve for Economic Uncertainties	9789	520,868.00		520,778.00		525,780.00
c. Unassigned/Unappropriated	9790	2,028,245.00		1,877,425.00		1,999,751.00
d. Negative Restricted Ending Balances (Negative resources 2000-9999) (Enter projections)	979Z			0.00		0.00
2. Special Reserve Fund - Noncapital Outlay (Fund 17)						
a. Stabilization Arrangements	9750	0.00		0.00		0.00
b. Reserve for Economic Uncertainties	9789	0.00		0.00		0.00
c. Unassigned/Unappropriated	9790	0.00		0.00		0.00
3. Total Available Reserves - by Amount (Sum lines E1 thru E2b)		2,549,113.00		2,398,203.00		2,525,531.00
4. Total Available Reserves - by Percent (Line E3 divided by Line F3c)		47.32%		51.51%		55.14%
F. RECOMMENDED RESERVES						
1. Special Education Pass-through Exclusions						
For districts that serve as the administrative unit (AU) of a special education local plan area (SELPA):						
a. Do you choose to exclude from the reserve calculation the pass-through funds distributed to SELPA members?	Yes					
b. If you are the SELPA AU and are excluding special education pass-through funds:						
1. Enter the name(s) of the SELPA(s):						
2. Special education pass-through funds						
(Column A: Fund 10, resources 3300-3499 and 6500-6540, objects 7211-7213 and 7221-7223; enter projections for subsequent years 1 and 2 in Columns C and E)						
		0.00				
2. District ADA						
Used to determine the reserve standard percentage level on line F3d (Column A: Form AI, Estimated P-2 ADA column, lines 1-4 and 22; enter projections)						
		357.22		353.00		348.57
3. Calculating the Reserves						
a. Expenditures and Other Financing Uses (Line B11)		5,387,417.00		4,655,447.00		4,580,423.00
b. Plus: Special Education Pass-through Funds (Line F1b2, if Line F1a is No)		0.00		0.00		0.00
c. Total Expenditures and Other Financing Uses (Line F3a plus line F3b)		5,387,417.00		4,655,447.00		4,580,423.00
d. Reserve Standard Percentage Level (Refer to Form 01CSI, Criterion 10 for calculation details)		4%		4%		4%
e. Reserve Standard - By Percent (Line F3c times F3d)		215,496.68		186,217.88		183,216.92
f. Reserve Standard - By Amount (Refer to Form 01CSI, Criterion 10 for calculation details)		63,000.00		63,000.00		63,000.00
g. Reserve Standard (Greater of Line F3e or F3f)		215,496.68		186,217.88		183,216.92
h. Available Reserves (Line E3) Meet Reserve Standard (Line F3g)		YES		YES		YES



**Piggyback Consent Form ("Consent Form") to the
Education/State & Local Government Purchase Agreement
and
Professional Services Agreement
between
Glendale Unified School District and Apple Inc. ("Apple")**

Name of Institution:	Sierra-Plumas Joint Unified SD	Apple Inc.
Address:	P. O. Box 955	1 Infinite Loop
	109 Beckwith Road	Cupertino, CA 95014
City, State, Zip:	Loyalton CA 96118	

Dear Purchaser,

After an initial review, we have determined that you do not have a contract with Apple; however, you are an eligible purchaser under the Agreements identified below and attached to this Consent Form.

Name of Agreements	Education/State & Local Government Purchase Agreement and Professional Services Agreement
Agreement Number	Education/State & Local Government Purchase Agreement: 12987
Agreement Number	Professional Services Agreement: 335142
Bid Number	P-13 13/14
Purchaser	Sierra-Plumas Joint Unified School District
Date of Agreements	10/31/13

Apple may process your current and future purchase orders under these Agreements, provided that you execute this Consent Form. If for some reason the Agreements are not attached to this Consent Form, please immediately request them prior to executing this Consent Form. Apple advises Purchaser to review all the terms and conditions of the Agreements prior to executing this Consent Form.

By executing this Consent Form, Purchaser agrees to be bound by the terms and conditions of the Agreements. Subject to the total aggregate liability caps in the Education/State & Local Government Purchase Agreement and the Professional Services Agreement, Purchaser agrees that you are responsible and liable for any purchases you make under the Agreements and for any of your actions or inactions pursuant to the terms and conditions of the Agreements.

This Consent Form will terminate on the termination date of the Agreements. Apple may terminate this Consent Form without cause upon thirty (30) days' written notice to Purchaser. Apple also may terminate this Consent Form immediately upon written notice to Purchaser, if Purchaser breaches any terms and conditions of the Agreements or this Consent Form.

Please complete and execute this Consent Form and fax the completed and executed Consent Form to Apple at 866-784-4004. This Consent Form must be executed by an officer of your institution who is duly authorized to bind your institution to the terms and conditions of these Agreements. Please note that if we do not receive this Consent Form, any pending purchase order will not be processed.

If you have any questions or comments regarding this Consent Form, please email austincontracts@apple.com.

Regards,
Sales Contracts Management
Apple Inc.

PURCHASER

Authorized Signature

Superintendent of Schools
Title

Dr. Merrill M Grant
Name

January 14, 2014
Date



Education/State & Local Government Purchase Agreement

This Education/State & Local Government Purchase Agreement is made between Apple Inc., a California corporation located at 1 Infinite Loop, Cupertino, CA 95014 ("Apple") and:
Institution Legal Name ("Purchaser"): Glendale Unified School District

Institution DBA (if different from Legal Name): _____

Address: 223 North Jackson Street

City, ST, Zip: Glendale, CA 91206

1. Definitions

A. "Agreement" means, collectively, this Education/State & Local Government Purchase Agreement, any addenda or amendments hereto that reference this Education Purchase Agreement and that are mutually executed by the parties, and any terms that are incorporated herein by specific reference, excluding the terms of any purchase orders.

