



## Tri-Valley Regional Occupational Program

1040 Florence Road, Livermore, CA 94550

Ph. (925) 455-4800 - Fax (925) 449-9126

### JOINT POWERS GOVERNING BOARD

Regular Board Meeting of December 9, 2015,

6:00 pm Open Session

#### THE MISSION OF TRI-VALLEY ROP IS TO:

- Educate and train a broad spectrum of students by providing a bridge of opportunity connecting school to continuing education and career.
- Support and guide the development of life and career skills valued by business, industry, colleges, and society.
- Provide an environment of continuous program improvement, responsive to the changing needs of students, employers, and industry.
- Educate all students, including Adults in Correctional Facilities, to acquire the skills, attitudes and values needed to find and retain jobs, to be socially responsible, and to make positive contributions to their families and the community.

### JOINT POWERS GOVERNING BOARD MEETING PROCEDURES

Members of the public are encouraged to attend meetings of the Board. Individuals may address the Board regarding items *on* the agenda during the agenda item or, for Closed Session items, prior to Board adjournment into Closed Session. To address the Board regarding an item that *is* on the agenda, please complete a **blue speaker card** and submit it to the Administrative Assistant **prior** to Call to Order of the meeting or prior to the agenda item you wish to address. This allows the Board Chairperson to divide the available time among speakers.

Speakers may address the Board under agenda item **3.0, PUBLIC COMMENT**, regarding items of public interest within the Board's jurisdiction but are *not* on the agenda. Speakers should complete a **yellow speaker card** and submit it to the Administrative Assistant **prior** to Call to Order of the meeting. By law, the Board may listen to comments, but may not enter into discussion nor take action on any item not on the agenda. Time is limited to 3 minutes per speaker and 20 minutes per subject matter.

#### JOINT POWERS GOVERNING BOARD

**Joan Laursen**, Chairperson  
(925) 519-5310

[jlaursen@pleasantonusd.net](mailto:jlaursen@pleasantonusd.net)

Member District: Pleasanton USD

**Chuck Rogge**, Vice Chairperson  
(925) 447-1604

[rogge.lvjUSD@isp.com](mailto:rogge.lvjUSD@isp.com)

Member District:

Livermore Valley Joint USD

**Dan Cunningham**, Member  
925-808-1084

[cunninghamdan@dublinUSD.org](mailto:cunninghamdan@dublinUSD.org)

Member District: Dublin USD

**Julie Duncan**, Superintendent  
(925) 455-4800 x 106

[jduncan@tvrop.org](mailto:jduncan@tvrop.org)

Secretary to the Governing Board

[www.tvrop.org](http://www.tvrop.org)

**Accessibility to Facilities and Agenda Materials:** The Tri-Valley ROP desires to make all of its public meetings accessible to the public. Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification or accommodation in order to participate in this meeting should direct such request to the Tri-Valley ROP Superintendent, 1040 Florence Road, Livermore, CA 94550, or by calling (925) 455-4800 at least 48 hours before the meeting, when possible. Non-confidential materials related to an item on this agenda submitted to the Board after distribution of the agenda packet are available for public inspection in the Superintendent's Office (address above) during normal business hours.

**1. CALL TO ORDER / ROLL CALL – 6:00 pm**

**2. REGULAR MEETING**

**2.1 Pledge of Allegiance**

**2.2 Approval of the Agenda**

Prior to approving the agenda, a Board member may request that an agenda item be pulled or moved on the agenda.

**3. PUBLIC COMMENT on matters *not* on the agenda**

At this time, members of the public may address the Board regarding any matter that is *not* on the agenda. (For items that *are* on the agenda, the opportunity for public comment will be presented during each agenda item.) Speakers should submit a speaker card to the Administrative Assistant prior to Call to Order of the meeting: a *yellow card* for items not on the agenda and a *blue card* to speak during an agenda item. Time is limited to 3 minutes per speaker and 20 minutes per topic.

**4. RECOGNITIONS**

**4.1** In recognition of Christine Buckley for her nomination to the California League of High Schools, Outstanding Educators of the Year Awards and Dinner.

**4.2** In recognition of Jennifer Slusser for her Letter of Recognition, awarded by Alameda County Sheriff Gregory J. Ahern.

**5. CONSENT CALENDAR**

The Consent Calendar is for items that require the approval of the Board, but are routine in nature. The Board acts upon these items in one vote. Any member of the Board, administration, or public may request that an item be pulled from the Consent Calendar and discussed and/or acted upon separately under Deferred Consent Items.

**CONSENT - MOTIONS**

**5.1 Approval of Minutes from the Special Board Meeting of October 28, 2015**

The Board will consider approving minutes from the October 28, 2015 Board Meeting.

**5.2 Approval of Bill and Salary Reports – October 1 – November 30, 2015**

The Board will consider the approval of Bill and Salary warrants which show payment of the District's operating and salary expenditures for the prior month.

**5.3 Approval of Purchase Order Summary – October 1 – November 30, 2015**

The Board will consider the approval of the purchase order summary which shows encumbrances of the District funds for the prior month.

**5.4 Approval of CTEIG Memorandum of Understanding with Member Districts**

The Board will consider approving the Memorandum of Understanding with Member Districts for the Career Technical Education Incentive Grant.

**6. DEFERRED CONSENT ITEMS**

Items that are pulled from the Consent Calendar to be addressed individually will be discussed and acted upon at this time.

**7. INFORMATION / ACTION ITEMS**

Informational items are noted as informational only; Action items are up for a vote by the Board. Most items require a simple majority of Board member votes to pass.

**7.1 Corrections Program - Santa Rita Jail Update - information**

Fred Rutledge, Principal, Adult and Correctional Education, will provide the Board with an update on Programs.

**7.2 Approval of the 2015 - 2016 First Interim Report - action**

Based on the current budget and the multi-year projection, it is recommended that the Board of Tri-Valley Regional Occupational Program, approve the 2015-2016 First Interim Report with a Positive Certification.

**7.3 Approval of the 2014-2015 Audit Report - action**

In accordance with Education Code Section 41020, the Board of Education authorized the annual audit of the Tri-Valley Regional Occupational Program's financial records and support documentation for the 2014-2015 fiscal year by Nigro & Nigro, PC.

**8. CORRESPONDENCE - None**

**9. SUPERINTENDENT'S REPORT**

Julie Duncan, Superintendent, will report on recent meetings, activities, or legislation.

**10. BOARD MEMBER REPORTS**

Board members may wish to report on their recent activities.

**11. ANNOUNCEMENTS**

- The next Regular Meeting of the Joint Powers Governing Board is scheduled for Wednesday, February 3, 2016.

**12. ADJOURNMENT**

JD/as



TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM  
JOINT POWERS GOVERNING BOARD MEETING  
DECEMBER 9, 2015

**CONSENT CALENDAR – MOTION – 5.1**

**AGENDA ITEM:**

5.1 – Approval of Minutes from the Special Board Meeting of October 28, 2015

**RECOMMENDED ACTION:**

As part of the Consent Calendar, approve the minutes, as presented.

**BACKGROUND:**

The minutes from the Regular Board Meeting of October 28, 2015 are presented for Board Approval.

**FISCAL IMPACT:**

None

**SUPPORTING DOCUMENTS:**

- Draft Minutes of October 28, 2015 Special Board Meeting

Moved by:

Seconded by:

Passed by:



**Tri-Valley Regional Occupational Program**

1040 Florence Road, Livermore, CA 94550

Ph. (925) 455-4800 - Fax (925) 449-9126

**JOINT POWERS GOVERNING BOARD**

**Minutes of the Special Board Meeting of October 28, 2015,**

**4:00 pm Closed Session, 5:00 pm Open Session**

**1. CALL TO ORDER / ROLL CALL - 4:00 pm**

Chairperson, Joan Laursen called the Special Board Meeting of the Joint Powers Governing Board to order at 4:06 pm.

**Roll Call/Establishment of Quorum**

Joan Laursen, Chairperson  
Chuck Rogge, Vice Chairperson  
Dan Cunningham, Member  
Julie Duncan, Secretary to the Board

**Staff Member**

Anne Spalasso, Administrative Assistant

**2. PUBLIC COMMENT**

No public comment.

**3. ADJOURN TO CLOSED SESSION - Pursuant to Government Code §54957 and §54957.6**

**3.1 Public Employee: Performance Goals/Evaluation (14-15/15-16)**

**Title: Superintendent**

**4. RECONVENE IN OPEN SESSION**

**4.1 Pledge of Allegiance**

**4.2 Approval of the Agenda**

Ms. Laursen asked if there were any changes to the agenda, no changes were requested.

<u>Moved</u>	<u>Seconded</u>	<u>Ayes</u>	<u>Noes</u>	<u>Abstain</u>	<u>Absent</u>
Cunningham	Rogge	3	0	0	0

**4.3 Announcement of Any Reportable Action Taken in Closed Session**

No reportable action taken in Closed Session.

**5. PUBLIC COMMENT**

No public comment.

**6. CONSENT CALENDAR**

The Consent Calendar is for items that require the approval of the Board, but are routine in nature. The Board acts upon these items in one vote. Any member of the Board, administration, or public may request that an item be pulled from the Consent Calendar and discussed and/or acted upon separately under Deferred Consent Items.

**CONSENT - MOTIONS**

<u>Moved</u>	<u>Seconded</u>	<u>Ayes</u>	<u>Noes</u>	<u>Abstain</u>	<u>Absent</u>
Cunningham	Rogge	3	0	0	0

**6.1 Approval of Minutes from the Regular Board Meeting of September 16, 2015**

The Board will consider the approval of the minutes from the September 16, 2015 Board Meeting.

**6.2 Approval of Bill and Salary Reports – September 1 – 30, 2015**

The Board will consider the approval of Bill and Salary warrants which show payment of the District’s operating and salary expenditures for the prior month.

**6.3 Approval of Purchase Order Summary – September 1 – 30, 2015**

The Board will consider the approval of the purchase order summary which shows encumbrances of the District funds for the prior month.

**6.4 Approval of Workforce Innovation and Opportunity Act (WIOA) Title II Adult Education and Family Literacy Act Grant Program for 2015 - 2016**

Approve and accept the preliminary 2015 - 2016 allocation for the Workforce Innovation and Opportunity Act Grant, as presented.

**7. DEFERRED CONSENT ITEMS**

No deferred consent items.

**8. INFORMATION / ACTION ITEMS**

Informational items are noted as informational only; Action items are up for a vote by the Board. Most items require a simple majority of Board member votes to pass.

**8.1 Proposed Calendar of Meeting Dates for 2016 – information**

Superintendent Duncan discussed the proposed calendar and asked for feedback from the Board before the calendar is published in January 2016.

Ms. Laursen noted a date correction for December 2016 meeting.

**8.2 Second Reading of Board Policy 4040.1, Staff Social Media Policy – information/action**

Superintendent Duncan reviewed the Board requested changes to the Staff Social Media Policy. All Board Members are pleased with the Policy. Policy adopted.

<u>Moved</u>	<u>Seconded</u>	<u>Ayes</u>	<u>Noes</u>	<u>Abstain</u>	<u>Absent</u>
Rogge	Cunningham	3	0	0	0

**9. CORRESPONDENCE**

- Alameda County Office of Education, 2015-16 Adopted Budget
- Assembly California Legislature, Catharine Baker, Assemblywoman

Ms. Laursen congratulated TVROP on the ACOE budget letter.

Mr. Rogge commented that it is nice that TVROP was complemented by Assemblywoman Baker.

**10. SUPERINTENDENT'S REPORT**

Superintendent Duncan reported on the following activities:

- TVROP first participated in Livermore Manufacturing Day in October 2014 and it was a great success. So much so, that TVROP was given more space for student participation. Students toured three manufacturing companies in Livermore.
- Tri-Valley College and Career Fair took place on October 14<sup>th</sup> at Dublin High School. Leann Nobida is the College and Career Specialist and did an outstanding job coordinating. Dublin has a brand new DECA team and they found an event like this is a huge undertaking; it is great “real life” experience. Mr. Chris Meyer’s class videotaped and took photos of the fair for future reference. The State assigns the dates for the fair; TVROP is requesting a change as the last two years have fallen during PSAT testing.
- The CTE Matching Grant is due to come out soon and applying as a consortium would benefit all involved.
- Members from TEC, Tri-Valley Education Collaborative; Anne White, Livermore Board Member, Nadine Horner, External Relations from LLNL, Glen Sparks, CTE Apprenticeship Coordinator PUSD and Superintendent Duncan will present at the 2015 Annual CSBA Conference in San Diego.

Mr. Rogge recommended adding some “POP” into the presentation at CSBA.

Ms. Laursen discussed the Silicon Valley Ed Foundation.

**11. BOARD MEMBER REPORTS**

Mr. Rogge visited and was impressed with TVROP classes at Granada and Livermore. Mr. Woodworth gave a fantastic tour through his classes; Metals, Auto and Robotics. He has a robotic arm that cannot be used because it is not in a safety case, maybe TVROP can ask LLNL what could be done to allow safety to be achieved and use the arm.

**12. ANNOUNCEMENTS**

- The next Regular Meeting of the Board is scheduled for Wednesday, December 9, 2015 at 5:30 pm.

**13. ADJOURNMENT**

There being no further business, Chairperson Laursen adjourned the meeting at 5:45 pm.

Original Signed

Submitted,

\_\_\_\_\_  
Julie Duncan  
Secretary to the Board

*Approved and entered into the proceedings  
of the Board this 9<sup>th</sup> day of December, 2015.*

\_\_\_\_\_  
Joan Laursen  
Board Chairperson

JL: JD: as



TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM  
 JOINT POWERS GOVERNING BOARD MEETING  
 DECEMBER 9, 2015

**CONSENT CALENDAR – MOTION – 5.2**

**AGENDA ITEM:**

5.2 – Approval of Bill and Salary Reports – October 1 – November 30, 2015

**RECOMMENDED ACTION:**

As part of the Consent Calendar, approve bill and salary warrants, as presented.

**BACKGROUND:**

Bill and salary warrants are presented to the Board for ratification under the Consent Calendar at each regular JPGB meeting. The attached list of bill and salary warrants shows payment of the District’s operating and salary expenditures for the past two months. All of the warrants have been approved by the Alameda County Office of Education.

**FISCAL IMPACT:**

Operating expenditures were \$270,241.30 and payroll related expenditures were \$655,499.94.

**SUPPORTING DOCUMENTS:**

Warrant – Disbursements – See Chart Below

<b>WARRANT – DISBURSEMENTS</b>	<b>October 2015</b>	<b>November 2015</b>	<b>TOTAL FOR PERIOD</b>
<b>PAYROLL RELATED</b>	\$335,418.95	\$320,080.99	\$655,499.94
<b>BOOKS/SUPPLIES</b>	\$68,496.53	\$128,016.73	\$196,513.26
<b>SERVICES</b>	\$31,664.93	\$42,063.11	\$73,728.04
<b>TOTAL</b>	<b>\$435,578.41</b>	<b>\$490,160.83</b>	<b>\$925,739.24</b>

- Transaction Listing October 2015
- Transaction Listing November 2015

Moved by:  
 Seconded by:  
 Passed by:



SORT ORDER: Major Ob

SELECT Object Detail: 1000-6999

	Sort Value	Sort Level Description	Sort Level	Type	Debit	Credit	Net
=====							
**	Total 1000	By Major Object	(1)	DR-CR	236,861.24	0.00	236,861.24
**	Total 2000	By Major Object	(1)	DR-CR	37,230.84	0.00	37,230.84
**	Total 3000	By Major Object	(1)	DR-CR	45,988.91	0.00	45,988.91
**	Total 4000	By Major Object	(1)	DR-CR	128,037.37	20.64	128,016.73
**	Total 5000	By Major Object	(1)	DR-CR	50,356.84	8,293.73	42,063.11
			** G R A N D T O T A L **	DR-CR	498,475.20	8,314.37	490,160.83

SORT ORDER: Major Ob

SELECT Object Detail: 1000-6999

	Sort Value	Sort Level Description	Sort Level	Type	Debit	Credit	Net
=====							
**	Total 1000	By Major Object	(1)	DR-CR	245,030.78	0.00	245,030.78
**	Total 2000	By Major Object	(1)	DR-CR	41,768.88	0.00	41,768.88
**	Total 3000	By Major Object	(1)	DR-CR	48,617.29	0.00	48,617.29
**	Total 4000	By Major Object	(1)	DR-CR	68,721.76	225.23	68,496.53
**	Total 5000	By Major Object	(1)	DR-CR	39,199.72	7,534.79	31,664.93
		** G R A N D T O T A L **		DR-CR	443,338.43	7,760.02	435,578.41



TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM  
JOINT POWERS GOVERNING BOARD MEETING  
DECEMBER 9, 2015

**CONSENT CALENDAR – MOTION – 5.3**

**AGENDA ITEM:**

5.3 – Approval of Purchase Order Summary –October 1 – November 30, 2015

**RECOMMENDED ACTION:**

As part of the Consent Calendar, approve the Summary of Purchase Orders, as presented.

**BACKGROUND:**

A summary of purchase orders is presented for Board approval under the Consent Calendar at each regular JPGB meeting and includes the purchase orders generated during the period since the last regular Board meeting. By issuing Purchase Orders the District is setting aside, or encumbering, funds for a specific purpose.

**FISCAL IMPACT:**

Total funds encumbered for this period are \$179,732.14

**SUPPORTING DOCUMENTS:**

- Purchase Order Descriptive Summary, October & November 2015

Moved by:

Seconded by:

Passed by:

## LIVERMORE VALLEY JOINT UNIFIED SCHOOL DISTRICT

PURCHASE ORDER DESCRIPTIVE SUMMARY

<u>PO #</u>	<u>VENDOR NAME</u>	<u>REQUESTED BY</u>	<u>OBJECT DESCRIPTION</u>	<u>DATE</u>	<u>AMOUNT</u>
R16129	HAMPTON INN & SUITES FOLSOM	SPALASSO/TVROP	Travel & Conferences	10/01/2015	100.35
R16130	MEDCO SUPPLY CO	HELFRICH/TVROP	Materials & Supplies	10/01/2015	914.72
R16131	QES COMPUTERS	NYSWONGER/TVROP	Non-Cap Technology Equip	10/02/2015	123,007.92
R16132	SIERRA PACIFIC TOURS	MINTZ/GETSET/TVROP	Transportation Contracted	10/08/2015	1,250.00
R16133	DREYFUSS, BREE BARNETT	MINTZ/TVROP	Materials & Supplies	10/08/2015	225.00
R16134	FRIESEN, JOSEPH W.	MINTZ/TVROP	Materials & Supplies	10/08/2015	225.00
R16135	WEBBER, MICHELLE	MINTZ/TVROP	Materials & Supplies	10/08/2015	225.00
R16136	D'AMBROSIO, MIKE	MINTZ/GETSET	Materials & Supplies	10/08/2015	225.00
R16137	MILLER, MICHELLE K	MINTZ/TVROP	Materials & Supplies	10/08/2015	225.00
R16138	CURL, THOMAS	MINTZ/TVROP	Materials & Supplies	10/08/2015	225.00
R16139	MORGAN, ALYSSA	MINTZ/TVROP	Materials & Supplies	10/08/2015	225.00
R16140	ROYAL COACH TOURS	MINTZ/GETSET/TVROP	Transportation Contracted	10/08/2015	1,373.50
R16141	CABLE WHOLESALE.COM	NYSWONGER/TVROP	Materials & Supplies	10/19/2015	500.47
R16142	COPWARE INC	LANG/TVROP	Materials & Supplies	10/23/2015	155.30
R16143	CALIF ASSOC OF REGIONAL	SPALASSO/TVROP	Dues & Memberships	10/27/2015	2,000.00
R16144	LIVERMORE VALLEY JOINT UNIFIED	SPALASSO/TVROP	Contracted Services	10/27/2015	900.00
R16145	PLEASANTON UNIFIED SCHOOL DIST	RAAKER/TVROP	Materials & Supplies	10/27/2015	150.00
R16146	ALAMEDA COUNTY DEPUTY SHERIFF'S	Rutledge/Spalasso	Contracted Services	10/29/2015	42,000.00
R16147	ALLIANCE WELDING SUPPLIES INC	RANDALL/TVROP	Materials & Supplies	10/30/2015	600.00
R16148	QES COMPUTERS	NYSWONGER/PERKINS/TVROP	Materials & Supplies	11/06/2015	964.38
R16149	SHERATON GRAND SACRAMENTO	SPALASSO/TVROP	Travel & Conferences	11/06/2015	240.03
R16150	SIERRA PACIFIC TOURS	MINTZ/GETSET/TVROP	Transportation Contracted	11/12/2015	1,250.00
R16151	SIERRA PACIFIC TOURS	MINTZ/GETSET/TVROP	Transportation Contracted	11/12/2015	1,190.00
R16152	CALTRONICS BUSINESS SYSTEMS	SPALASSO/TVROP	Materials & Supplies	11/12/2015	106.11
R16153	CUSTOMINK.COM	PAVON/GHS/LHS/TVROP	Advertising	11/16/2015	94.36
R16154	CALIF AUTOBODY ASSOC	RANDALL/TVROP	Travel & Conferences	11/17/2015	110.00
R16155	ALAMEDA COUNTY OFFICE OF EDUCATION	SPALASSO/TVROP	Dues & Memberships	11/17/2015	250.00
R16156	PLEASANTON UNIFIED SCHOOL DIST	SPALASSO/TVROP	Materials & Supplies	11/18/2015	1,000.00

**Grand Total:** 179,732.14



TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM  
JOINT POWERS GOVERNING BOARD  
DECEMBER 9, 2015

**CONSENT CALENDAR – 5.4**

**AGENDA ITEM:**

5.4 – Approval of CTEIG Memorandum of Understanding with Member Districts

**RECOMMENDED ACTION:**

Approve the Memorandum Of Understanding with Dublin, Livermore Valley Joint, and Pleasanton Unified School Districts

**INFORMATIONAL BACKGROUND:**

The California Department of Education has allocated \$900 million over the next three years for a CTE Incentive Grant. Funds for this grant will have to be matched with cash dollars in over the three years of the grant. Year one is a 1:1 match, year two is a 1.5:1 match, and year three is a 2:1 match. The allocation of funds will be determined based on 7-12 grade ADA P-2 reporting from 2014-2015, CTE participation and additional positive considerations will be given for following factors: new to CTE, unduplicated count, high dropout, high unemployment, use of other CTE funds (Perkins, Ag, CPA), engage in regional collaboration with postsecondary education or other LEAs, significant investment in CTE, and rural schools.

