



**SANTA CRUZ**  
COUNTY OFFICE OF  
**EDUCATION**  
DR. FARIS SABBAH • SUPERINTENDENT OF SCHOOLS

Santa Cruz County Board of Education • 400 Encinal Street, Santa Cruz, CA 95060 • Tel (831) 466-5900 • [www.santacruzcoe.org](http://www.santacruzcoe.org)

**Mr. Ed Acosta • Mr. Edward Estrada • Ms. Sandra Nichols  
Ms. Sue Roth • Mr. Abel Sanchez • Mr. Bruce Van Allen**

**Student Trustee: Mr. Oscar Alvarez-Delgado**

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**Santa Cruz County Board of Education  
Regular Board Meeting  
Thursday, May 16, 2024  
4:00 pm  
Boardroom and/or Zoom**

Members of the public may join the meeting either by attending in-person or joining the live video-conference using the following link:

<https://santacruzcoe-org.zoom.us/j/81161996724>

Alternatively, join by phone using the following phone number at the time of the meeting:

**Phone Number: +1 (669) 444-9171**

**Meeting ID: 811 6199 6724**

**PUBLIC COMMENT:**

Any person wishing to make a public comment will have the opportunity to do so either in-person or via videoconference during the meeting for up to three minutes each for any item not listed on the agenda, or for up to three minutes for any item listed on the agenda. To request to speak during public comment or on any item on the agenda, please complete this form: <https://sccoe.link/PublicComment>

To submit a comment to be read aloud on your behalf either listed or not listed on the meeting agenda, please send a comment no longer than 300 words to [vvalentin@santacruzcoe.org](mailto:vvalentin@santacruzcoe.org) no later than 2:00 PM on May 16th. Each individual may only make one comment per topic.

Cualquier persona que desee hacer un comentario público tendrá la oportunidad de hacerlo en vivo o por videoconferencia durante la reunión virtual hasta tres minutos cada uno para cualquier tema que no esté incluido en la agenda, y hasta tres minutos para cualquier tema incluido en la agenda. Para solicitar hablar durante los comentarios públicos o sobre cualquier tema de la agenda, complete este formulario: <https://sccoe.link/PublicComment>

Para enviar un comentario para ser leído en voz alta en su nombre, ya sea para un tema en la agenda o no en la agenda, envíe un comentario de no más de 300 palabras a [vvalentin@santacruzcoe.org](mailto:vvalentin@santacruzcoe.org) a más tardar a las 2:00 PM del 16 de mayo. Cada individuo solo puede hacer un comentario por tema.

## AGENDA

1. **CALL TO ORDER, ROLL CALL AND ESTABLISHMENT OF QUORUM**

Sue Roth (President), Ed Acosta, Edward Estrada, Sandra Nichols, Abel Sanchez, Bruce Van Allen

Oscar Alvarez-Delgado (Student Trustee)

Faris Sabbah (Secretary)

1.1 **Board Member Remote Attendance Approval**

In accordance with AB 2449, Trustees may participate in the Board meeting remotely under the following conditions:

- Just Cause, or Emergency Circumstances
- Board Approval

Motion &

Voice Vote: Sue Roth (President)

2. **PLEDGE OF ALLEGIANCE**

Superintendent Sabbah will lead the Pledge of Allegiance.

3. **APPROVAL OF AGENDA**

Agenda deletions and/or sequence changes will be approved or the agenda will be approved as submitted.

4. **PUBLIC COMMENT**

This is an opportunity for the public to address the Board regarding items outside the agenda. The Board President will recognize any member of the audience not previously placed on the agenda who wishes to speak on a matter directly related to school business. Each speaker, on any specific topic, may speak for up to **three (3) minutes** unless otherwise limited or extended by the President. The President may allot time to those wishing to speak but no action will be taken on matters presented (EDC § 35145.5). If appropriate, the President, or any Member of the Board, may direct that a matter be referred to the Superintendent's Office for placement on a future agenda. Please refer to item, *Please Note*, on the last item of this agenda.

5. **CONSENT AGENDA**

All items appearing on the consent agenda are recommended actions that are considered to be routine and will be acted upon as one motion. Specific items may be removed for separate consideration. Item(s) removed will be considered immediately following the consent agenda motion as Deferred Consent Items.

5.0.1 Minutes of the Regular Board Meeting held on April 18, 2024

5.0.2 Donations

5.1 **DEFERRED CONSENT ITEMS (if required)**

This item is placed on the agenda to address any items that might be pulled from Agenda Item 5.0 for further discussion/consideration if so determined.

**6. CORRESPONDENCE**

Official correspondence received by the Board, if any, is included herein. Copies of correspondence received within 72 hours of the meeting will be made available at the meeting location.

**7. REPORTS, DISCUSSIONS, AND PRESENTATIONS**

**7.1 2024 Educators and Community Partner of the Year**

Each year, the Santa Cruz County Board of Education celebrates the accomplishments of teachers, classified employees, administrators, school counselors, and a local Community Partner. Award recipients are nominated by their peers and will be awarded a plaque of outstanding achievement by Superintendent Sabbah.

Award Recipients: Woodstock's, Community Partner of the Year  
Cristal Renteria, Administrator of the Year, Santa Cruz COE  
Jennifer Konicke, Classified Employee of the Year, Pacific ESD  
Soledad Hess, Counselor of the Year, SCCS  
Russell Bryan Love, Teacher of the Year, PVUSD

Presenter(s): Dr. Faris Sabbah, County Superintendent of Schools

**7.2 Santa Cruz COE's Youth Led Leadership Alliance Presentation**

Our student leadership initiatives provide opportunities for students to develop and practice essential leadership skills such as collaboration, public speaking, self-confidence, critical thinking, and civic engagement. Students from the Santa Cruz COE's Youth Led Leadership Alliance (YLLA), representing six leadership groups with specific goals and objectives, will share their projects and highlights during the 2023-2024 school year with the board.

Presenter(s): Dr. Faris Sabbah, County Superintendent of Schools  
Nick Ibarra, Communications and Engagement Director  
Andres Ortiz, Student Leadership and Engagement Coordinator

**7.3 Santa Cruz COE's Countywide Robotics Club**

Early May, ten teams from across the county participated in the MATE ROV (Marine Advanced Technology Education – Remotely Operated Vehicle) Regional Competition. The program aims to build student skills in entrepreneurship, team work, collaboration, as well as technical skills in robotics, computer programming, and design, engineering, and fabrication. The Santa Cruz COE's X Academy Robotics Clubs participated in the competition. Our Hephaestus Robotics team secured a remarkable 3rd place finish in the Ranger Class. This achievement earns them a coveted spot at the MATE ROV World Championship in Kingsport Tennessee at the end of June, where they will compete against 40 of the top teams from around the world. Our Angry Otters team in the Navigator class demonstrated exceptional skill by taking 2nd place in their division.

Presenter(s): Dr. Faris Sabbah, County Superintendent of Schools  
Jason Borgen, Chief Technology and Innovation Officer

**8. NEW BUSINESS AND ACTION ITEMS**

**8.1 Approval of Resolution #24-20 Recognizing LGBTQ+ Pride Month**

Earlier this month, the Santa Cruz County Office of Education, alongside all ten school districts, raised the Progress Flag in honor of Harvey Milk Day. The Progress Flag is a visual representation of acceptance and inclusion. The Board will consider adopting Resolution #24-20 Recognizing LGBTQ+ Pride Month.

Presenter(s): Sandra Nichols, Chair, Community Outreach and Legislation Committee  
Dr. Faris Sabbah, County Superintendent of Schools

Motion &  
Roll Call Vote: Sue Roth (President)

**8.2 Approval of Resolution #24-21 Recognizing Juneteenth**

Established as a federally recognized holiday in 2021, Juneteenth commemorates the emancipation of enslaved people in the United States. It was first celebrated in Texas on June 19, 1866, exactly one year after Major General Gordon Granger arrived in Galveston, Texas, and declared that enslaved people had been freed by the Emancipation Proclamation. The Board will consider adopting Resolution #24-21 Recognizing Juneteenth.

Presenter(s): Sandra Nichols, Chair, Community Outreach and Legislation Committee  
Dr. Faris Sabbah, County Superintendent of Schools

Motion &  
Roll Call Vote: Sue Roth (President)

**8.3 Approval of Resolution #24-22 Establishing Fund 40 Special Reserve Fund For Capital Outlay Projects**

This resolution will establish the Fund 40 Special Reserve Fund for Capital Outlay Projects. This fund will primarily accumulate general fund money for capital outlay purposes, sourced from interfund transfers and interest income. It can be used for various capital projects like land or building purchases. If projected projects don't materialize, funds may be transferred back to the General Fund 01. The Board is asked to approve this resolution.

Presenter(s): Liann Reyes, Deputy Superintendent - Business Services

Motion &  
Roll Call Vote: Sue Roth (President)



**8.4 Schedule Special Board Meeting**

Trustee will schedule a special meeting to host interviews for the vacancy for Trustee area 5 and Oath of Office Swearing in ceremony. The dates in consideration are May 28, May 29, and May 30, 2024. Trustees may also suggest other dates as well.

Presenter(s): Abel Sanchez, Committee Member, Board Vacancy Committee  
Bruce Van Allen, Committee Member, Board Vacancy Committee  
Dr. Faris Sabbah, County Superintendent of Schools

Motion &

Roll Call Vote: Sue Roth (President)

**9. SUPERINTENDENT'S REPORT**

Superintendent Sabbah will provide an update on activities and matters of interest.

**10. STUDENT TRUSTEE REPORT**

Student Trustee Alvarez-Delgado will provide an update on activities and matters of interest.

**11. TRUSTEE REPORTS (3 minutes each)**

Trustees will report on matters, events, and activities as related to the Board's goals of: Advocating for students, maintaining community relations, and promoting student achievement.

**12. AD HOC/STANDING COMMITTEE REPORTS/ACTIONS**

**13. ORGANIZATION OF THE BOARD**

With the recent trustee resignation, the Board no longer has a trustee acting as vice president.

**13.1 Nominations and Election for the Vice President of the Board**

President Roth will call for nominations for the Vice President. By motion, the board will elect a vice president.

Motion &

Roll Call Vote: Sue Roth (President)

**14. SCHEDULE OF MEETINGS AND UPCOMING EVENTS**

COE Alternative Graduations

May 20 - May 24, 2024

Countywide Black Graduation

May 25, 2024

COE Special Education Graduation

May 30, 2024

Santa Cruz County Board of Education

Regular Meeting

June 20, 2024

4:00 p.m.

Santa Cruz County Board of Education  
Agenda, Regular Meeting  
May 16, 2024

Santa Cruz County Board of Education  
Regular Meeting  
June 27, 2024  
4:00 p.m.

15. **ADJOURNMENT**  
President Roth will adjourn the meeting.

**PLEASE NOTE:**

**Public Participation:**

All persons are encouraged to attend and, when appropriate, to participate in meetings of the Santa Cruz County Board of Education. If you wish to speak to an item on the agenda, please be present at the beginning of the meeting as any item, upon motion, may be moved to the beginning of the agenda. Persons wishing to address the Board are asked to state their name for the record. The president of the Board will establish a time limit of three (3) minutes, unless otherwise stated by the president, for comments from the public. Consideration of all matters is conducted in open session except those relating to litigation, personnel and employee negotiations, which, by law, may be considered in closed session. Expulsion appeal hearings are heard in closed session unless a request for hearing in open session is made by the appellant.

**Backup Documentation:**

Any writings or documents that are public records and are provided to a majority of the governing board regarding an open session item on this agenda will be made available for public inspection in the County Office of Education, located 400 Encinal Street, Santa Cruz, CA 95060, during normal business hours.

**Translation Requests:**

Spanish language translation is available on an as-needed basis. Please make advance arrangements with Verenise Valentin by telephone at (831) 466-5900 Traducciones del inglés al español y del español al inglés están disponibles en las sesiones de la mesa directiva. Por favor haga los arreglos por anticipado con Verenise Valentin por teléfono al número (831) 466-5900.

**ADA Compliance:**

In compliance with Government Code section 54954.2 (a), The Santa Cruz County Office of Education will, on request, make this agenda available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec 12132), and the federal rules and regulations adopted in implementation thereof. Individuals who need this agenda in an alternative format or who need a disability-related modification or accommodation in order to participate in the meeting should contact Verenise Valentin, Administrative Aide to the Superintendent, 400 Encinal St., Santa Cruz, CA 95060, (831) 466-5900.



## SANTA CRUZ COUNTY BOARD OF EDUCATION

### AGENDA ITEM 5.0.1

Board Meeting Date: May 16, 2024

Action

Information

**TO:** County Board of Education

**FROM:** Administration Department

**SUBJECT:** Minutes of the Regular Board Meeting held on April 18, 2024

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#### BACKGROUND

Minutes from the regular Board Meeting held on April 18, 2024

#### FUNDING IMPLICATIONS

None.

#### RECOMMENDATION

Approve of the minutes



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**Student Trustee: Mr. Oscar Alvarez-Delgado**

**Santa Cruz County Board of Education  
Regular Board Meeting  
Thursday, April 18, 2024  
4:00 pm  
Boardroom and/or Zoom**

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**MEETING MINUTES**

**1. CALL TO ORDER, ROLL CALL AND ESTABLISHMENT OF QUORUM**

Trustees Present:

Sue Roth (President), Edward Estrada, Sandra Nichols, Abel Sanchez, Bruce Van Allen

Trustee Absent At The Time of Roll Call:

Ed Acosta, Oscar Alvarez-Delgado (Student Trustee)

Staff Present:

Faris Sabbah (Secretary), Jessica Little, Angela Meeker, Liann Reyes, Verenise Valentin

**1.1 Board Member Remote Attendance Approval**

In accordance with AB 2449, Trustees may participate in the Board meeting remotely under the following conditions: Just Cause, or Emergency Circumstances.

No Trustees request remote attendance.

**2. PLEDGE OF ALLEGIANCE**

Superintendent Sabbah led the Pledge of Allegiance.

**3. APPROVAL OF AGENDA**

A motion was made to approve the agenda as presented (Nichols/Van Allen 5-0-0-1).

Ayes: Estrada, Nichols, Roth, Sanchez, Van Allen

Nays: None

Abstain: None

Absent: Acosta

Trustee Acosta arrived at the meeting.

**4. CLOSED SESSION DISCLOSURE**

President Roth disclosed that the Board would discuss matters relating to an interdistrict transfer appeal in closed session as noted in item 5.1.

**5. CLOSED SESSION**

**5.1 Interdistrict Transfer Appeal #24-01**

The Board held an Interdistrict Transfer Appeal Hearing concerning a student wishing to attend school in the Scotts Valley Unified School District.

Open, Conduct, & Close the Hearing: Sue Roth (President)

**6. OPEN SESSION**

Open session began as soon thereafter as the matter can be heard.

**7. REPORT OUT ON CLOSED SESSION**

President Roth reported on action(s) taken by the Board in Closed Session.

A motion was made to deny the interdistrict transfer appeal and uphold the district's decisions (Van Allen/Acosta 5-1-0-0).

Ayes: Acosta, Estrada, Nichols, Roth, Van Allen  
Nays: Sanchez  
Abstain: None  
Absent: None

**8. PUBLIC COMMENT**

No public comments were made.

Student Trustee Alvarez-Delgado arrived to the meeting.

**9. CONSENT AGENDA**

- 9.0.1 Minutes of the Special Board Meeting held on March 20, 2024
- 9.0.2 Minutes of the Regular Board Meeting held on March 21, 2024
- 9.0.3 Donations
- 9.0.4 Surplus Items

A motion was made to approve the consent agenda with a minor correction to item 9.0.1 (Van Allen/Nichols 6-0-0-0).

Ayes: Acosta, Estrada, Nichols, Roth, Sanchez, Van Allen  
Nays: None  
Abstain: None  
Absent: None

Student Trustee Alvarez-Delgado voted yes on the matter.

**9.1 DEFERRED CONSENT ITEMS (if required)**

None.

**10. CORRESPONDENCE**

The board received correspondence from Alyssa Alto, with her resignation letter and a letter sharing her appreciation for the board, staff, and community.

**11. REPORTS, DISCUSSIONS, AND PRESENTATIONS**

**11.1 Recognizing the Santa Cruz COE 2024 STEAM Expo ISEF Winners**

The Board recognized the 2024 STEAM Expo finalist Brent Kong (Scotts Valley High School). He was accompanied by Miguel Aznar, STEAM Expo Lead Judge.

**11.2 COE Special Education Presentation**

The Board received an update on Santa Cruz County Office of Education activities in our special education program. Dr. Deven Stark, Director, Special Education, presented the report.