B. "Apple Products" mean Services, hardware and software products manufactured, distributed or licensed under the Apple brand name that Purchaser has paid to acquire or has properly licensed from Apple for its own use, but excluding third party software and all other third party products. Apple Product consisting of software is referred to as "Apple Software".

C. "Limited Warranty" means and is limited to Apple's standard limited warranty that is set forth in the documentation that accompanies an Apple Product purchased under this Agreement.

D. "Products" mean, collectively, Services, Apple Products and other products that are sold or licensed by Apple to Purchaser for Purchaser's own use.

E. "Services" mean, collectively, the standard, price-listed service, support and/or training products sold under the Apple Inc. brand name that Purchaser has paid to acquire.

2. Purchases from Apple

A. **Limited Billing Service Account.** Apple will provide Purchaser a limited billing service account to use when placing service orders such as Customer Installable Parts (CIPs) and mail-in or on-site repairs. Purchaser may be asked to submit a purchase order when placing a service order. Purchaser acknowledges that Apple does not provide service CIP or repair pricing on an Apple price list; Apple will quote current pricing to Purchaser prior to processing any purchase order, and Purchaser will have the option to either accept or decline the quoted prices. In the event Purchaser accepts the quoted pricing, Apple will process the purchase order under the terms of this Agreement; should Purchaser decline the quoted prices, Apple will not process the purchase order.

B. **Price.** Prices shall be as set forth on the applicable Apple price list in effect on the date Purchaser's order is accepted by Apple. Apple reserves the right to accept or decline any order, in whole or in part. Apple may cancel any accepted order prior to shipment. Unless Purchaser notifies Apple otherwise, Apple may make partial shipments of Purchaser's orders. Apple will not be liable for any failure to ship complete orders. Purchaser will be invoiced separately for each partial shipment and will pay each invoice when due, without regard to subsequent deliveries. Apple will allocate its available inventory and make deliveries (including partial shipments) in its sole discretion and without liability to Purchaser. Prices include standard freight and insurance

using an Apple-selected carrier. All applicable local sales or use taxes, duties and other imposts, if any, due on account of purchases hereunder shall be paid by Purchaser. Proof of tax exempt status must be on file at Apple's Support Center for any order to be treated as a tax-exempt transaction.

C. **Delivery.** Title and risk of loss to all Products will pass to Purchaser upon shipment from Apple's shipping location. For Products shipped pursuant to Apple's standard practices in all but the last week of every Apple fiscal quarter during the term of this Agreement, Apple will issue credits or replace Products returned due to damage in transit or that are lost in transit. For Products shipped pursuant to Apple's standard practices in the last week of every Apple fiscal quarter during the term of the Agreement, Apple will not issue credits or replace Products returned due to damage in transit or that are lost in transit. Instead, Apple will provide third-party insurance for damaged or lost Products with Purchaser named as the loss payee. When not shipping Products pursuant to Apple's standard practices but instead shipping via a carrier selected by Purchaser, Apple will not issue credits or replace Products returned due to damage in transit or that are lost in transit. Shipping charges for orders that are shipped under Purchaser's instructions will be added to Apple's invoice, or shipped freight collect, at Apple's option.

D. **Payment.** Purchaser shall be invoiced upon shipment of Products and, provided Purchaser is qualified for credit with Apple, payment of such invoice will be due no later than thirty (30) days from date of invoice. Apple will also charge for any fees due from Purchaser by regulation or statute, including, if applicable, fees due under the California Electronic Waste Recycling Act or similar statutes in other states. Apple reserves the right to change the Authorized Apple Price Lists and Purchaser's credit terms at any time. In addition to Apple's other rights in this Agreement, Apple reserves the right, without liability or obligation to Purchaser, to suspend deliveries in the event of a payment default.

3. Limited Warranty

A. The sole warranty for and Apple Product purchased hereunder shall be the Limited Warranty. Except for the Limited Warranty, all Apple Products are sold "as is" and without additional warranty or support from Apple.

B. All Products, other than Apple Products, are sold "as is" and without warranty or support from Apple, but may be accompanied by a manufacturer's warranty, as more particularly provided in the warranty documentation that accompanies such Products. Upon Purchaser's request, Apple will provide a copy of any manufacturer's warranty accompanying Products offered by Apple under this Agreement. Nothing in this Agreement shall be construed as obligating Apple to provide any warranty-related fulfillment or support for any Products, other than Apple Products.



C. EXCEPT FOR THE LIMITED WARRANTY, APPLE MAKES NO WARRANTIES, EITHER EXPRESS OR IMPLIED, WITH RESPECT TO THE PRODUCTS OR SERVICES, AND TO THE MAXIMUM EXTENT PROVIDED BY LAW, APPLE HEREBY DISCLAIMS SUCH WARRANTIES, INCLUDING BUT NOT LIMITED TO THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

APPLE PRODUCTS ARE NOT INTENDED OR SUITABLE FOR USE IN SITUATIONS OR ENVIRONMENTS WHERE THE FAILURE OR TIME DELAYS OF, OR ERRORS OR INACCURACIES IN, THE CONTENT, DATA OR INFORMATION PROVIDED BY APPLE PRODUCTS COULD LEAD TO DEATH, PERSONAL INJURY, OR SEVERE PHYSICAL OR ENVIRONMENTAL DAMAGE, INCLUDING WITHOUT LIMITATION THE OPERATION OF NUCLEAR FACILITIES, AIRCRAFT NAVIGATION OR COMMUNICATIONS SYSTEMS, AIR TRAFFIC CONTROL, LIFE SUPPORT OR WEAPONS SYSTEMS.