JPA ROP's are eligible to apply as the fiscal lead for the grant as long as there is an MOU in place among the participating districts and the ROP. This MOU will serve as the agreement among the districts and the ROP that will enable us to move forward with this grant application as a consortium.

**FISCAL IMPACT:**

Unknown at this time.

**SUPPORTING DOCUMENTS:**

- Memorandum of Understanding for a Joint Powers Authority for participation in the Career Technical Education Incentive Grant (CTEIG)

Moved by:

Seconded by:

Passed by:

Memorandum of Understanding (MOU)  
for a Joint Powers Authority  
for participation in the Career Technical Education Incentive Grant (CTEIG)

Names of Participating Local Educational Agencies (LEAs):

Dublin Unified School District  
Livermore Valley Joint Unified School District  
Pleasanton Unified School District

Tri-Valley Regional Occupational Program

This MOU is established to assist multiple LEAs in their regional area to provide a more comprehensive Career Technical Education (CTE) program offering to more students. The MOU is comprised of the LEAs listed above. This agreement will become effective upon receipt of this document with original signatures of the Superintendent or Authorized Designee from each of the participating LEAs and will extend through the duration of the state CTEIG funding, or until revised or disbanded by the participating LEAs.

1. As the administrative agency and fiscal lead for the JPA, **Tri-Valley ROP** will receive and administer the JPA's allocated funds, and submit the necessary plans, applications, and all fiscal claims to the California Department of Education (CDE). Each of the LEAs participating in the JPA will cooperate in the development of these documents and will provide timely responses to the request for information and data.
2. Each member of the JPA will release the Average Daily Attendance (ADA) of their students in their district that will participate in the JPA's CTE programs to determine funding for this specific CTEIG funding structure. The JPA will report only those students' ADA that the member has released for the purpose of determining the grant allocation award. Each member and fiscal agent will submit data on CTE students according to what they are claiming or releasing of ADA for the grant funding structure of ADA, as outlined in Education Code (EC) Section 53071, (B), i-v.

Each member of the MOU and fiscal lead agency will sign all grant assurances and comply with all requirements as a grant recipient for the CTEIG funding, as outlined in EC Section 53071.

In accordance with the CTEIG program, EC Section 53070, (b) Of the amounts appropriated in paragraphs (1) through (3), inclusive, of subdivision (a), 4 percent is designated for applicants with average daily attendance of less than or equal to 140, 8 percent is designated for applicants with average daily attendance of more than 140 and less than or equal to 550, and 88 percent is designated for applicants with average daily attendance of more than 550.

For purposes of this section, average daily attendance shall be those figures that are reported at the time of the second principal apportionment for the previous fiscal year for pupils in grades 7 to 12, inclusive.

For any applicant consisting of more than one school district, county office of education, charter school, or regional occupational center or program operated by a joint powers authority, or of any combination of those entities, the sum of the average daily attendance for each of the constituent entities shall be used for purposes of this subdivision.

Tri-Valley ROP may claim indirect costs incurred based on the approved state rate.

As evidenced by the accompanying Superintendent or Authorized Designee signatures, each of the JPA's participating LEAs agrees to the conditions set forth in this Memorandum of Understanding:

Dublin Unified  
LEA Name \_\_\_\_\_  
Authorized Signature Stephen Hunshe  
Date 11/17/15

Livermore Valley Joint Unified  
LEA Name \_\_\_\_\_  
Authorized Signature Kyle B.  
Date 11/18/15

Pleasanton Unified  
LEA Name \_\_\_\_\_  
Authorized Signature Jim Hansen  
Date 11/10/15

Tri-Valley ROP  
LEA Name \_\_\_\_\_  
Authorized Signature \_\_\_\_\_  
Date \_\_\_\_\_



TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM  
JOINT POWERS GOVERNING BOARD MEETING  
DECEMBER 9, 2016

**INFORMATION ITEM - 7.1**

**AGENDA ITEM:**

7.1 - Corrections Program - Santa Rita Jail Update

**INFORMATIONAL BACKGROUND:**

Staff will provide the Board with an update on funding, programs and staffing for the Adults in Corrections Program.

**FISCAL IMPACT:**

None

**SUPPORTING DOCUMENTS:**

None





TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM  
JOINT POWERS GOVERNING BOARD MEETING  
DECEMBER 9, 2016

**ACTION ITEM – 7.2**

**AGENDA ITEM:**

7.2 – Approval of the 2015-2016 First Interim Report

**RECOMMENDED ACTION:**

Approve the First Interim Report, as presented.

**BACKGROUND:**

The California Department of Education requires submission of two certified financial interim reports per fiscal year; the First Interim Financial Report as of October 31, 2015, and the Second Interim Financial Report as of January 31, 2016.

The First Interim Report for 2015-2016 is submitted to the Board for approval. The information provided in the First Interim Financial Report accounts for the changes made to the budget between the July 1 Adopted Budget and the closure of the accounting period of October 31, 2015, using the most current information available. The report projects the TVROP will end the year with a fund balance of \$1,431,417.40. Of this, \$20,000 is designated for the revolving fund and \$278,734.00 is a 5% reserve for economic uncertainty. The remaining \$759,500.40 is undesignated at this time.

**FISCAL IMPACT:**

Tri-Valley ROP's 2015-2016 projected revenue is \$5,082,608 and projected expenses are \$5,574,685 offset by \$278,734 of reserve.

**SUPPORTING DOCUMENTS:**

- First Interim Detail
- Changes in Fund Balance
- Multi-Year Projection
- Interim Certification
- Cash Flow Worksheets
- Criteria and Standards
- Technical Review

NOTICE OF CRITERIA AND STANDARDS REVIEW. This interim report was based upon and reviewed using the state-adopted Criteria and Standards. (Pursuant to Education Code (EC) sections 33129, 41023, and 42130)

Signed: \_\_\_\_\_ Date: \_\_\_\_\_  
JPA Administrator or Designee

NOTICE OF INTERIM REVIEW. All action shall be taken on this report during a regular or authorized special meeting of the governing board.

To the County Superintendent of Schools:

This interim report and certification of financial condition are hereby filed by the governing board of the JPA. (Pursuant to EC sections 41023 and 42131)

Meeting Date: December 09, 2015 Signed: \_\_\_\_\_  
President of the Governing Board

**CERTIFICATION OF FINANCIAL CONDITION**

**POSITIVE CERTIFICATION**

As President of the Governing Board of this JPA, I certify that based upon current projections this JPA will meet its financial obligations for the current fiscal year and subsequent two fiscal years.

**QUALIFIED CERTIFICATION**

As President of the Governing Board of this JPA, I certify that based upon current projections this JPA may not meet its financial obligations for the current fiscal year or two subsequent fiscal years.

**NEGATIVE CERTIFICATION**

As President of the Governing Board of this JPA, I certify that based upon current projections this JPA will be unable to meet its financial obligations for the remainder of the current fiscal year or for the subsequent fiscal year.

Contact person for additional information on the interim report:

Name: Laura Johnson Telephone: 925-606-3252  
Title: LVJUSD Budget Specialist E-mail: ljohnson@lvjUSD.k12.ca.us

**Criteria and Standards Review Summary**

The following summary is automatically completed based on data provided in the Criteria and Standards Review form (Form 01CSI). Criteria and standards that are "Not Met," and supplemental information and additional fiscal indicators that are "Yes," may indicate areas of potential concern, which could affect the interim report certification, and should be carefully reviewed.

CRITERIA AND STANDARDS			Met	Not Met
1	Average Daily Attendance	This criterion is not checked for JPAs.	n/a	

CRITERIA AND STANDARDS (continued)			Met	Not Met
2	Enrollment	This criterion is not checked for JPAs.	n/a	
3	ADA to Enrollment	This criterion is not checked for JPAs.	n/a	
4	Local Control Funding Formula (LCFF)	This criterion is not checked for JPAs.	n/a	
5	Salaries and Benefits	Projected ratio of total salaries and benefits to total general fund expenditures has not changed by more than the standard for the current and two subsequent fiscal years.	X	
6a	Other Revenues	Projected operating revenues (federal, other state, other local) for the current and two subsequent fiscal years have not changed by more than five percent since budget adoption.	X	
6b	Other Expenditures	Projected operating expenditures (books and supplies, services and other expenditures) for the current and two subsequent fiscal years have not changed by more than five percent since budget adoption.	X	
7	Ongoing and Major Maintenance Account	This criterion is not checked for JPAs.	n/a	
8	Deficit Spending	Deficit spending, if any, has not exceeded the standard in any of the current or two subsequent fiscal years.		X
9a	Fund Balance	Projected general fund balance will be positive at the end of the current and two subsequent fiscal years.	X	
9b	Cash Balance	Projected general fund cash balance will be positive at the end of the current fiscal year.	X	
10	Reserves	Available reserves (e.g., reserve for economic uncertainties, unassigned/unappropriated amounts) meet minimum requirements for the current and two subsequent fiscal years.	X	

SUPPLEMENTAL INFORMATION			No	Yes
S1	Contingent Liabilities	Have any known or contingent liabilities (e.g., financial or program audits, litigation, state compliance reviews) occurred since budget adoption that may impact the budget?	X	
S2	Using One-time Revenues to Fund Ongoing Expenditures	Are there ongoing general fund expenditures funded with one-time revenues that have changed since budget adoption by more than five percent?	X	
S3	Temporary Interfund Borrowings	Are there projected temporary borrowings between funds?	X	
S4	Contingent Revenues	Are any projected revenues for any of the current or two subsequent fiscal years contingent on reauthorization by the local government, special legislation, or other definitive act (e.g., parcel taxes, forest reserves)?		X
S5	Contributions	Have transfers to or from the general fund to cover operating deficits changed since budget adoption by more than \$20,000 and more than 5% for any of the current or two subsequent fiscal years?	X	

SUPPLEMENTAL INFORMATION (continued)			No	Yes
S6	Long-term Commitments	Does the JPA have long-term (multiyear) commitments or debt agreements?	X	
		• If yes, have annual payments for the current or two subsequent fiscal years increased over prior year's (2014-15) annual payment?	n/a	
		• If yes, will funding sources used to pay long-term commitments decrease or expire prior to the end of the commitment period, or are they one-time sources?	n/a	
S7a	Postemployment Benefits Other than Pensions	Does the JPA provide postemployment benefits other than pensions (OPEB)?	X	
		• If yes, have there been changes since budget adoption in OPEB liabilities?	n/a	
S7b	Other Self-insurance Benefits	Does the JPA operate any self-insurance programs (e.g., workers' compensation)?	X	
		• If yes, have there been changes since budget adoption in self-insurance liabilities?	n/a	
S8	Status of Labor Agreements	As of first interim projections, are salary and benefit negotiations still unsettled for:		
		• Certificated? (Section S8A, Line 1b)	n/a	
		• Classified? (Section S8B, Line 1b)	n/a	
		• Management/supervisor/confidential? (Section S8C, Line 1b)	n/a	
S9	Status of Other Funds	Are any funds other than the general fund projected to have a negative fund balance at the end of the current fiscal year?	n/a	

ADDITIONAL FISCAL INDICATORS			No	Yes
A1	Negative Cash Flow	Do cash flow projections show that the JPA will end the current fiscal year with a negative cash balance in the general fund?	X	
A2	Independent Position Control	Is personnel position control independent from the payroll system?		X
A3	Declining Enrollment	Is enrollment decreasing in both the prior and current fiscal years?	n/a	
A4	New Charter Schools Impacting JPA's Enrollment	Are any new charter schools operating in JPA boundaries that are impacting the JPA's enrollment, either in the prior or current fiscal years?	n/a	
A5	Salary Increases Exceed COLA	Has the JPA entered into a bargaining agreement where any of the current or subsequent fiscal years of the agreement would result in salary increases that are expected to exceed the projected state funded cost-of-living adjustment?	X	
A6	Uncapped Health Benefits	Does the JPA provide uncapped (100% employer paid) health benefits for current or retired employees?	X	
A7	Independent Financial System	Is the JPA's financial system independent from the county office system?		X
A8	Fiscal Distress Reports	Does the JPA have any reports that indicate fiscal distress? If yes, provide copies to the COE, pursuant to EC 42127.6(a).	X	
A9	Change of JPA Director or Financial Official	Have there been personnel changes in the JPA director or financial official positions within the last 12 months?	X	

2015-16 First Interim  
Change Detail

REVENUE	CHANGE
Federal-Carl Perkins	\$ (59,147)
State-STRS BuyBack	\$ 136,995
TOTAL	\$ 77,848

EXPENDITURES	CHANGE
Adjust Certificated Salaries	\$ 5,895
Benefits (STRS)	\$ 125,787
Supplies (Perkins)	\$ (3,585)
Services (Perkins)	\$ (55,562)
TOTAL	\$ 72,535

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff Column B & D (F)
<b>A. REVENUES</b>								
1) LCFF Sources		8010-8099	0.00	0.00	0.00	0.00	0.00	0.0%
2) Federal Revenue		8100-8299	176,948.00	176,948.00	0.00	117,801.00	(59,147.00)	-33.4%
3) Other State Revenue		8300-8599	0.00	0.00	29,532.00	136,995.00	136,995.00	New
4) Other Local Revenue		8600-8799	4,827,812.00	4,827,812.00	1,222,907.02	4,827,812.00	0.00	0.0%
5) TOTAL, REVENUES			5,004,760.00	5,004,760.00	1,252,439.02	5,082,608.00		
<b>B. EXPENDITURES</b>								
1) Certificated Salaries		1000-1999	2,768,197.00	2,768,197.00	857,911.36	2,774,092.00	(5,895.00)	-0.2%
2) Classified Salaries		2000-2999	452,326.00	452,326.00	126,429.08	452,326.00	0.00	0.0%
3) Employee Benefits		3000-3999	549,865.00	549,865.00	166,456.22	675,652.00	(125,787.00)	-22.9%
4) Books and Supplies		4000-4999	517,609.00	517,609.00	202,270.01	514,024.00	3,585.00	0.7%
5) Services and Other Operating Expenditures		5000-5999	1,214,153.00	1,214,153.00	108,360.80	1,158,591.00	55,562.00	4.6%
6) Capital Outlay		6000-6999	0.00	0.00	0.00	0.00	0.00	0.0%
7) Other Outgo (excluding Transfers of Indirect Costs)		7100-7299, 7400-7499	0.00	0.00	0.00	0.00	0.00	0.0%
8) Other Outgo - Transfers of Indirect Costs		7300-7399	0.00	0.00	0.00	0.00	0.00	0.0%
9) TOTAL, EXPENDITURES			5,502,150.00	5,502,150.00	1,461,427.47	5,574,685.00		
<b>C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)</b>			(497,390.00)	(497,390.00)	(208,988.45)	(492,077.00)		
<b>D. OTHER FINANCING SOURCES/USES</b>								
1) Interfund Transfers								
a) Transfers In		8900-8929	0.00	0.00	0.00	0.00	0.00	0.0%
b) Transfers Out		7600-7629	0.00	0.00	0.00	0.00	0.00	0.0%
2) Other Sources/Uses								
a) Sources		8930-8979	0.00	0.00	0.00	0.00	0.00	0.0%
b) Uses		7630-7699	0.00	0.00	0.00	0.00	0.00	0.0%
3) Contributions		8980-8999	0.00	0.00	0.00	0.00	0.00	0.0%
4) TOTAL, OTHER FINANCING SOURCES/USES			0.00	0.00	0.00	0.00		

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff Column B & D (F)
<b>E. NET INCREASE (DECREASE) IN FUND BALANCE (C + D4)</b>			(497,390.00)	(497,390.00)	(208,988.45)	(492,077.00)		
<b>F. FUND BALANCE, RESERVES</b>								
1) Beginning Fund Balance								
a) As of July 1 - Unaudited		9791	1,923,494.40	1,923,494.40		1,923,494.40	0.00	0.0%
b) Audit Adjustments		9793	0.00	0.00		0.00	0.00	0.0%
c) As of July 1 - Audited (F1a + F1b)			1,923,494.40	1,923,494.40		1,923,494.40		
d) Other Restatements		9795	0.00	0.00		0.00	0.00	0.0%
e) Adjusted Beginning Balance (F1c + F1d)			1,923,494.40	1,923,494.40		1,923,494.40		
2) Ending Balance, June 30 (E + F1e)			1,426,104.40	1,426,104.40		1,431,417.40		
Components of Ending Fund Balance								
a) Nonspendable								
Revolving Cash		9711	20,000.00	20,000.00		20,000.00		
Stores		9712	0.00	0.00		0.00		
Prepaid Expenditures		9713	0.00	0.00		0.00		
All Others		9719	0.00	0.00		0.00		
b) Restricted		9740	0.00	0.00		0.00		
c) Committed								
Stabilization Arrangements		9750	0.00	0.00		0.00		
Other Commitments		9760	0.00	0.00		0.00		
d) Assigned								
Other Assignments		9780	373,183.00	373,183.00		373,183.00		
e) Unassigned/Unappropriated								
Reserve for Economic Uncertainties		9789	275,108.00	275,108.00		278,734.00		
Unassigned/Unappropriated Amount		9790	757,813.40	757,813.40		759,500.40		

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff Column B & D (F)
<b>FEDERAL REVENUE</b>								
Special Education Discretionary Grants		8182	0.00	0.00	0.00	0.00	0.00	0.0%
Child Nutrition Programs		8220	0.00	0.00	0.00	0.00	0.00	0.0%
Interagency Contracts Between LEAs		8285	0.00	0.00	0.00	0.00	0.00	0.0%
Pass-Through Revenues From Federal Sources		8287	0.00	0.00	0.00	0.00	0.00	0.0%
No Child Left Behind	4036	8290	0.00	0.00	0.00	0.00	0.00	0.0%
Vocational and Applied Technology Education	3500-3699	8290	134,003.00	134,003.00	0.00	74,856.00	(59,147.00)	-44.1%
Safe and Drug Free Schools	3700-3799	8290	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Federal Revenue	All Other	8290	42,945.00	42,945.00	0.00	42,945.00	0.00	0.0%
<b>TOTAL, FEDERAL REVENUE</b>			<b>176,948.00</b>	<b>176,948.00</b>	<b>0.00</b>	<b>117,801.00</b>	<b>(59,147.00)</b>	<b>-33.4%</b>
<b>OTHER STATE REVENUE</b>								
Other State Apportionments								
All Other State Apportionments - Current Year		8311	0.00	0.00	0.00	0.00	0.00	0.0%
All Other State Apportionments - Prior Years		8319	0.00	0.00	0.00	0.00	0.00	0.0%
Child Nutrition Programs		8520	0.00	0.00	0.00	0.00	0.00	0.0%
Mandated Costs Reimbursements		8550	0.00	0.00	0.00	0.00	0.00	0.0%
Pass-Through Revenues from State Sources		8587	0.00	0.00	0.00	0.00	0.00	0.0%
All Other State Revenue		8590	0.00	0.00	29,532.00	136,995.00	136,995.00	New
<b>TOTAL, OTHER STATE REVENUE</b>			<b>0.00</b>	<b>0.00</b>	<b>29,532.00</b>	<b>136,995.00</b>	<b>136,995.00</b>	<b>New</b>
<b>OTHER LOCAL REVENUE</b>								
Sales								
Sale of Equipment/Supplies		8631	0.00	0.00	0.00	0.00	0.00	0.0%
Sale of Publications		8632	0.00	0.00	0.00	0.00	0.00	0.0%
Food Service Sales		8634	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Sales		8639	0.00	0.00	0.00	0.00	0.00	0.0%
Leases and Rentals		8650	0.00	0.00	0.00	0.00	0.00	0.0%
Interest		8660	2,000.00	2,000.00	0.00	2,000.00	0.00	0.0%
Net Increase (Decrease) in the Fair Value of Investments		8662	0.00	0.00	0.00	0.00	0.00	0.0%
Fees and Contracts								
Adult Education Fees		8671	0.00	0.00	0.00	0.00	0.00	0.0%
In-District Premiums/Contributions		8674	0.00	0.00	0.00	0.00	0.00	0.0%
Transportation Fees From Individuals		8675	0.00	0.00	0.00	0.00	0.00	0.0%
Interagency Services		8677	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Fees and Contracts		8689	1,341,390.00	1,341,390.00	463,992.87	1,341,390.00	0.00	0.0%
Other Local Revenue								
Pass-Through Revenues From Local Sources		8697	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Local Revenue		8699	0.00	0.00	6,718.15	0.00	0.00	0.0%
Tuition		8710	0.00	0.00	0.00	0.00	0.00	0.0%



Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff Column B & D (F)
All Other Transfers In		8781-8783	2,774,371.00	2,774,371.00	629,662.00	2,774,371.00	0.00	0.0%
Transfers of Apportionments								
Special Education SELPA Transfers								
From Districts or Charter Schools	6500	8791	0.00	0.00	0.00	0.00	0.00	0.0%
From County Offices	6500	8792	0.00	0.00	0.00	0.00	0.00	0.0%
From JPAs	6500	8793	0.00	0.00	0.00	0.00	0.00	0.0%
ROC/P Transfers								
From Districts or Charter Schools	6360	8791	0.00	0.00	0.00	0.00	0.00	0.0%
From County Offices	6360	8792	0.00	0.00	0.00	0.00	0.00	0.0%
From JPAs	6360	8793	0.00	0.00	0.00	0.00	0.00	0.0%
Other Transfers of Apportionments								
From Districts or Charter Schools	All Other	8791	710,051.00	710,051.00	122,534.00	710,051.00	0.00	0.0%
From County Offices	All Other	8792	0.00	0.00	0.00	0.00	0.00	0.0%
From JPAs	All Other	8793	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Transfers In from All Others		8799	0.00	0.00	0.00	0.00	0.00	0.0%
TOTAL, OTHER LOCAL REVENUE			4,827,812.00	4,827,812.00	1,222,907.02	4,827,812.00	0.00	0.0%
TOTAL, REVENUES			5,004,780.00	5,004,760.00	1,252,439.02	5,082,608.00		

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff Column B & D (F)
<b>CERTIFICATED SALARIES</b>								
Certificated Teachers' Salaries		1100	2,230,783.00	2,230,783.00	669,298.44	2,230,783.00	0.00	0.0%
Certificated Pupil Support Salaries		1200	0.00	0.00	0.00	0.00	0.00	0.0%
Certificated Supervisors' and Administrators' Salaries		1300	537,414.00	537,414.00	183,612.92	543,309.00	(5,895.00)	-1.1%
Other Certificated Salaries		1900	0.00	0.00	5,000.00	0.00	0.00	0.0%
<b>TOTAL, CERTIFICATED SALARIES</b>			<b>2,768,197.00</b>	<b>2,768,197.00</b>	<b>857,911.36</b>	<b>2,774,092.00</b>	<b>(5,895.00)</b>	<b>-0.2%</b>
<b>CLASSIFIED SALARIES</b>								
Classified Instructional Salaries		2100	0.00	0.00	0.00	0.00	0.00	0.0%
Classified Support Salaries		2200	238,290.00	238,290.00	63,902.20	238,290.00	0.00	0.0%
Classified Supervisors' and Administrators' Salaries		2300	70,041.00	70,041.00	23,979.68	70,041.00	0.00	0.0%
Clerical, Technical and Office Salaries		2400	137,995.00	137,995.00	36,747.20	137,995.00	0.00	0.0%
Other Classified Salaries		2900	6,000.00	6,000.00	1,800.00	6,000.00	0.00	0.0%
<b>TOTAL, CLASSIFIED SALARIES</b>			<b>452,326.00</b>	<b>452,326.00</b>	<b>126,429.08</b>	<b>452,326.00</b>	<b>0.00</b>	<b>0.0%</b>
<b>EMPLOYEE BENEFITS</b>								
STRS		3101-3102	270,046.00	270,046.00	85,690.83	407,963.00	(137,917.00)	-51.1%
PERS		3201-3202	69,111.00	69,111.00	19,701.35	69,111.00	0.00	0.0%
OASDI/Medicare/Alternative		3301-3302	100,500.00	100,500.00	24,173.35	83,445.00	17,055.00	17.0%
Health and Welfare Benefits		3401-3402	0.00	0.00	624.88	4,345.00	(4,345.00)	New
Unemployment Insurance		3501-3502	1,603.00	1,603.00	490.26	1,615.00	(12.00)	-0.7%
Workers' Compensation		3601-3602	108,605.00	108,605.00	35,775.55	109,173.00	(568.00)	-0.5%
OPEB, Allocated		3701-3702	0.00	0.00	0.00	0.00	0.00	0.0%
OPEB, Active Employees		3751-3752	0.00	0.00	0.00	0.00	0.00	0.0%
Other Employee Benefits		3901-3902	0.00	0.00	0.00	0.00	0.00	0.0%
<b>TOTAL, EMPLOYEE BENEFITS</b>			<b>549,865.00</b>	<b>549,865.00</b>	<b>166,456.22</b>	<b>675,652.00</b>	<b>(125,787.00)</b>	<b>-22.9%</b>
<b>BOOKS AND SUPPLIES</b>								
Approved Textbooks and Core Curricula Materials		4100	0.00	0.00	0.00	0.00	0.00	0.0%
Books and Other Reference Materials		4200	0.00	0.00	0.00	0.00	0.00	0.0%
Materials and Supplies		4300	415,609.00	415,609.00	132,167.32	412,024.00	3,585.00	0.9%
Noncapitalized Equipment		4400	102,000.00	102,000.00	70,102.69	102,000.00	0.00	0.0%
Food		4700	0.00	0.00	0.00	0.00	0.00	0.0%
<b>TOTAL, BOOKS AND SUPPLIES</b>			<b>517,609.00</b>	<b>517,609.00</b>	<b>202,270.01</b>	<b>514,024.00</b>	<b>3,585.00</b>	<b>0.7%</b>

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff Column B & D (F)
<b>SERVICES AND OTHER OPERATING EXPENDITURES</b>								
Subagreements for Services		5100	0.00	0.00	0.00	0.00	0.00	0.0%
Travel and Conferences		5200	98,631.00	98,631.00	7,047.88	98,631.00	0.00	0.0%
Dues and Memberships		5300	3,000.00	3,000.00	6,981.00	6,585.00	(3,585.00)	-119.5%
Insurance		5400-5450	18,036.00	18,036.00	20,865.00	18,036.00	0.00	0.0%
Operations and Housekeeping Services		5500	0.00	0.00	0.00	0.00	0.00	0.0%
Rentals, Leases, Repairs, and Noncapitalized Improvements		5600	21,525.00	21,525.00	7,362.18	21,525.00	0.00	0.0%
Transfers of Direct Costs		5710	0.00	0.00	0.00	0.00	0.00	0.0%
Transfers of Direct Costs - Interfund		5750	0.00	0.00	0.00	0.00	0.00	0.0%
Professional/Consulting Services and Operating Expenditures		5800	1,058,261.00	1,058,261.00	63,071.76	999,114.00	59,147.00	5.6%
Communications		5900	14,700.00	14,700.00	3,032.98	14,700.00	0.00	0.0%
<b>TOTAL, SERVICES AND OTHER OPERATING EXPENDITURES</b>			<b>1,214,153.00</b>	<b>1,214,153.00</b>	<b>108,360.80</b>	<b>1,158,591.00</b>	<b>55,562.00</b>	<b>4.6%</b>
<b>CAPITAL OUTLAY</b>								
Land		6100	0.00	0.00	0.00	0.00	0.00	0.0%
Land Improvements		6170	0.00	0.00	0.00	0.00	0.00	0.0%
Buildings and Improvements of Buildings		6200	0.00	0.00	0.00	0.00	0.00	0.0%
Equipment		6400	0.00	0.00	0.00	0.00	0.00	0.0%
Equipment Replacement		6500	0.00	0.00	0.00	0.00	0.00	0.0%
<b>TOTAL, CAPITAL OUTLAY</b>			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>
<b>OTHER OUTGO (excluding Transfers of Indirect Costs)</b>								
<b>Tuition</b>								
Tuition, Excess Costs, and/or Deficit Payments Payments to Districts or Charter Schools		7141	0.00	0.00	0.00	0.00	0.00	0.0%
Payments to County Offices		7142	0.00	0.00	0.00	0.00	0.00	0.0%
Payments to JPAs		7143	0.00	0.00	0.00	0.00	0.00	0.0%
<b>Other Transfers Out</b>								
Transfers of Pass-Through Revenues To Districts or Charter Schools		7211	0.00	0.00	0.00	0.00	0.00	0.0%
To County Offices		7212	0.00	0.00	0.00	0.00	0.00	0.0%
To JPAs		7213	0.00	0.00	0.00	0.00	0.00	0.0%
Special Education SELPA Transfers of Apportionments To Districts or Charter Schools	6500	7221	0.00	0.00	0.00	0.00	0.00	0.0%
To County Offices	6500	7222	0.00	0.00	0.00	0.00	0.00	0.0%
To JPAs	6500	7223	0.00	0.00	0.00	0.00	0.00	0.0%
ROC/P Transfers of Apportionments To Districts or Charter Schools	6360	7221	0.00	0.00	0.00	0.00	0.00	0.0%
To County Offices	6360	7222	0.00	0.00	0.00	0.00	0.00	0.0%
To JPAs	6360	7223	0.00	0.00	0.00	0.00	0.00	0.0%
Other Transfers of Apportionments	All Other	7221-7223	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Transfers		7281-7283	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Transfers Out to All Others		7299	0.00	0.00	0.00	0.00	0.00	0.0%
<b>Debt Service</b>								
Debt Service - Interest		7438	0.00	0.00	0.00	0.00	0.00	0.0%
Other Debt Service - Principal		7439	0.00	0.00	0.00	0.00	0.00	0.0%
<b>TOTAL, OTHER OUTGO (excluding Transfers of Indirect Costs)</b>			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff Column B & D (F)
OTHER OUTGO - TRANSFERS OF INDIRECT COSTS								
Transfers of Indirect Costs		7310	0.00	0.00	0.00	0.00	0.00	0.0%
Transfers of Indirect Costs - Interfund		7350	0.00	0.00	0.00	0.00	0.00	0.0%
TOTAL, OTHER OUTGO - TRANSFERS OF INDIRECT COSTS			0.00	0.00	0.00	0.00	0.00	0.0%
TOTAL, EXPENDITURES			5,502,150.00	5,502,150.00	1,461,427.47	5,574,685.00		

Description	Resource Codes	Object Codes	Original Budget (A)	Board Approved Operating Budget (B)	Actuals To Date (C)	Projected Year Totals (D)	Difference (Col B & D) (E)	% Diff Column B & D (F)
<b>INTERFUND TRANSFERS</b>								
<b>INTERFUND TRANSFERS IN</b>								
From: Special Reserve Fund		8912	0.00	0.00	0.00	0.00	0.00	0.0%
Other Authorized Interfund Transfers In		8919	0.00	0.00	0.00	0.00	0.00	0.0%
<b>(a) TOTAL, INTERFUND TRANSFERS IN</b>			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>
<b>INTERFUND TRANSFERS OUT</b>								
To: Special Reserve Fund		7612	0.00	0.00	0.00	0.00	0.00	0.0%
To: State School Building Fund/ County School Facilities Fund		7613	0.00	0.00	0.00	0.00	0.00	0.0%
To: Cafeteria Fund		7616	0.00	0.00	0.00	0.00	0.00	0.0%
Other Authorized Interfund Transfers Out		7619	0.00	0.00	0.00	0.00	0.00	0.0%
<b>(b) TOTAL, INTERFUND TRANSFERS OUT</b>			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>
<b>OTHER SOURCES/USES</b>								
<b>SOURCES</b>								
Long-Term Debt Proceeds								
Proceeds from Certificates of Participation		8971	0.00	0.00	0.00	0.00	0.00	0.0%
Proceeds from Capital Leases		8972	0.00	0.00	0.00	0.00	0.00	0.0%
Proceeds from Lease Revenue Bonds		8973	0.00	0.00	0.00	0.00	0.00	0.0%
All Other Financing Sources		8979	0.00	0.00	0.00	0.00	0.00	0.0%
<b>(c) TOTAL, SOURCES</b>			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>
<b>USES</b>								
All Other Financing Uses		7699	0.00	0.00	0.00	0.00	0.00	0.0%
<b>(d) TOTAL, USES</b>			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>
<b>CONTRIBUTIONS</b>								
Contributions from Unrestricted Revenues		8980	0.00	0.00	0.00	0.00	0.00	0.0%
Contributions from Restricted Revenues		8990	0.00	0.00	0.00	0.00	0.00	0.0%
<b>(e) TOTAL, CONTRIBUTIONS</b>			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>
<b>TOTAL, OTHER FINANCING SOURCES/USES (a - b + c - d + e)</b>			<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>		

Object	Beginning Balance (Car Only)	July	August	September	October	November	December	January	February
		ACTUALS THROUGH THE MONTH OF (Enter Month Name):							
<b>A. BEGINNING CASH</b>									
<b>B. RECEIPTS</b>		1,862,571.69	1,647,203.70	1,713,413.61	1,904,936.25	1,887,818.75	1,736,939.22	1,261,065.94	1,344,192.66
LCFF/Revenue Limit Sources									
Principal Apportionment	8010-8019								
Property Taxes	8020-8079								
Miscellaneous Funds	8080-8099								
Federal Revenue	8100-8299								10,000.00
Other State Revenue	8300-8599	29,532.00							
Other Local Revenue	8600-8799	163,139.56	136,385.10	474,629.69	448,752.67	331,081.36	467,689.09	467,689.09	467,689.09
Interfund Transfers In	8910-8929								
All Other Financing Sources	8930-8979								
<b>TOTAL RECEIPTS</b>		192,671.56	136,385.10	474,629.69	448,752.67	331,081.36	467,689.09	467,689.09	477,689.09
<b>C. DISBURSEMENTS</b>									
Certificated Salaries	1000-1999	146,251.03	225,351.60	241,277.95	245,030.78	236,861.24	239,902.77	239,902.77	239,902.77
Classified Salaries	2000-2999	13,191.77	35,132.10	36,336.33	41,768.88	37,230.84	41,239.01	41,239.01	41,239.01
Employee Benefits	3000-3999	26,871.39	44,228.70	46,738.84	48,617.29	45,988.91	66,172.41	66,172.41	66,172.41
Books and Supplies	4000-4999	44,517.62	23,944.33	65,311.53	68,496.53	128,016.73	26,248.18	26,248.18	26,248.18
Services	5000-5999	26,062.84	13,182.97	37,450.06	31,664.93	42,063.11	570,000.00	11,000.00	171,083.55
Capital Outlay	6000-6599								
Other Outgo	7000-7499								
Interfund Transfers Out	7600-7629								
All Other Financing Uses	7630-7699								
<b>TOTAL DISBURSEMENTS</b>		256,894.65	341,839.70	427,114.71	435,578.41	490,160.83	943,562.37	384,562.37	544,645.92
<b>D. BALANCE SHEET ITEMS</b>									
<u>Assets and Deferred Outflows</u>									
Cash Not In Treasury	9111-9199	20,000.00							
Accounts Receivable	9200-9299	(432,891.65)	267,905.29	133,391.74	3,447.89	0.00			
Due From Other Funds	9310								
Stores	9320								
Prepaid Expenditures	9330								
Other Current Assets	9340								
Deferred Outflows of Resources	9490								
<b>SUBTOTAL</b>		20,000.00	(432,891.65)	267,905.29	133,391.74	3,447.89	0.00	0.00	0.00
<u>Liabilities and Deferred Inflows</u>									
Accounts Payable	9500-9599	(440,556.31)	(3,759.22)	(10,615.92)	33,739.65	(8,199.94)			
Due To Other Funds	9610								
Current Loans	9640								
Unearned Revenues	9650	158,809.56							
Deferred Inflows of Resources	9690								
<b>SUBTOTAL</b>		0.00	(281,746.75)	(3,759.22)	(10,615.92)	33,739.65	(8,199.94)	0.00	0.00
<u>Nonoperating</u>									
Suspense Clearing	9910								
<b>TOTAL BALANCE SHEET ITEMS</b>		20,000.00	(151,144.90)	271,664.51	144,007.66	(30,291.76)	8,199.94	0.00	0.00
<b>E. NET INCREASE/DECREASE (B - C + D)</b>		(215,367.99)	66,209.91	191,522.64	(17,117.50)	(150,879.53)	(475,873.28)	83,126.72	(66,956.83)
<b>F. ENDING CASH (A + E)</b>		1,647,203.70	1,713,413.61	1,904,936.25	1,887,818.75	1,736,939.22	1,261,065.94	1,344,192.66	1,277,235.83
<b>G. ENDING CASH, PLUS CASH ACCRUALS AND ADJUSTMENTS</b>									

	Object	March	April	May	June	Accruals	Adjustments	TOTAL	BUDGET
ACTUALS THROUGH THE MONTH OF (Enter Month Name):									
<b>A. BEGINNING CASH</b>									
		1,277,235.83	1,341,362.55	1,510,489.27	1,582,416.99				
<b>B. RECEIPTS</b>									
LCFF/Revenue Limit Sources									
Principal Apportionment	8010-8019							0.00	0.00
Property Taxes	8020-8079							0.00	0.00
Miscellaneous Funds	8080-8099							0.00	0.00
Federal Revenue	8100-8299		100,000.00	7,801.00				117,801.00	117,801.00
Other State Revenue	8300-8599				107,463.00			136,995.00	136,995.00
Other Local Revenue	8600-8799	467,689.09	467,689.09	467,689.09	467,689.08			4,827,812.00	4,827,812.00
Interfund Transfers In	8910-8929							0.00	0.00
All Other Financing Sources	8930-8979							0.00	0.00
<b>TOTAL RECEIPTS</b>		<b>467,689.09</b>	<b>567,689.09</b>	<b>475,490.09</b>	<b>575,152.08</b>	<b>0.00</b>	<b>0.00</b>	<b>5,082,608.00</b>	<b>5,082,608.00</b>
<b>C. DISBURSEMENTS</b>									
Certificated Salaries	1000-1999	239,902.77	239,902.77	239,902.77	239,902.78			2,774,092.00	2,774,092.00
Classified Salaries	2000-2999	41,239.01	41,239.01	41,239.01	41,232.02			452,326.00	452,326.00
Employee Benefits	3000-3999	66,172.41	66,172.41	66,172.41	66,172.41			675,652.00	675,652.00
Books and Supplies	4000-4999	26,248.18	26,248.18	26,248.18	26,248.18			514,024.00	514,024.00
Services	5000-5999	30,000.00	25,000.00	30,000.00	171,983.54			1,158,591.00	1,158,591.00
Capital Outlay	6000-6599							0.00	0.00
Other Outgo	7000-7499							0.00	0.00
Interfund Transfers Out	7600-7629							0.00	0.00
All Other Financing Uses	7630-7699							0.00	0.00
<b>TOTAL DISBURSEMENTS</b>		<b>403,562.37</b>	<b>398,562.37</b>	<b>403,562.37</b>	<b>544,638.93</b>	<b>0.00</b>	<b>0.00</b>	<b>5,574,685.00</b>	<b>5,574,685.00</b>
<b>D. BALANCE SHEET ITEMS</b>									
<u>Assets and Deferred Outflows</u>									
Cash Not In Treasury	9111-9199							0.00	
Accounts Receivable	9200-9299							(28,146.73)	
Due From Other Funds	9310							0.00	
Stores	9320							0.00	
Prepaid Expenditures	9330							0.00	
Other Current Assets	9340							0.00	
Deferred Outflows of Resources	9490							0.00	
<b>SUBTOTAL</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>(28,146.73)</b>	
<u>Liabilities and Deferred Inflows</u>									
Accounts Payable	9500-9599							(429,391.74)	
Due To Other Funds	9610							0.00	
Current Loans	9640							0.00	
Unearned Revenues	9650							158,809.56	
Deferred Inflows of Resources	9690							0.00	
<b>SUBTOTAL</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>(270,582.18)</b>	
<u>Nonoperating</u>									
Suspense Clearing	9910							0.00	
<b>TOTAL BALANCE SHEET ITEMS</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>242,435.45</b>	
<b>E. NET INCREASE/DECREASE (B - C + D)</b>									
		64,126.72	169,126.72	71,927.72	30,513.15	0.00	0.00	(249,641.55)	(492,077.00)
<b>F. ENDING CASH (A + E)</b>									
		1,341,362.55	1,510,489.27	1,582,416.99	1,612,930.14				
<b>G. ENDING CASH, PLUS CASH ACCRUALS AND ADJUSTMENTS</b>									
								1,612,930.14	

			2015-16 First Interim	
			Multi-Year Projection	
Major Object			2016-17	2017-18
1000	Certificated Salaries	1.5% Certificated-Cost of Living Adjustment	\$ 41,611	\$ 42,836
1000		Middle College Program		\$ (141,330)
2000	Classified Salaries	1.5% Classified-Cost of Living Adjustment	\$ 6,785	\$ 6,887
2000		Middle College Program		\$ (48,460)
3000	Benefits	PERS & STRS Increase, Middle College Reduction	\$ 67,307	\$ 61,079
4000	Materials & Supplies	One Time New A-G Curriculum Expense	\$ (100,000)	
4000		One Time Technology Update	\$ (92,000)	
4000		One Time Furniture Needs	\$ (15,000)	
4000		Middle College Supplies	\$ 22,210	
4000		One Time Middle College Program		\$ (22,210)
5000	Services	One Time Staff Development for Technology	\$ (10,000)	\$ (40,000)
5000		One Time Publicity for New Program Start	\$ (5,000)	
5000		One Time Contracted Services		\$ (95,000)
Total Changes			\$ (84,087)	\$ (236,198)