**11.3 Multilingual Students and Network Presentation**

The Board received an update on Santa Cruz County Office of Education activities supporting the multilingual student community and multilingual network in recognition of April as Bilingual/Multilingual Advocacy Month. Barbara Huebner, Multilingual Coordinator, Educational Services

**11.4 Actuarial Study of Retiree Health Liabilities**

The Board received a report of the Actuarial Study of Retiree Health Benefits, as is required every two years in compliance with GASB 43/45. Rebecca Olker, Senior Director, Fiscal Services, presented the report.

The Board recessed for 5 minutes and returned to the meeting at 6:40pm. During the recess, Trustee Acosta left the meeting.

**12. NEW BUSINESS AND ACTION ITEMS**

**12.1 Approve 2024 - 2025 COE and Student Program Calendars**

The Board was asked to approve the 2024-2025 Santa Cruz COE and Student Programs calendars.

A motion was made to approve the 2024 - 2025 COE and Student Program Calendars (Van Allen/Estrada 5-0-0-1).

Ayes: Estrada, Nichols, Roth, Sanchez, Van Allen  
Nays: None  
Abstain: None  
Absent: Acosta

Student Trustee Alvarez-Delgado voted yes on the matter.

**12.2 FIRST READING: BOARD POLICY**

The Board reviewed the following board policy:

BP 1250 Visitors/Outsiders

A motion was made to approve the proposed changes to BP 1250 Visitors/Outsiders and waive the second reading (Van Allen/Nichols 5-0-0-1).

Ayes: Estrada, Nichols, Roth, Sanchez, Van Allen  
Nays: None  
Abstain: None  
Absent: Acosta

Student Trustee Alvarez-Delgado voted yes on the matter.

**12.3 Approve Resolution #24-12 Proclaiming May 1-7, 2024 For Flying the Rainbow Flag and Honoring Harvey Milk Day**

The Santa Cruz County Office of Education celebrates Harvey Milk Day and invites all across Santa Cruz County to fly the rainbow flag from May 1-7, 2024, and encourages teachers to teach lessons about LGBTQ+ history during this week in their classrooms aligned with the State History Framework.

A motion was made to approve Resolution #24-12 Proclaiming May 1-7, 2024 For Flying the Rainbow Flag and Honoring Harvey Milk Day (Van Allen/Estrada 5-0-0-1).

Ayes: Estrada, Nichols, Roth, Sanchez, Van Allen  
Nays: None  
Abstain: None  
Absent: Acosta

Student Trustee Alvarez-Delgado voted yes on the matter.

**12.4 Adopt Resolution #24-13 In Support of Day of the Teacher**

Education Code, Section 372229(a), specifies the Second Wednesday in May as the Day of the Teacher, a day having special significance. All public schools and educational institutions are encouraged to observe those days, and, specifically on the Day of the Teacher, conduct exercises commemorating and directing attention to the teachers and the teaching profession.

A motion was made to approve Resolution #24-13 In Support of Day of the Teacher (Nichols/Alvarez-Delgado 5-0-0-1).

Ayes: Estrada, Nichols, Roth, Sanchez, Van Allen  
Nays: None  
Abstain: None  
Absent: Acosta

Student Trustee Alvarez-Delgado voted yes on the matter.



**12.5 Adopt Resolution #24-14 In Support of Classified Employees Week**

California Senate Bill 1552, passed in 1984, decreed the third full week in May as California School Employees' Week in official recognition of the services and dedication of classified school employees.

A motion was made to approve Resolution #24-14 In Support of Classified Employees Week (Van Allen/Nichols 5-0-0-1).

Ayes: Estrada, Nichols, Roth, Sanchez, Van Allen  
Nays: None  
Abstain: None  
Absent: Acosta

Student Trustee Alvarez-Delgado voted yes on the matter.

**12.6 Approval of Resolution #24-15 Recognizing Jewish American Heritage Month**

May is Jewish American Heritage Month, a month that provides an opportunity for all people to appreciate the achievements and contributions of Jewish Americans throughout history. The Santa Cruz COE encourages staff, students, and community members to remember, celebrate, and educate future generations about Jewish Americans and the importance of their role in communities across our Nation.

A motion was made to approve Resolution #24-15 Recognizing Jewish American Heritage Month (Nichols/Van Allen 5-0-0-1).

Ayes: Estrada, Nichols, Roth, Sanchez, Van Allen  
Nays: None  
Abstain: None  
Absent: Acosta

Student Trustee Alvarez-Delgado voted yes on the matter.

**12.7 Approval of Resolution #24-16 Recognizing May as Asian American and Pacific Islander Heritage Month**

The month of May is recognized as National Asian-American and Pacific Islander Heritage Month to recognize and honor the contributions of Asian Americans and Pacific Islanders in the United States as designated by the United States Congress since 1992. The Santa Cruz County Office of Education renews its commitment to the safety and well-being of all ethnic populations including Asian Americans and Pacific Islanders.

A motion was made to approve Resolution #24-16 Recognizing May as Asian American and Pacific Islander Heritage Month (Van Allen/ 5-0-0-1).

Ayes: Estrada, Nichols, Roth, Sanchez, Van Allen  
Nays: None  
Abstain: None  
Absent: Acosta

Student Trustee Alvarez-Delgado voted yes on the matter.

**12.8 Approval of Resolution #24-17 Recognizing Mental Health Awareness Month**

Each year millions of Americans face the reality of living with a mental illness. The Board considered adoption of Resolution #24-17, proclaiming the month of May as Mental Health Awareness Month.

A motion was made to approve Resolution #24-17 Recognizing Mental Health Awareness Month (Van Allen/Nichols 5-0-0-1).

Ayes: Estrada, Nichols, Roth, Sanchez, Van Allen  
Nays: None  
Abstain: None  
Absent: Acosta

Student Trustee Alvarez-Delgado voted yes on the matter.

**12.9 Approve Resolution #24-18 Ordering an Election (Santa Cruz County)**

Trustee Area terms for areas 3, 4, 5, and 6 expire this November. The Board was asked to adopt Resolution #24-18 Ordering an Election, requesting County Elections to Conduct the election, and requesting the consolidation of the election, and specifications of the election order in Santa Cruz County.

A motion was made to approve Resolution #24-18 Ordering an Election (Santa Cruz County) (Van Allen/Estrada 5-0-0-1).

Ayes: Estrada, Nichols, Roth, Sanchez, Van Allen  
Nays: None  
Abstain: None  
Absent: Acosta

Student Trustee Alvarez-Delgado voted yes on the matter.

**12.10 Approve Resolution #24-19 Ordering an Election (Monterey County)**

Trustee Area terms for areas 3, 4, 5, and 6 expire this November. Part of Trustee Area 6 resides in Monterey County. The Board was asked to adopt Resolution #24-19 Ordering an Election, requesting the Registrar of Voters to conduct the election, and requesting the consolidation of the election, and specifications of the election order in Monterey County.

A motion was made to approve Resolution #24-19 Ordering an Election (Monterey County) (Van Allen/Nichols 5-0-0-1).

Ayes: Estrada, Nichols, Roth, Sanchez, Van Allen  
Nays: None  
Abstain: None  
Absent: Acosta

Student Trustee Alvarez-Delgado voted yes on the matter.

**13. SUPERINTENDENT'S REPORT**

Superintendent Sabbah provided an update on activities and matters of interest.

**14. STUDENT TRUSTEE REPORT**

Student Trustee Alvarez-Delgado has been working on the youth mental health council in planning the cultivating youth event and is working with the youth for environmental action group on the annual summit.

**15. TRUSTEE REPORTS (3 minutes each)**

Trustee Estrada:

He will be unable to attend SCZBA and asked President Roth to attend on his behalf.

Trustee Nichols:

No report to share.

Trustee Sanchez:

He attended the COE WASC lunch.

Trustee Van Allen:

He participated in the Rotary speech contest.

President Roth:

She attended the COE WASC lunch.

**16. AD HOC/STANDING COMMITTEE REPORTS/ACTIONS**

President Roth established a Board Vacancy Review Committee, appointing Trustee Sanchez and Trustee Van Allen to the committee.

**17. SCHEDULE OF MEETINGS AND UPCOMING EVENTS**

Santa Cruz County Board of Education  
Regular Meeting  
May 16, 2024  
4:00 p.m.

**18. ADJOURNMENT**

President Roth adjourned the meeting at 7:50 p.m.



**SANTA CRUZ COUNTY BOARD OF EDUCATION**

**AGENDA ITEM 5.0.2**

**Board Meeting Date:** May 16, 2024

**Action**

**Information**

**TO:** County Board of Education  
**FROM:** Business Department  
**SUBJECT:** Donations and Gifts

**BACKGROUND**

County Board of Education Policy 3280 requires that all gifts and donations received by programs conducted by the County Superintendent of Schools be accepted by the County Board of Education.

**FUNDING IMPLICATIONS**

Gifts/Donations received will be utilized by the programs to which they are donated.

**RECOMMENDATION**

Accept gifts and donations as follows:

<u>Program:</u>	<u>Donor:</u>	<u>Value:</u>
Alternative Education (Cypress)	Delta Charter School	\$800



## SANTA CRUZ COUNTY BOARD OF EDUCATION

### AGENDA ITEM 6.0

Board Meeting Date: May 16, 2024

Action

Information

**TO:** County Board of Education

**FROM:** Superintendent Department

**SUBJECT:** Correspondence

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#### BACKGROUND

Official correspondence received by the Board, if any, is included herein. Copies of correspondence received within 72 hours of the meeting will be made available at the meeting location.

#### FUNDING IMPLICATIONS

None.

#### RECOMMENDATION

Recieve correspondence.



April 5, 2024

Dear California County Board of Education Trustees,

This letter is prompted by communications the CSBA Board of Directors has received from several county offices of education, including the Los Angeles County Office of Education, the Placer County Office of Education, the Riverside County Office of Education, and the San Mateo County Office of Education. It also responds to informal feedback and misinformation we have heard from some members regarding the decision to integrate the former California County Boards of Education (CCBE) into CSBA County Board Member Services.

I think it is important to understand the Board's decision is rooted in an overarching principle — CSBA is and will continue to be fully committed to supporting county boards. We are determined to work in a collaborative manner to achieve the association's shared vision of success: serving as the essential voice of public education. Realizing that vision requires that we work through this transitional period to ensure you have the tools, services, supports, and networking opportunities needed to flourish in your governance role.

We understand that for some county trustees, the decision to integrate CCBE activities more deeply into CSBA has created a sense of loss and frustration. Conversely, other trustees have welcomed this change and the opportunity it presents. Regardless of how one views the Board's decision, I think it's important to expand on the rationale behind it, correct the record where appropriate, and address some of the concerns raised in the aforementioned letters to the CSBA Board of Directors.

We acknowledge that in our effort to develop an even stronger organization for all governing board trustees through this restructuring, we underestimated the amount of dialogue some county trustees may have



needed to embrace this change. As a result, some communication gaps emerged that resulted in confusion and discontent. We are working diligently to address these communication gaps in the hope of creating the productive exchange we originally envisioned.

## **Transitional Working Group: Composition**

Concurrent with the establishment of CSBA County Board Member Services, we created a Transitional Working Group composed of 15 county trustees — including past presidents of CCBE and former CCBE Directors — to help guide this transformation. Additionally, then-CCBE President John McPherson identified the majority of the county board members to serve on the committee. I would hasten to add that the Transitional Working Group is only four months into this process and the final chapter has yet to be written.

*View the members of the Transitional Working Group on the CSBA County Board Services webpage under the “About” tab at [www.csba.org](http://www.csba.org).*

The Transitional Working Group is tasked with providing CSBA’s Board of Directors with recommendations about the future services and supports county board members need. The members of the Transitional Working Group are demographically and ideologically diverse and include trustees with decades of experience and involvement in CSBA and CCBE. I mention this because, at the County Board Governance Workshop I attended in early March (described by at least one attendee as the best version of the event in some time), some trustees expressed a desire to expand the Transitional Working Group, citing concerns it was not broad enough. Similarly, in its letter to CSBA, the San Mateo County Board of Education requested that we “commit to directly involving County Board Members as active participants in County Board-only conference and training planning,” a development that was already in progress via the Transitional Working Group.

As it happens, the 15 members of the Transitional Working Group represent a good sample of the total number of county trustees statewide. In fact, the 15-person working group is larger in comparison to the total number of county trustees than other CSBA committees like the Legislative Committee or Annual Education Conference Committee are in relation to the CSBA membership overall. This, along with the appointment of current and former



CCBE leadership to the Working Group, as well as then-CCBE President John McPherson identifying county trustees to serve on the Transitional Working Group, provides strong evidence that this body is broad enough to represent the interests of county trustees at large. Additionally, county trustees are disproportionately represented on the Legislative Committee, accounting for more than one-fifth of committee membership, another sign of CSBA's commitment to elevating the input of county board members.

### **Transitional Working Group: Activities**

The Transitional Working Group, tasked with providing CSBA's Board of Directors with recommendations about the future services and supports county board members need, held its first meeting on January 12, 2024, indicating our desire to prioritize this work at the very start of the new year. The group then met twice a month from January through March and will continue meeting monthly from April through October. These convenings are in addition to numerous meetings of different Transitional Working Group subcommittees dedicated to providing specific recommendations for the September CSBA County Board Member Conference, the County Trustees Handbook, the County Masters in Governance program, and the Jack Bedell Award for county board excellence.

The Transitional Working Group will continue to address issues of concern to county trustees, including, but not exclusive to, many of the items raised in the letters received by CSBA from the aforementioned county boards. Out of respect for the Transitional Working Group and our desire to allow them to reach conclusions free from duress or influence, the Board of Directors will not offer definitive pronouncements on the exact form CCBE legacy items and activities such as the handbook or fall conference, for example, might assume under the new CSBA County Board Member Services. This understandably causes some trepidation, particularly for those who committed time and energy to these endeavors over the years. Please be assured that our reticence to confirm the status of these legacy items is simply a product of our respect for the integrity of the process and the talent and knowledge of those trustees serving on the Transitional Working Group.



## Transparency

I understand the tension between the desire for additional transparency and the need to protect the deliberations of the Transitional Working Group so its members are free from unnecessary external pressure, and I accept that the balance will not please everyone. Furthermore, where transparency is concerned, I would like to address an incorrect claim contained in the March 21, 2024, letter from the Placer County Office of Education.

Specifically, the PCOE letter incorrectly states that “The CSBA Board of Directors acted on November 27, 2023 to dismantle CCBE. Three months later there has been no formal communication explaining these actions nor the rationale for them to the fifty-eight county boards of education.” In fact, on December 6, CSBA emailed a letter and an embedded Frequently Asked Questions document to all California county board trustees introducing CSBA County Board Member Services and explaining the reasons behind the transition from CCBE. Whether the PCOE board found it acceptable is another matter and one we will continue to address. The question of whether this communication occurred, however, can be put to rest and we again encourage all county offices to review the December 6 letter and FAQ, which can be found on the CSBA County Board Services webpage listed under the “About” tab at [www.csba.org](http://www.csba.org).

## Ownership

In that same December 6 email, we wrote that, “the partnership will be guided by the County Board Transition Working Group, a panel of county board members established to make recommendations to CSBA’s Board of Directors about services and programs that would most benefit county board members,” a statement that remains true today. The email also mentions the transition was motivated by a desire for greater alignment across CSBA, more cohesive representation for county trustees in the Delegate Assembly and on the CSBA Board of Directors, and the opportunity to supplement and expand existing CCBE products and services with new opportunities.

In response to this last point, the letter from PCOE stated that county boards, “need to belong to an organization where they feel ownership ... and not a service provider.” I agree with this sentiment but also recognize the



transition from CCBE to County Board Member Services is challenging and that it may take time for members to become comfortable with the new configuration. Nevertheless, I am optimistic that a sense of ownership will grow as CSBA demonstrates continued commitment to county boards and as county trustees help guide and influence County Board Member Services.

I would also be remiss if I failed to point out that overexuberance where ownership is concerned led CCBE to repeatedly negotiate and make agreements with the leadership of other organizations without the knowledge of CSBA's Board of Directors. This occurred despite warnings that such action was ill-advised and that, as the legal body assuming liability on behalf of the association, such action was not welcomed by CSBA. As noted in the FAQ, CSBA's Board of Directors also expressed concern about CCBE taking positions on legislation outside of the CSBA structure, maintaining separate Bylaws and Standing Rules, and having separate officers and a separate Board of Directors.

This is where our shared, stated vision is most instructive: CSBA is the essential voice of public education, not two voices in recurring conflict with one another. We firmly believe that vision is fully compatible with and, in fact, best served when county services are crafted by county trustees, for county trustees, and under the banner of CSBA. The Transitional Working Group is currently engaged in forging this path. From this new beginning, that sense of ownership will re-emerge absent any questions of legality as part of the foundational structure of CSBA.