4. **Proprietary Rights.** Purchaser acknowledges that Products often contain not only hardware but also software, including but not limited to, operating systems and applications. Such software may be included in ROMs or other semiconductor chips embedded in hardware, or it may be contained separately on disks or on other media. Such software is proprietary, is copyrighted, and may also contain valuable trade secrets and is protected by patents. Purchaser, as an end user, is licensed to use any software contained in such Products, subject to the terms of the license accompanying the Products, if any, and the applicable patent, trademark, copyright, and other intellectual property, federal and state laws of the United States. Unless Purchaser has obtained Apple's prior written consent, Purchaser, in addition to any obligations or restrictions set forth in any license, which may accompany a Product, shall not copy the software. Purchaser shall not disassemble, decompile, reverse engineer, copy, modify, create derivative works thereof or otherwise change any of the software or its form.

5. **Right of Defense.**

A. Subject to the exceptions set forth below and Purchaser's compliance with the notice and defense conditions in Section 5.B below, Apple will defend any proceeding or action brought by a third party against Purchaser to the extent based on a claim that: (1) an Apple Product sold by Apple that Purchaser has paid to acquire infringes a U.S. patent, copyright, trademark or trade secret; or (2) personal injury or tangible property damage suffered by such third party was caused by Apple's gross negligence or willful misconduct during the course of Apple's performance of Services. Notwithstanding anything to the contrary, Apple is not liable for any claims or damages arising out of or related to: (a) any modification of any Apple Product(s), (b) any combination, operation or use of any Apple Product(s) with non-Apple branded Products or other non-Apple-provided programs, data or documentation, (c) Purchaser's violation of any import or export control requirements, regulations, and laws, (d) Purchaser's use or exportation of any Apple Product(s) into any countries identified on any U.S. Government embargoed countries list, (e) use of any Apple Software in a manner not authorized under the applicable Apple end user license agreement (the "EULA"), or (f) Purchaser's, its employees or subcontractors' negligence, acts or omissions. Subject to the foregoing exceptions, Apple's obligation to defend Purchaser against claims covered by 5.A(1) or 5.A(2) above is contingent on Purchaser's compliance with Section 5.B below. THE FOREGOING CONSTITUTES PURCHASER'S SOLE AND

EXCLUSIVE REMEDY AND APPLE'S ENTIRE LIABILITY FOR ANY CLAIMS ARISING OUT OF OR RELATED TO THIS AGREEMENT.

B. **Notice and Defense Conditions.** Purchaser shall promptly notify Apple, in writing, of any claim, demand, proceeding or suit of which Purchaser becomes aware which may give rise to a right of defense pursuant to this section 5 ("Claim"). Notice of any Claim that is a legal proceeding, by suit or otherwise, must be provided to Apple within thirty (30) days of Purchaser's first learning of such proceeding. Notice must be in writing and include an offer to tender the defense of the Claim to Apple. Apple, if it accepts such tender, may take over sole control of the defense of the Claim. That control includes the right to take any and all actions deemed appropriate by Apple to completely and finally resolve the Claim by settlement or compromise. Upon Apple's acceptance of tender, Purchaser will cooperate with Apple with respect to such defense and settlement. If a Claim is settled and to the extent permitted by law, both parties will not publicize the settlement and will make every effort to ensure the settlement agreement contains a non-disclosure provision.

C. In the event of any actual or potential Claim, Apple will be entitled (but not obligated), at its sole option, to: (1) procure for Purchaser the right to continue use of the applicable Apple Product(s), (2) replace the applicable Apple Product(s), (3) modify the applicable Apple Product(s), or (4) refund the amount paid by Purchaser to Apple for the applicable Apple Product, less depreciation.

6. **Limitation of Liabilities and Remedies.** Notwithstanding anything to the contrary, except to the extent prohibited by applicable law, the maximum aggregate liability of Apple for any and all claims and damages arising out of or related to this Agreement, whether arising in contract, warranty, tort, strict liability, statute or otherwise, shall be limited to three hundred thousand U.S. dollars (\$300,000). IN NO EVENT SHALL APPLE BE LIABLE FOR INCIDENTAL, CONSEQUENTIAL, SPECIAL, INDIRECT DAMAGES (INCLUDING, WITHOUT LIMITATION, CLAIMS FOR LOST BUSINESS PROFITS OR REVENUE, LOSS OF DATA, INTERRUPTION IN USE, UNAVAILABILITY OF DATA, OR THE COST OF THE PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES) OR FOR PUNITIVE OR EXEMPLARY DAMAGES, WHETHER AS A RESULT OR BREACH OF CONTRACT, WARRANTY, TORT, STRICT LIABILITY, STATUTE OR OTHERWISE. The remedies set forth in this Agreement shall be Purchaser's sole and exclusive remedies for any and all claims against Apple, its agents and subcontractors in connection with or related to this Agreement. The parties further agree that the liability cap set forth herein shall not be applied cumulatively or on a per claim basis and nothing shall be construed so as to enlarge that aggregate limit. THE PARTIES AGREE THAT THE ABOVE TERMS REPRESENT A FAIR ALLOCATION OF RISK BETWEEN THE PARTIES

WITHOUT WHICH THEY WOULD NOT HAVE ENTERED INTO THE AGREEMENT.

7. **Term and Termination**

A. **Term; Termination.** Unless terminated earlier as provided in this Agreement, the initial term of this Agreement shall be from the date Apple signs it until the following March 31; and unless either party provides written notice of non-renewal to the other party not less than thirty (30) days before the expiration of any then-current term, this Agreement shall automatically renew for additional one (1) year periods. Either party may terminate this Agreement without cause upon thirty (30) days prior written notice.