Description	Object Codes	Projected Year Totals (Form 011) (A)	% Change (Cols. C-A/A) (B)	2016-17 Projection (C)	% Change (Cols. E-C/C) (D)	2017-18 Projection (E)
(Enter projections for subsequent years 1 and 2 in Columns C and E; current year - Column A - is extracted)						
<b>A. REVENUES AND OTHER FINANCING SOURCES</b>						
1. LCPF/Revenue Limit Sources	8010-8099					
2. Federal Revenues	8100-8299	117,801.00	0.17%	118,000.00	0.00%	118,000.00
3. Other State Revenues	8300-8599	136,995.00	0.00%	136,995.00	0.00%	136,995.00
4. Other Local Revenues	8600-8799	4,827,812.00	0.00%	4,827,812.00	0.00%	4,827,812.00
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	0.00	0.00%	0.00	0.00%	0.00
6. Total (Sum lines A1 thru A5c)		5,082,608.00	0.00%	5,082,807.00	0.00%	5,082,807.00
<b>B. EXPENDITURES AND OTHER FINANCING USES</b>						
1. Certificated Salaries						
a. Base Salaries				2,774,092.00		2,815,703.00
b. Step & Column Adjustment				0.00		0.00
c. Cost-of-Living Adjustment				41,611.00		42,836.00
d. Other Adjustments				0.00		(141,330.00)
e. Total Certificated Salaries (Sum lines B1a thru B1d)	1000-1999	2,774,092.00	1.50%	2,815,703.00	-3.50%	2,717,209.00
2. Classified Salaries						
a. Base Salaries				452,326.00		459,111.00
b. Step & Column Adjustment				0.00		0.00
c. Cost-of-Living Adjustment				6,785.00		6,887.00
d. Other Adjustments				0.00		(48,460.00)
e. Total Classified Salaries (Sum lines B2a thru B2d)	2000-2999	452,326.00	1.50%	459,111.00	-9.06%	417,538.00
3. Employee Benefits	3000-3999	675,652.00	9.96%	742,959.00	8.22%	804,038.00
4. Books and Supplies	4000-4999	514,024.00	-35.95%	329,234.00	-6.75%	307,024.00
5. Services and Other Operating Expenditures	5000-5999	1,158,591.00	-1.29%	1,143,591.00	-11.80%	1,008,591.00
6. Capital Outlay	6000-6999	0.00	0.00%	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	0.00	0.00%	0.00	0.00%	0.00
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 G below)				0.00		0.00
11. Total (Sum lines B1 thru B10)		5,574,685.00	-1.51%	5,490,598.00	-4.30%	5,254,400.00
<b>C. NET INCREASE (DECREASE) IN FUND BALANCE</b> (Line A6 minus line B11)						
		(492,077.00)		(407,791.00)		(171,593.00)
<b>D. FUND BALANCE</b>						
1. Net Beginning Fund Balance (Form 011, line F1e)		1,923,494.40		1,431,417.40		1,023,626.40
2. Ending Fund Balance (Sum lines C and D1)		1,431,417.40		1,023,626.40		852,033.40
3. Components of Ending Fund Balance (Form 011) (Enter estimated projections for subsequent years 1 and 2 in Columns C and E; current year - Column A - is extracted)						
a. Nonspendable	9710-9719	20,000.00		20,000.00		20,000.00
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	373,183.00		0.00		0.00
e. Unassigned/Unappropriated						
1. Reserve for Economic Uncertainties	9789	278,734.00		274,530.00		262,720.00
2. Unassigned/Unappropriated	9790	759,500.40		729,096.40		569,313.40
f. Total Components of Ending Fund Balance (Line D3f must agree with line D2)		1,431,417.40		1,023,626.40		852,033.40

Description	Object Codes	Projected Year Totals (Form 011) (A)	% Change (Cols. C-A/A) (B)	2016-17 Projection (C)	% Change (Cols. E-C/C) (D)	2017-18 Projection (E)
<b>E. AVAILABLE RESERVES</b>						
<b>1. General Fund</b>						
a. Stabilization Arrangements	9750	0.00		0.00		0.00
b. Reserve for Economic Uncertainties	9789	278,734.00		274,530.00		262,720.00
c. Unassigned/Unappropriated	9790	759,500.40		729,096.40		569,313.40
d. Negative Restricted Ending Balances (Negative resources 2000-9999) (Enter projections)	979Z			0.00		0.00
(Enter other reserve projections in Columns C and E for subsequent years 1 and 2; current year - Column A - is extracted.)						
<b>2. Special Reserve Fund - Noncapital Outlay (Fund 17)</b>						
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 E1a thru E2c)		1,038,234.40		1,003,626.40		832,033.40
4. Total Available Reserves - by Percent (Line E3 divided by Line F2)		18.62%		18.28%		15.83%
<b>F. RECOMMENDED RESERVES</b>						
<b>1. JPA ADA</b>						
Used to determine the reserve standard percentage level on Line F5 (Enter ADA for current and two subsequent years, if applicable)						
		0.00		0.00		0.00
2. Total Expenditures and Other Financing Uses (Line B11)		5,574,685.00		5,490,598.00		5,254,400.00
3. Less: Special Education Pass-through (Not applicable for JPAs)		N/A		N/A		N/A
4. Sub-Total (Line F2 minus F3)		5,574,685.00		5,490,598.00		5,254,400.00
5. Reserve Standard Percentage Level (Refer to Form 01CSI, Criterion 10 for calculation details)		5%		5%		5%
6. Reserve Standard - By Percent (Line F4 times F5)		278,734.25		274,529.90		262,720.00
7. Reserve Standard - By Amount (Refer to Form 01CSI, Criterion 10 for calculation details)		65,000.00		65,000.00		65,000.00
8. Reserve Standard (Greater of Line F6 or F7)		278,734.25		274,529.90		262,720.00
9. Available Reserves (Line E3) Meet the Reserve Standard (Line F8)		YES		YES		YES
<b>G. ASSUMPTIONS</b>						
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.						
B1d and B2d - Projected end of Middle College Program						

Provide methodology and assumptions used to estimate revenues, expenditures, reserves and fund balance, and multiyear commitments (including cost-of-living adjustments). Deviations from the standards must be explained and may affect the interim certification.

Note: This form is the same as the school district criteria and standards review except for the average daily attendance, enrollment, ADA to enrollment, LCFF revenue, and ongoing and major maintenance account criteria, which are not applicable to JPAs, and the salaries and benefits and deficit spending criteria which measure unrestricted expenditures for districts but total expenditures for JPAs. The criteria and standards review should be completed only to the extent that individual components apply to each JPA, and with concurrence from the reviewing agency.

---

## CRITERIA AND STANDARDS

---

1. **CRITERION: Average Daily Attendance**  
This criterion is not checked for JPAs.
2. **CRITERION: Enrollment**  
This criterion is not checked for JPAs.
3. **CRITERION: ADA to Enrollment**  
This criterion is not checked for JPAs.
4. **CRITERION: Local Control Funding Formula (LCFF) Revenue**  
This criterion is not checked for JPAs.

5. CRITERION: Salaries and Benefits

STANDARD: Projected ratio of total salaries and benefits to total general fund expenditures for any of the current fiscal year or two subsequent fiscal years has not changed from the historical average ratio from the three prior fiscal years by more than the greater of three percent or the JPA's required reserves percentage.

It is likely that for many JPAs the 2014-15 and 2015-16 change from the historical average ratio will exceed the standard because certain revenues that were restricted prior to the LCFF are now unrestricted within the LCFF.

5A. Calculating the JPA's Historical Average Ratio of Salaries and Benefits to Total General Fund Expenditures

DATA ENTRY: Unaudited Actuals data that exist for the First Prior Year will be extracted; otherwise, enter data for the First Prior Year. Unaudited Actuals data for the second and third prior years are preloaded.

Fiscal Year	Unaudited Actuals		Ratio of Salaries and Benefits to Total Expenditures
	Salaries and Benefits (Form 01, Objects 1000-3999)	Total Expenditures (Form 01, Objects 1000-7499)	
Third Prior Year (2012-13)	3,137,414.10	3,916,226.82	80.1%
Second Prior Year (2013-14)	2,883,317.10	3,625,164.05	79.5%
First Prior Year (2014-15)	3,184,366.19	5,623,156.79	56.6%
Historical Average Ratio:			72.1%

	Current Year (2015-16)	1st Subsequent Year (2016-17)	2nd Subsequent Year (2017-18)
JPA's Reserve Standard Percentage (Criterion 10B, Line 4):	5.0%	5.0%	5.0%
JPA's Salaries and Benefits Standard (historical average ratio, plus/minus the greater of 3% or the JPA's reserve standard percentage):	67.1% to 77.1%	67.1% to 77.1%	67.1% to 77.1%

5B. Calculating the JPA's Projected Ratio of Salaries and Benefits to Total General Fund Expenditures

DATA ENTRY: If Form MYPI exists, Projected Year Totals data for the two subsequent years will be extracted; if not, enter Projected Year Totals data. Projected Year Totals data for Current Year are extracted.

Fiscal Year	Projected Year Totals		Ratio of Salaries and Benefits to Total Expenditures	Status
	Salaries and Benefits (Form 011, Objects 1000-3999) (Form MYPI, Lines B1-B3)	Total Expenditures (Form 011, Objects 1000-7499) (Form MYPI, Lines B1-B8, B10)		
Current Year (2015-16)	3,902,070.00	5,574,685.00	70.0%	Met
1st Subsequent Year (2016-17)	4,017,773.00	5,490,598.00	73.2%	Met
2nd Subsequent Year (2017-18)	3,938,785.00	5,254,400.00	75.0%	Met

5C. Comparison of JPA Salaries and Benefits Ratio to the Standard

DATA ENTRY: Enter an explanation if the standard is not met.

- 1a. STANDARD MET - Ratio of total salaries and benefits to total expenditures has met the standard for the current year and two subsequent fiscal years.

Explanation:  
(required if NOT met)

**6. CRITERION: Other Revenues and Expenditures**

STANDARD: Projected operating revenues (including federal, other state and other local) or expenditures (including books and supplies, and services and other operating) for any of the current fiscal year or two subsequent fiscal years, have not changed by more than five percent since budget adoption.

Changes that exceed five percent in any major object category must be explained.

JPA's Other Revenues and Expenditures Standard Percentage Range:	-5.0% to +5.0%
JPA's Other Revenues and Expenditures Explanation Percentage Range:	-5.0% to +5.0%

**6A. Calculating the JPA's Change by Major Object Category and Comparison to the Explanation Percentage Range**

DATA ENTRY: Budget Adoption data that exist will be extracted; otherwise, enter data into the first column. First Interim data for Current Year are extracted. If First Interim Form MYPI exists, data for the two subsequent years will be extracted; if not, enter data for the two subsequent years into the second column.

Explanations must be entered for each category if the percent change for any year exceeds the JPA's explanation percentage range.

Object Range / Fiscal Year	Budget Adoption Budget (Form 01CS, Item 6B)	First Interim Projected Year Totals (Fund 01) (Form MYPI)	Percent Change	Change Is Outside Explanation Range
<b>Federal Revenue (Fund 01, Objects 8100-8299) (Form MYPI, Line A2)</b>				
Current Year (2015-16)	176,948.00	117,801.00	-33.4%	Yes
1st Subsequent Year (2016-17)	176,948.00	118,000.00	-33.3%	Yes
2nd Subsequent Year (2017-18)	176,948.00	118,000.00	-33.3%	Yes

Explanation  
(required if Yes)

Reduction in Carl Perkins Grant allocation

<b>Other State Revenue (Fund 01, Objects 8300-8599) (Form MYPI, Line A3)</b>				
Current Year (2015-16)	0.00	136,995.00	New	Yes
1st Subsequent Year (2016-17)	0.00	136,995.00	New	Yes
2nd Subsequent Year (2017-18)	0.00	136,995.00	New	Yes

Explanation  
(required if Yes)

New STRS giveback entry from the state-offset by additional STRS expense

<b>Other Local Revenue (Fund 01, Objects 8600-8799) (Form MYPI, Line A4)</b>				
Current Year (2015-16)	4,827,812.00	4,827,812.00	0.0%	No
1st Subsequent Year (2016-17)	4,760,012.00	4,827,812.00	1.4%	No
2nd Subsequent Year (2017-18)	4,709,162.00	4,827,812.00	2.5%	No

Explanation  
(required if Yes)

<b>Books and Supplies (Fund 01, Objects 4000-4999) (Form MYPI, Line B4)</b>				
Current Year (2015-16)	517,609.00	514,024.00	-0.7%	No
1st Subsequent Year (2016-17)	332,819.00	329,234.00	-1.1%	No
2nd Subsequent Year (2017-18)	291,079.00	307,024.00	5.5%	Yes

Explanation  
(required if Yes)

2017-18 Decrease due Middle College Program one time expenditures

<b>Services and Other Operating Expenditures (Fund 01, Objects 5000-5999) (Form MYPI, Line B5)</b>				
Current Year (2015-16)	1,214,153.00	1,158,591.00	-4.6%	No
1st Subsequent Year (2016-17)	1,185,697.00	1,143,591.00	-3.6%	No
2nd Subsequent Year (2017-18)	1,036,503.00	1,008,591.00	-2.7%	No

Explanation  
(required if Yes)

**6B. Calculating the JPA's Change in Total Operating Revenues and Expenditures**

DATA ENTRY: All data are extracted or calculated.

Object Range / Fiscal Year	Budget Adoption Budget	First Interim Projected Year Totals	Percent Change	Explanation Range
<b>Total Federal, Other State, and Other Local Revenues (Section 6A)</b>				
Current Year (2015-16)	5,004,760.00	5,082,608.00	1.6%	Met
1st Subsequent Year (2016-17)	4,936,960.00	5,082,807.00	3.0%	Met
2nd Subsequent Year (2017-18)	4,886,110.00	5,082,807.00	4.0%	Met
<b>Total Books and Supplies, and Services and Other Operating Expenditures (Section 6A)</b>				
Current Year (2015-16)	1,731,762.00	1,672,615.00	-3.4%	Met
1st Subsequent Year (2016-17)	1,518,516.00	1,472,825.00	-3.0%	Met
2nd Subsequent Year (2017-18)	1,327,582.00	1,315,615.00	-0.9%	Met

**6C. Comparison of JPA Total Operating Revenues and Expenditures to the Standard Percentage Range**

DATA ENTRY: Explanations are linked from Section 6A if the status in Section 6B is not met; no entry is allowed below.

- 1a. STANDARD MET - Projected total operating revenues have not changed since budget adoption by more than the standard for the current and two subsequent fiscal years.

**Explanation:**  
Federal Revenue  
(linked from 6A  
if NOT met)

**Explanation:**  
Other State Revenue  
(linked from 6A  
if NOT met)

**Explanation:**  
Other Local Revenue  
(linked from 6A  
if NOT met)

- 1b. STANDARD MET - Projected total operating expenditures have not changed since budget adoption by more than the standard for the current and two subsequent fiscal years.

**Explanation:**  
Books and Supplies  
(linked from 6A  
if NOT met)

**Explanation:**  
Services and Other Exps  
(linked from 6A  
if NOT met)

**7. CRITERION: Facilities Maintenance**

STANDARD: Identify changes that have occurred since budget adoption in the projected contributions for facilities maintenance funding as required pursuant to Education Code Section 17070.75, or in how the JPA is providing adequately to preserve the functionality of its facilities for their normal life in accordance with Education Code sections 52060(d)(1) and 17002(d)(1).

---

**Determining the JPA's Compliance with the Contribution Requirement for EC Section 17070.75 - Ongoing and Major Maintenance/Restricted Maintenance Account (OMMA/RMA)**

---

This criterion is not checked for JPAs.

**8. CRITERION: Deficit Spending**

STANDARD: Deficit spending (total expenditures and other financing uses is greater than total revenues and other financing sources) as a percentage of total expenditures and other financing uses, has not exceeded one-third of the JPA's available reserves<sup>1</sup> as a percentage of total expenditures and other financing uses<sup>2</sup> in any of the current fiscal year or two subsequent fiscal years.

<sup>1</sup>Available reserves are the amounts in the Reserve for Economic Uncertainties and the Unassigned/Unappropriated accounts in the General Fund and the Special Reserve Fund for Other Than Capital Outlay Projects. Available reserves will be reduced by any negative ending balances in restricted resources in the General Fund.

<sup>2</sup>A JPA that is the Administrative Unit of a Special Education Local Plan Area (SELPA) may exclude from its expenditures the distribution of funds to its participating members.

**8A. Calculating the JPA's Deficit Spending Standard Percentage Levels**

DATA ENTRY: All data are extracted or calculated.

	Current Year (2015-16)	1st Subsequent Year (2016-17)	2nd Subsequent Year (2017-18)
JPA's Available Reserve Percentage (Criterion 10C, Line 9)	18.6%	18.3%	15.8%
JPA's Deficit Spending Standard Percentage Levels (one-third of available reserve percentage):	6.2%	6.1%	5.3%

**8B. Calculating the JPA's Deficit Spending Percentages**

DATA ENTRY: Current Year data are extracted. If Form MYPI exists, data for the two subsequent years will be extracted; if not, enter data for the two subsequent years into the first and second columns.

Fiscal Year	Projected Year Totals		Deficit Spending Level (If Net Change in Fund Balance is negative, else N/A)	Status
	Net Change in Fund Balance (Form 011, Section E) (Form MYPI, Line C)	Total Expenditures and Other Financing Uses (Form 011, Objects 1000-7999) (Form MYPI, Line B11)		
Current Year (2015-16)	(492,077.00)	5,574,685.00	8.8%	Not Met
1st Subsequent Year (2016-17)	(407,791.00)	5,490,598.00	7.4%	Not Met
2nd Subsequent Year (2017-18)	(171,593.00)	5,254,400.00	3.3%	Met

**8C. Comparison of JPA Deficit Spending to the Standard**

DATA ENTRY: Enter an explanation if the standard is not met.

- 1a. STANDARD NOT MET - Deficit spending has exceeded the standard percentage level in any of the current year or two subsequent fiscal years. Provide reasons for the deficit spending, a description of the methods and assumptions used in balancing both the unrestricted and restricted budgets, and what changes will be made to ensure that the budget deficits are eliminated or are balanced within the standard.

Explanation:  
(required if NOT met)

Planned spend down of reserve
-------------------------------



**9. CRITERION: Fund and Cash Balances**

A. FUND BALANCE STANDARD: Projected general fund balance will be positive at the end of the current fiscal year and two subsequent fiscal years.

**9A-1. Determining if the JPA's General Fund Ending Balance is Positive**

DATA ENTRY: Current Year data are extracted. If Form MYPI exists, data for the two subsequent years will be extracted; if not, enter data for the two subsequent years.

Fiscal Year	Ending Fund Balance General Fund Projected Year Totals		Status
	(Form 011, Line F2)	(Form MYPI, Line D2)	
Current Year (2015-16)	1,431,417.40		Met
1st Subsequent Year (2016-17)	1,023,626.40		Met
2nd Subsequent Year (2017-18)	852,033.40		Met

**9A-2. Comparison of the JPA's Ending Fund Balance to the Standard**

DATA ENTRY: Enter an explanation if the standard is not met.

1a. STANDARD MET - Projected general fund ending balance is positive for the current fiscal year and two subsequent fiscal years.

Explanation:  
(required if NOT met)

B. CASH BALANCE STANDARD: Projected general fund cash balance will be positive at the end of the current fiscal year.

**9B-1. Determining if the JPA's Ending Cash Balance is Positive**

DATA ENTRY: If Form CASH exists, data will be extracted; if not, data must be entered below.

Fiscal Year	Ending Cash Balance General Fund		Status
	(Form CASH, Line F, June Column)		
Current Year (2015-16)	1,612,930.14		Met

**9B-2. Comparison of the JPA's Ending Cash Balance to the Standard**

DATA ENTRY: Enter an explanation if the standard is not met.

1a. STANDARD MET - Projected general fund cash balance will be positive at the end of the current fiscal year.

Explanation:  
(required if NOT met)

10. CRITERION: Reserves

STANDARD: Available reserves<sup>1</sup> for any of the current fiscal year or two subsequent fiscal years are not less than the following percentages or amounts<sup>2</sup> as applied to total expenditures and other financing uses<sup>3</sup>:

Percentage Level	JPA ADA		
5% or \$65,000 (greater of)	0	to	300
4% or \$65,000 (greater of)	301	to	1,000
3%	1,001	to	30,000
2%	30,001	to	400,000
1%	400,001	and	over

<sup>1</sup> Available reserves are the amounts in the Reserve for Economic Uncertainties and the Unassigned/Unappropriated accounts in the General Fund and the Special Reserve Fund for Other Than Capital Outlay Projects. Available reserves will be reduced by any negative ending balances in restricted resources in the General Fund.

<sup>2</sup> Dollar amounts to be adjusted annually by the prior year statutory cost-of-living adjustment (Education Code Section 42238) and then rounded to the nearest thousand.

<sup>3</sup> A JPA that is the Administrative Unit (AU) of a Special Education Local Plan Area (SELPA) may exclude from its expenditures the distribution of funds to its participating members.