## **Influence**

On the topic of influence, it bears mentioning that, back in January, the Board of Directors increased the number of dedicated county seats in three of our nine standing committees, including some of our most impactful: Education Legal Alliance, Policy Platform, and Annual Education Conference and Trade Show. This is a significant increase in county representation in some of the most important seats at the CSBA table, even though county trustees were already disproportionately represented on the Board of Directors, in the Delegate Assembly and on the Legislative Committee. And with respect to the Legislative Committee — perhaps the most sought-after committee in CSBA — county board members are disproportionately



represented. Despite accounting for approximately 0.06 percent of the total number of board members in California, county trustees occupy 20 percent of the Legislative Committee. Overall, county boards have greater proportional representation in CSBA's organizational structure than local school districts. This is not the sign of an organization that undervalues county boards or is seeking to diminish the role of county trustees.

## **Finances**

Another way in which county boards differ from local school districts is in the area of dues. As noted in multiple letters, the current structure of CSBA includes dues specific to county boards for CCBE membership. For the current fiscal year, the sum total of those dues paid from among all 58 county boards was approximately \$165,000. The majority of those funds are used to provide total compensation (salary, benefits, employment tax) for a dedicated CSBA employee to support CCBE and now County Board Member Services. This allocation of funds to retain an employee dedicated to county board services and activities was specifically requested by the then-CCBE President as being a priority from the beginning of the transition, which CSBA has honored. No funds have been diverted to purposes that were not previously requested by CCBE leadership or used for purposes unconnected to CCBE. Suggestions to the contrary are spurious as the former CCBE leadership is aware of the nature of these expenditures and their role in determining them.

## **SB 1380**

Another issue concerns CSBA-sponsored Senate Bill 1380. This bill would address statutory loopholes in the charter school authorization process. There has been some concerns raised around the development of this proposal without consulting county board members. Prior to the bill's formal introduction in the Senate, it was discussed as part of CSBA's sponsored bill package before the Legislative Committee. During that same time, the Governmental Relations staff contacted numerous county board members on the topic of SB 1380, including multiple county trustees who were part of the leadership structure of the former CCBE. CSBA staff continue to do so now in an effort to improve the charter school authorizing process and protect county and district board authority. However, our team did not involve

county trustees during the initial stages of the bill development process. County trustees should have been consulted earlier. We acknowledge this error and staff is already planning to take steps to improve their internal process so this type of oversight does not happen again. In the meantime, we will continue working with our members to address serious concerns with the charter authorizing process and push SB 1380 forward as it will help ensure county boards have a seat at the table when important policy changes to the Charter Schools Act are being discussed by the Legislature this year.

In closing, it is our desire to develop County Board Member Services so it is fully inclusive, effective, and empowering to all county trustees. It is a work in progress, and it is one to which we are completely committed. CSBA will not shy from the effort needed to make this initiative a success, nor will we be deterred by criticism or difficult conversations. We will navigate this transitional period to a safe harbor where county trustees feel supported, valued, and engaged. This change represents a new horizon for CSBA and its support of county board members, and I believe there is significant opportunity for further collaboration, advocacy, and training under one unified trustee association. I look forward to working with you as we build a better future for our members and the association.

Respectfully,

Albert Gonzalez

CSBA President







Verenise Valentin <vvalentin@santacruzcoe.org>

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## Fwd: Response to May 8 Superintendent Morales' Letter

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Faris Sabbah <fsabbah@santacruzcoe.org>  
To: SCCOE Board <board@santacruzcoe.org>

Mon, May 13, 2024 at 1:55 PM

Dear Members of the Board

You may be hearing about this communication from Daisy Morales sent to me and to the entire Live Oak community on Wednesday. Attached is my response sent Friday. Please read them both. If you or others have questions please send them my way.

[Quoted text hidden]

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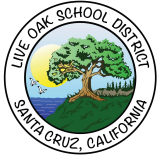
### 2 attachments



**COE Response to Superintendent Morales - 5-10-24.pdf**  
3426K



**Letter to COE about negative certification.pdf**  
489K



## Live Oak School District

*Our mission is to empower, inspire and ensure equitable opportunities for every student to thrive. We teach and nurture the whole child in an academically rigorous, collaborative and innovative environment.*

*Daisy Morales, Ed.D.  
Superintendent*

May 8, 2024

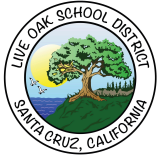
Dr. Faris Sabbah  
County Superintendent of Schools  
Santa Cruz County Office of Education  
400 Encinal Street  
Santa Cruz, CA 95060

Re: Negative Certification of First Interim Report

Dear Superintendent Sabbah,

On January 17, 2024, at the LOSD Board of Trustees' meeting, the Santa Cruz County Office of Education (COE) downgraded Live Oak School District's 2023-2024 First Interim Report from qualified to negative. During this time, I have been immersed in a lot of learning around this fiscal change. The Fiscal Crisis Management Assistance Team (FCMAT) has many resources about negative certification including five criteria that may cause this certification, namely: 1) lack of cash where the district is unable to meet its obligations in the current and next year, 2) budget shortfall where there are no mitigating measures, 3) operating in a deficit, 4) a negative ending fund balance, and 5) declining enrollment. Districts all across the state struggle with criterion 2-5 on a regular basis. It is the lack of cash, first and foremost, in combination with the other criteria that calls for a negative certification. LOSD, like many other districts, are struggling with deficit spending and decreasing enrollment.

On or about January 10, 2024, the District and the COE learned that the First Interim reflected a lack of cash on paper only and not reflected in Escape per the attached Cash Reports as of [10/31/23](#) and [12/31/23](#). These reports show a Cash Balance in Fund 01 of \$4,555,982 and \$2,626,342 respectively. These reports also show a combined cash balance of \$14,862,645 ending 10/31/23 and \$14,612,617 for all funds combined, which allows for inter-fund borrowing. The district was behind in cash reconciliations but the cash was in the bank. Again, the district was and is not lacking cash; [the first bullet point in the letter from the county is incorrect](#). Sara Perez, the District's CBO consultant, was the first to discover that the District was not lacking in cash. Tami Montero and Erin Lillibridge from FCMAT during their in-person investigation of the District, confirmed that typically the reason for a negative certification is due to lack of cash. During our conversation, they both confirmed that LOSD does not have a cash problem, and could not explain why the COE issued a negative budget certification since lack of cash, the main trigger, was not an issue. The FCMAT report that will be given to the District, will indicate that "yes," *the district has sufficient funds to support its current and projected obligations.*



## Live Oak School District

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*Daisy Morales, Ed.D.  
Superintendent*

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In a recent conversation with Sheldon Chavan, Managing Partner, and Paul Pham from Chavan & Associates, LLP, the District's auditing firm, over concerns of having to do an expanded audit because of what is currently going on in the District, we discussed the downgrade by the COE to a negative certification for the First Interim. They were surprised to learn of this as they also know that a negative certification is triggered by insufficient funds and they confirmed that the District did not then, and does not now have a cash problem, and expressed concerns that COE pulled the trigger prematurely.

Now validated by two different third parties, the fact that the District does not have a cash flow problem indicates that the CEO "jumped" to change the District's certification without doing a proper and thorough investigation into the District's finances, especially because the First Interim shows an extreme contrast to the July 1, adopted budget. [FCMAT's presentation](#) on the Role of the COE's Superintendent on fiscal oversight states that the COE should provide intervention assistance, "helping the district resolve its financial problem at the lowest level of outside intervention (this is the goal)." The COE controls all the district accounts and it could have easily looked into the actual "cash in county treasury" to know that the district has sufficient cash. As the District's fiscal oversight, the COE did not offer any intervention, assistance, or made inquiry about the District's First Interim prior to changing the District's certification to negative. Prior to the January 17 presentation to the Board, the COE had ample time to dig into the District's accounts, ask probing questions, and request more information providing intervention prior to the downgrade, yet nothing of the kind occurred, no intervention was provided. The COE knew we had a new CBO who was learning. At that point in time, we completely trusted that the COE fully knew our situation, hence no written response to the negative downgrade. I received one call alerting me of the change in status and then a call after the change with a checklist of what the district needed to comply with due to the downgrade to negative. The lack of due diligence on the part of the COE prior to downgrading the First Interim report has had catastrophic effects for the District and I.

The negative certification was the "linchpin" that has caused all negative community uproar and chaos at the District. It has destroyed the District in many ways, not to mention the damage it has done to my name and reputation. Parents, staff, and the community, unknowing of the true meaning of a negative certification, have equated it to mismanagement or misappropriation of funds, both of which are incorrect.

In my tenure, the District and I have worked tirelessly to update systems and accounts, including creating accounts that align to programs to clearly see the alignment of services to funding. There is still additional work to be completed, and we have made significant progress in bringing the fiscal department up-to-date. I have led the District with honesty in all areas and especially have ensured that fiscal accounts are clean and accurate, as evidenced by two consecutive year audit reports from two different accounting firms, [2021-2022](#) and [2022-2023](#), which did not have a single finding, a clear indication of the fiscal integrity and cohesion of the District.





## ***Live Oak School District***

*Our mission is to empower, inspire and ensure equitable opportunities for every student to thrive. We teach and nurture the whole child in an academically rigorous, collaborative and innovative environment.*

***Daisy Morales, Ed.D.***  
*Superintendent*

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LOSD, like most districts in the state, needed to make annual budget cuts due to declining enrollment, lower COLAS, and decreased ADA. Never have these annual cuts resulted in a negative certification. Also, this year the District needed to make additional budget cuts due to the end of one-time funding sources. Bottom line, there was no need for the negative certification and the COE's actions have had irreparable damage to the community, the District, and to me.

Sincerely,

Dr. Daisy Morales  
Superintendent

Cc: Kristin Pfothauer, LOSD Board President  
Felicita Rasul, LOSD Board Clerk  
Jeremy Ray, LOSD Board Trustee  
Marlize Velasco, Board Trustee  
Paul Garcia, Former Board Trustee  
LOSD Staff  
LOSD Parents and Community



400 Encinal Street, Santa Cruz, CA 95060 • Tel (831) 466-5600 • Fax (831) 466-5607 • [www.santacruzcoe.org](http://www.santacruzcoe.org)

May 10, 2024

Dr. Daisy Morales  
Superintendent  
Live Oak School District  
984-1 Bostwick Lane  
Santa Cruz, CA 95062

Re: Negative Certification of First Interim Report

Dear Superintendent Morales,

I am writing in response to your letter of May 8, 2024, to clarify a number of misstatements and misunderstandings that, regrettably, risk adding to confusion around Live Oak School District's budget.

As County Superintendent of Schools, my commitment is first and foremost to our students and families. Part of this obligation involves ensuring that school districts are on a course to maintaining fiscal stability and solvency, including by changing a district's budget certification when necessary, pursuant to Education Code 42131.

While I respect your right to a personal view on this matter, it is my determination that LOSD's First Interim Budget was appropriately changed from qualified to negative status. This determination is further affirmed by Fiscal Crisis and Management Assistance Team (FCMAT) Chief Executive Officer Michael H. Fine, who was consulted in our review and has written a separate letter, attached, responding to your letter of May 8, 2024. As Mr. Fine writes, the downgrade to negative certification was justified "without question."

LOSD's First Interim Budget projected the District would be unable to meet its financial obligations for the 2024-25 school year. The factual basis for this finding was outlined in the attached letter of Jan. 10, 2024, from Deputy Superintendent of Business Services, Liann Reyes. Identified issues included LOSD's projected lack of state-mandated reserves for the 2024-25 and 2025-26 fiscal years, low projected cash balances, and projected deficit spending leading to a budget shortfall of about \$4 million by 2025-26. Underscoring these issues, the district lacked a plan to reduce and/or eliminate deficit spending to ensure fiscal solvency.

Budget certification is based on an evaluation of not 5 but 10 criteria, as outlined in Title 5 of the California Code of Regulations, Sections 15453-15466. These criteria must be evaluated against standards as part of a holistic assessment of fiscal stability and health. A negative certification indicates that, based on a district's current projections, the district will be unable to meet its financial obligations for the remainder of the current fiscal year or subsequent fiscal year. Based on these criteria, a negative certification was not only warranted, but necessary.

I was particularly concerned to read in your letter a claim of a factual inaccuracy in the Santa Cruz COE's Jan. 10, 2024, determination. However, I have reviewed this with my staff and have not been able to identify any factual inaccuracy. As stated in the Jan. 10, 2024, letter, the cash balance issue involved LOSD's projected, as opposed to current, cash balances for the 2024-25 fiscal year. LOSD projected it would end five of 12 months in 2024-25 with less than \$200,000 in cash in its general fund, including one month with just \$48,494. This is of particular concern given LOSD's average monthly expenses of \$2.5 million, providing a razor-thin margin for unexpected expenses. While borrowing from other funds can temporarily mitigate this risk, it is unsustainable. Adding further concern to our review process, LOSD district has not consistently reconciled its accounts held by the county treasurer, and did not submit its audit for the 2022-23 fiscal year until months after the statutory deadline of December 15, 2023.

In no sense is it accurate to state my office "jumped" to this determination. Rather, it was based on a comprehensive and multi-level review. It involved fiscal analysts working through a standardized process, additional review from our Executive Director of Fiscal Services, review by our Deputy Superintendent of Business Services, and ultimately, by myself as County Superintendent. In light of the issues identified, the COE proactively requested that FCMAT review our findings as an added layer of diligence. As summarized in Mr. Fine's letter, FCMAT reviewed and affirmed our findings, including our intention to change the budget certification to negative, prior to our determination.

LOSD's fiscal stability issues did not begin on January 10, 2024. The Santa Cruz COE has repeatedly cautioned LOSD as to the risks of deficit spending amid declining enrollment, including in January, 2023 in our response to the District's First Interim Report of that prior year, stating: "The district's projected deficit spending is NOT within the established state standard for the 2022-23 budget year. The district is strongly cautioned against ongoing deficit spending, other than one-time, planned expenditures. ... Due to the projected rapid decline in unrestricted ending fund balance and the projected loss of ADA, the district is advised to identify and implement solutions to resolve the ongoing deficit." I have also raised these issues to you personally, as you are aware.

The Fiscal Health Risk Analysis, conducted by FCMAT and released on May 6, 2024, further affirms my determination. FCMAT concluded in its report, that LOSD is at "high risk" of fiscal insolvency. The report identifies a number of issues and inadequacies in current, and past, fiscal practices. Measures implemented by the District as part of the Fiscal Stabilization Plan take essential steps to address the short-term risks of insolvency. However, serious challenges remain, particularly amid high levels of staff turnover and continued declines in enrollment.

While I appreciate that you have a different view of these matters, I regret that rather than appealing my decision or discussing this with me directly, you instead opted to disseminate a letter that misleads the LOSD school community.

Regardless, the Santa Cruz COE has and will continue to support the LOSD school community and LOSD Board of Education during this moment of instability and transition, and beyond. LOSD is filled with caring and committed families and educators, many of whom have made their voices heard in recent months, and I have full confidence the district will overcome these challenges and continue to empower, inspire, and create equitable opportunities for every student to thrive.

Yours in education and equity,



**Dr. Faris Sabbah**

County Superintendent of Schools

CC: Ms. Kristin Pfothenauer, Board President, Live Oak School District  
Mr. Jeremy Ray, Board Trustee, Live Oak School District  
Ms. Felicita Rasul, Board Trustee, Live Oak School District  
Ms. Marlize Velasco, Board Trustee, Live Oak School District  
Liann Reyes, Deputy Superintendent, Santa Cruz COE  
Michael H. Fine, Chief Executive Officer, FCMAT

Attachments:

- Letter of FCMAT CEO Michael H. Fine - May 10, 2024
- 2023-24 First Interim Financial Report Review for Live Oak School District - Jan. 10, 2024
- 2022-23 First Interim Financial Report Review for Live Oak School District - Jan. 13, 2023

# FCMAT

FISCAL CRISIS & MANAGEMENT  
ASSISTANCE TEAM

May 10, 2024

Dr. Faris Sabbah  
County Superintendent of Schools  
Santa Cruz County Office of Education  
400 Encinal Street  
Santa Cruz, CA 95060

Re: Live Oak School District  
Negative Certification of 2023-24 First Interim Report

Dear Dr. Sabbah:

You and your staff sought counsel from the Fiscal Crisis and Management Assistance Team (FCMAT) in early January 2024 regarding the 2023-24 first interim report submitted by the Live Oak School District (district). You specifically sought counsel on the county superintendent's responsibilities and authority regarding options on how best to respond to the district's financial condition as represented by the district's first interim report. You have also provided the district's May 8, 2024, letter addressed to you questioning the downgrade of the district's first interim certification from qualified to negative. You are now seeking clarification from FCMAT on the standards and practice that are employed by county superintendents in concurring or not concurring with district certifications of interim reports, and any other points of clarity from FCMAT. I am pleased to review the context of my thought process in January as we jointly discussed options.

