

Agenda

SUTTER COUNTY BOARD OF EDUCATION

Regular Meeting

Wednesday, January 15, 2020 - 5:30 p.m.
Sutter County Superintendent of Schools Office
970 Klamath Lane – Board Room
Yuba City, CA 95993

- *Open Hearing: General Waiver Request – Educational Interpreter Required Skill Level per CDE Regulations*

A full Board packet is available for review at the Sutter County Superintendent of Schools Office Reception Desk, 970 Klamath Lane, Yuba City, CA (8:00 a.m. – 5:00 p.m., Monday through Friday – excluding legal holidays) and the Sutter County Superintendent of Schools' website at www.sutter.k12.ca.us.

- 5:30 p.m.**
- 1.0 Call to Order
 - 2.0 Pledge of Allegiance
 - 3.0 Roll Call of Members:
 - Ron Turner, President
 - June McJunkin, Vice President
 - Karm Bains, Member
 - Victoria Lachance, Member
 - Jim Richmond, Member
 - 4.0 Items of Public Interest to Come to the Attention of the Board
 - Members of the public wishing to address the Board on specific agenda items, or any item of interest that is within the subject matter jurisdiction of the Board, will be given an opportunity to do so. At the discretion of the Board president, time limits may be imposed upon such presentations. No action may be taken on items not appearing on the posted agenda.
 - 5.0 Approve Minutes of the December 13, 2019, Regular Meeting
[Action Item]
 - The minutes of the December 13, 2019, Meeting of the Sutter County Board of Education are presented for approval.
 - 6.0 Accept 2018-2019 Sutter County Superintendent of Schools Audit Report – Tim Canupp **[Action Item]**

The 2018-2019 Audit Report prepared by Crowe Horwath will be presented.

7.0 School Accountability Report Cards – Brian Gault

School Accountability Report Cards are prepared per state requirements for Special Education and Feather River Academy

8.0 LCAP Federal Addendum
Brian Gault

After multiple submissions and revisions, the LCAP Federal Addendum was approved in its entirety by CDE on December 9, 2019. It is suggested that this go back to the Board as an information item since it is so drastically different than the one initially approved on June 26, 2019.

9.0 Business Services Report

9.1 Monthly Financial Report – December 2019 –
Nic Hoogeveen

9.2 Surplus Real Property – Ron Sherrod

9.3 Investment Statement – November 2019
Ron Sherrod

10.0 Public Hearing for General Waiver for Educational Interpreter
Required Skill Level – Kathy Tamez

Members of the public may address the Board relative to the waiver request for the required skill level of educational interpreters.

11.0 Approve General Waiver Request for Educational Interpreter
Required Skill Level – Kathy Tamez – **[ACTION ITEM]**

This waiver will allow for an intensive structured opportunity to support this Educational Interpreter to achieve skills needed to become certified at the required 4.0 level, while allowing students continued access to instruction with an interpreter who is continuing to refine their skills under a remediation plan to complete the minimum requirements.

12.0 Items from the Superintendent/Board

13.0 Adjournment

In compliance with the Americans with Disabilities Act, for those requiring special assistance to access the Board Meeting room, to access written documents being discussed at the Board Meeting, or to otherwise participate at Board Meetings, please contact the Superintendent's Office at 530-822-2900 for assistance. Notification at least 48 hours prior to the meeting will enable the Superintendent's Office to make reasonable arrangements to ensure accessibility to the Board Meeting and to provide any required accommodations, auxiliary aids or services.

All Open Session Agenda related documents, including materials distributed less than 72 hours prior to the scheduled meeting, are available to the public for viewing at the Sutter County Superintendent of Schools Office located at 970 Klamath Lane, Yuba City, CA 95993.

BOARD AGENDA ITEM: Approve Minutes of the December 13, 2019 Regular Board Meeting

BOARD MEETING DATE: January 15, 2020

AGENDA ITEM SUBMITTED FOR:

PREPARED BY:

Action

Maggie Nicoletti

Reports/Presentation

SUBMITTED BY:

Information

Tom Reusser

Public Hearing

PRESENTING TO BOARD:

Other (specify)

Tom Reusser

BACKGROUND AND SUMMARY INFORMATION:

The minutes of the regular meeting of the Sutter County Board of Education held December 13, 2019, are presented for approval.