Either party may terminate this Agreement upon thirty (30) days prior written notice if the other party is in material breach of this Agreement and has failed to cure such breach within thirty (30) days of the date of such notice.

B. Effect of Termination. The parties agree that upon any notice of termination of this Agreement: (i) the due date of all Apple invoices shall be accelerated so that they become immediately due and payable; (ii) Apple may refuse all or part of any purchase orders received by Apple pursuant to this Agreement after the date of notice of termination; and (iii) Purchaser will cease placing new orders.

C. Survival. All defined terms and the following provisions shall survive any termination of this Agreement: Sections 1, 2.D, 3-4, 5.C, 6, 7.B, 7.C and 8.

8. General

A. Governing Law. If Purchaser is a public institution or agency, this Agreement will be governed and interpreted under the laws of the state in which Purchaser is located. If Purchaser is a private institution, this Agreement will be governed and interpreted under the laws of the State of California, without regard to its conflict of laws provisions (in the event that litigation commences, the parties agree that the venue shall be Santa Clara County, California).

B. Severability. If a court of competent jurisdiction holds that any provision of this Agreement is invalid or unenforceable, the remaining portions of this Agreement will remain in full force and effect, and the parties will replace the invalid or unenforceable provision with a valid and enforceable provision that achieves the original intent of the parties and economic effect of the Agreement.

C. Waivers. A party's waiver of any breach by the other party or failure to enforce a remedy will not be considered a waiver of subsequent breaches of the same or a different kind.

D. Export Compliance. This Agreement is subject to all laws, regulations, order or other limitations on the export and re-export of commodities, technical data and software. Purchaser agrees that it will not export, re-export, resell or transfer any export controlled commodity, technical data or software (1) in violation of such limitations imposed by the United States or any other appropriate nation government authority, or (2) to any country for which an export license

or other governmental approval is required at the time of export, without first obtaining all necessary licenses or other approvals, at Purchaser's sole cost and expense.

E. Entire Agreement; Modifications. This Agreement supersedes all previous agreements and representations of, between or on behalf of the parties concerning the subject matter. This Agreement contains all of Apple's and Purchaser's agreements, warranties, understandings, conditions, covenants, and representations concerning the subject matter. In the event of any conflict or inconsistency between the terms of this Agreement and any EULA, the terms of the EULA shall control solely as to the Apple Software covered by that EULA. Neither Apple nor Purchaser will be liable for any agreements, warranties, understandings, conditions, covenants, or representations not expressly set forth or referenced in this Agreement. Any different or additional provisions in purchase orders, invoices or similar documents issued by Purchaser at any time are hereby deemed refused by Apple and such refused provisions will be unenforceable. Except as otherwise provided in this Agreement, no modification to this Agreement will be binding unless in writing and signed by an authorized representative of each party.

F. Counterparts. This Agreement may be executed in one or more counterparts (including by facsimile), each of which when so executed shall be deemed to be an original and shall have the same force and effect as an original but such counterparts together shall constitute one and the same instrument.

G. Force Majeure. Neither party shall be liable for any delay or failure to meet its obligations (except for Purchaser's payment obligations) under this Agreement due to circumstances beyond its reasonable control, including but not limited to war, riot, insurrection, civil commotion, epidemics, labor strikes or lockouts, shortages, factory or other labor conditions, fire, flood, earthquake or storm. Notwithstanding, this provision shall not be construed to relieve Purchaser of its obligations to make payments to Apple pursuant to this Agreement.

H. Authority. Purchaser represents and warrants that it has all right, power and authority under applicable law to enter into and perform this Agreement and that the person signing below has the requisite legal authority to bind Purchaser to the terms of this Agreement.

The duly authorized representatives of the parties execute this Agreement as of the Effective Date.

Purchaser

SIGNATURE:

PRINT NAME: Eva Rae Lueck

TITLE: Chief Business & Financial Officer

DATE: October 25, 2013

Apple Inc.

SIGNATURE:

PRINT NAME: DAVID RYAN

TITLE: SR. CONTRACT MANAGER

DEPT: WW CONTRACTS

EFFECTIVE DATE: 10/21/13



Amendment to the Education/State & Local Government Purchase Agreement

This Amendment to the Education/State & Local Government Purchase Agreement ("Amendment") modifies the Education/State & Local Government Purchase Agreement ("Agreement"), dated on or about October _____, 2013 between Apple Inc., a California corporation located at 1 Infinite Loop, Cupertino, CA 95014 ("Apple") and:

Company Name ("Purchaser"): Glendale Unified School District
Address: 223 North Jackson Street
City, ST, Zip: Glendale, CA 91206

This Amendment entered into by the above-named parties amends the Agreement as follows:

1. Section 1, "Definitions"

The following Section 1.F, "Additional Eligible Purchasers," is added to the Agreement:

"(i) Eligible Purchasers include Purchaser and any school districts and their public or private not-for-profit school systems, Boards of Education, state universities and colleges, and community, vocational and technical colleges, state, county or city agency or department (including fire departments and libraries), special district, port authority, municipality, township, or Indian reservation in the State that Purchaser is located. Products purchased shall be for each of the Eligible Purchaser's own use in its facilities in the United States or in connection with educational purposes and shall not be purchased for the purpose of resale to another entity or individual. Apple reserves complete discretion in making eligibility determinations.

(ii) The Purchaser shall be responsible and be liable only for purchases made directly by it on its own purchase orders and shall not be liable for any purchases made by or acts of any other Eligible Purchaser purchasing under this Agreement."