The interim reporting process is integral to the system created in 1991 by the enactment of Assembly Bill 1200 (Chapter 1213/1991) to ensure school fiscal stability through evaluation and oversight of school district financial data throughout the fiscal year, and with sufficient time to effectuate change (the early warning aspect of system). Interim reports include a variety of forms that focus on the original and revised annual budget, cash flow, enrollment and attendance, multiyear financial projections and compliance with the adopted criteria and standards for fiscal stability. The interim reports, compared to the adopted budget, also include a certification by the local governing board of the district's ability, or lack thereof, to meet all its financial obligations.



California Education Code Section 42131(c) defines the required certifications.

These certifications shall be based upon the financial and budgetary reports required by Section 42130 but may include additional financial information known by the governing board of the school district to exist at the time of each certification. For purposes of this subdivision, a negative certification shall be assigned to any school district that, based upon current projections, will be unable to meet its financial obligations for the remainder of the fiscal year or the subsequent fiscal year. A qualified certification shall be assigned to any school district that, based upon current projections, may not meet its financial obligations for the current fiscal year or two subsequent fiscal years... (emphasis added).

Given the set of facts shared with FCMAT in our January conversation, the county superintendent of schools had two appropriate options. One was to downgrade the district's certification from qualified to negative. The second option was to designate the district as a lack of going concern following the statutory process outlined in Education Code Section 42127.6. The distinction in this case was relatively minor and would have resulted in essentially the same outcome, except that the negative certification could be resolved and updated to positive or qualified at the 2023-24 second interim report in April 2024, while the lack of going concern designation would remain until the county superintendent approved the district's subsequent year budget in September 2024. In fact, the district self-certified positive at second interim in March 2024, and the county superintendent concurred in April 2024, resolving the negative certification and affirming a positive certification.

A negative certification is most frequently associated with cash flow issues. A lack of going concern designation is more frequently associated to a broader list of concerns, including budget, cash flow, enrollment/attendance, deficit spending, leadership gaps, debt, and contributions to restricted programs, among others. A negative certification may only be made in response to a first or second interim report. A lack of going concern designation may be made at any time during the fiscal year. The timing of the identification of a potential immediate cash flow problem for the district during the interim report evaluation period is appropriately addressed through a negative certification.

The county superintendent's role is to respond to what the district submitted by evaluating the information and concurring or not concurring with the self-certification of the district's board of education. Education Code Section 42131(2)(A) provides in part:

If a county office of education receives a positive certification when it determines a negative or qualified certification should have been filed, or receives a qualified certification when it determines a negative certification should have been filed, the county superintendent of schools shall change the certification to negative or qualified, as appropriate... (emphasis added).

One of the primarily distinguishing characteristics between a qualified and a negative certification of an interim report is the district's projected cash flow and cash position for the next 18 months (the remainder of the current fiscal year and the following fiscal year). The district reported that its 2024-25 general fund monthly cash position in seven of the last nine months of the year would be below \$600,000, with one month at a mere \$48,494 and four other months below \$200,000. While positive, a

projected month end cash balance of less than \$600,000 for its general fund is extremely low, especially when you take into consideration that the district's average monthly payroll totals for the same nine-month period are approximately \$2 million.

The district's alternative liquidity sources on October 31, 2023 (the end of the first interim period) were healthy. However, 80% of these alternative liquidity sources are restricted funds and temporary borrowing from these funds may be a questionable practice.

Cash positions can deteriorate very rapidly, especially when you take increasing deficit spending and other signs of fiscal distress into consideration. Additionally, insufficient cash to meet payroll is the definition of insolvency in a California school district. As appropriate, this district-provided projection of its cash flow was a major influence on the decision in January to downgrade the interim report certification.

In the district's first interim report, the district leadership and governing board acknowledged resource shortfalls that result in unrestricted deficits growing from \$23,774 in 2024-25 to over \$3.2 million in 2025-26. This results in less than the required unassigned fund balance for reserves for the first subsequent fiscal year (2024-25) and a negative unrestricted fund balance of over \$3 million in the second subsequent fiscal year (2025-26). For both years, the district offers no detailed or reasonable mitigating measures. This two-year deficit spending is after interfund transfers of one-time funds to the general fund of over \$3 million. This results in the need for potentially \$6 million of mitigating measures in an unrestricted budget of approximately \$17 million, or 35%. At a minimum, these circumstances justified a qualified certification, but given the total context of which the district was operating at the time (further explored below) and the lack of any reasonable plan to reduce and/or eliminate deficit spending, the more appropriate certification was negative.

In her letter sent on or around January 10, 2024 (January 10 letter), the county superintendent's deputy superintendent identified a number of other considerations, including a lower cost of living adjustment rate, a decreasing unduplicated pupil percentage and declining average daily attendance. All three of these factors have adverse effects on the district's projected unrestricted revenues. At first interim, collective bargaining with the classified employee unit was still an open matter representing risk to total expenditures in the three-year reporting period. Each of these, and collectively all of them, without corrective action significantly added to the risk of further financial distress and potential insolvency.

Fund balance is influenced by auditor restatements and any failure to comply with state or federal requirements. Both types of fund balance adjustments are shown in the district's annual independent audit. Pursuant to Education Code 41020, the audit for the most recent fiscal year (2022-23) was due December 15, 2023. It is not a coincidence that this is also the due date for first interim reports. The district did not comply with this requirement, instead submitting their audit dated February 22, 2024, after the statutory deadline and outside of the evaluation period of the first interim report. As such, the beginning fund balance for the current 2023-24 fiscal year was unverified, as was the potential for any audit adjustments due to errors or non-compliance. This increases the district's fiscal risk significantly. It should also be noted that the 2021-22 audit was over eight months delinquent.



Without question, the context of information reported by the district at first interim and available to the county superintendent at the time of the downgrade from qualified to negative justified a negative certification. The financial and budgetary reports submitted by the district as required by statute tell a story of a rapidly increasing condition of fiscal distress. The governing board of the district did not offer any additional or other mitigating information. The county superintendent had a responsibility to act.

The county superintendent's identified intervention was appropriate at the time and gave the district clear direction to develop a preliminary financial recovery plan by February 1, 2024. The county superintendent would have the authority to increase the level of intervention to ensure that the district could meet its financial obligations if the initial intervention proved to be insufficient. The legislatively created process for intervention is intended to be as minimal and effective as needed, and only progress in intensity as warranted. It is much like a multitier system of support process that we use with students that require intervention. The county superintendent of schools' January 10 letter informing the district of the change in certification cited various intervention options as provided for in statute, but only identified the two actions it required. This approach retained local control and accountability within the district, while still conveying that the completeness and timeliness of the required corrective action was essential to stabilize the district and meet the needs of the community's students.

The county superintendent of schools' action to downgrade the district's first interim report certification triggered FCMAT to perform a Fiscal Health Risk Analysis (FHRA) of the district. The FHRA has been completed and is dated May 6, 2024. The FHRA assigns a fiscal health risk factor of 40.3% and designates the district as high risk. This evaluation is cited in Education Code Section 46127.6, which reads in part:

The county superintendent shall review and consider studies, reports, evaluations, or audits of the school district that contain evidence that the school district is demonstrating fiscal distress under the standards and criteria adopted in Section 33127 or that contain a finding by an external reviewer that the school district is at moderate or high risk of intervention based on the most common indicators of a school district needing intervention, as determined by the County Office Fiscal Crisis and Management Assistance Team (emphasis added).

FCMAT served in the role of external reviewer and has determined the district is at high risk based on the evidence that existed at the first interim report. The Fiscal Health Risk Analysis recently released by FCMAT supports the validity of, and reinforces, the county superintendent's determination.

The district superintendent's May 8, 2024, letter ignores the fact that the district prepared and submitted its first interim report under the direction of the district superintendent and with the approval of the board of education (vote was 3-0 in favor, with two members absent). Furthermore, if the district felt the county superintendent's determination was in error they should have appealed the decision to the state superintendent of public instruction.



Dr. Faris Sabbah  
May 10, 2024  
Page 5

Education Code Section 42131(2)(A) provides in part:

No later than five days after a school district receives notice from the county superintendent of schools of a change in the school district's certification to negative or qualified, the governing board of the school district may submit an appeal to the Superintendent regarding the validity of that change..." (emphasis added).

The district's governing board accepted the change in certification to negative by virtue of a lack of appeal.

Sincerely,



Michael H. Fine  
Chief Executive Officer



January 10, 2024

Ms. Kristin Pfothenhauer  
President, Governing Board  
Live Oak School District  
1974 Encina Drive  
Santa Cruz, CA 95062

**RE: 2023-24 First Interim Financial Report Review for Live Oak School District**

Dear President Pfothenhauer,

In accordance with California Education Code (EC) Section 42131, our office has reviewed the district's first interim financial report for the period ending October 31, 2023. The governing board made a qualified certification that the district may not be able to meet its financial obligations for the current and two subsequent fiscal years.

The Santa Cruz County Superintendent of Schools is invoking his authority under EC Section 42131(a)(2) and changing the district's certification from qualified to **negative**. The county superintendent has notified the California Department of Education of this action. Based on the analysis of the information submitted, the county superintendent has determined that the district will not meet its financial obligations in the **subsequent** fiscal year, 2024-25, for the following reasons:

- *Cash* – Based on the information provided by the district, the district is projecting positive cash balances at the end of each month in both the 2023-24 and 2024-25 fiscal years. In 2024-25, the district is projecting to end five of the twelve months with less than \$200,000 in cash. The degradation of ending fund balance seriously hampers the district's ability to meet its cash obligations. The district does not have an adequate reserve balance to offset any revenue shortfalls or unexpected expenditures the district may experience. An average month's expense is approximately \$2.5 million.
- *Budget Shortfalls* – The multiyear financial projections the district submitted with the First Interim report do not include any mitigating measures. As such, in fiscal year 2024-25 the district is projecting an unrestricted ending fund balance in the general fund of \$109,545, which does not cover the state required reserve for economic uncertainty of \$854,105. The district is projecting to use nearly all of the set aside in Fund 17, Special Reserve for Other than Capital Outlay in fiscal year 2024-25. In fiscal year 2025-26, the district is projecting an unrestricted ending fund balance of negative \$4,011,571 including the \$863,197 state required reserve for economic uncertainty. Although the one-time funding is ending and the district is experiencing declining enrollment, the district did not project to reduce any positions in the budget. A board approved Fiscal Stabilization plan will need to be provided, addressing the declining enrollment and reductions in one-time funding (see below).
- *Operating Deficit* – Multiyear financial projections indicate substantial restricted general fund operating

deficits for the current and two subsequent fiscal years, without any reductions, resulting in a substantial increase in the contribution from the unrestricted general fund to support the expiring programs. As the unrestricted general fund does not have adequate balances in order to continue to contribute to restricted programs, a fiscal stability plan targeting restricted expenses is crucial.

- *Ending Fund Balance* – The district’s trend of deficit spending results in an unrestricted ending fund balance of **negative \$4,011,571** in 2025-26.
- *Declining Enrollment* – The district’s projections indicate declining enrollment for the current and two subsequent fiscal years.

### **Implications of Negative Certification**

For any school district having a negative certification, EC Section 42127.6 requires that the county superintendent do at least one of the following, and all actions necessary, to ensure that the district meets its financial obligations:

- Assign a fiscal expert, paid for by the county superintendent, to advise the district on its financial problems.
  - *We do not anticipate this action will be required at this time.*
- Conduct a study of the financial and budgetary conditions of the district, including, but not limited to, a review of internal controls.
  - *We do not anticipate this action will be required at this time.*
- Direct the school district to submit a financial projection of all fund and cash balances as of June 30 for the current and subsequent fiscal year.
  - *The county superintendent requires a detailed Fiscal Stabilization Plan (see below). The county superintendent reserves the right to require a 3<sup>rd</sup> Interim report.*
- Require the district to encumber all contracts and other obligations, to prepare appropriate cash flow analyses and monthly or quarterly budget revisions, and to appropriately record all receivables and payables.
  - *The district is hereby directed to take the above actions. Further, the district is hereby directed to review and adjust all budget lines as necessary to eliminate the budget line deficits.*
- Direct the district to submit a **proposal for addressing the fiscal conditions** that resulted in the determination that the district may not be able to meet its financial obligations.
  - *The county superintendent is requiring the submission of a preliminary financial recovery plan **by February 1, 2024**. Refer to the Fiscal Stabilization section, later in this letter, for specific details.*
- Withhold the compensation of governing board members and the district superintendent for failure to provide requested financial information.
  - *We do not anticipate this action will be required at this time.*
- Assign the Fiscal Crisis and Management Assistance Team (FCMAT) to review and provide recommendations on the district’s teacher hiring practices, teacher retention rate, provision of highly qualified teachers, and extent of teacher mis-assignments.

- *FCMAT will be coordinating with the county superintendent to provide a Fiscal Health Risk Analysis on the district, of which this may be included.*

**In addition, the district’s negative certification results in the following requirements under current law.**

*Non-Voter Approved Debt* – Because the district has a negative certification, EC Section 42133 prohibits the district from issuing non-voter-approved debt (e.g., certificates of participation, capital leases, and TRANs) in 2023-24 and 2024-25, unless the county superintendent determines that the district’s repayment is probable. Please submit a non-voter-approved debt disclosure to our office at least 30 days prior to the governing board’s approval to proceed with all non-voter-approved debt issuance, excluding TRANs. For TRANs, please contact our office for a list of requirements.

*Employee Negotiations* – Government Code Section 3540.2(a) requires a school district that has a qualified or negative certification to allow the county superintendent of schools at least 10 working days to review and comment on any proposed collective bargaining agreement. Therefore, please provide us any forthcoming agreements or re-openers within this timeframe, along with a signed certification by the district superintendent and chief business official that the district can fulfill the agreement’s costs.

*Material Event Disclosure* – A negative financial certification may be considered a material event that requires disclosure to bondholders. We recommend that the district consult with its bond counsel regarding continuing disclosure requirements as set forth by the Securities and Exchange Commission (SEC). Failure to comply with SEC regulations may result in enforcement action including, but not limited to, financial sanctions.

**Other Key Assumptions**

Our review of the district’s interim report focused on the key assumptions listed below.

*Average Daily Attendance (ADA)* – The district’s estimated funded ADA for the current fiscal year is 1,5000.27 which is based on the three prior year average. For the 2024-25 and 2025-26 fiscal years, the district projects funded ADA of 1,439.59 and 1,397.06 which are decreases of 61 and 43. Because the district’s ADA is declining, and attendance is the basis for a majority of unrestricted, Special Education and other revenues, the Santa Cruz County Office of Education (COE) strongly recommends that the district monitor attendance changes closely and adjust its multiyear financial projections accordingly.

*Enrollment* – As enrollment is the basis for ADA, it is critical to ensure that it is as accurate as possible to result in dependable ADA forecasts.

*Local Control Funding Formula (LCFF)* – The district has incorporated funding as authorized in the final 2023-24 state budget by using the estimated COLA of 3.94% for 2024-25 and 3.29% for 2025-26. Per the Legislative Analyst’s Office, the 2024-25 COLA is now estimated at 1.27%. Should the state COLA be reduced to this level, the district could see a loss in LCFF revenue of approximately \$450,000 per year for 2024-25 and 2025-26. The Governor’s budget for 2024-25 will be released on January 10, 2024, and will provide updated COLA amounts for both 2024-25 and 2025-26. This assumption should be used when calculating LCFF revenues for the district’s 2nd Interim report. However, the COE recommends a contingency plan should LCFF funding not materialize as projected.

*Unduplicated Pupil Percentage* – The district reports a projected funded unduplicated pupil percentage of 63.11% for 2023-24, 61.95% for 2024-25 and 62.86% 2025-26. The district’s unduplicated pupil percentage included in the 2022-23 P-2 certification by the California Department of Education is 63.59%. Any decline in this ratio could result in a loss of funding.

*Unrestricted Deficit Spending* – The district’s multiyear financial projections indicate unrestricted deficit

spending of \$298,364 in 2023-24, \$23,774 in 2024-25 and \$3,257,919 in 2025-26. As noted above, any change in the COLAs for the next two years could negatively impact the district and further exacerbate the deficit spending levels. The district’s unaudited unrestricted deficit in the 2022-23 fiscal year was \$1,214,174. Continued unrestricted deficit spending cannot be sustained and will result in a deterioration of the district’s fiscal condition.

*Planned Reductions* – The district’s unrestricted multiyear financial projections do not show any substantive reductions for either fiscal year 2024-25 or 2025-26. While we note a reduction in costs for extra work hours on the restricted side of the budget, there are no ongoing personnel reductions tied specifically to the exhaustion of one-time dollars or declining ADA. Due to the magnitude of one-time federal dollars, which were in excess of \$8 million, the unrestricted budget does not have the funding available to absorb the on-going costs associated with these dollars.

*Employee Negotiations* – The district reported that certificated salary and benefit negotiations are complete for the 2023-24 fiscal year with no reopeners; however, the classified bargaining unit has not settled for the 2023-24 fiscal year.