Unapproved
SUTTER COUNTY BOARD OF EDUCATION MINUTES
Regular Meeting
December 13, 2019

1.0 Call to Order

A regular meeting of the Sutter County Board of Education was called to order by President Richmond, 3:01 p.m., December 13, 2019, at the Sutter County Superintendent of Schools Office, 970 Klamath Lane, Yuba City, California.

2.0 Pledge of Allegiance

The Pledge of Allegiance was led by President Richmond.

3.0 Roll call of Members

Jim Richmond, President – Present
Ron Turner, Vice President – Present
Karm Bains, Member – Present
Victoria Lachance, Member – Present
June McJunkin, Member – Present

Tom Reusser, Ex-officio Secretary – Present

Staff Members Present: Ron Sherrod, Joe Hendrix, Paramjeet Kaur and Maggie Nicoletti

4.0 Items of Public Interest to come to the attention of the Board

5.0 Reorganization of the Sutter County Board of Education

5.1 Election of Board President

Board President Richmond opened nominations for the office of President. Karm Bains nominated Ron Turner for President of the Sutter County Board of Education. There being no further nominations, President Richmond closed the nominations.

A motion was made to elect Ron Turner to serve as President of the Sutter County Board of Education December 2019 through November 2020. President Elect Turner chaired the remainder of the meeting.

<i>Motion:</i>	Karm Bains	<i>Seconded:</i>	Victoria Lachance
<i>Action:</i>	Motion Carried		
<i>Ayes:</i>	5 (McJunkin, Turner, Bains, Richmond and Lachance)		
<i>Noes:</i>	0		
<i>Absent:</i>	0	<i>Abstain:</i>	0

5.2 Election of Board Vice President

President Elect Turner opened nominations for the office of Vice President. Victoria Lachance nominated June McJunkin for Vice President. There being no further nominations, President Elect Turner closed the nominations.

A motion was made to elect June McJunkin to serve as Vice President of the Sutter County Board of Education December 2019 through November 2020.

Motion: Victoria Lachance *Seconded:* Karm Bains
Action: Motion Carried
Ayes: 5 (McJunkin, Turner, Bains, Richmond and Lachance)
Noes: 0
Absent: 0 *Abstain:* 0

5.3 Set Location, Time, Meeting Dates and Adopt 2020 Calendar

A motion was made to adopt the 2020 Sutter County Board of Education calendar as presented.

Motion: Karm Bains *Seconded:* June McJunkin
Action: Motion Carried
Ayes: 5 (McJunkin, Turner, Bains, Richmond and Lachance)
Noes: 0
Absent: 0 *Abstain:* 0

6.0 Approve Minutes of the November 13, 2019 Regular Meeting

A motion was made to approve the minutes of the November 13, 2019, regular meeting of the Sutter County Board of Education.

Motion: June McJunkin *Seconded:* Jim Richmond
Action: Motion Carried
Ayes: 5 (McJunkin, Turner, Bains, Richmond and Lachance)
Noes: 0
Absent: 0 *Abstain:* 0

7.0 Approve Sutter County Superintendent of Schools' First Interim Report 2019-2020

Prior to reviewing the First Interim Report with the Board, Paramjeet thanked all the staff and said it was the first year running the report in Escape. Paramjeet reviewed the 2019-2020 First Interim Report (July 1, 2019 – October 31, 2019) with the Board. After reviewing the report with the Board Members, she asked if there were any questions. The Board had no questions. Ron thanked Paramjeet for her hard work and stated the new Internal Director for the Business Department would be starting in the position in January 2020.

A motion was made to approve Sutter County Superintendent of Schools' First Interim Report 2019-2020.

Motion: Karm Bains *Seconded:* Jim Richmond
Action: Motion Carried
Ayes: 5 (McJunkin, Turner, Bains, Richmond and Lachance)
Noes: 0
Absent: 0 *Abstain:* 0

8.0 Business Services Report

8.1 Monthly Financial Report – November 2019

Paramjeet reviewed the Summary Report of Revenues, Expenditures and Changes in Fund Balances for the month of November 2019 with Board Members. This report was for the time frame November 1 – November 15, 2019.

8.2 Investment Report October 2019

Ron reviewed the Investment Report with the Board. Rate is 2.0445; a slight increase from last month.

8.3 Donations

Ron reviewed the following donations with the Board:

- Kathryn Stevens donated \$25.00 to Shady Creek Summer Camp and \$40.00 towards a garden at Shady Creek;
- Florencia Dunayevich donated \$10.00 to Shady Creek Summer Camp Scholarships;
- John Nicoletti donated \$10.00 to the ROP grand opening of the food trailer.