	Current Year (2015-16)	1st Subsequent Year (2016-17)	2nd Subsequent Year (2017-18)
JPA ADA (Form MYPI, Line F1, if available; else defaults to zero and may be overwritten)	0	0	0
JPA's Reserve Standard Percentage Level:	5%	5%	5%

10A. Calculating the JPA's Special Education Pass-through Exclusions (only for JPAs that serve as the AU of a SELPA)

Special education pass-through exclusions are not applicable for JPAs.

10B. Calculating the JPA's Reserve Standard

DATA ENTRY: All data are extracted or calculated.

	Current Year Projected Year Totals (2015-16)	1st Subsequent Year (2016-17)	2nd Subsequent Year (2017-18)
1. Total Expenditures and Other Financing Uses (Criterion 8, Item 8B)	5,574,685.00	5,490,598.00	5,254,400.00
2. Plus: Special Education Pass-through (Not applicable for JPAs)	N/A	N/A	N/A
3. Net Expenditures and Other Financing Uses (Line B1 plus Line B2)	5,574,685.00	5,490,598.00	5,254,400.00
4. Reserve Standard Percentage Level	5%	5%	5%
5. Reserve Standard - by Percent (Line B3 times Line B4)	278,734.25	274,529.90	262,720.00
6. Reserve Standard - by Amount (\$65,000 for JPAs with less than 1,001 ADA, else 0)	65,000.00	65,000.00	65,000.00
7. JPA's Reserve Standard (Greater of Line B5 or Line B6)	278,734.25	274,529.90	262,720.00

**10C. Calculating the JPA's Available Reserve Amount**

DATA ENTRY: All data are extracted from fund data and Form MYPI. If Form MYPI does not exist, enter data for the two subsequent years.

Reserve Amounts	Current Year	1st Subsequent Year	2nd Subsequent Year
	Projected Year Totals (2015-16)	(2016-17)	(2017-18)
1. General Fund - Stabilization Arrangements (Fund 01, Object 9750) (Form MYPI, Line E1a)	0.00	0.00	0.00
2. General Fund - Reserve for Economic Uncertainties (Fund 01, Object 9789) (Form MYPI, Line E1b)	278,734.00	274,530.00	262,720.00
3. General Fund - Unassigned/Unappropriated Amount (Fund 01, Object 9790) (Form MYPI, Line E1c)	759,500.40	729,096.40	569,313.40
4. General Fund - Negative Ending Balances in Restricted Resources (Fund 01, Object 979Z, if negative, for each of resources 2000-9999) (Form MYPI, Line E1d)		0.00	0.00
5. Special Reserve Fund - Stabilization Arrangements (Fund 17, Object 9750) (Form MYPI, Line E2a)	0.00	0.00	0.00
6. Special Reserve Fund - Reserve for Economic Uncertainties (Fund 17, Object 9789) (Form MYPI, Line E2b)	0.00	0.00	0.00
7. Special Reserve Fund - Unassigned/Unappropriated Amount (Fund 17, Object 9790) (Form MYPI, Line E2c)	0.00	0.00	0.00
8. JPA's Available Reserve Amount (Lines C1 thru C7)	1,038,234.40	1,003,626.40	832,033.40
9. JPA's Available Reserve Percentage (Information only) (Line 8 divided by Section 10B, Line 3)	18.62%	18.28%	15.83%
<b>JPA's Reserve Standard (Section 10B, Line 7):</b>	<b>278,734.25</b>	<b>274,529.90</b>	<b>262,720.00</b>
Status:	Met	Met	Met

**10D. Comparison of JPA Reserve Amount to the Standard**

DATA ENTRY: Enter an explanation if the standard is not met.

1a. STANDARD MET - Available reserves have met the standard for the current year and two subsequent fiscal years.

Explanation:  
(required if NOT met)

---

## SUPPLEMENTAL INFORMATION

---

DATA ENTRY: Click the appropriate Yes or No button for items S1 through S4. Enter an explanation for each Yes answer.

### S1. Contingent Liabilities

1a. Does your JPA have any known or contingent liabilities (e.g., financial or program audits, litigation, state compliance reviews) that have occurred since budget adoption that may impact the budget?

1b. If Yes, identify the liabilities and how they may impact the budget:

### S2. Use of One-time Revenues for Ongoing Expenditures

1a. Does your JPA have ongoing general fund expenditures funded with one-time revenues that have changed since budget adoption by more than five percent?

1b. If Yes, identify the expenditures and explain how the one-time resources will be replaced to continue funding the ongoing expenditures in the following fiscal years:

### S3. Temporary Interfund Borrowings

1a. Does your JPA have projected temporary borrowings between funds?  
(Refer to Education Code Section 42603)

1b. If Yes, identify the interfund borrowings:

### S4. Contingent Revenues

1a. Does your JPA have projected revenues for the current fiscal year or either of the two subsequent fiscal years contingent on reauthorization by the local government, special legislation, or other definitive act (e.g., parcel taxes, forest reserves)?

1b. If Yes, identify any of these revenues that are dedicated for ongoing expenses and explain how the revenues will be replaced or expenditures reduced:

**S5. Contributions**

Identify projected contributions from unrestricted resources in the general fund to restricted resources in the general fund for the current fiscal year and two subsequent fiscal years. Provide an explanation if contributions have changed by more than \$20,000 and more than five percent since budget adoption.

Identify projected transfers to or from the general fund to cover operating deficits in either the general fund or any other fund for the current fiscal year and two subsequent fiscal years. Provide an explanation if contributions have changed by more than \$20,000 and more than five percent since budget adoption.

Identify capital project cost overruns that have occurred since budget adoption that may impact the general fund budget.

JPA's Contributions and Transfers Standard: -5.0% to +5.0%  
or -\$20,000 to +\$20,000

**S5A. Identification of the JPA's Projected Contributions, Transfers, and Capital Projects that may Impact the General Fund**

DATA ENTRY: Budget Adoption data that exist will be extracted; otherwise, enter data into the first column. For Transfers In and Transfers Out, if Form MYP exists, the data will be extracted into the First Interim column for the Current Year, and 1st and 2nd Subsequent Years. If Form MYP does not exist, enter data in the Current Year, and 1st and 2nd Subsequent Years. Click on the appropriate button for Item 1d; all other data will be calculated.

Description / Fiscal Year	Budget Adoption (Form 01CS, Item S5A)	First Interim Projected Year Totals	Percent Change	Amount of Change	Status
<b>1a. Contributions, Unrestricted General Fund</b>					
This item is not applicable for JPAs.					
<b>1b. Transfers In, General Fund *</b>					
Current Year (2015-16)	0.00	0.00	0.0%	0.00	Met
1st Subsequent Year (2016-17)	0.00	0.00	0.0%	0.00	Met
2nd Subsequent Year (2017-18)	0.00	0.00	0.0%	0.00	Met
<b>1c. Transfers Out, General Fund *</b>					
Current Year (2015-16)	0.00	0.00	0.0%	0.00	Met
1st Subsequent Year (2016-17)	0.00	0.00	0.0%	0.00	Met
2nd Subsequent Year (2017-18)	0.00	0.00	0.0%	0.00	Met

**1d. Capital Project Cost Overruns**

Have capital project cost overruns occurred since budget adoption that may impact the general fund operational budget?

No

\* Include transfers used to cover operating deficits in either the general fund or any other fund.

**S5B. Status of the JPA's Projected Contributions, Transfers, and Capital Projects**

DATA ENTRY: Enter an explanation if Not Met for items 1b-1c or if Yes for Item 1d.

1a. This item is not applicable for JPAs.

1b. MET - Projected transfers in have not changed since budget adoption by more than the standard for the current year and two subsequent fiscal years.

Explanation:  
(required if NOT met)

1c. MET - Projected transfers out have not changed since budget adoption by more than the standard for the current year and two subsequent fiscal years.

**Explanation:**  
(required if NOT met)

1d. NO - There have been no capital project cost overruns occurring since budget adoption that may impact the general fund operational budget.

**Project Information:**  
(required if YES)

---

---

---

---

---

---

---

---



---

---

**S6B. Comparison of the JPA's Annual Payments to Prior Year Annual Payment**

---

---

DATA ENTRY: Enter an explanation if Yes.

- 1a. No - Annual payments for long-term commitments have not increased in one or more of the current and two subsequent years.

---

---

**S6C. Identification of Decreases to Funding Sources Used to Pay Long-term Commitments**

---

---

DATA ENTRY: Click the appropriate Yes or No button in Item 1; if Yes, an explanation is required in Item 2.

1. Will funding sources used to pay long-term commitments decrease or expire prior to the end of the commitment period, or are they one-time sources?

n/a

2. Yes - Funding sources will decrease or expire prior to the end of the commitment period, or one-time funding sources are being used for long-term commitment annual payments. Provide an explanation for how those funds will be replaced to continue annual debt service commitments.



**S7. Unfunded Liabilities**

Identify any changes in estimates for unfunded liabilities since budget adoption, and indicate whether the changes are the result of a new actuarial valuation.

**S7A. Identification of the JPA's Estimated Unfunded Liability for Postemployment Benefits Other Than Pensions (OPEB)**

DATA ENTRY: Click the appropriate button(s) for items 1a-1c, as applicable. Budget Adoption data that exist (Form 01CS, Item S7A) will be extracted; otherwise, enter Budget Adoption and First Interim data in items 2-4.

1. a. Does your JPA provide postemployment benefits other than pensions (OPEB)? (If No, skip items 1b-4)	No
b. If Yes to Item 1a, have there been changes since budget adoption in OPEB liabilities?	n/a
c. If Yes to Item 1a, have there been changes since budget adoption in OPEB contributions?	n/a

2. OPEB Liabilities	Budget Adoption (Form 01CS, Item S7A)	First Interim
a. OPEB actuarial accrued liability (AAL)		
b. OPEB unfunded actuarial accrued liability (UAAL)		
c. Are AAL and UAAL based on the JPA's estimate or an actuarial valuation?		
d. If based on an actuarial valuation, indicate the date of the OPEB valuation		

3. OPEB Contributions	Budget Adoption (Form 01CS, Item S7A)	First Interim
a. OPEB annual required contribution (ARC) per actuarial valuation or Alternative Measurement Method		
Current Year (2015-16)		
1st Subsequent Year (2016-17)		
2nd Subsequent Year (2017-18)		
b. OPEB amount contributed (for this purpose, include premiums paid to a self-insurance fund) (Funds 01-70, objects 3701-3752)		
Current Year (2015-16)		0.00
1st Subsequent Year (2016-17)		
2nd Subsequent Year (2017-18)		
c. Cost of OPEB benefits (equivalent of "pay-as-you-go" amount)		
Current Year (2015-16)		
1st Subsequent Year (2016-17)		
2nd Subsequent Year (2017-18)		
d. Number of retirees receiving OPEB benefits		
Current Year (2015-16)		
1st Subsequent Year (2016-17)		
2nd Subsequent Year (2017-18)		

4. Comments:

**S7B. Identification of the JPA's Unfunded Liability for Self-insurance Programs**

DATA ENTRY: Click the appropriate button(s) for Items 1a-1c, as applicable. Budget Adoption data that exist (Form 01CS, Item S7B) will be extracted; otherwise, enter Budget Adoption and First Interim data in items 2-4.

- 1. a. Does your JPA operate any self-insurance programs such as workers' compensation, employee health and welfare, or property and liability? (Do not include OPEB, which will be covered in Section S7A) (If No, skip items 1b-4)
 

No
----
  
- b. If Yes to Item 1a, have there been changes since budget adoption in self-insurance liabilities?
 

n/a
-----
  
- c. If Yes to Item 1a, have there been changes since budget adoption in self-insurance contributions?
 

n/a
-----

2. Self-Insurance Liabilities

	Budget Adoption (Form 01CS, Item S7B)	First Interim
a. Accrued liability for self-insurance programs		
b. Unfunded liability for self-insurance programs		

3. Self-Insurance Contributions

	Budget Adoption (Form 01CS, Item S7B)	First Interim
a. Required contribution (funding) for self-insurance programs		
Current Year (2015-16)		
1st Subsequent Year (2016-17)		
2nd Subsequent Year (2017-18)		
b. Amount contributed (funded) for self-insurance programs		
Current Year (2015-16)		
1st Subsequent Year (2016-17)		
2nd Subsequent Year (2017-18)		

4. Comments:

**S8. Status of Labor Agreements**

Analyze the status of employee labor agreements. Identify new labor agreements that have been ratified since budget adoption, as well as new commitments provided as part of previously ratified multiyear agreements; and include all contracts, including all administrator contracts (and including all compensation). For new agreements, indicate the date of the required board meeting. Compare the increase in new commitments to the projected increase in ongoing revenues and explain how these commitments will be funded in future fiscal years.

**If salary and benefit negotiations are not finalized, upon settlement with certificated or classified staff:**

The JPA must determine the cost of the settlement, including salaries, benefits, and any other agreements that change costs, and provide the county office of education (COE) with an analysis of the cost of the settlement and its impact on the operating budget.

The county superintendent shall review the analysis relative to the criteria and standards and may provide written comments to the president of the JPA governing board and superintendent.

**S8A. Cost Analysis of JPA's Labor Agreements - Certificated (Non-management) Employees**

DATA ENTRY: Click the appropriate Yes or No button for "Status of Certificated Labor Agreements as of the Previous Reporting Period." There are no extractions in this section.

**Status of Certificated Labor Agreements as of the Previous Reporting Period**

Were all certificated labor negotiations settled as of budget adoption?   
 If Yes or n/a, complete number of FTEs, then skip to section S8B.  
 If No, continue with section S8A.

**Certificated (Non-management) Salary and Benefit Negotiations**

	Prior Year (2nd Interim) (2014-15)	Current Year (2015-16)	1st Subsequent Year (2016-17)	2nd Subsequent Year (2017-18)
Number of certificated (non-management) full-time-equivalent (FTE) positions	26.2	28.1	29.1	28.1

1a. Have any salary and benefit negotiations been settled since budget adoption?   
 If Yes, and the corresponding public disclosure documents have been filed with the COE, complete question 2.  
 If Yes, and the corresponding public disclosure documents have not been filed with the COE, complete questions 2-4.  
 If No, complete questions 5 and 6.

1b. Are any salary and benefit negotiations still unsettled?   
 If Yes, complete questions 5 and 6.

Negotiations Settled Since Budget Adoption

2. Per Government Code Section 3547.5(a), date of public disclosure board meeting:

3. Period covered by the agreement: Begin Date:  End Date:

4. Salary settlement:

	Current Year (2015-16)	1st Subsequent Year (2016-17)	2nd Subsequent Year (2017-18)
Is the cost of salary settlement included in the interim and multiyear projections (MYPs)?	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>One Year Agreement</b>			
Total cost of salary settlement	<input type="text"/>	<input type="text"/>	<input type="text"/>
% change in salary schedule from prior year or	<input type="text"/>	<input type="text"/>	<input type="text"/>
<b>Multiyear Agreement</b>			
Total cost of salary settlement	<input type="text"/>	<input type="text"/>	<input type="text"/>
% change in salary schedule from prior year (may enter text, such as "Reopener")	<input type="text"/>	<input type="text"/>	<input type="text"/>

Identify the source of funding that will be used to support multiyear salary commitments:

Negotiations Not Settled

5. Cost of a one percent increase in salary and statutory benefits

	Current Year (2015-16)	1st Subsequent Year (2016-17)	2nd Subsequent Year (2017-18)
6. Amount included for any tentative salary schedule increases	<input type="text"/>	<input type="text"/>	<input type="text"/>

	Current Year (2015-16)	1st Subsequent Year (2016-17)	2nd Subsequent Year (2017-18)
<b>Certificated (Non-management) Health and Welfare (H&amp;W) Benefits</b>			
1. Are costs of H&W benefit changes included in the interim and MYPs?			
2. Total cost of H&W benefits			
3. Percent of H&W cost paid by employer			
4. Percent projected change in H&W cost over prior year			

**Certificated (Non-management) Prior Year Settlements Negotiated Since Budget Adoption**

Are any new costs negotiated since budget adoption for prior year settlements included in the interim?


If Yes, amount of new costs included in the interim and MYPs  
If Yes, explain the nature of the new costs:

	Current Year (2015-16)	1st Subsequent Year (2016-17)	2nd Subsequent Year (2017-18)
<b>Certificated (Non-management) Step and Column Adjustments</b>			
1. Are step & column adjustments included in the interim and MYPs?			
2. Cost of step & column adjustments			
3. Percent change in step & column over prior year			

	Current Year (2015-16)	1st Subsequent Year (2016-17)	2nd Subsequent Year (2017-18)
<b>Certificated (Non-management) Attrition (layoffs and retirements)</b>			
1. Are savings from attrition included in the budget and MYPs?			
2. Are additional H&W benefits for those laid-off or retired employees included in the interim and MYPs?			

**Certificated (Non-management) - Other**

List other significant contract changes that have occurred since budget adoption and the cost impact of each change (i.e., class size, hours of employment, leave of absence, bonuses, etc.):

---

---

---

---

---

---

---

---

**S8B. Cost Analysis of JPA's Labor Agreements - Classified (Non-management) Employees**

DATA ENTRY: Click the appropriate Yes or No button for "Status of Classified Labor Agreements as of the Previous Reporting Period." There are no extractions in this section.

**Status of Classified Labor Agreements as of the Previous Reporting Period**

Were all classified labor negotiations settled as of budget adoption?

If Yes or n/a, complete number of FTEs, then skip to section S8C.

If No, continue with section S8B.

n/a
-----

**Classified (Non-management) Salary and Benefit Negotiations**

	Prior Year (2nd Interim) (2014-15)	Current Year (2015-16)	1st Subsequent Year (2016-17)	2nd Subsequent Year (2017-18)
Number of classified (non-management) FTE positions	6.0	6.5	6.5	6.0

1a. Have any salary and benefit negotiations been settled since budget adoption?

n/a
-----

If Yes, and the corresponding public disclosure documents have been filed with the COE, complete question 2.

If Yes, and the corresponding public disclosure documents have not been filed with the COE, complete questions 2-4.

If No, complete questions 5 and 6.

1b. Are any salary and benefit negotiations still unsettled?

n/a
-----

If Yes, complete questions 5 and 6.

Negotiations Settled Since Budget Adoption

2. Per Government Code Section 3547.5(a), date of public disclosure board meeting:

--

3. Period covered by the agreement:

Begin Date:

--

End Date:

--

4. Salary settlement:

Current Year  
(2015-16)

1st Subsequent Year  
(2016-17)

2nd Subsequent Year  
(2017-18)

Is the cost of salary settlement included in the interim and multiyear projections (MYPs)?

--	--	--

**One Year Agreement**

Total cost of salary settlement

--	--	--

% change in salary schedule from prior year

--

or

**Multiyear Agreement**

Total cost of salary settlement

--	--	--

% change in salary schedule from prior year  
(may enter text, such as "Reopener")

--	--	--

Identify the source of funding that will be used to support multiyear salary commitments:

--

Negotiations Not Settled

5. Cost of a one percent increase in salary and statutory benefits

--

Current Year  
(2015-16)

1st Subsequent Year  
(2016-17)

2nd Subsequent Year  
(2017-18)

6. Amount included for any tentative salary schedule increases

--	--	--

Classified (Non-management) Health and Welfare (H&W) Benefits	Current Year (2015-16)	1st Subsequent Year (2016-17)	2nd Subsequent Year (2017-18)
1. Are costs of H&W benefit changes included in the interim and MYPs?			
2. Total cost of H&W benefits			
3. Percent of H&W cost paid by employer			
4. Percent projected change in H&W cost over prior year			

**Classified (Non-management) Prior Year Settlements Negotiated Since Budget Adoption**

Are any new costs negotiated since budget adoption for prior year settlements included in the interim?

--	--	--

If Yes, amount of new costs included in the interim and MYPs

If Yes, explain the nature of the new costs:

Classified (Non-management) Step and Column Adjustments	Current Year (2015-16)	1st Subsequent Year (2016-17)	2nd Subsequent Year (2017-18)
1. Are step & column adjustments included in the interim and MYPs?			
2. Cost of step & column adjustments			
3. Percent change in step & column over prior year			

Classified (Non-management) Attrition (layoffs and retirements)	Current Year (2015-16)	1st Subsequent Year (2016-17)	2nd Subsequent Year (2017-18)
1. Are savings from attrition included in the interim and MYPs?			
2. Are additional H&W benefits for those laid-off or retired employees included in the interim and MYPs?			

**Classified (Non-management) - Other**  
List other significant contract changes that have occurred since budget adoption and the cost impact of each (i.e., hours of employment, leave of absence, bonuses, etc.):

---

---

---

---

---

---

---

---

---

---

**S8C. Cost Analysis of JPA's Labor Agreements - Management/Supervisor/Confidential Employees**

DATA ENTRY: Click the appropriate Yes or No button for "Status of Management/Supervisor/Confidential Labor Agreements as of the Previous Reporting Period." There are no extractions in this section.

**Status of Management/Supervisor/Confidential Labor Agreements as of the Previous Reporting Period**

Were all managerial/confidential labor negotiations settled as of budget adoption?   
 If Yes or n/a, complete number of FTEs, then skip to S9.  
 If No, continue with section S8C.