2. Section 7.A, "Term and Termination"

Section 7.A, "Term and Termination" is deleted in its entirety and replaced with the following:

"7.A. Term; Termination. Unless terminated earlier as provided in this Agreement, the initial term of this Agreement shall be from the date Apple signs it until the following October 15, 2014; and unless either party provides written notice of non-renewal to the other party not less than thirty (30) days before the expiration of any then-current term, this Agreement may be renewed by mutual written consent of the parties for four (4) additional one (1) year periods through October 15, 2018. Either party may terminate this Agreement without cause upon thirty (30) days prior written notice. Either party may terminate this Agreement upon thirty (30) days prior written notice if the other party is in material breach of this Agreement and has failed to cure such breach within thirty (30) days of the date of such notice."

Unless specifically changed by this Amendment, the terms and conditions of the Agreement remain in full force and effect and apply to all transactions contemplated by this Amendment. In the event of a conflict between the provisions of the Agreement and provisions of this Amendment, the provisions of this Amendment will prevail.

The duly authorized representatives of the parties execute this Amendment as of the dates set forth below.

Purchaser
SIGNATURE: [Signature]
PRINT NAME: Eva Rae Lueck
TITLE: Chief Business & Financial Officer
DATE: October 25, 2013

Apple Inc.
SIGNATURE: [Signature]
PRINT NAME: DAVID AYAN
TITLE: SRL CONTRACTS MANAGER
DEPT: Sales Contracts Management
EFFECTIVE DATE: 10/31/13



Apple Professional Services Agreement

This Apple Professional Services Agreement ("Agreement") is made between Apple Inc., a California corporation located at 1 Infinite Loop, Cupertino, CA 95014 ("Apple") and:

Company Name ("Customer"): Glendale Unified School District
Address: 223 North Jackson Street
City, ST, Zip: Glendale, CA 91206

1. Definitions

A. "Agreement" means collectively this Apple Professional Services Agreement, any exhibits, addendums, amendments or additions, and any documents or materials incorporated by reference.

B. "Confidential Information" means confidential information disclosed by either party to the other, including but not limited to the terms and conditions of this Agreement, any non-public information relating to the other party's research, development, proprietary technology, product and marketing plans, finances, personnel, business opportunities, and pricing, but not including information that becomes public knowledge except to the extent made public in violation of this Agreement.

C. "Services" means the information technology consulting services that Customer acquires from Apple, as identified in a SOW.

D. "Statement of Work" or "SOW" means a uniquely numbered document detailing the Services that Customer will acquire from Apple, substantially in the format attached hereto as Exhibit A.

2. Services

A. Statement of Work

This Agreement shall serve as a master agreement for the acquisition of Services from Apple to Customer. It is agreed that when Services are to be performed, the parties shall prepare and execute a SOW. All Services to be performed by Apple shall be documented in a SOW. Each SOW shall set forth, at a minimum, a description of the Services, the duration of the Services, and the fees for the Services. By referencing the number and date of this Agreement, each SOW shall incorporate all terms contained herein. Apple shall have the right to accept or decline any proposed SOW.

B. Delivery and Acceptance

Apple shall make reasonable efforts to provide Services on a timely basis, subject to availability of qualified personnel and the difficulty and scope of the Services. However, Apple shall not be liable for its failure to do so, nor will it be in breach of this Agreement solely by reason of such failure. Apple may reassign and substitute personnel at anytime and may provide the same or similar Services to other customers. Services supplied by Apple under this Agreement are provided to assist Customer. Customer, not Apple, will be responsible for determining objectives. Services shall be deemed accepted, on date of delivery or upon conclusion of any agreed acceptance period stated in the SOW, if the Services substantially conform to their description.

3. Compensation

A. Fees and Expenses

In consideration of Services performed, Customer agrees to pay Apple the fees and expenses specified in the applicable SOW. If no fee is specified, Customer agrees to pay Apple's then current fee rate for each hour of Service performed. Customer may specify in each SOW an authorized limit of fees and expenses for which it shall pay for Services performed, and Apple agrees not to incur additional fees and expenses beyond the limits specified without prior written approval from Customer.

B. Invoicing

Provided Customer is eligible for Apple's credit terms; fees and expenses shall be invoiced after Services are performed on a monthly basis unless otherwise specified in the SOW. Fees due for fraction of hours shall be rounded up to the nearest whole number. Any overdue amounts shall be subject to a finance charge at the rate of 1.5% per month commencing on the date such amount becomes overdue, or the highest rate permitted by applicable law, whichever is lower. Customer will pay any tax Apple becomes obligated to pay by virtue of this Agreement exclusive of taxes based on the net income of Apple. Payment of fees and expenses shall be due thirty (30) days from date of Apple's invoice.

4. Confidentiality. Neither party will use the other's Confidential Information except as required to achieve the objectives of this Agreement, or will disclose such Confidential Information except to employees, agents or contractors who have a need to know or as required by law. Neither party will make any disclosure or statement of Confidential Information in connection with this Agreement or its subject matter without the other's prior written consent or as required by law.

5. Ownership. Any ideas, concepts, inventions, know-how, data-processing techniques, software or documentation developed by Apple personnel (alone or jointly with Customer) in connection with Services provided to Customer ("Apple Information") will be the exclusive property of Apple, except to the extent that such items are a derivative of Customer's property. Apple grants Customer a non-exclusive, royalty-free, non-transferable (without right to sublicense) license to use the software or other proprietary rights in Services developed under this Agreement. Apple may provide Customer with specific, customized or unique suggestions or information as part of the Services developed by Apple, which suggestions or information do not have application to other customers of Apple ("Customer-Owned Information"). Apple will identify all Customer-Owned Information and furnish that information to Customer subject to the qualifications set forth in this Agreement, and Customer will own all of Apple's right, title and interest in the Customer-Owned information.