**Cash**

The COE strongly recommends that the district continue to closely monitor its cash in *all funds* to ensure that sufficient resources are available. In addition, the COE strongly advises the district to consult with legal counsel and independent auditors before using *Cafeteria Special Revenue Fund (Fund 13)*, *Capital Facilities Fund (Fund 25)* and *Mello-Roos (Fund 49)* for temporary interfund borrowing to remedy cash shortfalls. Please note that cash projections as well as fund balance projections can drive a district to qualified or negative certification status. Frequently, it is the lack of cash that generates the non-positive certification.

**Long-Term Commitments**

Our review included an analysis of the district’s non-voter-approved debt. The following chart summarizes the district’s long-term commitments, excluding general obligation bonds, compensated absences, and other post-employment benefits for retirees.

Type of Commitment*	Balance 06/30/2022	2022-23 Payment	Funding Source
Certificate of Participation	\$12,235,763	\$265,000	Capital Facilities Fund
<b>Total</b>	<b>\$12,235,763</b>	<b>\$265,000</b>	
*Figures taken from the 2021-22 Audit Report.			

**Other Post-Employment Benefits (OPEB) Liability**

The district provides health benefits to retired employees who have met certain eligibility requirements through a single-employer defined benefit plan. According to the district's criteria and standards document, the district

has a liability for other post-employment benefits (OPEB) of \$1,952,213 based on its latest actuarial report for the period ended June 30, 2023. The estimated pay-as-you-go amounts are \$46,983 in the current year, \$70,605 in 2024-25 and \$97,045 in 2025-26. GASB statements 74 and 75 became effective in 2017-18 so the entire net liability is now recorded in the district's financial statements.

### **Additional Fiscal Indicators**

In the District Certification of Interim Report (SACS Form CI), the district has identified several fiscal indicators that can point to fiscal instability per the Fiscal Crisis and Management Assistance Team (FMCAT) guidelines; these include declining enrollment, deficit spending, reserves and changes to either Superintendent or CBO.

### **Fiscal Stabilization Plan**

The COE is requiring the district to submit a preliminary, high-level, fiscal stabilization plan **by February 1, 2024**, that addresses, in a summary level format, the district's path to budget recovery. The plan must include, but is not limited to, how the district will identify and implement solutions to resolve the ongoing deficit. No later than **March 15, 2024**, the Board Approved, final detailed plan must be submitted to the COE along with the 2nd Interim report. Components of the plan must be incorporated at the detail level into the district's 2nd Interim financial report.

In addition, the district is required to submit an updated cash flow projection for both 2023-24 and 2024-25 **by February 16, 2024**, that ties to the most current operating budget.

### **2022-23 Audit**

Chavan and Associates had requested an extension for completion of the 2022-23 audit until January 31, 2024. While this extension has been granted by the State Controller's Office, please notify Chavan and Associates that due to the negative certification for First Interim, additional extensions will not be granted. Delivery of the audit to the COE is expected on January 31, 2024.

### **Conclusion**

We acknowledge that the district has had some challenges over the past several years that include turnover of key positions in the business department, and most recently a vacancy in the Chief Business Official (CBO) position. While we acknowledge that it is often difficult to find highly trained personnel, this position has now experienced three people in three years that are new to the position of CBO. As shown by the fiscal indicators in the criteria and standards, stability in this position is key. We strongly recommend the district provide a mentor for this position to further expand the knowledge and skills necessary to ensure the district's success.

The district has significant decisions to make in order to remain fiscally solvent. We encourage the district to engage in meaningful and transparent dialogue with its stakeholders.

The Fiscal Crisis & Management Assistance Team can engage automatically with a Local Education Agency (LEA) to conduct a fiscal health risk analysis (FHRA) to determine the LEA's level of risk, if the LEA has any of the following:

- A disapproved budget
- A negative interim report certification
- Three consecutive qualified interim report certifications
- A downgrade of an interim certification by the county superintendent
- A "lack of going concern" designation

The automatic engagement will be coordinated with the county superintendent of schools, and when it occurs it will build upon the county superintendent's oversight processes and activities. There is no cost to the district or the county superintendent when automatic engagement occurs.

In accordance with EC Section 42131(a)(2), the governing board of the district may, within five days of receipt of this letter, submit an appeal to the Superintendent of Public Instruction regarding the changed certification. The Superintendent of Public Instruction will determine the certification to be assigned to the district no later than 10 days after receiving the appeal.

Sincerely,



Liann Reyes  
Deputy Superintendent, Business Services

LR/rmh

Encl.

c:

Dr. Faris Sabbah, County Superintendent of Schools  
Mr. Michael Fine, Chief Executive Officer, Fiscal Crisis & Management Assistance Team  
Mr. Tony Thurmond State Superintendent of Public Instruction, California Department of Ed  
Ms. Malia M. Cohen, California State Controller's Office  
Dr. Daisy Morales, Superintendent, Live Oak School District  
Mr. Hanwool Kim, Assistant Superintendent, Business Services, Live Oak School District  
Mr. Jeremy Ray, Trustee, Live Oak School District  
Ms. Marlize Velasco, Trustee, Live Oak School District  
Ms. Felicita Rasul, Trustee, Live Oak School District  
Mr. Paul Garcia, Trustee, Live Oak School  
Ms. Rebecca Olker, Executive Director, Fiscal Services, Santa Cruz County Office of Education

**State of California**  
**EDUCATION CODE**  
**Section 42127.6**

42127.6. (a) (1) A school district shall provide the county superintendent of schools with a copy of a study, report, evaluation, or audit that was commissioned by the school district, the county superintendent, the Superintendent, and state control agencies and that contains evidence that the school district is showing fiscal distress under the standards and criteria adopted in Section 33127, or a report on the school district by the County Office Fiscal Crisis and Management Assistance Team. The county superintendent shall review and consider studies, reports, evaluations, or audits of the school district that contain evidence that the school district is demonstrating fiscal distress under the standards and criteria adopted in Section 33127 or that contain a finding by an external reviewer that the school district is at moderate or high risk of intervention based on the most common indicators of a school district needing intervention, as determined by the County Office Fiscal Crisis and Management Assistance Team. If these findings are made, the county superintendent of schools shall investigate the financial condition of the school district and determine if the school district may be unable to meet its financial obligations for the current or two subsequent fiscal years, or should receive a qualified or negative interim financial certification pursuant to Section 42131. If at any time during the fiscal year the county superintendent of schools determines that a school district may be unable to meet its financial obligations for the current or two subsequent fiscal years or if a school district has a qualified or negative certification pursuant to Section 42131, the county superintendent of schools shall provide a written notice of going concern determination to the governing board of the school district and the Superintendent and the basis for the determination. The notification shall include the assumptions used in making the determination and shall be available to the public. The county superintendent of schools shall report to the Superintendent on the financial condition of the school district and the county superintendent's proposed remedial actions and shall do at least one of the following and all actions that are necessary to ensure that the school district meets its financial obligations:

- (A) Assign a fiscal expert, paid for by the county superintendent of schools, to advise the school district on its financial problems.
- (B) Conduct a study of the financial and budgetary conditions of the school district that includes, but is not limited to, a review of internal controls. If, in the course of this review, the county superintendent of schools determines that the county superintendent's office requires analytical assistance or expertise that is not available through the school district, the county superintendent of schools may employ, on a short-term basis, with the approval of the Superintendent, staff, including certified public accountants, to provide the assistance and expertise. The school district shall pay 75 percent and the county office of education shall pay 25 percent of these staff costs.
- (C) Direct the school district to submit a financial projection of all fund and cash balances of the district as of June 30 of the current year and subsequent fiscal years as the county superintendent of schools requires.
- (D) Require the district to encumber all contracts and other obligations, to prepare appropriate cashflow analyses and monthly or quarterly budget revisions, and to appropriately record all receivables and payables.
- (E) Direct the school district to submit a proposal for addressing the fiscal conditions that resulted in the determination that the school district may not be able to meet its financial obligations.
- (F) Withhold compensation of the members of the governing board of the school district and the school district superintendent for failure to provide requested financial information. This action may be appealed to the Superintendent pursuant to subdivision (b).
- (G) Assign the County Office Fiscal Crisis and Management Assistance Team to review teacher hiring practices, teacher retention rate, percentage of provision of highly qualified teachers, and the extent of teacher misassignment in the school district, to provide the school district with recommendations to streamline and improve the teacher hiring process, teacher retention rate, extent of teacher misassignment, and provision of highly qualified teachers, and to perform any or all of the duties prescribed in subparagraphs (A) to (C), inclusive, or to further review the causes that led to a finding of moderate or high risk of intervention pursuant to subdivision (a) and recommend corrective action. If a review team is assigned to a school district, the school district shall follow the recommendations of the team, unless the school district shows good cause for failure to do so. The County Office Fiscal Crisis and Management Assistance Team may not recommend an action that would abrogate a contract that governs employment.

(2) Any contract entered into by a county superintendent of schools for the purposes of this subdivision is subject to the approval of the Superintendent.



- (3) An employee of a school district who provides information regarding improper governmental activity, as defined in Section 44112, is entitled to the protection provided pursuant to Article 5 (commencing with Section 44110) of Chapter 1 of Part 25.
- (b) Within five days of the county superintendent of schools making the determination specified in subdivision (a), a school district may appeal the basis of the determination and any of the proposed actions that the county superintendent of schools has indicated that the county superintendent of schools will take to further examine the financial condition of the school district. The Superintendent shall sustain or deny any or all parts of the appeal within 10 days.
- (c) If, after taking the actions identified in subdivision (a), the county superintendent of schools determines that a school district will be unable to meet its financial obligations for the current or subsequent fiscal year, the county superintendent of schools shall notify the governing board of the school district, the superintendent of the school district, each recognized employee organization of the school district, each recognized parent organization of the school district, the Superintendent of Public Instruction, and the president of the state board or the president's designee in writing of that determination and the basis for that determination. The notification shall include the assumptions used in making the determination.
- (d) Within five days of the county superintendent of schools making the determination specified in subdivision (c), a school district may appeal that determination to the Superintendent. The Superintendent shall sustain or deny the appeal within 10 days. If the governing board of the school district appeals the determination, the county superintendent of schools may stay any action of the governing board of the school district that the county superintendent of schools determines is inconsistent with the ability of the school district to meet its financial obligations for the current or subsequent fiscal year until resolution of the appeal by the Superintendent.
- (e) If the appeal described in subdivision (d) is denied or not filed, or if the school district has a negative certification pursuant to Section 42131, the county superintendent of schools, in consultation with the Superintendent, shall take at least one of the actions described in paragraphs (1) to (5), inclusive, and all actions that are necessary to ensure that the school district meets its financial obligations and shall make a report to the Superintendent and the president of the state board or the president's designee about the financial condition of the school district and remedial actions proposed by the county superintendent of schools.
- (1) Develop and impose, in consultation with the Superintendent and the governing board of the school district, a budget revision that will enable the school district to meet its financial obligations in the current fiscal year.
- (2) Stay or rescind any action that is determined to be inconsistent with the ability of the school district to meet its obligations for the current or subsequent fiscal year. This includes any actions up to the point that the subsequent year's budget is approved by the county superintendent of schools. The county superintendent of schools shall inform the governing board of the school district in writing of the county superintendent's justification for any exercise of authority under this paragraph.
- (3) Assist in developing, in consultation with the governing board of the school district, a multiyear financial recovery plan that will enable the school district to meet its future obligations.
- (4) Assist in developing, in consultation with the governing board of the school district, a budget for the subsequent fiscal year. If necessary, the county superintendent of schools shall continue to work with the governing board of the school district until the budget for the subsequent year is adopted by the governing board of the school district and approved by the county superintendent of schools.
- (5) As necessary, appoint a fiscal adviser to perform any or all of the duties prescribed by this section on behalf of the county superintendent of schools.
- (f) Any action taken by the county superintendent of schools pursuant to paragraph (1) or (2) of subdivision (e) shall be accompanied by a notification that shall include the actions to be taken, the reasons for the actions, and the assumptions used to support the necessity for these actions.
- (g) This section does not authorize the county superintendent of schools to abrogate any provision of a collective bargaining agreement that was entered into by a school district before the date that the county superintendent of schools assumed authority pursuant to subdivision (e).
- (h) The school district shall pay 75 percent and the county office of education shall pay 25 percent of the administrative expenses incurred pursuant to subdivision (e) or costs associated with improving the school district's financial management practices. The Superintendent shall develop and distribute to affected school districts and county offices of education advisory guidelines regarding the appropriate amount of administrative expenses charged pursuant to this subdivision.
- (i) Notwithstanding Section 42647 or 42650 or any other law, a county treasurer shall not honor any warrant if, pursuant to Sections 42127 to 42127.5, inclusive, or pursuant to this section, the county superintendent of schools or the

Superintendent, as appropriate, has disapproved that warrant or the order on school district funds for which a warrant was prepared.

(j) Effective upon the certification of the election results for a newly organized school district pursuant to Section 35763, the county superintendent of schools may exercise any of the powers and duties of this section regarding the reorganized school district and the other affected school districts until the reorganized school district becomes effective for all purposes in accordance with Article 4 (commencing with Section 35530) of Chapter 3 of Part 21.

(k) The Superintendent shall monitor the efforts of a county office of education in exercising its authority under this section and may exercise any of that authority if the Superintendent finds that the actions of the county superintendent of schools are not effective in resolving the financial problems of the school district. Upon a decision to exercise the powers of the county superintendent of schools, the county superintendent of schools is relieved of those powers assumed by the Superintendent, and shall provide support and assistance to the Superintendent in the exercise of those powers. The Superintendent shall also request that the County Office Fiscal Crisis and Management Assistance Team identify the circumstances that led to the ineffectiveness of the county superintendent of schools in resolving the financial problems of the school district, and shall require the county office of education to demonstrate, in a manner determined by the Superintendent, remediation of those deficiencies. In addition to the actions taken by the county superintendent of schools, the Superintendent shall take further actions to ensure the long-term fiscal stability of the school district. The county office of education shall reimburse the Superintendent for all of the Superintendent's costs in exercising the Superintendent's authority under this subdivision. The Superintendent shall promptly notify the county superintendent of schools, the county board of education, the superintendent of the school district, the governing board of the school district, the appropriate policy and fiscal committees of each house of the Legislature, and the Department of Finance of the Superintendent's decision to exercise the authority of the county superintendent of schools.

(Amended by Stats. 2020, Ch. 24, Sec. 25. (SB 98) Effective June 29, 2020.)



**SANTA CRUZ**  
COUNTY OFFICE OF  
**EDUCATION**  
DR. FARIS SABBAH • SUPERINTENDENT OF SCHOOLS

**BOARD OF EDUCATION**

Mr. Ed Acosta  
Ms. Alyssa Alto  
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Ms. Sandra Nichols  
Ms. Sue Roth  
Mr. Abel Sanchez  
Mr. Bruce Van Allen

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January 13, 2023

Ms. Kristin Pfothenauer  
President, Governing Board  
Live Oak School District  
1974 Encina Drive  
Santa Cruz, CA 95062

Re: 2022-23 First Interim Financial Report

Dear Ms. Pfothenauer:

In accordance with Education Code Section 42131, the Santa Cruz County Office of Education (SCCOE) has reviewed the First Interim Financial Report for the Live Oak School District for fiscal year 2022-23.

The Education Code requires that the County Superintendent review the district Interim Report in order to:

- Determine whether the financial report complies with the standards and criteria established pursuant to Education Code Section 33127.
- Determine whether the Interim Report indicates that the district will be able to meet its financial obligations during the current fiscal year and subsequent two fiscal years.

The district's 2022-23 First Interim Budget has been analyzed in the context of the guidance provided by the California County Superintendents and the California Department of Education (CDE).

The review included an assessment and analysis of the following major components of the district's report:

- Enrollment, Average Daily Attendance (ADA), Unduplicated Pupil Counts
- Unrestricted Ending Fund Balance and State Minimum Reserve
- Unrestricted Deficit Spending Trends
- Current and Multiyear Projections
- Staffing Projections/Salary Settlements
- Other Post-Employment Benefits
- Ending Cash and Monthly Cash Flow
- Charter Schools

Assembly Bill (AB) 2756 requires school districts to submit copies of any study or reports that indicate signs or symptoms of fiscal distress to the County Office of Education. Should the district be issued any such reports or studies during the fiscal year, please submit them to the attention of Liann Reyes, Deputy Superintendent, Business Services as soon as they are available.

The analysis and comments regarding the First Interim Budget are contained on the following pages.