9.0 Select and Convene Superintendent’s Salary Committee

Victoria Lachance and Jim Richmond have previously served on the Superintendent’s Salary Committee and they both agreed to continue to serve on this committee. Ron stated the committee would convene in early January 2020.

A motion was made to approve Victoria Lachance and Jim Richmond to continue to serve on the Superintendent’s Salary Committee.

Motion: Karm Bains *Seconded:* June McJunkin
Action: Motion Carried
Ayes: 5 (McJunkin, Turner, Richmond, Bains and Lachance)
Noes: 0
Absent: 0 *Abstain:* 0

10.0 Adopt Resolution No. 19-20-V to Open Fund 73, Foundation Fund

Ron stated that he was asked about contributions to set up a scholarship fund for Sutter County students who demonstrate outstanding potential, leadership, achievement and community service. Approval of this Resolution will approve the fund to be used for that purpose.

Motion was made to approve Resolution No. 19-20-V Open Fund 73, Foundation Fund.

Roll call vote: McJunkin, aye, Bains, aye; Lachance, aye; Turner, aye; and Richmond, aye.

<i>Motion:</i>	Karm Bains	<i>Seconded:</i>	June McJunkin
<i>Action:</i>	Motion Carried		
<i>Ayes:</i>	5 (McJunkin, Turner, Bains, Richmond and Lachance)		
<i>Noes:</i>	0		
<i>Absent:</i>	0	<i>Abstain:</i>	0

11.0 Public Hearing to Sunshine 2020-2021 Bargaining Proposal CSEA Chapter 634 (Classified Employees)

This item was stricken from the agenda.

12.0 Disclosure of Collective Bargaining Agreement for Sutter County Superintendent of Schools Employee Association (CSEA), Chapter #634

Per Ron, this is the disclosure for the CSEA Association that we are required to submit. He reviewed the document with the Board.

13.0 AeroSTEM Academy Material Revision

Kathy Smith, Principal of AeroSTEM Academy, stated this Material Revision was prompted by the California School Finance Authority which oversees the SB740 Facility Funding Program. Kathy further reported that AeroSTEM Academy is moving to their new location, 100 Airport Road, Yuba City, CA, in January 2020.

AeroSTEM Academy Location of Local Elementary School (Correction): After reviewing the current YCUSD school boundary maps, it was determined that AeroSTEM Academy is within the boundaries of Park Avenue Elementary School; not Bridge Street Elementary School as was originally determined.

AeroSTEM Academy Graduation Requirements:

Currently, twenty credits of Foreign Language are required and ten credits are required for Visual and Performing Arts (VAPA) for graduation from AeroSTEM Academy. In consideration of students that are looking at trade schools, not college, parents asked AeroSTEM Academy to revise their graduation requirements. This material revision reflects twenty credits of Foreign Language, VAPA or CTE. Two hundred twenty total credits will still be required for graduation.

AeroSTEM Academy Self-contained and Grade-level Combination Classes:

AeroSTEM Academy would like to be able to add more self-contained and grade-level classes to meet the needs of students and to ensure fiscal sustainability.

Motion was made to approve AeroSTEM Academy Material Revision.

<i>Motion:</i>	June McJunkin	<i>Seconded:</i>	Victoria Lachance
<i>Action:</i>	Motion Carried		
<i>Ayes:</i>	5 (McJunkin, Turner, Bains, Richmond and Lachance)		
<i>Noes:</i>	0		
<i>Absent:</i>	0	<i>Abstain:</i>	0

14.0 Public Hearing – Pathways Charter Academy School Petition

Public hearing was declared open by President Turner at 3:26 p.m.

Joe Hendrix gave a PowerPoint presentation to the Board on the Pathways Charter Academy Petition. The PowerPoint outlined the background, next steps, staff review, concerns and a summary of the Pathways Charter Academy Petition. He then reviewed the Staff Report and Proposed Findings of Fact with the Board. Joe also presented concerns and discussed making time for Stakeholder input.