6. Warranty. Except as expressly represented otherwise in this Agreement, and to the extent not prohibited by law, all Services provided by or on behalf of Apple to Customer under this Agreement are furnished on an "AS-IS" basis, without warranty of any kind, whether express, implied, statutory or otherwise especially as to quality, reliability, timeliness, usefulness, sufficiency and accuracy. ALL IMPLIED WARRANTIES, INCLUDING WITHOUT LIMITATION ALL IMPLIED WARRANTIES OF CONDITION, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE ARE DISCLAIMED BY APPLE. NO ORAL OR WRITTEN INFORMATION PROVIDED BY APPLE SHALL CREATE A WARRANTY UNLESS INCORPORATED INTO THIS AGREEMENT.

7. Limitation of Liability and Remedies. IN NO EVENT, WHETHER AS A RESULT OF BREACH OF CONTRACT, WARRANTY, TORT, STRICT LIABILITY, STATUTE OR OTHERWISE, SHALL EITHER PARTY BE LIABLE TO THE OTHER FOR ANY CONSEQUENTIAL, INCIDENTAL, SPECIAL OR INDIRECT DAMAGES (INCLUDING LOST BUSINESS PROFITS, LOSS OF DATA, INTERRUPTION IN USE OR UNAVAILABILITY OF DATA) OR FOR PUNITIVE OR EXEMPLARY DAMAGES. IN THE EVENT THAT APPLE SHALL FAIL TO PROVIDE SERVICES IN ACCORDANCE WITH THIS AGREEMENT, APPLE'S



ENTIRE LIABILITY AND CUSTOMER'S EXCLUSIVE REMEDY SHALL BE FOR APPLE TO USE ITS REASONABLE EFFORTS TO REPERFORM THOSE SERVICES WITHIN A REASONABLE PERIOD OF TIME; PROVIDED, THAT IN THE EVENT APPLE IS UNABLE TO CORRECT ANY DEFAULT OR BREACH OF THIS AGREEMENT BY IT, APPLE MAY ELECT TO REFUND ALL PAYMENTS ACTUALLY RECEIVED BY IT FROM CUSTOMER FOR THE SERVICES IN QUESTION, IN FULL SATISFACTION OF APPLE'S OBLIGATIONS UNDER THIS AGREEMENT. THE SAID REPERFORMANCE OR REFUND SHALL CONSTITUTE APPLE'S ENTIRE LIABILITY AND CUSTOMER'S EXCLUSIVE REMEDY FOR SUCH DEFAULT OR BREACH. IN NO EVENT SHALL THE AGGREGATE LIABILITY FOR DAMAGES OF APPLE, ITS EMPLOYEES OR AGENTS, EXCEED THE AMOUNTS CUSTOMER ACTUALLY PAID TO APPLE FOR THE SERVICES AT ISSUE UNDER THIS AGREEMENT. TO THE EXTENT NOT PROHIBITED BY LAW, THE LIMITATIONS IN THIS SECTION SHALL APPLY TO PERSONAL INJURY LIABILITY.

8. **Indemnification.** Apple will defend or settle any claim against Customer that a Service delivered under this Agreement (collectively referred to as "Deliverables") infringes a United States patent, utility model, industrial design, copyright, mask work or trademark, provided Customer (i) promptly notifies Apple in writing of the claim, and (ii) cooperates with Apple in and grants Apple sole authority to control the defense and any related settlement. Apple will pay the cost of such defense and settlement and any costs and damages finally awarded against Customer. If such a claim is made or appears likely to be made, Apple may procure the right for Customer to continue using the Deliverable(s), may modify the Deliverable(s), or may replace it. If a court enjoins use of the Deliverable(s) or Apple determines that none of these alternatives is reasonably available, Apple will take back the Deliverable(s) and refund its value. Apple is not liable for any claim of infringement arising from Apple's compliance with any designs, specifications or instructions of Customer, modification of the Deliverable(s) by Customer or a third party, or use of the Deliverable(s) in a way not specified by Apple. These terms state the entire liability of Apple for claims of infringement by Deliverables supplied by Apple.

9. Term and Termination

A. Term

Unless terminated earlier as provided in this Agreement, the Initial term of this Agreement shall be from the date Apple signs it until March 31, 2011; and unless either party provides written notice to the contrary to the other party not less than thirty (30) days before the expiration of any renewal term, this Agreement shall be renewed for additional one (1) year periods.

B. Termination

(i) **Termination of Agreement.** Either party may terminate this Agreement without cause upon thirty (30) days prior written notice. Either party may terminate this Agreement immediately in the event the other is in material breach of this Agreement. In the event notice is given terminating this Agreement, the due date of all Apple invoices shall be accelerated so that they become due and payable as of the date of notice of termination.

(ii) **Termination of a SOW.** If Apple is not in default of any of its obligations under a SOW, and the performance of Services is stopped through any wrongful act or neglect of Customer, or Customer fails to make payment to Apple when due, Apple may give written notice to Customer of its intent to terminate performance under a SOW or a portion thereof, specifying the grounds thereof. If the Customer fails within ten (10) days to cure the act or neglect specified or to make the payment identified therein as past due, Apple may then terminate performance of Services and recover payment from the Customer for all Services performed prior to the termination date. The Customer may, for its sole convenience, cancel a SOW in whole or in part, by giving Apple ten (10) days written notice

of its intention to do so. In the event of such cancellation, Apple shall be entitled to recover for all Services performed prior to the effective termination, together with its reasonable extra costs incurred by reason of the cancellation.

C. Termination for Cause

Either party may terminate a SOW immediately if the other party has (i) failed to cure any breach of this Agreement and/or the SOW within thirty (30) days of written notice from the non-breaching party, (ii) breached the terms of the section entitled "Confidentiality", or (iii) become insolvent, makes a general assignment for the benefit of creditors or becomes subject to any proceeding under any bankruptcy or insolvency law.