**Management/Supervisor/Confidential Salary and Benefit Negotiations**

	Prior Year (2nd Interim) (2014-15)	Current Year (2015-16)	1st Subsequent Year (2016-17)	2nd Subsequent Year (2017-18)
Number of management, supervisor, and confidential FTE positions	4.0	5.0	5.0	4.0

1a. Have any salary and benefit negotiations been settled since budget adoption?  
 If Yes, complete question 2.   
 If No, complete questions 3 and 4.

1b. Are any salary and benefit negotiations still unsettled?  
 If Yes, complete questions 3 and 4.

Negotiations Settled Since Budget Adoption

2. Salary settlement:

	Current Year (2015-16)	1st Subsequent Year (2016-17)	2nd Subsequent Year (2017-18)
Is the cost of salary settlement included in the interim and multiyear projections (MYPs)?			
Total cost of salary settlement			
Change in salary schedule from prior year (may enter text, such as "Reopener")			

Negotiations Not Settled

3. Cost of a one percent increase in salary and statutory benefits

	Current Year (2015-16)	1st Subsequent Year (2016-17)	2nd Subsequent Year (2017-18)
4. Amount included for any tentative salary schedule increases			

**Management/Supervisor/Confidential Health and Welfare (H&W) Benefits**

	Current Year (2015-16)	1st Subsequent Year (2016-17)	2nd Subsequent Year (2017-18)
1. Are costs of H&W benefit changes included in the interim and MYPs?			
2. Total cost of H&W benefits			
3. Percent of H&W cost paid by employer			
4. Percent projected change in H&W cost over prior year			

**Management/Supervisor/Confidential Step and Column Adjustments**

	Current Year (2015-16)	1st Subsequent Year (2016-17)	2nd Subsequent Year (2017-18)
1. Are step & column adjustments included in the budget and MYPs?			
2. Cost of step & column adjustments			
3. Percent change in step & column over prior year			

**Management/Supervisor/Confidential Other Benefits (mileage, bonuses, etc.)**

	Current Year (2015-16)	1st Subsequent Year (2016-17)	2nd Subsequent Year (2017-18)
1. Are costs of other benefits included in the interim and MYPs?			
2. Total cost of other benefits			
3. Percent change in cost of other benefits over prior year			

**S9. Status of Other Funds**

Analyze the status of other funds that may have negative fund balances at the end of the current fiscal year. If any other fund has a projected negative fund balance, prepare an interim report and multiyear projection for that fund. Explain plans for how and when the negative fund balance will be addressed.

---

**S9A. Identification of Other Funds with Negative Ending Fund Balances**

---

DATA ENTRY: Click the appropriate button in Item 1. If Yes, enter data in Item 2 and provide the reports referenced in Item 1.

1. Are any funds other than the general fund projected to have a negative fund balance at the end of the current fiscal year?

n/a
-----

If Yes, prepare and submit to the reviewing agency a report of revenues, expenditures, and changes in fund balance (e.g., an interim fund report) and a multiyear projection report for each fund.

2. If Yes, identify each fund, by name and number, that is projected to have a negative ending fund balance for the current fiscal year. Provide reasons for the negative balance(s) and explain the plan for how and when the problem(s) will be corrected.

---

---

---

---

---

---

---

---



---

### ADDITIONAL FISCAL INDICATORS

---

The following fiscal indicators are designed to provide additional data for reviewing agencies. A "Yes" answer to any single indicator does not necessarily suggest a cause for concern, but may alert the reviewing agency to the need for additional review.

DATA ENTRY: Click the appropriate Yes or No button for items A2 through A9 except items A3 and A4, which are not applicable for JPAs; Item A1 is automatically completed based on data from Criterion 9.

- |   |                                  |
|---|----------------------------------|
| A1. Do cash flow projections show that the JPA will end the current fiscal year with a negative cash balance in the general fund? (Data from Criterion 9B-1, Cash Balance, are used to determine Yes or No)                                 | <input type="text" value="No"/>  |
| A2. Is the system of personnel position control independent from the payroll system?  | <input type="text" value="Yes"/> |
| A3. Is enrollment decreasing in both the prior and current fiscal years?  | <input type="text" value="n/a"/> |
| A4. Are new charter schools operating in JPA boundaries that impact the JPA's enrollment, either in the prior or current fiscal year?   | <input type="text" value="n/a"/> |
| A5. Has the JPA entered into a bargaining agreement where any of the current or subsequent fiscal years of the agreement would result in salary increases that are expected to exceed the projected state funded cost-of-living adjustment? | <input type="text" value="No"/>  |
| A6. Does the JPA provide uncapped (100% employer paid) health benefits for current or retired employees?  | <input type="text" value="No"/>  |
| A7. Is the JPA's financial system independent of the county office system?  | <input type="text" value="Yes"/> |
| A8. Does the JPA have any reports that indicate fiscal distress pursuant to Education Code Section 42127.6(a)? (If Yes, provide copies to the county office of education.)  | <input type="text" value="No"/>  |
| A9. Have there been personnel changes in the JPA director or financial official positions within the last 12 months?  | <input type="text" value="No"/>  |

When providing comments for additional fiscal indicators, please include the item number applicable to each comment.

Comments:  
(optional)

---

### End of Joint Powers Agency First Interim Criteria and Standards Review

---



TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM  
JOINT POWERS GOVERNING BOARD MEETING  
DECEMBER 9, 2016

**ACTION ITEM – 7.3**

**AGENDA ITEM:**

7.3 – Approval of the 2014-2015 Audit Report

**RECOMMENDED ACTION:**

Approve the 2014-2015 Annual Audit Report as presented

**BACKGROUND:**

In accordance with Education Code Section 41020, the Tri-Valley ROP Board authorized the annual audit of the Tri-Valley Regional Occupational Program’s financial records and support documentation for the 2014-2015 fiscal year.

The audit firm of Nigro & Nigro, PC completed the 2014-2015 audit for TVROP. Copies of the audit will be forwarded to the appropriate County and State agencies and the Board for their review.

**SUPPORTING DOCUMENTS:**

- Tri-Valley Regional Occupational Program 2014-2015 Audit Report for financial year ended June 30, 2015

**TRI-VALLEY REGIONAL  
OCCUPATIONAL PROGRAM  
AUDIT REPORT  
For the Fiscal Year Ended  
June 30, 2015**



**TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM**  
*For the Fiscal Year Ended June 30, 2015*  
*Table of Contents*

---

**FINANCIAL SECTION**

	<u>Page</u>
Independent Auditors' Report.....	1
Management's Discussion and Analysis.....	3
Government-wide Financial Statements:	
Statement of Net Position.....	6
Statement of Activities.....	7
Governmental Funds Financial Statements:	
Balance Sheet.....	8
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position .....	9
Statement of Revenues, Expenditures, and Changes in Fund Balances .....	10
Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities.....	11
Fiduciary Funds Financial Statements:	
Statement of Fiduciary Net Position.....	12
Notes to Financial Statements .....	13

**REQUIRED SUPPLEMENTARY INFORMATION**

Budgetary Comparison Schedule – General Fund.....	30
Schedule of Proportionate Share of the Net Pension Liability .....	31
Schedule of Contributions .....	32
Notes to the Required Supplementary Information .....	33

**SUPPLEMENTARY INFORMATION**

History and Organization.....	34
Schedule of Financial Trends and Analysis.....	35
Reconciliation of Annual Financial and Budget Report with Audited Financial Statements.....	36
Schedule of Expenditures of Federal Awards .....	37
Note to the Supplementary Information.....	38

**OTHER INDEPENDENT AUDITORS' REPORTS**

Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	39
Independent Auditors' Report on State Compliance .....	41

**FINDINGS AND RECOMMENDATIONS**

Schedule of Audit Findings and Recommendations	
Summary of Auditors' Results .....	43
Current Year Audit Findings and Recommendations.....	44
Summary Schedule of Prior Audit Findings .....	46

---

---

## ***Financial Section***

---

---

## INDEPENDENT AUDITORS' REPORT

Governing Board  
Tri-Valley Regional Occupational Program  
Livermore, California

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and the major fund of Tri-Valley Regional Occupational Program, as of and for the fiscal year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the ROP'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.

### Auditors' 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, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *2014-15 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of Tri-Valley Regional Occupational Program, as of June 30, 2015, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

**Emphasis of Matter**

As discussed in Note 1.G. to the basic financial statements, the ROP has changed its method for accounting and reporting for pensions during fiscal year 2014-15 due to the adoption of Governmental Accounting Standards Board Statement No. 68, "Accounting and Financial Reporting for Pensions-An Amendment of GASB Statement No. 27" and No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date-An Amendment of GASB Statement No. 68". The adoption of these standards required retrospective application resulting in a \$3,678,939 reduction of previously reported net position at July 1, 2014. Our opinion is not modified with respect to this matter.

**Other Matters***Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 5, budgetary comparison information on page 30, schedule of proportionate share of the net pension liability on page 31, and schedule of contributions on page 32 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 ROP's basic financial statements. The supplementary information is presented for purposes of additional analysis and is not a required part 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 supplementary information on pages 34 to 36 and the schedule of expenditures of federal awards on page 37 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 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 information is fairly stated in all material respects in relation to the basic financial statements as a whole. The information on page 38 has not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we do not express an opinion or provide any assurance on it.

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 2015 on our consideration of the ROP'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 the ROP's internal control over financial reporting and compliance.



Murrieta, California  
November 25, 2015

## **TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM**

### *Management's Discussion and Analysis (Unaudited)*

*For the Year Ended June 30, 2015*

---

This discussion and analysis of Tri-Valley Regional Occupational Program's (the "ROP") financial performance provides an overview of the ROP's financial activities for the fiscal year ended June 30, 2015. Please read it in conjunction with the ROP's financial statements, which immediately follow this section.

#### **FINANCIAL HIGHLIGHTS**

Operating revenue for the Tri-Valley Regional Occupational Program (ROP) comes from member districts based on the joint powers agreement and subsequent memorandums of understanding. Each member district contributes certain funds to the ROP based on memorandums of understanding. The ROP generates additional revenue by operating an educational program for adults in correctional facilities through the Alameda County Sheriff's Department.

- The ROP's General Fund ended with a balance of \$1.9 million.
- Overall revenues were approximately \$4.8 million, \$0.9 million less than expenditures.

#### **OVERVIEW OF THE 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 basic financial statements include two kinds of statements that present different views of the ROP:

- The first two statements are *government-wide financial statements* that provide both short-term and long-term information about the ROP's overall financial status.
- The remaining statements are *fund financial statements* that focus on individual parts of the ROP, reporting the ROP's operations in more detail than the government-wide statements.
  - The *governmental funds* statements tell how basic services like regular and special education were financed in the short term as well as what remains for future spending.

The remainder of this overview section of management's discussion and analysis highlights the structure and contents of each of the statements.

#### **Government-Wide Statements**

The government-wide statements report information about the ROP as a whole using accounting methods similar to those used by private-sector companies. The statement of net position includes all of the ROP'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 ROP's net position and how it has changed. Net Position – the difference between the ROP's assets and liabilities – is one way to measure the ROP's financial health or position.

- Over time, increases and decreases in the ROP's net position are an indicator of whether its financial position is improving or deteriorating.



**TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM**  
*Management's Discussion and Analysis (Unaudited)*  
*For the Year Ended June 30, 2015*

---

**OVERVIEW OF THE FINANCIAL STATEMENTS (continued)**

**Government-Wide Statements (continued)**

The ROP has two funds:

- *General fund* – All of the ROP's basic services are included in a General Fund, which generally focuses 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 helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the ROP's programs.
- *Fiduciary fund* – The ROP is the trustee, or fiduciary, for assets that belong to others, such as the student activities funds. The ROP is responsible for ensuring that the assets reported in these funds are used only for their intended purposes and by those to whom the assets belong. All of the ROP's fiduciary activities are reported in a separate statement of fiduciary net position. We exclude these activities from the district-wide financial statements because the ROP cannot use these assets to finance its operations.

**FINANCIAL ANALYSIS OF THE ROP AS A WHOLE**

**Net Position**

Net position represents the difference between assets and liabilities. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the ROP or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The ROP applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

The ROP's combined net position was less on June 30, 2015, than the year before – decreasing to \$(1.6) million.

**FINANCIAL ANALYSIS OF THE ROP'S GENERAL FUND**

**General Fund Budgetary Highlights**

Over the course of the year, the ROP revised the annual operating budget several times. The major budget amendments fall into these categories:

- Revenues – increased by \$0.3 million primarily to reflect changes in ROP allocations of federal and local funding.
- Salaries and benefits costs – increased \$58,706 due to changes in staffing estimates.
- Other non-personnel expenses – increased approximately \$1.7 million to reflect revisions of operational cost estimates and repayment to member districts.

While the ROP's final budget for the General Fund anticipated that expenditures would fall short of revenues by about \$1.0 million, the actual results for the year show that revenues fell short of expenditures by roughly \$0.8 million. Actual revenues were \$0.1 million more than anticipated, and expenditures were slightly less than budgeted. That amount consists primarily categorical program dollars that were not spent as of June 30, 2015 that will be carried over into the 2015-16 budget.

## **TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM**

*Management's Discussion and Analysis (Unaudited)*

*For the Year Ended June 30, 2015*

---

### **CAPITAL ASSET AND DEBT ADMINISTRATION**

#### **Capital Assets**

During 2014-15 the ROP invested \$26,112 in new capital assets. (More detailed information about capital assets can be found in Note 4 to the financial statements). Total depreciation expense for the year was \$28,087.

#### **Long-Term Debt**

At year-end the ROP had \$3.2 million in compensated absences, capital leases, and net pension liability – a decrease of 17.9% from last year. (More detailed information about the ROP's long-term liabilities is presented in Note 5 to the financial statements).

### **FACTORS BEARING ON THE ROP'S FUTURE**

In considering the ROP budget for 2015-16, the ROP Board and management used the following criteria:

The key assumptions in our revenue forecast are:

1. Effective July 1, 2015 the TVROP Member Districts passed the Fifth Amended Joint Powers Agreement. The agreement determines District contributions by usage of the program. The usage formula will be evaluated every two years. It allows for growth at 4% and if the budget exceeds that amount, Member Districts must vote to approve.
2. Additional revenue included the California Careers Trust Pathway (CPPT) Grant Round 1.

As a result of implementing clearly defined processes both financially and programmatically over the past three years, the ROP has achieved a healthy reserve that has enabled us to expand and enhance our current offerings.

The increased expenditures have been allocated to the following areas:

1. Salaries for Classified and Certificated ROP teachers for 2015-16 included a 5% increase and an adjusted Certificated Salary Schedule that is more in line with member districts' salaries.
2. The Coordinator of Program Service's salary was re-evaluated and was adjusted to align with member districts' management salary schedules.
3. Expansion of programs and resources with an increased outreach to our underserved and alternative high school populations.
4. Middle College opened with 26 students.
5. Program growth and continuity with industry standards necessitates technology updates and replacements of equipment, hardware, and software.
6. Remaining excess reserve is being designated for Middle College.
7. CCPT funds have allowed us to expand advanced manufacturing work-based learning opportunities including, Advance Manufacturing Day with the City of Livermore and member districts, a Welding Camp summer camp at Las Positas for TVROP students, and the transformation of a metals shop at Livermore High School into a welding classroom that can serve both adult and high school students through Dual Enrollment with Las Positas College.

### **CONTACTING THE ROP'S FINANCIAL MANAGEMENT**

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the ROP's finances and to demonstrate the ROP's accountability for the money it receives. If you have any questions about this report or need additional financial information, please contact the Tri-Valley Regional Occupational Program at 1040 Florence Road, Livermore, CA 94550.

# TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM

## Statement of Net Position

June 30, 2015

---

	Total Governmental Activities
<b>ASSETS</b>	
Cash	\$ 1,882,572
Accounts receivable	745,468
Depreciable assets	388,037
Less accumulated depreciation	(154,189)
Total assets	<u>2,861,888</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Amounts contributed after the measurement date	244,363
Adjustments due to differences in proportionate share	16,498
Total deferred outflows of resources	<u>260,861</u>
<b>LIABILITIES</b>	
Accounts payable	545,726
Unearned revenue	158,820
Due or payable within one year	4,874
Due or payable after one year	3,186,772
Total liabilities	<u>3,896,192</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Differences between projected and actual earnings on plan investments	<u>803,391</u>
<b>NET POSITION</b>	
Net investment in capital assets	233,848
Unrestricted	<u>(1,810,682)</u>
Total net position	<u>\$ (1,576,834)</u>

**TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM**

*Statement of Activities*

*For the Fiscal Year Ended June 30, 2015*

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
<b>Governmental Activities:</b>				
Instructional services:				
Instruction	\$ 1,270,103	\$ 670	\$ 55,435	\$ (1,213,998)
Instruction-related services:				
Supervision of instruction	2,141,770	14,973	7,878	(2,118,919)
Pupil support services:				
All other pupil services	248,659	-	-	(248,659)
General Administration Services:				
Other general administration	95,978	-	5,644	(90,334)
Ancillary services	1,919,447	857,296	914,633	(147,518)
Depreciation (unallocated)	28,087	-	-	(28,087)
Total Governmental Activities	<u>\$ 5,704,044</u>	<u>\$ 872,939</u>	<u>\$ 983,590</u>	<u>(3,847,515)</u>
<b>General Revenues:</b>				
				6,599
Interest and investment earnings				2,774,371
Interagency revenues				<u>199,602</u>
Miscellaneous				
Total general revenues				<u>2,980,572</u>
Changes in net position				(866,943)
Net position - July 1, 2014, as originally stated				2,969,048
Adjustment for restatement (Note 1.G)				<u>(3,678,939)</u>
Net position - July 1, 2014, as restated				<u>(709,891)</u>
Net position - June 30, 2015				<u>\$ (1,576,834)</u>

**TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM**

*Balance Sheet*

*June 30, 2015*

---

	General Fund
<b>ASSETS</b>	
Cash	\$ 1,882,572
Accounts receivable	745,468
	<hr/>
Total Assets	\$ 2,628,040
	<hr/> <hr/>
<b>LIABILITIES AND FUND BALANCES</b>	
<b>Liabilities</b>	
Accounts payable	\$ 545,726
Unearned revenue	158,820
	<hr/>
Total Liabilities	704,546
	<hr/>
<b>Fund Balance</b>	
Nonspendable	20,000
Assigned	655,466
Unassigned	1,248,028
	<hr/>
Total Fund Balance	1,923,494
	<hr/>
Total Liabilities and Fund Balance	\$ 2,628,040
	<hr/> <hr/>

**TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM**

*Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position  
For the Fiscal Year Ended June 30, 2015*

---

<b>Total fund balances - governmental funds</b>		\$	1,923,494
<p>Amounts reported for governmental <i>activities</i> in the statement of net position are different because capital assets used for governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$388,037, and the accumulated depreciation is (\$154,189).</p>			
			233,848
<p>In governmental funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the statement of net position, deferred outflows and inflows relating to pensions are reported.</p>			
	Deferred outflows of resources related to pensions	260,861	
	Deferred inflows of resources related to pensions	<u>(803,391)</u>	(542,530)
<p>Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the funds. Long-term liabilities at year-end consist of:</p>			
	Capital leases payable	22,995	
	Net pension liability	3,165,996	
	Compensated absences payable	<u>2,655</u>	<u>(3,191,646)</u>
<b>Total net position - governmental activities</b>		\$	<u><u>(1,576,834)</u></u>

**TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM**

*Statement of Revenues, Expenditures, and Changes in Fund Balance  
For the Fiscal Year Ended June 30, 2015*

---

	General Fund
<b>REVENUES</b>	
Federal sources	\$ 176,948
State sources	136,995
Other local sources	<u>4,498,776</u>
Total Revenues	<u>4,812,719</u>
<b>EXPENDITURES</b>	
Current:	
Instruction	1,242,476
Instruction-related services:	
Supervision of instruction	2,145,884
Pupil support services:	
All other pupil services	263,666
Ancillary services	1,877,028
General Administration Services:	
Other general administration	90,161
Capital outlay	26,112
Debt service:	
Principal	3,117
Interest	<u>825</u>
Total Expenditures	<u>5,649,269</u>
Net Change in Fund Balance	(836,550)
<b>OTHER FINANCING SOURCES (USES)</b>	
Proceeds from long term debt	<u>26,112</u>
Total Other Financing Sources and Uses	<u>26,112</u>
Net Change in Fund Balances	<u>(810,438)</u>
Fund Balance, July 1, 2014	<u>2,733,932</u>
Fund Balance, June 30, 2015	<u><u>\$ 1,923,494</u></u>

**TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM**

*Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and  
Changes in Fund Balance to the Statement of Activities  
For the Fiscal Year Ended June 30, 2015*

---

**Total net change in fund balances - governmental funds** \$ (810,438)

Amounts reported for governmental *activities* in the statement of activities are different because:

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expenses. The difference between capital outlay expenditures and depreciation expense for the period is: (1,975)

In governmental funds, proceeds from debt are recognized as other financing sources. In the government-wide statements, proceeds from debt are reported as increases to liabilities. Amounts recognized in governmental funds as proceeds from debt: (26,112)

In governmental funds, pension costs are recognized when employer contributions are made. In the statement of activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was: (29,587)

In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reduction of liabilities. Expenditures for repayment of the principal portion of long-term debt were: 3,117

In the statement of activities, compensated absences are measured by the amounts paid during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually earned). (1,948)

**Change in net position of governmental activities** \$ (866,943)



**TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM**  
*Statement of Fiduciary Net Position*  
*June 30, 2015*

---

	Agency Funds
	<u>Student Body Funds</u>
<b>Assets</b>	
Cash	\$ 41,926
	<u>41,926</u>
<b>Liabilities</b>	
Due to student groups	\$ 41,926
	<u>41,926</u>

# TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM

## Notes to Financial Statements

June 30, 2015

---

### NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Tri-Valley Regional Occupational Program (the "ROP") accounts for its financial transactions in accordance with the policies and procedures of the California Department of Education's *California School Accounting Manual*. The accounting policies of the ROP conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. The following is a summary of the more significant policies:

#### A. Reporting Entity

The ROP was formed by a Joint Powers Agreement among the following Alameda County school districts: Dublin Unified School District, Livermore Valley Joint Unified School District, and Pleasanton Unified School District. The purpose of the ROP is to provide occupational training for high school students and adults residing in the districts that formed the Joint Powers entity.