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**ENROLLMENT, AVERAGE DAILY ATTENDANCE AND UNDUPLICATED PUPIL  
 COUNT PROJECTIONS**

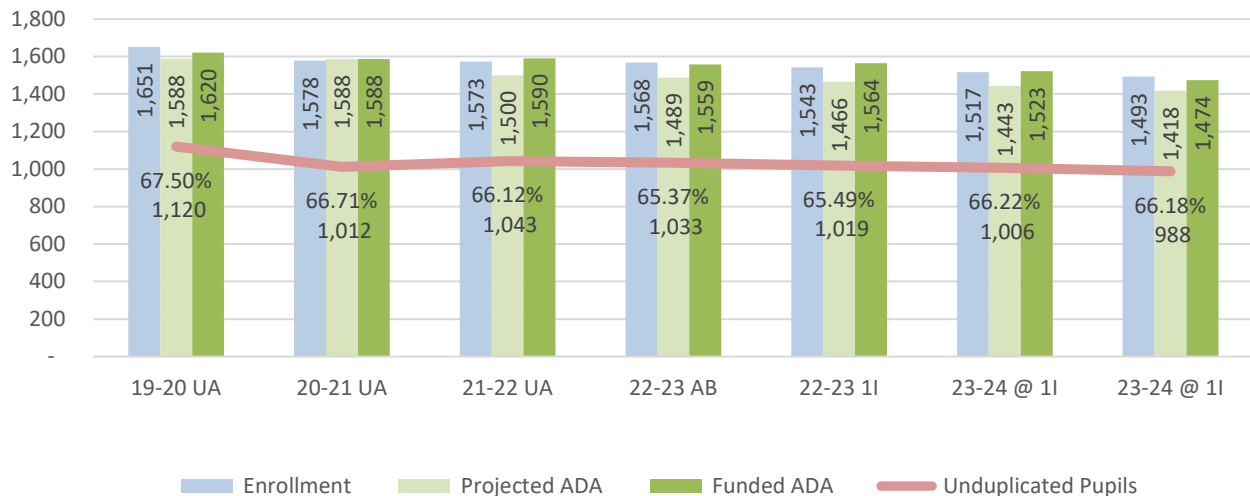
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The district is projecting a decrease in enrollment of 25 students in the budget year to a total of 1,543 as compared to the adopted budget. The district is projecting a decrease of 26 for fiscal year 2023-24 and 24 for 2024-25. The district has been experiencing declining enrollment for several years, which appears to have been exacerbated by the pandemic.

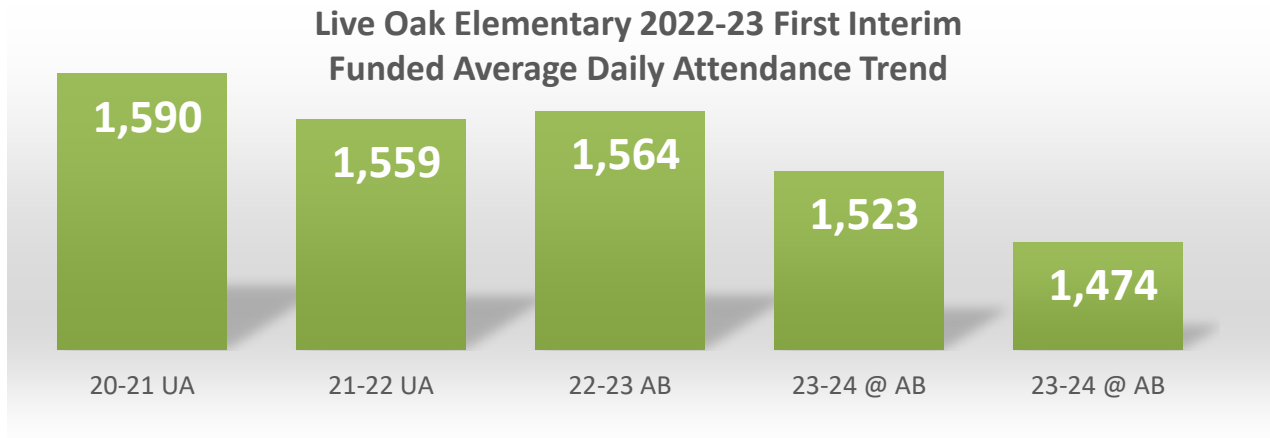
The district is projecting funded ADA of 1,564.01 for the budget year, 1,522.60 for 2023-24 and 1,473.55 for 2024-25. Based on current law, the district’s funded ADA for the budget year was calculated using the three-year rolling average method. The district’s ADA to enrollment ratio was 96.2% in 2019-20 and 96.5% the prior year. The district suffered the effects of the pandemic as evident with the 2021-22 ratio coming in at 95.3%. The district is being conservative by keeping the 2022-23 ratio at 95.1%, the 2023-24 at 95.2% and the 2024-25 fiscal year at 95.0%.

Unduplicated pupil count is projected to remain relatively flat. The following chart displays the district's enrollment, P-2 ADA, funded ADA and the unduplicated pupil percentage. Since a significant portion of a school district's revenue is derived from ADA, it is imperative to monitor the correlation between enrollment and ADA closely.

**Live Oak Elementary 2022-23 First Interim  
 Enrollment vs ADA with Unduplicated Pupil Count**



The chart below shows the district’s Funded ADA. It is important to monitor ADA closely as much of the County, as well as the State, continues to be in declining enrollment.




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COMBINED ENDING FUND BALANCES AND STATE OF UNRESTRICTED  
 MINIMUM RESERVE

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As certified by the Governing Board, the district is projecting an unrestricted ending fund balance reserve in the General Fund of \$349,967 in the current year, \$213,617 in 2023-24, and \$320,017 in 2024-25. The District's State Required Minimum Reserve percentage is 3.0%, which is \$941,133 in the budget year. The district also maintains a balance in Fund 17 of \$1,487,710, Special Reserve for Other Than Capital Outlay, which has been designated for economic uncertainties and allows the district to meet the state required minimum.

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UNRESTRICTED DEFICIT SPENDING

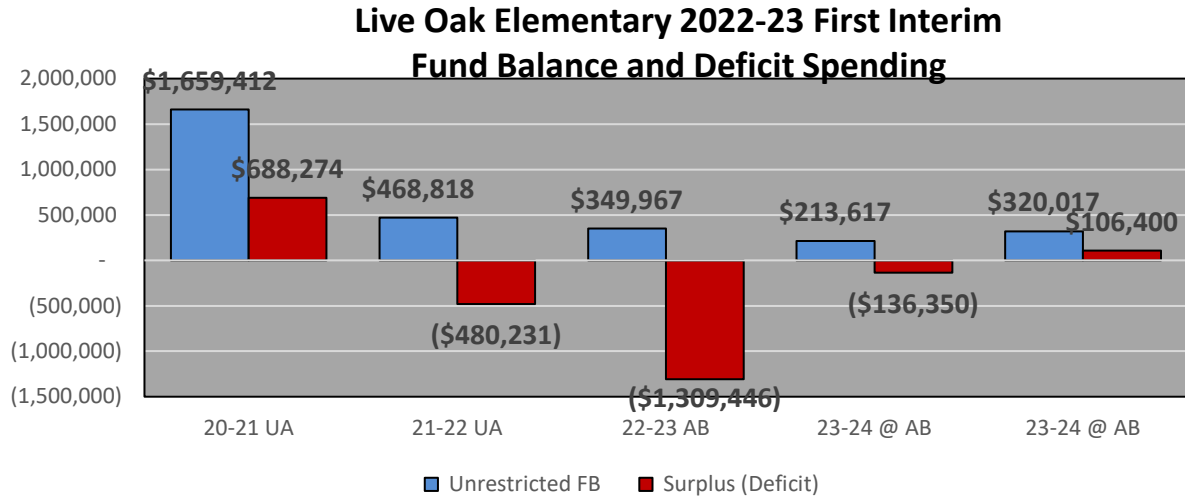
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The district is projecting to deficit spend by \$1,309,446 in the unrestricted resources in the budget year as a result of a transfer to Fund 17 in the amount of \$820,991. The district is projecting to deficit spend by \$136,350 in 2023-24. The district is not projecting to deficit spend in the unrestricted budget in 2024-25. Anticipated deficit spending should be for one-time, non-recurring expenditures to avoid depletion of the district's ongoing unrestricted reserves.

The State's established standard for deficit spending is one-third (1/3) of the district's available unrestricted reserve percentage. The district's projected deficit spending is **NOT** within the established state standard for the 2022-23 budget year. The district is strongly cautioned against on-going deficit spending, other than one-time, planned expenditures.

The following chart displays the actual Unrestricted General Fund balance and the projected deficit spending for the prior two years, the current and two subsequent fiscal years, based on the multiyear projection included in the First Interim Budget.





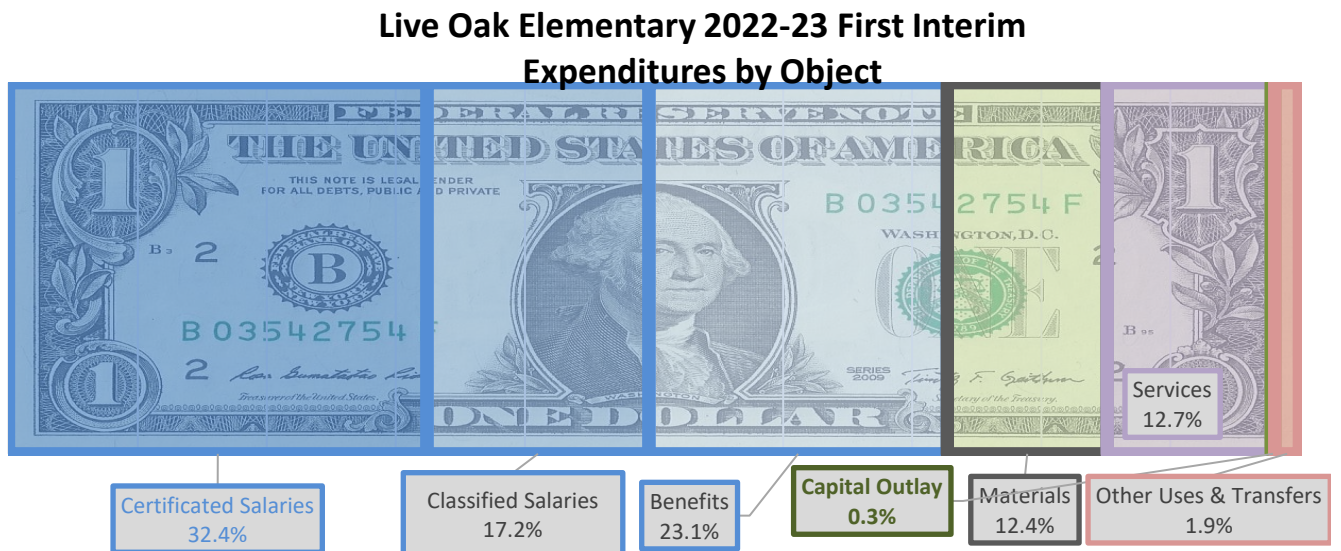
### CURRENT AND MULTI-YEAR PROJECTIONS

The district's projection of revenues and expenditures in the current and two subsequent fiscal years was reviewed and found reasonable.

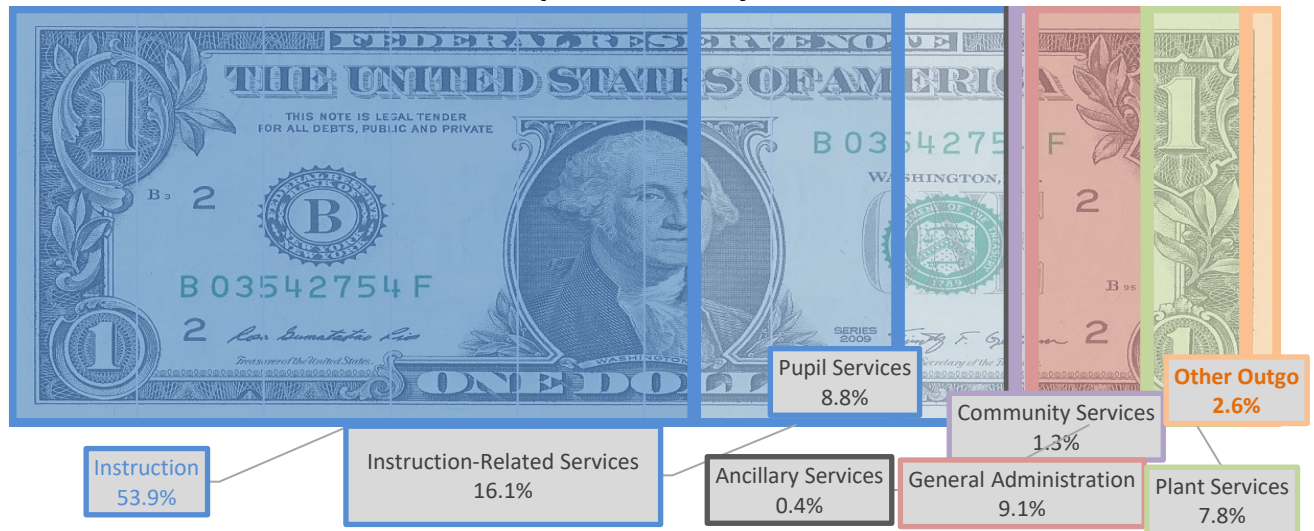
Due to the projected rapid decline in unrestricted ending fund balance and the projected loss of ADA, the district is advised to identify and implement solutions to resolve the ongoing deficit. Should the district experience any unforeseen events, such as a further decline in enrollment or an increase in Special Education students, the district may not be able to meet its financial obligations beyond fiscal year 2024-25.

Contributions are projected to increase from \$3.28 million to \$3.65 million in the budget year which is a 11.5% increase when compared to adopted budget. Contributions are projected to increase by 6.0% in 2023-24 and to decrease by 10.6% in 2024-25. The majority of the contributions are to Special Education (97.9%).

The following graphics provide a breakdown of expenditures by object code and then by function for the budget year.



### Live Oak Elementary 2022-23 First Interim Expenditures by Function




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#### STAFFING PROJECTIONS AND SALARY SETTLEMENTS

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Negotiations are settled with the district's certificated and classified bargaining units for the budget year and those costs are included in the budget and multi-year projections (MYP).

Most of a school district's budget is spent on salaries and benefits. If these costs are growing at a rate faster than total expenditures, they will consume a disproportionately greater share of the district's resources, putting significant pressures on the rest of the budget. The percentage of unrestricted salaries and benefits to the total unrestricted general fund expenditures for the budget year, and multiyear projections are 90.5%, 91.6% and 91.0%.

The state's established standard for unrestricted salary and benefits ratio is based on plus or minus 3% of the average of the district's three prior years of unrestricted salaries to total unrestricted expenditures. The district's historical average ratio of unrestricted salaries and benefits to total unrestricted expenditures is 90.7%. As the budget and multi-year projections do not exceed the ratio plus 3% variance, the district is within the state's established standard.

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#### OTHER POST-EMPLOYMENT BENEFITS

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According to the district's criteria and standards, which is based on the most recent actuarial report dated June 30, 2022, the district has an unfunded liability for other post-employment benefits (OPEB) of \$1.8 million. The district is currently handling these costs on a pay-as-you-go basis. The pay-as-you-go amounts are projected at \$48,409 for the budget year, \$46,983 for 2023-24 and \$70,605 for 2024-25. Per GASB statements 74 and 75, the district is required to include the entire \$1.8 million liability in its audit report. The district should consider establishing a trust fund to begin addressing this unfunded liability.

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## ENDING CASH POSITION AND MONTHLY CASH FLOW

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The district did not provide the required cash flow for the budget year. The cash flow created by the SCCOE indicates that the district may experience a cash shortage in March, 2023 until the receipt of property taxes due in April but will have a positive cash balance at the end of every other month. The district is projected to have a positive cash balance at the end of the budget year. Maintaining an adequate fund balance, in excess of the State's minimum of three percent, ensures adequate cash reserves.

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## CHARTER SCHOOLS

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As required by Education Code 47604.33, the district must submit the First Interim report from Tierra Pacifica charter school to the COE.

As a charter school sponsor, the district maintains fiscal oversight responsibilities, particularly in the key areas of accounting, attendance accounting, budgeting, and payroll. As part of this oversight, sponsoring school districts are also responsible for reviewing charter financial reports, including the First Interim report. Should any adverse circumstances arise related to the district's charter school responsibilities that would negatively impact the financial condition of the district, please notify the COE as soon as possible. Our comments, if any, on this review will be communicated in a separate correspondence.

Charter Authorizers are also directed to analyze the changes made to the Charter Schools Act by AB 1505 and AB 1507. AB 1505 makes significant changes to the authorization, renewal, and appeal processes for charter schools, clarifies the teacher credentialing requirements, and placed a two-year moratorium on the establishment of non-classroom based charter schools. AB 130 extended the moratorium until January, 2025. AB 1507 repeals the authority for a charter school to be located outside the boundaries of its authorizer and limits the establishment of resource centers. These laws could have significant impacts to district-authorized charter schools.