Sue Ann Evans, Attorney at Law, Law Firm of DWK, spoke regarding this process and the approval of the Pathways Charter Academy School Petition. Ms. Evans stated her legal opinion regarding non-approval of the petition. Jim asked if we had a response from our legal counsel, Erin Hamor, Attorney at Law, Law Firm of Lozano Smith, regarding the most recent letter that DWK sent to Lozano Smith. A copy of this letter was received in the SCSOS office today at 1:43 p.m. via email. Tom called Ms. Hamor and asked if she would speak on speakerphone to the Board in reference to the question that the Board asked regarding a response to the DWK letter received today. Ms. Hamor spoke to the Board regarding the letter received from DWK and gave her legal opinion stating the Board is within its legal rights to approve the petition. The Board asked if the petition is approved by the Board, can the Pathways Charter Academy open during the moratorium. Ms. Hamor stated the school could open during the moratorium; new petitions could not be approved during the moratorium.

Karm thanked Joe for his presentation and all the work he accomplished in a short amount of time.

June stated that the possibility of opening a county-ran charter school had been approached under the tenure of the previous Sutter County Superintendent of Schools.

There being no further comments from the public, President Turner closed the Public Hearing closed at 4:23 p.m.

15.0 Adoption of Resolution No. 19-20-VI to Approve the Pathways Charter Academy School Petition

Motion was made to approve Resolution No. 19-20-V Pathways Charter Academy School Petition, with recommended grammatical corrections.

Roll call vote: McJunkin, aye, Bains, aye; Lachance, aye; Turner, aye; and Richmond, aye.

Motion: Jim Richmond *Seconded:* Karm Bains
Action: Motion Carried
Ayes: 5 (McJunkin, Turner, Bains, Richmond and Lachance)
Noes: 0
Absent: 0 *Abstain:* 0

16.0 Public Hearing to Sunshine Bargaining Proposal for 2020-2021 Negotiations of Sutter County Superintendent of Schools with the Sutter County Superintendent of Schools Staff Association (CTA)

President Turner declared the Public Hearing open at 4:25 p.m. There being no comments from the public, President Turner closed the Public Hearing at 4:26 p.m.

17.0 Items from the Superintendent/Board

Tom stated that March 17, 2020, is Legislative Action Day.

Shady Creek had to send kids home due to power outages and the well and generator quit working. Both schools were in YCUSD and they were offered to come back at a later date; they will be back in the next few months to complete their time.

June attended the Delegate Assembly in San Diego last week. Fair Funding has been put on hold for now. The Census is going to be a big deal; the Latino community is working very hard to make sure their population is very well informed. This is the year CCBE presents advanced topics and the training is scheduled two days prior to Legislative Day.

Victoria enjoyed the SCSOS Holiday Luncheon and the performance by the Adult Transition students.

Ron Turner thanked Ron Sherrod and Joe Hendrix for all their hard work.

18.0 Adjournment

A motion was made to adjourn the meeting 4:33 p.m.

Motion: Jim Richmond *Seconded:* Victoria Lachance
Action: Motion Carried
Ayes: 5 (McJunkin, Turner, Bains, Richmond and Lachance)
Noes: 0
Absent: 0 *Abstain:* 0

BOARD AGENDA ITEM: Crowe Horwath- Audit of Financial Statements

BOARD MEETING DATE: January 15, 2020

AGENDA ITEM SUBMITTED FOR:

PREPARED BY:

Action

Crowe Horwath

Reports/Presentation

SUBMITTED BY:

Information

Ron Sherrod

Public Hearing

PRESENTING TO BOARD:

Other (specify)

Tim Canupp

BACKGROUND AND SUMMARY INFORMATION:

Audit of the financial statements of Sutter County Superintendent of Schools as of June 30, 2019 and for the year then ended for the purpose of expressing an opinion as to whether the financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Sutter County Superintendent of Schools and the respective changes in financial position and cash flows, where applicable, in conformity with accounting principles generally accepted in the United States of America.

**SUTTER COUNTY
SUPERINTENDENT OF SCHOOLS**

FINANCIAL STATEMENTS

June 30, 2019

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS

FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2019

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SUTTER COUNTY SUPERINTENDENT OF SCHOOLS

FINANCIAL STATEMENTS
WITH SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2019
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INDEPENDENT AUDITOR'S REPORT

Board of Education
Sutter County Superintendent of Schools
Yuba City, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Sutter County Superintendent of Schools, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Sutter County Superintendent of Schools' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Sutter County Superintendent of Schools, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

(Continued)

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis* on pages 4 to 8 and the County School Service Fund Budgetary Comparison Schedule, the Adult Education Fund Budgetary Comparison Schedule, the Schedule of Changes in the County Office's Total Other Postemployment Benefits (OPEB) Liability, the Schedule of the County Office's Proportionate Share of the Net Pension Liability, and the Schedule of the County Office's Contributions on pages 45 through 51 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Sutter County Superintendent of Schools' basic financial statements. The accompanying schedule of expenditure of federal awards as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and the other supplementary information listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

The Schedule of Financial Trends and Analysis has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2019 on our consideration of Sutter County Superintendent of Schools' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Sutter County Superintendent of Schools' internal control over financial reporting and compliance.