For financial reporting purposes, the ROP operates a general fund, which is the major fund and is controlled by or dependent on the ROP Joint Powers Governing Board. Board members are elected by the participating district's Joint Powers Governing Board and have decision-making authority, the power to designate management, the ability to significantly influence operations and primary accountability for fiscal matters. No entities subordinate to the ROP have been combined to form the reporting entity.

#### B. Basis of Presentation, Basis of Accounting

##### 1. Basis of Presentation

###### Government-Wide Financial Statements

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

The statement of activities presents a comparison between direct expenses and program revenues for each function of the ROP'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. 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 ROP's funds, including its fiduciary funds. Separate statements for each fund category - *governmental* and *fiduciary* - are presented. The emphasis of fund financial statements is on major governmental funds, rather than reporting funds by type. The ROP only maintains one governmental fund, the General Fund.

# TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM

## Notes to Financial Statements

June 30, 2015

---

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

#### B. Basis of Presentation, Basis of Accounting (continued)

##### 1. Basis of Presentation (continued)

###### Major Governmental Fund

The ROP reports the following major governmental fund:

**General Fund:** This fund is used to account for and report all financial resources not accounted for and reported in another fund. The ROP maintains two separate funds with the Alameda County Treasurer, both of which are reported in the General Fund.

###### Fiduciary Fund

Fiduciary fund reporting focuses on net position and changes in net position. Fiduciary funds are used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the ROP's own programs. The fiduciary fund category includes pension (and other employee benefit) trust funds, investment trust funds, private-purpose trust funds, and agency funds. The ROP maintains the following fiduciary fund:

**Agency Funds:** The ROP maintains a separate agency fund for an Associated Student Body (ASB) Fund.

##### 2. Measurement Focus, Basis of Accounting

###### Government-Wide and Fiduciary Fund Financial Statements

The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and 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 ROP gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants, entitlements, and donations. On an accrual basis, revenue 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. 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. Capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and financing from capital leases are reported as other financing sources.

##### 3. Revenues - Exchange and Non-Exchange Transactions

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

# TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM

## Notes to Financial Statements

June 30, 2015

---

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

#### B. Basis of Presentation, Basis of Accounting (continued)

##### 3. Revenues - Exchange and Non-Exchange Transactions (continued)

The following revenue sources are considered to be both measurable and available at fiscal year-end: State apportionments, interest, certain grants, and other local sources.

Non-exchange transactions, in which the ROP receives value without directly giving equal value in return, include property taxes, certain grants, entitlements, and donations. Revenue from property taxes is recognized in the fiscal year in which the taxes are received. Revenue from certain grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include time and purpose requirements. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

#### C. Budgetary Data

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

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

#### D. Encumbrances

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

#### E. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position

##### 1. Cash and Cash Equivalents

The ROP considers cash and cash equivalents to be cash on hand and demand deposits. In addition, because the Treasury Pool is sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty, equity in the pool is also deemed to be a cash equivalent.

##### 2. 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 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.

# TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM

Notes to Financial Statements

June 30, 2015

---

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

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

#### 2. Capital Assets (continued)

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	25-50 years
Equipment	2-20 years
Vehicles	8 years

#### 3. Unearned Revenue

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

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

#### 4. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The ROP has two items that qualify for reporting in this category. These items are to recognize contributions made to the pension plan after the measurement date and recognize the changes in proportionate share of the net pension liability.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. The ROP has one item that is reported as deferred inflows of resources. That item is to recognize the ROP's proportionate share of the deferred inflows of resources related to its pension plans as more fully described in the footnote entitled "Pension Plans".

#### 5. Compensated Absences

The liability for compensated absences reported in the government-wide statements consists of unpaid, accumulated vacation leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

## TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM

Notes to Financial Statements

June 30, 2015

---

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

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

##### 6. Pensions

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

##### 7. Fund Balances

The fund balance for governmental funds is reported in classifications based on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

**Nonspendable:** Fund balance is reported as nonspendable when the resources cannot be spent because they are either in a nonspendable form or legally or contractually required to be maintained intact. Resources in nonspendable form include inventories and prepaid assets.

**Restricted:** Fund balance is reported as restricted when the constraints placed on the use of resources are either externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or imposed by law through constitutional provision or by enabling legislation.

**Committed:** The ROP's highest decision-making level of authority rests with the ROP's Board. Fund balance is reported as committed when the Board passes a resolution that places specified constraints on how resources may be used. The Board can modify or rescind a commitment of resources through passage of a new resolution.

**Assigned:** Resources that are constrained by the ROP's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. Intent may be expressed by either the Board, committees (such as budget or finance), or officials to which the Board has delegated authority.

**Unassigned:** Unassigned fund balance represents fund balance that has not been restricted, committed, or assigned and may be utilized by the ROP for any purpose. When expenditures are incurred, and both restricted and unrestricted resources are available, it is the ROP's policy to use restricted resources first, then unrestricted resources in the order of committed, assigned, and then unassigned, as they are needed.

## TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM

### Notes to Financial Statements

June 30, 2015

---

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

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

##### 8. Net Position

Net position is classified into three components: net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

- **Net investment in capital assets** - This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds are not included in the calculation of net investment in capital assets. Rather, that portion of the debt is included in the same net position component as the unspent proceeds.
- **Restricted** - This component of net position consists of constraints placed on net position use through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation.
- **Unrestricted net position** - This component of net position consists of net position that does not meet the definition of "net investment in capital assets" or "restricted".

When both restricted and unrestricted resources are available for use, it is the ROP's policy to use restricted resources first, then unrestricted resources as they are needed.

#### F. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reported period. Actual results could differ from those estimates.

#### G. New GASB Pronouncements

During the 2014-15 fiscal year, the following GASB Pronouncements became effective:

##### 1. **Statement No. 68, Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27 (Issued 06/12)**

The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency.

## TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM

### Notes to Financial Statements

June 30, 2015

---

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

##### G. New GASB Pronouncements (continued)

###### 1. Statement No. 68 (continued)

This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans administered as trusts or equivalent arrangements (hereafter jointly referred to as trusts) that meet certain criteria.

This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

###### Cost-Sharing Employers

In financial statements prepared using the economic resources measurement focus and accrual basis of accounting, a cost-sharing employer that does not have a special funding situation is required to recognize a liability for its proportionate share of the net pension liability (of all employers for benefits provided through the pension plan)—the collective net pension liability. An employer's proportion is required to be determined on a basis that is consistent with the manner in which contributions to the pension plan are determined, and consideration should be given to separate rates, if any, related to separate portions of the collective net pension liability. The use of the employer's projected long-term contribution effort as compared to the total projected long-term contribution effort of all employers as the basis for determining an employer's proportion is encouraged.

A cost-sharing employer is required to recognize pension expense and report deferred outflows of resources and deferred inflows of resources related to pensions for its proportionate shares of collective pension expense and collective deferred outflows of resources and deferred inflows of resources related to pensions.

###### 2. Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - An Amendment of GASB Statement No. 68 (Issued 11/13)*

The objective of this Statement is to address an issue regarding application of the transition provisions of Statement No. 68, *Accounting and Financial Reporting for Pensions*. The issue relates to amounts associated with contributions, if any, made by a state or local government employer or nonemployer contributing entity to a defined benefit pension plan after the measurement date of the government's beginning net pension liability.

Statement 68 requires a state or local government employer (or nonemployer contributing entity in a special funding situation) to recognize a net position liability measured as of a date (the measurement date) no earlier than the end of its prior fiscal year. If a state or local government employer or nonemployer contributing entity makes a contribution to a defined benefit pension plan between the measurement date of the reported net pension liability and the end of the government's reporting period, Statement 68 requires that the government recognize its contribution as a deferred outflow of resources.



## TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM

*Notes to Financial Statements*

*June 30, 2015*

---

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

#### G. New GASB Pronouncements (continued)

##### 2. Statement No. 71 (continued)

In addition, Statement 68 requires recognition of deferred outflows of resources and deferred inflows of resources for changes in the net pension liability of a state or local government employer or nonemployer contributing entity that arise from other types of events. At transition to Statement 68, if it is not practical for an employer or nonemployer contributing entity to determine the amounts of *all* deferred outflows of resources and deferred inflows of resources related to pensions, paragraph 137 of Statement 68 required that beginning balances for deferred outflows of resources and deferred inflows of resources not be reported.

Consequently, if it is not practical to determine the amounts of all deferred outflows of resources and deferred inflows of resources related to pensions, contributions made after the measurement date of the beginning net pension liability could not have been reported as deferred outflows of resources at transition. This could have resulted in a significant understatement of an employer or nonemployer contributing entity's beginning net position and expense in the initial period of implementation.

This Statement amends paragraph 137 of Statement 68 to require that, at transition, a government recognize a beginning deferred outflow of resources for its pension contributions, if any, made subsequent to the measurement date of the beginning net pension liability. Statement 68, as amended, continues to require that beginning balances for other deferred outflows of resources and deferred inflows of resources related to pensions be reported at transition only if it is practical to determine all such amounts.

The provisions of this Statement are required to be applied simultaneously with the provisions of Statement 68.

##### 3. Cumulative Effect of Change in Accounting Principle

Accounting changes adopted to conform to the provisions of these statements should be applied retroactively. The result of the implementation of these standards was to decrease the net position at July 1, 2013 by \$3,678,939, which is the amount of net pension liability, net of the deferred outflows of resources related to pensions at July 1, 2014.

## TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM

### Notes to Financial Statements

June 30, 2015

---

#### NOTE 2 – CASH

Cash at June 30, 2015 is reported at fair value and consisted of the following:

	<u>Governmental Activities/Funds</u>	<u>Fiduciary Fund</u>
Pooled Funds:		
Cash in county treasury	\$ 1,862,572	\$ -
Total Pooled Funds	<u>1,862,572</u>	<u>-</u>
Deposits:		
Cash on hand and in banks	-	41,926
Cash in revolving fund	<u>20,000</u>	<u>-</u>
Total Deposits	<u>20,000</u>	<u>41,926</u>
Total Cash	<u>\$ 1,882,572</u>	<u>\$ 41,926</u>

#### Pooled Funds

In accordance with Education Code Section 41001, the ROP maintains substantially all of its cash in the County Treasury. The County pools and invests the cash. These pooled funds are carried at cost which approximates fair value. Interest earned is deposited annually to participating funds. Any investment losses are proportionately shared by all funds in the pool.

Because the ROP's deposits are maintained in a recognized pooled investment fund under the care of a third party and the ROP's share of the pool does not consist of specific, identifiable investment securities owned by the ROP, no disclosure of the individual deposits and investments or related custodial credit risk classifications is required.

In accordance with applicable state laws, the County Treasurer may invest in derivative securities with the State of California. However, at June 30, 2015, the County Treasurer has represented that the Pooled Investment Fund contained no derivatives or other investments with similar risk profiles.

#### Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the ROP's deposits may not be returned to it. The ROP does not have a policy for custodial credit risk for deposits. Cash balances held in banks are insured up to \$250,000 by the Federal Depository Insurance Corporation (FDIC) and are collateralized by the respective financial institutions. In addition, the California Government Code requires that a financial institution secure deposits made by State or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under State law (unless so waived by the governmental unit). The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2015, none of the ROP's bank balance was exposed to custodial credit risk because it was insured by the FDIC.

## TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM

### Notes to Financial Statements

June 30, 2015

#### NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable as of June 30, 2015 consisted of the following:

Federal Government:		
Categorical aid programs	\$	161,538
Local:		
Transfers of apportionments		346,082
Alameda County Sheriff		219,132
Miscellaneous		18,716
		<u>18,716</u>
Total	\$	<u>745,468</u>

#### NOTE 4 – CAPITAL ASSETS AND DEPRECIATION

Capital asset activity for the year ended June 30, 2015 was as follows:

	Balance, July 1, 2014	Additions	Retirements	Balance, June 30, 2015
Capital assets being depreciated:				
Buildings	\$ 285,140	\$ -	\$ -	\$ 285,140
Equipment	76,785	26,112	-	102,897
Total capital assets being depreciated	<u>361,925</u>	<u>26,112</u>	<u>-</u>	<u>388,037</u>
Accumulated depreciation for:				
Buildings	(57,027)	(19,010)	-	(76,037)
Equipment	(69,075)	(9,077)	-	(78,152)
Total accumulated depreciation	<u>(126,102)</u>	<u>(28,087)</u>	<u>-</u>	<u>(154,189)</u>
Total capital assets being depreciated, net	<u>235,823</u>	<u>(1,975)</u>	<u>-</u>	<u>233,848</u>
Governmental activity capital assets, net	<u>\$ 235,823</u>	<u>\$ (1,975)</u>	<u>\$ -</u>	<u>\$ 233,848</u>

#### NOTE 5 – GENERAL LONG-TERM DEBT

Changes in long-term debt for the year ended June 30, 2015 were as follows:

	Balance, July 1, 2014*	Additions	Deductions	Balance, June 30, 2015	Amount Due Within One Year
Capital Leases	\$ -	\$ 26,112	\$ 3,117	\$ 22,995	\$ 4,874
Net Pension Liability	3,886,176	-	720,180	3,165,996	-
Compensated Absences	707	1,948	-	2,655	-
	<u>\$ 3,886,883</u>	<u>\$ 28,060</u>	<u>\$ 723,297</u>	<u>\$ 3,191,646</u>	<u>\$ 4,874</u>

\* Beginning balance has been restated for the net pension liability in accordance with GASB No. 68.

## TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM

### Notes to Financial Statements

June 30, 2015

---

#### NOTE 6 – JOINT VENTURES

The Tri-Valley Regional Occupational Program (ROP) participates in two joint ventures under joint powers agreements (JPAs). The relationship between the ROP and the JPAs is such that the JPAs are not component units of the ROP for financial purposes. The East Bay Schools Insurance Group (EBSIG) arranges for and provides property and liability insurance for its members. The Alameda County Schools Insurance Group (ACSIG) arranges for and provides worker's compensation insurance for its members.

The governing board controls the operations of its JPAs independent of any influence by the member JPAs beyond their representation on the governing board. Each member JPA pays a premium commensurate with the level of coverage requested and shares surpluses and deficits proportionately to its participation in the JPAs.

Condensed audited financial information for the year ended June 30, 2014 for EBSIG and ACSIG is as follows:

	EBSIG	ACSIG
Total assets	\$ 2,319,159	\$ 33,646,460
Total liabilities	1,893,317	33,839,130
Net position	<u>\$ 425,842</u>	<u>\$ (192,670)</u>
Operating revenue	\$ 4,391,945	\$ 135,004,993
Operating expenses	<u>3,896,230</u>	<u>130,454,306</u>
Operating income (loss)	495,715	4,550,687
Non-operating income (expense)	<u>5,974</u>	<u>256,449</u>
Change in net position	<u>\$ 501,689</u>	<u>\$ 4,807,136</u>

#### NOTE 7 – COMMITMENTS AND CONTINGENCIES

##### A. State and Federal Allowances, Awards and Grants

The ROP 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.

##### B. Litigation

The ROP is involved in certain legal matters that arose out of the normal course of business. The ROP has not accrued a liability for any potential litigation against it because it does not meet the criteria to be considered a liability at June 30, 2015.

## TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM

### Notes to Financial Statements

June 30, 2015

---

#### NOTE 8 - PENSION PLANS

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 California State Teachers' Retirement System (CalSTRS), and classified employees are members of California Public Employees' Retirement System (CalPERS).

##### A. General Information about the Pension Plans

###### Plan Descriptions

The ROP contributes to the California State Teachers' Retirement System (CalSTRS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalSTRS. Benefit provisions under the Plan are established by State statute and ROP resolution. CalSTRS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions, and membership information that can be found on the CalSTRS website.

The ROP also 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. Benefit provisions under the Plan are established by State statute and ROP resolution. CalPERS issues publicly available reports that include a full description of the pension plan regarding benefit provisions, assumptions, and membership information that can be found on the CalPERS website.

###### Benefits Provided

CalSTRS provides retirement, disability, and death benefits. Retirement benefits are determined as 2 percent of final compensation for each year of credited service at age 60 for members under *CalSTRS 2% at 60*, or age 62 for members under *CalSTRS 2% at 62*, increasing to a maximum of 2.4 percent at age 63 for members under *CalSTRS 2% at 60*, or age 65 for members under *CalSTRS 2% at 62*. The normal retirement eligibility requirements are age 60 for members under *CalSTRS 2% at 60*, or age 62 for members under *CalSTRS 2% at 62*, with a minimum of five years of service credited under the Defined Benefit Program, which can include service purchased from teaching in an out-of-state or foreign public school. Employees are eligible for service-related disability benefits after five years of service, unless the member is disabled due to an unlawful act of bodily injury committed by another person while working in CalSTRS covered employment, in which case the minimum is one year. Disability benefits are equal to fifty percent of final compensation regardless of age and service credit. Designated recipients of CalSTRS retired members receive a \$6,163 lump-sum death payment. There is a 2 percent simple increase each September 1 following the first anniversary of the date on which the monthly benefit began to accrue. The annual 2 percent increase is applied to all continuing benefits other than Defined Benefit Supplement annuities. However, if the member retires with a Reduced Benefit Election, the increase does not begin to accrue until the member reaches age 60 and is not payable until the member receives the full benefit. This increase is also known as the improvement factor.

CalPERS also provides retirement, disability, and death benefits. Retirement benefits are determined as 1.1 percent of final compensation for each year of credited service at age 50 for members under *2% at 55*, or 1.0 percent at age 52 for members under *2% at 62*, increasing to a maximum of 2.5 percent at age 63 for members under *2% at 55*, or age 67 for members under *2% at 62*. To be eligible for service retirement, members must be at least age 50 and have a minimum of five years of CalPERS-credited service. Members joining on or after January 1, 2013 must be at least age 52. Disability retirement has no minimum age requirement and the disability does not have to be job related. However, members must have a minimum of five years of CalPERS service credit.

**TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM**

*Notes to Financial Statements*

June 30, 2015

---

**NOTE 8 - PENSION PLANS (continued)**

**A. General Information about the Pension Plans (continued)**

**Benefits Provided (continued)**

Pre-retirement death benefits range from a simple return of member contributions plus interest to a monthly allowance equal to half of what the member would have received at retirement paid to a spouse or domestic partner. To be eligible for any type of monthly pre-retirement death benefit, a spouse or domestic partner must have been either married to the member or legally registered before the occurrence of the injury or the onset of the illness that resulted in death, or for at least one year prior to death. Cost-of-living adjustments are provided by law and are based on the Consumer Price Index for all United States cities. Cost-of-living adjustments are paid the second calendar year of the member's retirement on the May 1 check and then every year thereafter. The standard cost-of-living adjustment is a maximum of 2 percent per year.

**Contributions**

Active CalSTRS plan members were required to contribute 8.15% of their salary in 2014-15. The required employer contribution rate for fiscal year 2014-15 was 8.88% of annual payroll. The contribution requirements of the plan members are established by State statute. Active CalPERS plan members are required to contribute 7.0% of their salary and the ROP is required to contribute an actuarially determined rate. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The required employer contribution for fiscal year 2014-15 was 11.771%. The contribution requirements of the plan members are established by State statute.

For the fiscal year ended June 30, 2015, the contributions recognized as part of pension expense for each Plan were as follows:

	<u>CalSTRS</u>	<u>CalPERS</u>
Employer contributions	\$ 326,600	\$ 54,757
Employee contributions paid by employer	\$ -	\$ -

**B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions**

As of June 30, 2015, the ROP reported net pension liabilities for its proportionate shares of the net pension liability of each Plan as follows:

	<u>Proportionate Share of Net Pension Liability</u>
CalSTRS	\$ 2,921,850
CalPERS	\$ 244,146
Total Net Pension Liability	<u>\$ 3,165,996</u>

**TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM**

*Notes to Financial Statements*

June 30, 2015

**NOTE 8 - PENSION PLANS (continued)**

**B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)**

The ROP's net pension liability for each Plan is measured as the proportionate share of the net pension liability. The net pension liability of each of the Plans is measured as of June 30, 2014, and the total pension liability for each Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2013 rolled forward to June 30, 2014 using standard update procedures. The ROP's proportion of the net pension liability was based on a projection of the ROP's long-term share of contributions to the pension plans relative to the projected contributions of all participating employers, actuarially determined. The ROP's proportionate share of the net pension liability for each Plan as of June 30, 2013 and 2014 was as follows:

	CalSTRS*	CalPERS
Proportion - June 30, 2013	0.0050%	0.0020%
Proportion - June 30, 2014	0.0050%	0.0022%
Change - Increase (Decrease)	0.0000%	0.0002%

\* The District's proportionate share percentage was not separately determined for June 30, 2013, so the June 30, 2014 percentage was used to calculate the beginning amounts.