Additionally, due to recent events surrounding charter schools and their authorizers, districts are reminded that they cannot charge oversight fees above the costs of the oversight per EC 47613 (a) and (b):

47613(a) Except as set forth in subdivision (b), a chartering authority may charge for the actual costs of supervisory oversight of a charter school not to exceed 1 percent of the revenue of the charter school.

47613(b) A chartering authority may charge for the actual costs of supervisory oversight of a charter school not to exceed 3 percent of the revenue of the charter school if the charter school is able to obtain substantially rent-free facilities from the chartering authority.

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APPROVAL STATUS

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Based on our analysis, the Santa Cruz County Superintendent of Schools concurs with the district's **POSITIVE** certification for its First Interim Financial Report for the 2022-23 fiscal year.

If you have any questions about the adopted budget, please contact Liann Reyes, Deputy Superintendent, Business Services, at (831) 466-5601 or Rebecca Olker, Executive Director, Fiscal Services at (831) 466-5630.

The district's budget will be re-evaluated at the Second Interim reporting cycle to determine its certification.

Sincerely,



Liann Reyes  
Deputy Superintendent, Business Services

LR/rmh

- c: Dr. Faris Sabbah, County Superintendent of Schools  
Dr. Daisy Morales, Superintendent, Live Oak School District  
Alison Warner, Chief Business Officer, Live Oak School District  
Rebecca Olker, SCCOE Executive Director, Fiscal Services

2022-23 LCAP and Budget Approval and Comments  
 Live Oak School District  
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SANTA CRUZ COUNTY SCHOOLS  
 LIVE OAK ELEMENTARY SCHOOL DISTRICT

FINANCIAL ANALYSIS OF GENERAL FUND UNRESTRICTED AND RESTRICTED MONIES

GENERAL FUND	2021-22			2022-23			2022-23			2023-24			2024-25		
	Unaudited Actuals			Adopted Budget			1st Interim			Projected @ 22-23 1I			Projected @ 22-23 1I		
	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total	Unrestricted	Restricted	Total
<b>Revenues</b>															
8010-8099 Local Control Funding Formula	\$ 17,612,202	\$ -	\$ 17,612,202	\$ 17,444,982	\$ -	\$ 17,444,982	\$ 18,612,307	\$ -	\$ 18,612,307	\$ 19,185,586	\$ -	\$ 19,185,586	\$ 19,319,621	\$ -	\$ 19,319,621
8100-8299 Federal	-	2,574,522	2,574,522	-	3,624,267	3,624,267	-	2,909,364	2,909,364	-	935,751	935,751	-	935,751	
8300-8599 Other State	325,276	2,969,703	3,294,979	290,834	1,991,572	2,282,406	295,846	4,772,004	5,067,850	295,846	3,806,050	4,101,896	295,846	3,801,739	
8600-8799 Other Local	901,234	501,019	1,402,252	989,916	43,404	1,033,320	1,027,461	353,233	1,380,694	950,652	101,665	1,052,317	950,652	101,665	
8910-8929 Interfund Transfers In	13,507	645,025	658,532	-	650,000	650,000	-	732,038	732,038	-	725,000	725,000	-	725,000	
8930-8979 Other Sources	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
8980-8998 Contributions	(3,119,948)	3,119,948	-	(3,276,627)	3,276,627	-	(3,653,430)	3,653,430	-	(3,871,608)	3,871,608	-	(3,460,825)	3,460,825	
<b>Total Revenue, Transfers, and Other Sources</b>	<b>\$ 15,732,271</b>	<b>\$ 9,810,217</b>	<b>\$ 25,542,488</b>	<b>\$ 15,449,105</b>	<b>\$ 9,585,870</b>	<b>\$ 25,034,975</b>	<b>\$ 16,282,184</b>	<b>\$ 12,420,069</b>	<b>\$ 28,702,253</b>	<b>\$ 16,560,476</b>	<b>\$ 9,440,074</b>	<b>\$ 26,000,550</b>	<b>\$ 17,105,294</b>	<b>\$ 9,024,980</b>	<b>\$ 26,130,274</b>
<b>Expenditures</b>															
1000-1999 Certificated Salary	\$ 6,864,931	\$ 2,464,992	\$ 9,329,923	\$ 7,240,156	\$ 2,455,371	\$ 9,695,527	\$ 7,420,541	\$ 2,750,294	\$ 10,170,835	\$ 7,531,849	\$ 2,403,609	\$ 9,935,458	\$ 7,644,827	\$ 2,207,032	\$ 9,851,859
2000-2999 Classified Salary	2,579,704	1,741,090	4,320,793	2,937,868	1,419,603	4,357,471	3,313,958	2,078,523	5,392,481	3,363,667	1,466,334	4,830,001	3,414,122	1,401,402	4,815,524
3000-3999 Employee Benefit	3,981,704	2,580,248	6,561,952	4,073,178	2,545,743	6,618,921	4,447,387	2,802,552	7,249,939	4,393,773	2,636,844	7,030,617	4,414,854	2,564,835	6,979,689
4000-4999 Books & Supplies	400,617	877,363	1,277,980	614,452	1,707,586	2,322,038	686,255	3,197,349	3,883,604	707,541	1,612,245	2,319,786	843,172	1,289,797	2,132,969
5000-5899 Services & Other Operating Expenditures	1,527,263	1,184,331	2,711,594	1,629,272	2,169,504	3,798,776	1,705,069	2,280,962	3,986,031	1,248,077	1,385,182	2,633,259	1,230,000	1,168,577	2,398,577
6000-6599 Capital Outlay	-	15,118	15,118	-	37,500	37,500	-	87,776	87,776	-	37,776	37,776	-	37,776	
7100-7299 Other Outgo	2,069	-	2,069	-	-	-	-	-	-	-	-	-	-	-	
7300-7399 Direct & Indirect Support	(325,797)	205,860	(119,938)	(565,590)	387,481	(178,109)	(802,571)	582,014	(220,557)	(548,081)	355,561	(192,520)	(548,081)	355,561	(192,520)
7610-7629 Interfund Transfers Out	13,507	-	13,507	-	-	-	820,991	-	820,991	-	-	-	-	-	
7630-7699 Other Uses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Other Adjustments (Form MYP)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
<b>Total Expenditures, Transfers, and Other Uses</b>	<b>\$ 15,043,998</b>	<b>\$ 9,069,001</b>	<b>\$ 24,112,999</b>	<b>\$ 15,929,336</b>	<b>\$ 10,722,788</b>	<b>\$ 26,652,124</b>	<b>\$ 17,591,630</b>	<b>\$ 13,779,470</b>	<b>\$ 31,371,100</b>	<b>\$ 16,696,826</b>	<b>\$ 9,897,551</b>	<b>\$ 26,594,377</b>	<b>\$ 16,998,894</b>	<b>\$ 9,024,980</b>	<b>\$ 26,023,874</b>
<b>Excess (Deficiency)</b>	<b>\$ 688,274</b>	<b>\$ 741,216</b>	<b>\$ 1,429,490</b>	<b>\$ (480,231)</b>	<b>\$ (1,136,918)</b>	<b>\$ (1,617,149)</b>	<b>\$ (1,309,446)</b>	<b>\$ (1,359,401)</b>	<b>\$ (2,668,847)</b>	<b>\$ (136,350)</b>	<b>\$ (457,477)</b>	<b>\$ (593,827)</b>	<b>\$ 106,400</b>	<b>\$ -</b>	<b>\$ 106,400</b>
<b>Beginning Balance</b>	<b>\$ 971,138</b>	<b>\$ 1,075,662</b>	<b>\$ 2,046,800</b>	<b>\$ 949,049</b>	<b>\$ 1,232,703</b>	<b>\$ 2,181,753</b>	<b>\$ 1,659,413</b>	<b>\$ 1,816,878</b>	<b>\$ 3,476,291</b>	<b>\$ 349,967</b>	<b>\$ 457,477</b>	<b>\$ 807,444</b>	<b>\$ 213,617</b>	<b>\$ -</b>	<b>\$ 213,617</b>
Audit Adjustments / Restatements	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Ending Balance</b>	<b>\$ 1,659,412</b>	<b>\$ 1,816,878</b>	<b>\$ 3,476,290</b>	<b>\$ 468,818</b>	<b>\$ 95,785</b>	<b>\$ 564,604</b>	<b>\$ 349,967</b>	<b>\$ 457,477</b>	<b>\$ 807,444</b>	<b>\$ 213,617</b>	<b>\$ -</b>	<b>\$ 213,617</b>	<b>\$ 320,017</b>	<b>\$ -</b>	<b>\$ 320,017</b>
<b>Reserves:</b>															
Minimum Reserve Level per Criteria & Standards	3%			3%			3%			3%			3%		
<b>Recommended REU (Computed in C&amp;S)</b>	<b>\$ 723,390</b>			<b>\$ 799,564</b>			<b>\$ 941,133</b>			<b>\$ 797,831</b>			<b>\$ 780,716</b>		
<b>Reserves per District (REU 9789)</b>	<b>\$ 78,656</b>	<b>\$ -</b>	<b>\$ 78,656</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Nonspendable (Rev. Cash, Prepaid, Stores)	3,500	-	3,500	-	-	-	-	-	-	-	-	-	-	-	-
Restricted	-	1,816,878	1,816,878	-	95,785	95,785	-	457,477	457,477	-	-	-	-	-	-
Committed	742,335	-	742,335	-	-	-	-	-	-	-	-	-	-	-	-
Assigned	216,780	-	216,780	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned	618,141	-	618,141	468,818	-	468,818	349,967	-	349,967	213,617	-	213,617	320,017	-	320,017
Excess (Deficiency) above state recommended REU	853,866	-	853,866	341,910	-	341,910	896,004	-	896,004	902,956	-	902,956	1,026,471	-	1,026,471
Contributions to Restricted Programs			3,119,948			3,276,627			3,653,430			3,871,608			3,460,825
<b>Special Reserve Fund 17</b>	<b>\$ 663,679</b>			<b>\$ 672,655</b>			<b>\$ 1,487,170</b>			<b>\$ 1,487,170</b>			<b>\$ 1,487,170</b>		



SANTA CRUZ COUNTY SCHOOLS  
 LIVE OAK ELEMENTARY SCHOOL DISTRICT

**FINANCIAL ANALYSIS OF GENERAL FUND**

GENERAL FUND	2021-22	2022-23	2022-23	22-23 AB vs 22-23 1I	2023-24	22-23 1I vs 23-24 PB	2024-25	23-24 PB vs 24-25 PB
	Unaudited Actuals	Adopted Budget	1st Interim		Projected @ 22-23 1I		Projected @ 22-23 1I	
<b>Revenues</b>								
8010-8099 Local Control Funding Formula	17,612,202	17,444,982	18,612,307	6.69%	19,185,586	3.08%	19,319,621	0.70%
8100-8299 Federal	2,574,522	3,624,267	2,909,364	-19.73%	935,751	-67.84%	935,751	0.00%
8300-8599 Other State	3,294,979	2,282,406	5,067,850	122.04%	4,101,896	-19.06%	4,097,585	-0.11%
8600-8799 Other Local	1,402,252	1,033,320	1,380,694	33.62%	1,052,317	-23.78%	1,052,317	0.00%
8910-8929 Interfund Transfers In	658,532	650,000	732,038	12.62%	725,000	-0.96%	725,000	0.00%
8930-8979 Other Sources	-	-	-	-	-	-	-	-
8980-8998 Contributions	-	-	-	-	-	-	-	-
<b>Total Revenue, Transfers, and Other Sources</b>	<b>25,542,488</b>	<b>25,034,975</b>	<b>28,702,253</b>	<b>14.65%</b>	<b>26,000,550</b>	<b>-9.41%</b>	<b>26,130,274</b>	<b>0.50%</b>
<b>Expenditures</b>								
1000-1999 Certificated Salary	9,329,923	9,695,527	10,170,835	4.90%	9,935,458	-2.31%	9,851,859	-0.84%
2000-2999 Classified Salary	4,320,793	4,357,471	5,392,481	23.75%	4,830,001	-10.43%	4,815,524	-0.30%
3000-3999 Employee Benefit	6,561,952	6,618,921	7,249,939	9.53%	7,030,617	-3.03%	6,979,689	-0.72%
4000-4999 Books & Supplies	1,277,980	2,322,038	3,883,604	67.25%	2,319,786	-40.27%	2,132,969	-8.05%
5000-5899 Services & Other Operating Expenditures	2,711,594	3,798,776	3,986,031	4.93%	2,633,259	-33.94%	2,398,577	-8.91%
6000-6599 Capital Outlay	15,118	37,500	87,776	134.07%	37,776	-56.96%	37,776	0.00%
7100-7299 Other Outgo	2,069	-	-	-	-	-	-	-
7300-7399 Direct & Indirect Support	(119,938)	(178,109)	(220,557)	23.83%	(192,520)	-12.71%	(192,520)	0.00%
7610-7629 Interfund Transfers Out	13,507	-	820,991	-	-	-100.00%	-	-
7630-7699 Other Uses	-	-	-	-	-	-	-	-
Other Adjustments (From MYP)	-	-	-	-	-	-	-	-
<b>Total Expenditures, Transfers, and Other Uses</b>	<b>24,112,999</b>	<b>26,652,124</b>	<b>31,371,100</b>	<b>17.71%</b>	<b>26,594,377</b>	<b>-15.23%</b>	<b>26,023,874</b>	<b>-2.15%</b>
<b>Excess (Deficiency)</b>	<b>1,429,490</b>	<b>(1,617,149)</b>	<b>(2,668,847)</b>	<b>65.03%</b>	<b>(593,827)</b>	<b>-77.75%</b>	<b>106,400</b>	<b>-117.92%</b>
<b>Beginning Balance</b>	<b>2,046,800</b>	<b>2,181,753</b>	<b>3,476,291</b>	<b>59.33%</b>	<b>807,444</b>	<b>-76.77%</b>	<b>213,617</b>	<b>-73.54%</b>
Audit Adjustments / Restatements	-	-	-	-	-	-	-	-
<b>Ending Balance</b>	<b>3,476,290</b>	<b>564,604</b>	<b>807,444</b>	<b>43.01%</b>	<b>213,617</b>	<b>-73.54%</b>	<b>320,017</b>	<b>49.81%</b>
<b>Reserves:</b>								
Minimum Reserve Level per Criteria & Standards	3%	3%	3%	0.00%	3%	0.00%	3%	
<b>Recommended REU (Computed in C&amp;S)</b>	<b>723,390</b>	<b>799,564</b>	<b>941,133</b>	<b>17.71%</b>	<b>797,831</b>	<b>-15.23%</b>	<b>780,716</b>	<b>-2.15%</b>
<b>Reserves per District (REU 9789)</b>								
Nonspendable (Rev. Cash, Prepaid, Stores)	78,656	-	-	-	-	-	-	-
Restricted	3,500	-	-	-	-	-	-	-
Committed	1,816,878	95,785	457,477	377.61%	-	-100.00%	-	-
Assigned	742,335	-	-	-	-	-	-	-
Unassigned	216,780	-	-	-	-	-	-	-
	618,141	468,818	349,967	-25.35%	213,617	-38.96%	320,017	49.81%
Excess (Deficiency) above state recommended REU	853,866	341,910	896,004	162.06%	902,956	0.78%	1,026,471	13.68%
Contributions to Restricted Programs	3,119,948	3,276,627	3,653,430	11.50%	3,871,608	5.97%	3,460,825	-10.61%
<b>Special Reserve Fund 17</b>	<b>663,679</b>	<b>672,655</b>	<b>1,487,170</b>	<b>121.09%</b>	<b>1,487,170</b>	<b>0.00%</b>	<b>1,487,170</b>	<b>0.00%</b>