D. Survivorship

Those sections that by their nature survive expiration or termination of this Agreement will survive expiration or termination.

10. General

A. Governing Law; Venue; Limitation of Claims

This Agreement will be governed and interpreted under the laws of the State of California, without regard to its conflict of laws provisions. In the event of any dispute or controversy between the parties to this Agreement, the parties shall try to resolve the dispute in a fair and reasonable way. To that end, the parties shall first attempt to resolve such dispute or controversy through one senior management member of each party. If the parties' senior management members are unable to resolve such dispute or controversy within sixty (60) days after the complaining party's written notice to the other party of such dispute or controversy, the parties shall further seek to resolve the dispute or controversy pursuant to non-binding mediation conducted in either Santa Clara County or San Francisco, California. Each party shall bear its own expenses in connection with the mediation, except that Apple shall pay the fees and expenses of the mediator. If the parties are unable to resolve the dispute or controversy within sixty (60) days after commencing mediation, either party may commence litigation in the state or federal courts in Santa Clara County, California (but only such courts). Notwithstanding the foregoing, each party shall have the right to seek equitable relief in order to protect any rights to confidentiality or intellectual property. The parties hereby waive any bond requirements for obtaining equitable relief. To the extent permitted by law, EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES ALL RIGHT OF TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM (WHETHER OR NOT RELATING TO OR ARISING OUT OF THIS AGREEMENT), ANY LITIGATION ARISING OUT OF ANY DISPUTE OR CONTROVERSY BETWEEN THE PARTIES TO THIS AGREEMENT MUST BE BROUGHT WITHIN ONE (1) YEAR FROM THE FIRST DATE SUCH ACTION COULD HAVE BEEN BROUGHT. IF A LONGER PERIOD IS PROVIDED BY STATUTE, THE PARTIES HEREBY EXPRESSLY WAIVE IT.

B. Independent Contractor

During performance of the Agreement, Apple shall be an independent contractor and not an agent of the Customer. Apple shall supervise the performance of its own services and shall have control of the manner and means by which the Services are performed, subject to compliance with the Agreement and any plans, specifications, schedules, or other items agreed to in a SOW.

C. Non-Solicitation of Employees

During the term of this Agreement, and for one (1) year thereafter, Customer shall not offer employment to, or employ, an employee or contractor of Apple directly involved in Services, or induce such employee or contractor to breach any employment agreement or services contract with Apple. This restriction shall not apply to a Customer making offers of employment through general public advertisements.

D. Publicity



In connection with Apple's promotion of its professional services, including but not limited to, referential listings of customers on its web site, Customer grants to Apple a worldwide non-exclusive royalty free license to publicly use Customer's name and trademark(s) in connection with informing others of Customer's utilization of such services. Apple agrees to make reasonable efforts to adhere to any trademark guidelines that Customer may wish Apple to adopt, as delivered in writing to Apple from time to time.

E. Force Majeure

Neither party shall be liable for any delay or failure to meet its obligations under this Agreement due to circumstances beyond its reasonable control, including but not limited to war, riot, insurrection, civil commotion, labor strikes or lockouts, shortages, factory or other labor conditions, fire, flood, earthquake or storm.

F. Notices

Any notice under this Agreement, must be in writing and will be deemed given upon the earlier of actual receipt or ten (10) days after being sent by first class mail, return receipt requested, to the address set forth below for Apple and to the address designated on this Agreement by Customer for receipt of notices, or as may be provided by the parties.

Apple Inc.
Sales Contracts Management
1 Infinite Loop, M/S 38-2CM
Cupertino, CA 95014

Either party may give notice of its change of address for receipt of notices by giving notice in accordance with this section.

G. Assignment

Apple may use subcontractors to perform Services under this Agreement. Customer may not assign this Agreement without the written approval of Apple. Any attempt by Customer to assign without Apple's approval shall be deemed void.

H. Severability

The duly authorized representatives of the parties execute this Agreement as of the dates set forth below.

Customer

SIGNATURE:

PRINT NAME: Eva Rae Lueck

TITLE: Chief Business & Financial Officer

DATE: October 25, 2013

If any provision of this Agreement should be held to be unenforceable or invalid for any reason, such unenforceability or invalidity shall not affect the enforceability or validity of the remaining provisions, and the parties will substitute for such provision an enforceable and valid provision, which most closely approximates the intent and economic effect of the unenforceable or invalid provision.

I. Entire Agreement

Apple and Customer acknowledge that this Agreement and any associated Statements of Work supersedes and extinguishes all previous agreements and representations of, between or on behalf of the parties with respect to its subject matter. This Agreement contains all of Apple's and Customer's agreements, warranties, understandings, conditions, covenants, and representations with respect to its subject matter. Neither Apple nor Customer will be liable for any agreements, warranties, understandings, conditions, covenants, or representations not expressly set forth or referenced in this Agreement. Apple is deemed to have refused any different or additional provisions in purchase orders, invoices or similar documents, unless Apple affirmatively accepts such provision in writing, and such refused provisions will be unenforceable.

J. Modifications

Except as otherwise provided in this Agreement, no modification to this Agreement will be binding unless in writing and signed by an authorized representative of each party.

K. Customer's Responsibilities and Representations

Customer shall provide Apple equipment, information, and facilities necessary to perform Services described in the SOW, unless agreed otherwise by the parties.

L. Counterparts

This Agreement may be executed in one or more counterparts (including by facsimile), each of which when so executed shall be deemed to be an original and shall have the same force and effect as an original but such counterparts together shall constitute one and the same instrument.

Apple Inc.