For the year ended June 30, 2015, the ROP recognized pension expense of \$273,950. At June 30, 2015, the ROP reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	\$ 244,363	\$ -
Adjustment due to differences in proportions	16,498	-
Net differences between projected and actual earnings on plan investments	-	(803,391)
	<u>\$ 260,861</u>	<u>\$ (803,391)</u>

The total amount of \$244,363 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense as follows:

Year Ended June 30,	Amount
2016	\$ (160,748)
2017	\$ (160,748)
2018	\$ (160,748)
2019	\$ -
2020	\$ -
Thereafter	\$ -

## TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM

### Notes to Financial Statements

June 30, 2015

---

#### NOTE 8 - PENSION PLANS (continued)

##### B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

**Actuarial Assumptions** – The total pension liabilities in the June 30, 2013 actuarial valuations were determined using the following actuarial assumptions:

	CalSTRS	CalPERS
Valuation Date	June 30, 2013	June 30, 2013
Measurement Date	June 30, 2014	June 30, 2014
Actuarial Cost Method	Entry age normal	Entry age normal
Actuarial Assumptions:		
Discount Rate	7.60%	7.50%
Inflation	3.00%	2.75%
Wage Growth	3.75%	3.00%
Post-retirement Benefit Increase	2.00%	-
Investment Rate of Return	7.60%	7.50%

CalSTRS uses custom mortality tables to best fit the patterns of mortality among its members. These custom tables are based on RP2000 series tables adjusted to fit CalSTRS experience. RP2000 series tables are an industry standard set of mortality rates published by the Society of Actuaries. See CalSTRS July 1, 2006 - June 30, 2010 Experience Analysis for more information. The underlying mortality assumptions and all other actuarial assumptions used in the CalPERS June 30, 2013 valuation were based on the results of a January 2014 actuarial experience study for the period 1997 to 2011. Further details of the Experience Study can found on the CalPERS website.

##### **Discount Rate** – for CalSTRS

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

Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

##### **Discount Rate** – for CalPERS

The discount rate used to measure the total pension liability was 7.50% for CalPERS. To determine whether the municipal bond rate should be used in the calculation of a discount rate for each plan, CalPERS stress tested plans that would most likely result in a discount rate that would be different from the actuarially assumed discount rate. Based on the testing, none of the tested plans run out of assets. Therefore, the current 7.50 percent discount rate is adequate and the use of the municipal bond rate calculation is not necessary. The long term expected discount rate of 7.50 percent will be applied to all plans in the Public Employees Retirement Fund (PERF). The stress test results are presented in a detailed report that can be obtained from the CalPERS website.



## TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM

Notes to Financial Statements

June 30, 2015

---

### NOTE 8 - PENSION PLANS (continued)

#### B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

##### *Discount Rate* – for CalPERS (continued)

According to Paragraph 30 of Statement 68, the long-term discount rate should be determined without reduction for pension plan administrative expense. The 7.50 percent investment return assumption used in this accounting valuation is net of administrative expenses. Administrative expenses are assumed to be 15 basis points. An investment return excluding administrative expenses would have been 7.65 percent. Using this lower discount rate has resulted in a slightly higher Total Pension Liability and Net Pension Liability. CalPERS checked the materiality threshold for the difference in calculation and did not find it to be a material difference. CalPERS is scheduled to review all actuarial assumptions as part of its regular Asset Liability Management (ALM) review cycle that is scheduled to be completed in February 2018. Any changes to the discount rate will require Board action and proper stakeholder outreach. For these reasons, CalPERS expects to continue using a discount rate net of administrative expenses for GASB 67 and 68 calculations through at least the 2017-18 fiscal year. CalPERS will continue to check the materiality of the difference in calculation until such time as we have changed our methodology.

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

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected pension fund cash flows. Using historical returns of all the funds' asset classes, expected compound returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated for each fund.

The expected rate of return was set by calculating the single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and rounded down to the nearest one quarter of one percent.

## TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM

### Notes to Financial Statements

June 30, 2015

#### NOTE 8 - PENSION PLANS (continued)

##### B. Pension Liabilities, Pension Expenses, and Deferred Outflows/Inflows of Resources Related to Pensions (continued)

###### **Discount Rate** – for CalPERS (continued)

The table below reflects the long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate and asset allocation. These rates of return are net of administrative expenses.

Asset Class	Target Allocation		Long-Term Expected Rate of Return	
	CalSTRS	CalPERS	CalSTRS	CalPERS
Global Equity	47%	47%	4.5%	5.7%
Global Fixed Income	N/A	19%	N/A	2.4%
Inflation Sensitive	5%	6%	3.2%	3.4%
Private Equity	12%	12%	6.2%	7.0%
Real Estate	15%	11%	4.4%	5.1%
Infrastructure and Forestland	N/A	3%	N/A	5.1%
Fixed Income	20%	N/A	0.2%	N/A
Liquidity	1%	2%	0.0%	-1.1%
	<u>100%</u>	<u>100%</u>		

###### **Sensitivity of the Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the ROP's proportionate share of the net pension liability for each Plan, calculated using the discount rate for each Plan, as well as what the ROP's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

	CalSTRS	CalPERS
1% Decrease	6.60%	6.50%
Net Pension Liability	\$ 4,554,400	\$ 428,287
Current Discount Rate	7.60%	7.50%
Net Pension Liability	\$ 2,921,850	\$ 244,146
1% Increase	8.60%	8.50%
Net Pension Liability	\$ 1,560,600	\$ 90,277

###### **Pension Plan Fiduciary Net Position**

Detailed information about each pension plan's fiduciary net position is available in the separately issued CalSTRS and CalPERS financial reports.

##### C. Payable to the Pension Plans

At June 30, 2015, the ROP reported a payable of \$34,380 and \$5,432 for the outstanding amount of contributions to the CalSTRS and CalPERS pension plans, respectively, required for the fiscal year ended June 30, 2015.

---

---

***Required Supplementary Information***

---

---

**TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM**  
*Budgetary Comparison Schedule – General Fund*  
*For the Fiscal Year Ended June 30, 2015*

	<b>Budgeted Amounts</b>		<b>Actual (Budgetary Basis)</b>	<b>Variance with Final Budget - Pos (Neg)</b>
	<b>Original</b>	<b>Final</b>		
<b>Revenues</b>				
Federal	\$ 139,392	\$ 176,948	\$ 176,948	\$ -
Other State	-	-	136,995	136,995
Other Local	4,229,370	4,489,396	4,498,776	9,380
<b>Total Revenues</b>	<b>4,368,762</b>	<b>4,666,344</b>	<b>4,812,719</b>	<b>146,375</b>
<b>Expenditures</b>				
Current:				
Certificated Salaries	2,378,850	2,295,734	2,295,920	(186)
Classified Salaries	274,234	368,924	363,110	5,814
Employee Benefits	341,870	389,002	525,336	(136,334)
Books and Supplies	116,983	255,713	284,631	(28,918)
Services and Other Operating Expenditures	700,245	2,364,331	2,180,272	184,059
<b>Total Expenditures</b>	<b>3,812,182</b>	<b>5,673,704</b>	<b>5,649,269</b>	<b>24,435</b>
Excess (Deficiency) of Revenues Over (Under) Expenditures	556,580	(1,007,360)	(836,550)	121,940
<b>Other Financing Sources and Uses</b>				
Proceeds from Capital Leases	-	-	26,112	(26,112)
<b>Total Other Financing Sources and Uses</b>	<b>-</b>	<b>-</b>	<b>26,112</b>	<b>(26,112)</b>
Net change in Fund Balance	556,580	(1,007,360)	(810,438)	95,828
Fund Balances, July 1, 2014	2,733,932	2,733,932	2,733,932	2,733,932
Fund Balances, June 30, 2015	<u>\$ 3,290,512</u>	<u>\$ 1,726,572</u>	<u>\$ 1,923,494</u>	<u>\$ 2,829,760</u>

The excess of expenditures over appropriations for employee benefits is due to booking the STRS on-behalf revenues and payments, which were not taken into consideration when developing the budget.

**TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM**  
*Schedule of Proportionate Share of the Net Pension Liability*  
*For the Fiscal Year Ended June 30, 2015*

---

Last Ten Fiscal Years\*

	<u>2014</u>
District's proportion of the net pension liability (asset):	
CalSTRS	0.0050%
CalPERS	0.0022%
District's proportionate share of the net pension liability (asset):	
CalSTRS	\$ 2,921,850
CalPERS	\$ 244,145
District's covered-employee payroll:	
CalSTRS	\$ 2,190,582
CalPERS	\$ 216,955
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll:	
CalSTRS	133.4%
CalPERS	112.5%
Plan fiduciary net position as a percentage of the total pension liability:	
CalSTRS	76.5%
CalPERS	83.4%

\* *This schedule is required to show information for ten years; however, until a full ten year trend is compiled, information is presented for those years for which information is available.*

**TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM**

*Schedule of Contributions*

*For the Fiscal Year Ended June 30, 2015*

---

	<u>2014</u>
Actuarially determined contribution:	
CalSTRS	\$ 180,723
CalPERS	\$ 24,824
Contributions in relation to the actuarially determined contribution:	
CalSTRS	\$ 180,723
CalPERS	<u>\$ 24,824</u>
Contribution deficiency (excess):	
CalSTRS	<u>\$ -</u>
CalPERS	<u>\$ -</u>
District's covered-employee payroll:	
CalSTRS	\$ 2,190,582
CalPERS	\$ 216,955
Contributions as a percentage of covered-employee payroll:	
CalSTRS	8.25%
CalPERS	11.442%

*\* This schedule is required to show information for ten years; however, until a full ten year trend is compiled, information is presented for those years for which information is available.*

# TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM

Notes to the Required Supplementary Information  
For the Fiscal Year Ended June 30, 2015

---

## NOTE 1 – PURPOSE OF SCHEDULES

### Budgetary Comparison Schedule

This schedule is required by GASB Statement No. 34 as required supplementary information (RSI) for the General Fund and for each major special revenue fund that has a legally adopted annual budget. The budgetary comparison schedule presents both (a) the original and (b) the final appropriated budgets for the reporting period as well as (c) actual inflows, outflows, and balances, stated on the ROP's budgetary basis. A separate column to report the variance between the final budget and actual amounts is also presented, although not required.

### Schedule of Proportionate Share of the Net Pension Liability

This schedule is required by GASB Statement No. 68 and is required for all employers in a cost-sharing pension plan. The schedule reports the following information:

- The proportion (percentage) of the collective net pension liability (similar to the note disclosure)
- The proportionate share (amount) of the collective net pension liability
- The employer's covered-employee payroll
- The proportionate share (amount) of the collective net pension liability as a percentage of the employer's covered-employee payroll
- The pension plan's fiduciary net position as a percentage of the total pension liability

### Schedule of Contributions

This schedule is required by GASB Statement No. 68 and is required for all employers in a cost-sharing pension plan. The schedule reports the following information:

- If an employer's contributions to the plan are actuarially determined or based on statutory or contractual requirements: the employer's actuarially determined contribution to the pension plan (or, if applicable, its statutorily or contractually required contribution), the employer's actual contributions, the difference between the actual and actuarially determined contributions (or statutorily or contractually required), and a ratio of the actual contributions divided by covered-employee payroll.

## NOTE 2 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS

At June 30, 2015, the ROP incurred the following excess of expenditures over appropriations in individual major funds presented in the Budgetary Comparison Schedule:

<u>Category</u>	<u>Excess Expenditures</u>
Certificated Salaries	\$ 186
Employee Benefits *	136,334
Books and Supplies	28,918

\* The excess of expenditures over appropriations for employee benefits is due to booking the STRS on-behalf revenues and payments, which were not taken into consideration when developing the budget.

---

---

***Supplementary Information***

---

---



## **TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM**

### *History and Organization*

*For the Fiscal Year Ended June 30, 2015*

---

The Tri-Valley Regional Occupational Program (ROP) was formed by a joint powers agreement among four Alameda County school districts in 1992. The ROP is located in Alameda County. The ROP was formed to provide entry level occupational training to youths and adults residing in the districts that formed the joint powers entity.

The ROP is composed of one representative from the Governing Board of each of the three member districts: Dublin Unified School District, Livermore Valley Joint Unified School District, and Pleasanton Unified School District.

The ROP is an entity that is separate and apart from the member districts, and is governed by the Third Amended Joint Powers Agreement.

#### **GOVERNING BOARD**

<b><u>Member</u></b>	<b><u>Office</u></b>	<b><u>Term Expires</u></b>
Joan Laursen	Chairperson	2015
Chuck Rogge	Vice Chairperson	2015
Sean Kenney	Member	2015

#### **ROP ADMINISTRATORS**

Julie Duncan,  
*Superintendent,*

Heather Morelli,  
*Coordinator of Program Services*

Fred Rutledge,  
*Principal, Correctional Education*

Kathleen Frazer,  
*Administrative Program Director*

## TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM

### Schedule of Financial Trends and Analysis

For the Fiscal Year Ended June 30, 2015

General Fund	(Budget) 2016 <sup>2</sup>	2015	2014	2013
Revenues and other financing sources	\$ 5,004,760	\$ 4,838,831	\$ 4,561,743	\$ 4,283,895
Expenditures	5,502,150	5,649,269	3,692,915	3,848,030
Change in fund balance (deficit)	(497,390)	(810,438)	868,828	435,865
Ending fund balance	\$ 1,426,104	\$ 1,923,494	\$ 2,733,932	\$ 1,865,104
Available reserves <sup>1</sup>	\$ 275,108	\$ 1,248,028	\$ 2,723,946	\$ 1,844,854
Available reserves as a percentage of total outgo	5.0%	22.1%	73.8%	47.9%
Total long-term debt	\$ 3,186,772	\$ 3,191,646	\$ 3,886,883	\$ 3,178

The General Fund balance has increased by \$58,390 over the past two years. The fiscal year 2015-16 adopted budget projects an decrease of \$497,390. For a JPA of this size, the State recommends available reserves of at least 5% of total general fund expenditures, transfers out, and other uses (total outgo).

The JPA has incurred an operating deficit in one of the past three years, and anticipates incurring an operating deficit during the 2015-16 fiscal year. Long-term debt has increased by \$3,188,468 over the past two years.

<sup>1</sup> Available reserves consist of all unassigned fund balances in the General Fund.

<sup>2</sup> Revised Final Budget September, 2015

**TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM**

*Reconciliation of Annual Financial and Budget Report with Audited Financial Statements  
For the Fiscal Year Ended June 30, 2015*

---

*There were no differences between the Annual Financial and Budget Report and the  
Audited Financial Statements in any funds.*

**TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM**

*Schedule of Expenditures of Federal Awards*

*For the Fiscal Year Ended June 30, 2015*

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
Federal Programs:			
U.S. Department of Education:			
Passed through California Dept. of Education (CDE):			
Vocational Education: Carl D. Perkins Career and			
Technical Education: Adult, Section 132	84.048	14893	\$ 134,003
Adult Education: Institutionalized Adults	84.002	13971	<u>42,945</u>
Total U.S. Department of Education			<u><u>176,948</u></u>
Total Expenditures of Federal Awards			<u><u>\$ 176,948</u></u>

## **TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM**

*Note to the Supplementary Information*

*June 30, 2015*

---

### **NOTE 1 – PURPOSE OF SCHEDULES**

#### **Schedule of Financial Trends and Analysis**

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

#### **Reconciliation of Annual Financial and Budget Report with Audited Financial Statements**

This schedule provides the information necessary to reconcile the fund balance of all funds reported on the Unaudited Actual financial report to the audited financial statements.

#### **Schedule of Expenditures of Federal Awards**

The schedule of expenditures of Federal awards includes the Federal grant activity of the ROP and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the United States Office of Management and Budget 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 financial statements.

---

---

***Other Independent Auditors' Reports***

---

---



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

Governing Board  
Tri-Valley Regional Occupational Program  
Livermore, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of Tri-Valley Regional Occupational Program as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise Tri-Valley Regional Occupational Program's basic financial statements, and have issued our report thereon dated November 25, 2015.

**Internal Control Over Financial Reporting**

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

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the ROP's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

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

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the ROP'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 ROP's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Handwritten signature in blue ink that reads "Nigro+Nigro, PC".

Murrieta, California  
November 25, 2015





## INDEPENDENT AUDITORS' REPORT ON STATE COMPLIANCE

Board of Education  
Tri-Valley Regional Occupational Program  
Livermore, California

### **Report on State Compliance**

We have audited Tri-Valley Regional Occupational Program's compliance with the types of compliance requirements described in the *2014-15 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* that could have a direct and material effect on each of the Tri-Valley Regional Occupational Program's state government programs as noted on the following page for the fiscal year ended June 30, 2015.

### ***Management's Responsibility***

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

### ***Auditors' Responsibility***

Our responsibility is to express an opinion on compliance for each of Tri-Valley Regional Occupational Program's State programs based on our audit of the types of compliance requirements referred to below. 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 *2014-15 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to below occurred. An audit includes examining, on a test basis, evidence about Tri-Valley Regional Occupational Program'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 State program. However, our audit does not provide a legal determination of Tri-Valley Regional Occupational Program's compliance.

In connection with the audit referred to on the prior page, we selected and tested transactions and records to determine the ROP's compliance with the State laws and regulations applicable to the following items:

Description	Procedures Performed
Attendance	Not Applicable
Teacher Certification and Misassignments	Not Applicable
Kindergarten Continuance	Not Applicable
Independent Study	Not Applicable
Continuation Education	Not Applicable
Instructional Time	Not Applicable
Instructional Materials	Not Applicable
Ratio of Administrative Employees to Teachers	Not Applicable
Classroom Teacher Salaries	Not Applicable
Early Retirement Incentive	Not Applicable
Gann Limit Calculation	Not Applicable
School Accountability Report Card	Not Applicable
Juvenile Court Schools	Not Applicable
Middle or Early College High Schools	Not Applicable
K-3 Grade Span Adjustment	Not Applicable
Transportation Maintenance of Effort	Not Applicable
Regional Occupation Centers or Programs Maintenance of Effort	Not Applicable
Adult Education Maintenance of Effort	Not Applicable
California Clean Energy Jobs Act	Not Applicable
After School Education and Safety Program	Not Applicable
Proper Expenditure of Education Protection Account Funds	Not Applicable
Common Core Implementation Funds	Not Applicable
Unduplicated Local Control Funding Formula Pupil Counts	Not Applicable
Local Control and Accountability Plan	Not Applicable
Charter Schools:	
Attendance	Not Applicable
Mode of Instruction	Not Applicable
Nonclassroom-Based Instruction/Independent Study	Not Applicable
Determination of Funding for Nonclassroom-Based Instruction	Not Applicable
Annual Instructional Minutes – Classroom Based	Not Applicable
Charter School Facility Grant Program	Not Applicable

***Unmodified Opinion on Compliance with State Programs***

In our opinion, Tri-Valley Regional Occupational Program complied, in all material respects, with the types of compliance requirements referred to above for the year ended June 30, 2015.

Murrieta, California  
November 25, 2015

---

---

## ***Findings and Recommendations***

---

---

**TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM**  
*Schedule of Audit Findings and Recommendations*  
*For the Year Ended June 30, 2015*

---

**SECTION I - SUMMARY OF AUDITORS' RESULTS**

***Financial Statements***

Type of auditor's report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(s) identified not considered to be material weaknesses?	<u>None reported</u>
Noncompliance material to financial statements noted?	<u>No</u>

***Federal Awards***

The ROP expended less than \$500,000 in federal awards in 2014-15; therefore a Single Audit pursuant to OMB Circular A-133 was not performed.

***State Awards***

Type of auditor's report issued on compliance for state programs:	<u>Unmodified</u>
--	-------------------

## TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM

### *Schedule of Audit Findings and Recommendations*

*For the Year Ended June 30, 2015*

---

#### SECTION II - FINANCIAL STATEMENT FINDINGS

This section identifies the significant deficiencies, material weaknesses, and instances of noncompliance related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*. Pursuant to Assembly Bill (AB) 3627, all audit findings must be identified as one or more of the following categories:

<u>Five Digit Code</u>	<u>AB 3627 Finding Types</u>
10000	Attendance
20000	Inventory of Equipment
30000	Internal Control
40000	State Compliance
42000	Charter School Facilities Programs
50000	Federal Compliance
60000	Miscellaneous
61000	Classroom Teacher Salaries
62000	Local Control Accountability Plan
70000	Instructional Materials
71000	Teacher Misassignments
72000	School Accountability Report Card

***There were no financial statement findings in 2014-15.***

**TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM**  
*Schedule of Audit Findings and Questioned Costs*  
*For the Fiscal Year Ended June 30, 2015*

---

**SECTION III - STATE AWARD FINDINGS AND QUESTIONED COSTS**

This section identifies the audit findings pertaining to noncompliance with state program rules and regulations.

*There were no state award findings or questioned costs in 2014-15.*

**TRI-VALLEY REGIONAL OCCUPATIONAL PROGRAM**  
*Summary Schedule of Prior Audit Findings*  
*For the Fiscal Year Ended June 30, 2015*

---

*There were no findings or questioned costs in 2013-14.*