**LIVE OAK ELEMENTARY SCHOOL DISTRICT**  
**All Funds Summary**  
**2022-23**  
**1st Interim**

	01	12	13	17	20	25	49	51	
	General	Child Development	Cafeteria	Special Reserve	Spec Res OPEB	Capital Facilities	Mello-Roos	Debt Service	Total All Funds
<b>Revenue</b>									
8000-8099 Local Control Funding Formula	18,612,307	-	-	-	-	-	-	-	18,612,307
8100-8299 Federal Revenue	2,909,364	249,158	1,243,435	-	-	-	-	-	4,401,957
8300-8599 State Revenue	5,067,850	1,755,107	67,267	-	-	-	-	-	6,890,224
8600-8699 Local Revenue	1,380,694	196,496	2,568	2,500	2,500	2,657,684	116,244	-	4,358,686
<b>Total Revenue</b>	<b>27,970,215</b>	<b>2,200,761</b>	<b>1,313,270</b>	<b>2,500</b>	<b>2,500</b>	<b>2,657,684</b>	<b>116,244</b>	<b>-</b>	<b>34,263,174</b>
<b>Expenditures</b>									
1000 Certificated Salaries	10,170,835	488,054	-	-	-	-	-	-	10,658,889
2000 Classified Salaries	5,392,481	273,934	497,159	-	-	52,936	-	-	6,216,510
3000 Employee Benefits	7,249,939	421,742	248,140	-	-	23,745	-	-	7,943,566
4000 Books & Supplies	3,883,604	604,604	1,189,859	-	-	108,327	1,300	-	5,787,694
5000 Services & Other Oper.	3,986,031	86,430	55,515	-	-	297,922	294,800	-	4,720,698
6000 Equipment	87,776	-	50,000	-	-	75,258	67,813	-	280,847
7100-7299 Other Outgo (74XX)	-	-	-	-	-	1,818,000	-	-	1,818,000
7300 Indirect Costs	(220,557)	154,960	65,597	-	-	-	-	-	-
<b>Total Expenditures</b>	<b>30,550,109</b>	<b>2,029,724</b>	<b>2,106,270</b>	<b>-</b>	<b>-</b>	<b>2,376,188</b>	<b>363,913</b>	<b>-</b>	<b>37,426,204</b>
<b>Surplus (Deficit)</b>	<b>(2,579,894)</b>	<b>171,037</b>	<b>(793,000)</b>	<b>2,500</b>	<b>2,500</b>	<b>281,496</b>	<b>(247,669)</b>	<b>-</b>	<b>(3,163,030)</b>
<b>Other Sources/Uses</b>									
89XX Transfers In	732,038	-	-	820,991	-	-	-	-	1,553,029
8930-8979 Other Sources	-	-	-	-	-	-	-	-	-
7610-7629 Transfers Out	820,991	-	-	-	-	732,038	-	-	1,553,029
7630-7699 Other Uses	-	-	-	-	-	-	-	-	-
<b>Total Other Sources/Uses</b>	<b>(88,953)</b>	<b>-</b>	<b>-</b>	<b>820,991</b>	<b>-</b>	<b>(732,038)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Incr (Decr) in Fund Balance</b>	<b>(2,668,847)</b>	<b>171,037</b>	<b>(793,000)</b>	<b>823,491</b>	<b>2,500</b>	<b>(450,542)</b>	<b>(247,669)</b>	<b>-</b>	<b>(3,163,030)</b>
<b>Beginning Fund Balance</b>	<b>3,476,291</b>	<b>83,023</b>	<b>1,236,810</b>	<b>663,679</b>	<b>561,165</b>	<b>5,032,435</b>	<b>1,468,288</b>	<b>851,423</b>	<b>13,373,114</b>
Audit Adjustments/Restatements	-	-	-	-	-	-	-	-	-
<b>Ending Fund Balance</b>	<b>807,444</b>	<b>254,060</b>	<b>443,810</b>	<b>1,487,170</b>	<b>563,665</b>	<b>4,581,893</b>	<b>1,220,619</b>	<b>851,423</b>	<b>10,210,084</b>
Deficit (Surplus) as % of Fund Balance	-76.77%	206.01%	-64.12%	124.08%	0.45%	-8.95%	-16.87%	0.00%	-23.65%



## SANTA CRUZ COUNTY BOARD OF EDUCATION

### AGENDA ITEM 7.1

**Board Meeting Date:** May 16, 2024

Action

Information

**TO:** County Board of Education  
**FROM:** Dr. Faris Sabbah, County Superintendent of Schools  
**SUBJECT:** 2024 Educators and Community Partner of the Year

### BACKGROUND

Each year, the Santa Cruz County Board of Education celebrates the accomplishments of teachers, classified employees, administrators, school counselors, and a local Community Partner. Award recipients are nominated by their peers and will be awarded a plaque of outstanding achievement by Superintendent Sabbah.

**Award Recipients:** Woodstock’s, Community Partner of the Year  
Cristal Renteria, Administrator of the Year, Santa Cruz COE  
Jennifer Konicke, Classified Employee of the Year, Pacific ESD  
Soledad Hess, Counselor of the Year, SCCS  
Russell Bryan Love, Teacher of the Year, PVUSD

### FUNDING IMPLICATIONS

None.

### RECOMMENDATION

Recieve presentation.



**SANTA CRUZ COUNTY BOARD OF EDUCATION**

**AGENDA ITEM 7.2**

**Board Meeting Date:** May 16, 2024

Action

Information

**TO:** County Board of Education

**FROM:** Dr. Faris Sabbah, County Superintendent of Schools  
Nick Ibarra, Communications and Engagement Director  
Andres Ortiz, Student Leadership and Engagement Coordinator

**SUBJECT:** Santa Cruz COE’s Youth Led Leadership Alliance Presentation

**BACKGROUND**

Our student leadership initiatives provide opportunities for students to develop and practice essential leadership skills such as collaboration, public speaking, self-confidence, critical thinking, and civic engagement. Students from the Santa Cruz COE’s Youth Led Leadership Alliance (YLLA), representing six leadership groups with specific goals and objectives, will share their projects and highlights during the 2023-2024 school year with the board.

**FUNDING IMPLICATIONS**

None.

**RECOMMENDATION**

Recieve presentation.



## SANTA CRUZ COUNTY BOARD OF EDUCATION

### AGENDA ITEM 7.3

**Board Meeting Date:** May 16, 2024

Action

Information

**TO:** County Board of Education

**FROM:** Dr. Faris Sabbah, County Superintendent of Schools

**SUBJECT:** Santa Cruz COE's Countywide Robotics Club

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#### BACKGROUND

Early May, ten teams from across the county participated in the MATE ROV (Marine Advanced Technology Education – Remotely Operated Vehicle) Regional Competition. The program aims to build student skills in entrepreneurship, team work, collaboration, as well as technical skills in robotics, computer programming, and design, engineering, and fabrication. The Santa Cruz COE's X Academy Robotics Clubs participated in the competition. Our Hephaestus Robotics team secured a remarkable 3rd place finish in the Ranger Class. This achievement earns them a coveted spot at the MATE ROV World Championship in Kingsport Tennessee at the end of June, where they will compete against 40 of the top teams from around the world. Our Angry Otters team in the Navigator class demonstrated exceptional skill by taking 2nd place in their division.

#### FUNDING IMPLICATIONS

None.

#### RECOMMENDATION

Recieve presentation.





## SANTA CRUZ COUNTY BOARD OF EDUCATION

### AGENDA ITEM 8.1

**Board Meeting Date:** May 16, 2024

**Action**

**Information**

**TO:** County Board of Education  
**FROM:** Sandra Nichols, Chair, Community Outreach and Legislation Committee  
Dr. Faris Sabbah, County Superintendent of Schools  
**SUBJECT:** Approval of Resolution #24-20 Recognizing LGBTQ+ Pride Month

#### BACKGROUND

Earlier this month, the Santa Cruz County Office of Education, alongside all ten school districts, raised the Progress Flag in honor of Harvey Milk Day. The Progress Flag is a visual representation of acceptance and inclusion. The Board will consider adopting Resolution #24-20 Recognizing LGBTQ+ Pride Month.

#### FUNDING IMPLICATIONS

None.

#### RECOMMENDATION

Approve Resolution #24-20



**RESOLUTION #24-20**  
**RECOGNIZING LGBTQ+ PRIDE MONTH**

**WHEREAS**, June is a time to celebrate our dynamic LGBTQ+ community, raise awareness of quality services, and foster a dialogue to promote healthy, safe, and prosperous school climate and communities for all; and

**WHEREAS**, more than 50 years have passed since the June, 1969, Stonewall riots in New York City, and the birth of an activist movement; and

**WHEREAS**, June is recognized and celebrated as LGBTQ+ pride month throughout the country and worldwide;

**WHEREAS**, California state law now addresses discrimination, harassment, intimidation, and bullying towards LGBTQ+ youth; and

**WHEREAS**, there have been numerous studies indicating the inequities experienced by the LGBTQ+ community, including poverty, homelessness, school harassment, physical assault, domestic violence, hate crimes, mental health issues, and substance abuse concerns; and

**WHEREAS**, bullying in schools is a serious matter that impacts student health and safety, and the Santa Cruz County Office of Education (Santa Cruz COE) supports and advocates for a model of safe and inclusive schools, for all students and especially for LGBTQ+ students, articulating our vision as “when students feel safe, supported and included in school, their learning increases, their engagement increases and more students graduate from high school who are college and career ready”; and

**WHEREAS**, the Santa Cruz COE has an LGBTQ+ Task Force composed of representatives from all school districts, charter schools and independent schools in Santa Cruz County, and the task force meets quarterly to identify the ongoing needs of our LGBTQ+ students; and

Resolution #24-20 Recognizing LGBTQ+ Pride Month  
Santa Cruz County Board of Education  
May 16, 2024

**WHEREAS**, recent events have raised awareness of LGBTQ+ issues including the Santa Cruz COE LGBTQ+ History Month Kickoff in October, the Rainbow Flag Raising and Harvey Milk Day Celebration in May, and the Santa Cruz COE's release of the Top 40 LGBTQ+ Books that Every School Library Should Have in 2022; and

**WHEREAS**, the Santa Cruz COE website, [santacruzcoe.org](http://santacruzcoe.org), on a page entitled “Supporting the Safety of LGBTQ+ Students and Families” lists supportive resources for LGBTQ+ students, their teachers and principals, their families and our community;

**NOW, THEREFORE, BE IT RESOLVED**, that the Santa Cruz County Board of Education and County Superintendent proclaim June as LGBTQ+ Pride Month to inspire equity, create alliances, celebrate diversity, and establish safe environments in our schools and communities throughout the county.

**PASSED AND ADOPTED** by the Santa Cruz County Board of Education on this 16th day of May, 2024, by the following vote:

**Ayes:**

**Nays:**

**Abstain:**

**Absent:**

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Sue Roth  
Board President

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Dr. Faris Sabbah  
County Superintendent of Schools  
Secretary, Santa Cruz County Board of Education



**SANTA CRUZ COUNTY BOARD OF EDUCATION**

**AGENDA ITEM 8.2**

**Board Meeting Date:** May 16, 2024

**Action**

**Information**

**TO:** County Board of Education

**FROM:** Sandra Nichols, Chair, Community Outreach and Legislation Committee  
 Dr. Faris Sabbah, County Superintendent of Schools

**SUBJECT:** Approval of Resolution #24-21 Recognizing Juneteenth

**BACKGROUND**

Established as a federally recognized holiday in 2021, Juneteenth commemorates the emancipation of enslaved people in the United States. It was first celebrated in Texas on June 19, 1866, exactly one year after Major General Gordon Granger arrived in Galveston, Texas, and declared that enslaved people had been freed by the Emancipation Proclamation. The Board will consider adopting Resolution #24-21 Recognizing Juneteenth.

**FUNDING IMPLICATIONS**

None.

**RECOMMENDATION**

Approve Resolution #24-21



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**Mr. Ed Acosta • Ms. Alyssa Alto • Ms. Rose Filicetti • Ms. Sandra Nichols  
Ms. Sue Roth • Mr. Abel Sanchez • Mr. Bruce Van Allen**

**Mr. Ed Acosta • Mr. Edward Estrada • Ms. Sandra Nichols  
Ms. Sue Roth • Mr. Abel Sanchez • Mr. Bruce Van Allen**

**Student Trustee: Mr. Oscar Alvarez-Delgado**

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## **RESOLUTION #24-21 RECOGNIZING JUNETEENTH**

**WHEREAS**, June 19th is nationally recognized as Juneteenth — the oldest known American celebration of the ending of slavery; and

**WHEREAS**, more than two years after the Emancipation Proclamation of January 1, 1863, Union soldiers arrived in Galveston, Texas, on June 19th to announce the Civil War had ended and the enslaved were now free; and

**WHEREAS**, Juneteenth celebrations have since been held to commemorate African American freedom from slavery, and honoring this day, more than 150 years later, helps us learn our history and better understand the experiences of African Americans that shaped this nation; and

**WHEREAS**, Juneteenth celebrations have become a tradition shared by Black Americans to celebrate community resiliency and Black American cultural achievements; and

**WHEREAS**, the Santa Cruz County Office of Education (Santa Cruz COE) advocates for the continuance of the tradition of celebrating Juneteenth to acknowledge and condemn the atrocities and degradation of our shared past and honors this day of resilience in the face of injustice and inhumanity for present and future generations; and

**WHEREAS**, the Santa Cruz COE acknowledges the historical relevance of this significant event and the generational trauma that accompanies being subject to racism, discrimination, and prejudice as a barrier to positive mental and physical health and well-being, economic opportunity, and academic achievement; and

**WHEREAS**, the Santa Cruz COE remains committed to improving student equity and access to high quality education as well as to providing quality support to districts, schools, students, and communities;



Resolution #24-21 Recognizing Juneteenth  
Santa Cruz County Board of Education  
May 16, 2024

**NOW, THEREFORE, BE IT RESOLVED**, that the Santa Cruz County Board of Education and the County Superintendent of Schools recognize and honor June 19, 2023 as Juneteenth and remain committed to inspire equity, create alliances, celebrate diversity, and establish safe environments in our schools and communities throughout the county.

**PASSED AND ADOPTED** by the Santa Cruz County Board of Education on this 16th day of May, 2024, by the following vote:

**Ayes:**

**Nays:**

**Abstain:**

**Absent:**

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Sue Roth  
Board President

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Dr. Faris Sabbah  
County Superintendent of Schools  
Secretary, Santa Cruz County Board of Education



**SANTA CRUZ COUNTY BOARD OF EDUCATION**

**AGENDA ITEM 8.3**

**Board Meeting Date:** May 16, 2024

**Action**

**Information**

**TO:** County Board of Education

**FROM:** Liann Reyes, Deputy Superintendent - Business Services

**SUBJECT:** Approval of Resolution #24-22 Establishing Fund 40 Special Reserve Fund For Capital Outlay Projects

**BACKGROUND**

This resolution will establish the Fund 40 Special Reserve Fund for Capital Outlay Projects. This fund will primarily accumulate general fund money for capital outlay purposes, sourced from interfund transfers and interest income. It can be used for various capital projects like land or building purchases. If projected projects don't materialize, funds may be transferred back to the General Fund 01. The Board is asked to approve this resolution.

**FUNDING IMPLICATIONS**

Included herein.

**RECOMMENDATION**

Approve Resolution #24-22.



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**RESOLUTION #24-22**  
**RESOLUTION FOR ESTABLISHING**  
**FUND 40 SPECIAL RESERVE FUND FOR CAPITAL OUTLAY PROJECTS**

**WHEREAS**, the Fund 40 Special Reserve Fund for Capital Outlay Projects is used primarily for the accumulation of general fund money for capital outlay purposes (Education Code Section 42840), and

**WHEREAS**, the principal financing sources in this fund is Other Authorized Interfund Transfers In and Interest Income, and

**WHEREAS**, the source of the revenue shall be primarily generated from non-targeted, unrestricted County School Service Fund 01 dollars via interfund transfers and other, and

**WHEREAS**, the purpose or purposes for which this fund shall be established is to collect and disburse money which will be used for various capital outlay projects, which may include the purchase of land or buildings; and

**WHEREAS**, if for any reason projected projects do not come to fruition, the Santa Cruz County Office of Education reserves the right to transfer funds back to its unrestricted General Fund 01,

**NOW, THEREFORE, IT IS HEREBY RESOLVED** that it is the intent of the Santa Cruz County Office of Education’s Governing Board to establish the Special Reserve Fund for Capital Outlay Projects Fund 40.

**BE IT FURTHER RESOLVED**, that the Board of Education shall authorize, by this resolution, the County Auditor and the County Treasurer to establish a Special Reserve for Capital Outlay fund for the Santa Cruz County Office of Education.

**PASSED AND ADOPTED** by the Santa Cruz County Board of Education on this 16<sup>th</sup> day of May, 2024 by the following vote:

**AYES:**

**NAYS:**

**ABSENT:**

**ABSTAIN:**

Sue Roth, Board President  
Santa Cruz County Board of Education

Dr. Faris M. Sabbah, Secretary  
Santa Cruz County Superintendent



## SANTA CRUZ COUNTY BOARD OF EDUCATION

### AGENDA ITEM 8.4

Board Meeting Date: May 16, 2024

Action

Information

**TO:** County Board of Education

**FROM:** Abel Sanchez, Committee Member, Board Vacancy Committee  
Bruce Van Allen, Committee Member, Board Vacancy Committee  
Dr. Faris Sabbah, County Superintendent of Schools

**SUBJECT:** Schedule Special Board Meeting

#### BACKGROUND

Trustee will schedule a special meeting to host interviews for the vacancy for Trustee area 5 and Oath of Office Swearing in ceremony. The dates in consideration are May 28, May 29, and May 30, 2024. Trustees may also suggest other dates as well.

#### FUNDING IMPLICATIONS

None.

#### RECOMMENDATION

Schedule a special meeting to conduct board vacancy interviews and the swearing in ceremony.