SIGNATURE:

PRINT NAME: DAVID A. RYAN

TITLE: SALES CONTRACTS & MANAGEMENT

DEPT: Sales Contracts Management

EFFECTIVE DATE: 10/31/13



Amendment to the Apple Professional Services Agreement

This Amendment to the Apple Professional Services Agreement ("Amendment") modifies the Apple Professional Services Agreement ("Agreement"), dated on or about October _____, 2013 between Apple Inc., a California corporation located at 1 Infinite Loop, Cupertino, CA 95014 ("Apple") and:

Company Name ("Customer"): Glendale Unified School District
Address: 223 North Jackson Street
City, ST, Zip: Glendale, CA 91206

This Amendment entered into by the above-named parties amends the Agreement as follows:

1. Section 1, "Definitions"

The following Section 1.E, "Additional Eligible Purchasers," is added to the Agreement:

(i) Eligible Purchasers include Purchaser and any school districts and their public or private not-for-profit school systems, Boards of Education, state universities and colleges, and community, vocational and technical colleges, state, county or city agency or department (including fire departments and libraries), special district, port authority, municipality, township, or Indian reservation in the State that Purchaser is located. Products and Services purchased shall be for each of the Eligible Purchaser's own use in its facilities in the United States or in connection with educational purposes and shall not be purchased for the purpose of resale to another entity or individual. Apple reserves complete discretion in making eligibility determinations.

(ii) The Purchaser shall be responsible and be liable only for purchases made directly by it on its own purchase orders and shall not be liable for any purchases made by or acts of any other Eligible Purchaser purchasing under this Agreement."

2. Section 9.A, "Term and Termination"

Section 9.A, "Term and Termination" is deleted in its entirety and replaced with the following:

"9.A. Term; Termination. Unless terminated earlier as provided in this Agreement, the initial term of this Agreement shall be from the date Apple signs it until the following October 15, 2014; and unless either party provides written notice of non-renewal to the other party not less than thirty (30) days before the expiration of any then-current term, this Agreement may be renewed by mutual written consent of the parties for four (4) additional one (1) year periods through October 15, 2018. Either party may terminate this Agreement without cause upon thirty (30) days prior written notice. Either party may terminate this Agreement upon thirty (30) days prior written notice if the other party is in material breach of this Agreement and has failed to cure such breach within thirty (30) days of the date of such notice."

Unless specifically changed by this Amendment, the terms and conditions of the Agreement remain in full force and effect and apply to all transactions contemplated by this Amendment. In the event of a conflict between the provisions of the Agreement and provisions of this Amendment, the provisions of this Amendment will prevail.

The duly authorized representatives of the parties execute this Amendment as of the dates set forth below.

Customer
SIGNATURE: [Signature]
PRINT NAME: Eva Rae Lueck
TITLE: Chief Business & Financial Officer
DATE: October 25, 2013

Apple Inc.
SIGNATURE: [Signature]
PRINT NAME: DAVID ALAN
TITLE: Sr. Contract Manager
DEPT: Sales Contracts Management
EFFECTIVE DATE: 10/31/13



CRM GROUP
CONSTRUCTION RESOURCE MANAGEMENT

D. KEVIN NOLEN
7385 PEMBROKE DR. RENO, NV 89502
TEL: 775-530-0303 KEVIN@CRMGROUPCA.COM (LOWER CASE)

Exhibit A-3
Contract for Professional Services

SCOPE

Provide Construction Management Services at Sierra-Plumas Unified School District for the Project Design Development, Bid/LLB Contract Negotiations and Processes (Pre-Construction Services) and Construction Document Review, Construction Site Management, Project Budgets, Schedule Oversight, Project Closeout (Construction Services) for the **LHS Paving Project** at Loyalton High School, Loyalton, Ca. Fee includes all services necessary for management, development and oversight through closeout of all agencies, Contractor, Inspector, Architect/Engineer of this project except Soil Engineering Services and Testing (provided by others if necessary) as per the fee structure below. Also included is general oversight of the **LHS Track Project**. Project based on the indicated time schedule. Fee structure will begin as described below:

SCHEDULE OF FEES

Professional Services

Construction Costs (estimate only):.....	\$175,000.00
Construction Management:	
Pre-Construction Services @ 4.0%	\$7,000.00
Construction Services @ 4.0% (- Final).....	\$5,600.00

Fee Schedule:

Pre-Construction Services @ \$1,750.00/mo...1/25/14 – 4/25/14
Construction Services @ \$1,400.00/mo.....5/25/14 – 8/25/14
Final Payment upon Completion.....\$1,400.00

Contract For Professional Services (cont.):

Notes:

1. This agreement is based on an estimated construction budget of \$175,000 and actual fees are subject to change according to changes to final scope, construction costs, time extension to this agreement, or a budget increase.
2. Fee is based on: this Project (and the new Track) shall be designed, bid, and completed on or before August, 31, 2013.
3. This fee does not include engineering or testing services (provided by Soils Engineer and/or Asphalt Concrete testing).
4. Fees are subject to change according to delays beyond my control, final scope and construction costs including economy-of-scale that may result in a much smaller project and therefore, the possibility of a larger fee. Increases to the project construction costs shall require increase to this agreement at current fee structure (percentage).
5. Invoices for services to be paid by the 25th of each month as billed for services.
6. Final Payment (10%) to be withheld until Notice of Completion is filed.

Approval:

By: _____

Title: _____

Project Address: _____

Date: _____

Acceptance for CRM Group:

By:  _____

Title: OWNER _____

Date: 4-7/14 _____

This cost estimate shall be valid for a period of 30 days after date of issue.

SPJUSD: Estimate for Construction Management Services @ Loyalton High School (Paving Project)

CRM Group / Construction Resource Management
7385 Pembroke Dr. Reno, NV 89502 / (775) 530-0303 /
E-mail: kevin@crmgrouppca.com