Crowe LLP

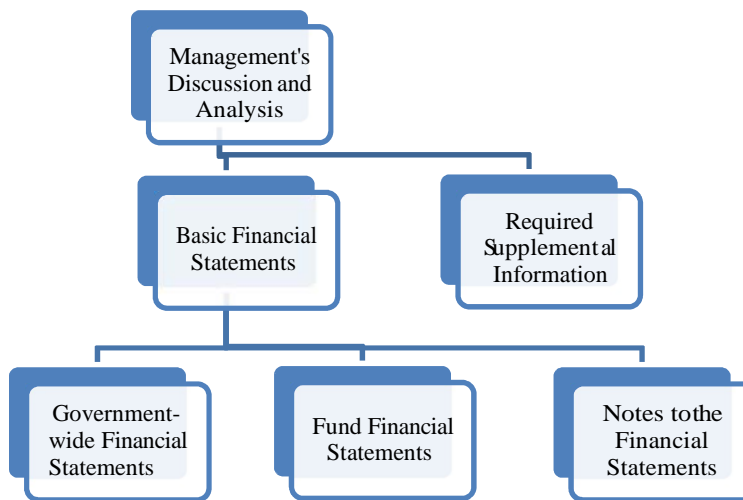
Crowe LLP

Sacramento, California
December 13, 2019

This section of Sutter County Superintendent of Schools (County Office) annual financial report represents our discussion and analysis of the County Office’s financial performance during the fiscal year ending on June 30, 2019. We encourage readers to consider the information presented in conjunction with information which is furnished in the financial statements that follow this section.

Overview of the Financial Statements

This report consists of the following three sections: management’s discussion and analysis (this section), the basic financial statements, and the required supplementary information. The basic financial statements include two kinds of statements that present different views of the County Office: government-wide financial statements and fund financial statements. The financial statements may also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements.



Government-wide Financial Statements

Government-wide financial statements report information about Sutter County Superintendent of Schools as a whole using accounting methods similar to those used by private-sector businesses. This means the statements take into account all revenues and expenses related to the fiscal year, regardless of when the cash involved is received or paid. The government-wide statements do not include programs and activities that are fiduciary in nature because their resources may not be used to support the operations of the Sutter County Superintendent of Schools.

The two government-wide statements report the County Office’s net position and how it has changed. Net position, or the difference between the County Office’s assets and liabilities, is one way to measure the County Office’s financial position. Increases or decreases in the County Office’s net position are indicators of whether its financial health is improving or deteriorating, respectively.

The government-wide financial statements are reported in two categories:

- Governmental Activities include the basic instructional services, support services, debt service payments, and capital equipment purchases. Local Control Funding Formula funds, state grants, federal grants, and interest earnings finance the majority of these activities.
- Business-type Activities reflect the operations of the Shady Creek Outdoor Education Program facility during non-student times such as weekends when the facility is available to outside groups for a fee. The revenues generated from these activities are transferred to the general program in an effort to reduce student cost.

Fund Financial Statements

The fund financial statements provide more detailed information regarding three major categories of funds: governmental funds, proprietary funds, and fiduciary funds. Funds are the accounting devices the County Office uses to keep track of specific sources of funding and expenditures/expenses for particular activities or objectives. The Sutter County Superintendent of Schools, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal and contractual requirements.

1. Governmental funds are used to account for most of the County Office's basic services. The governmental funds provide a detailed short-term view that help determine whether there are more or fewer financial resources that can be spent in the near future to finance County Office operations. The primary differences between the government-wide and fund statements relate to capital assets, and long-term liabilities, which are reported in the government-wide financial statements, but not in the fund-based statements. Capital assets are items such as land and buildings, and long-term liabilities are items such as bonded debt, net pension liability, amounts owed for compensated absences, and capital lease obligations.
2. Proprietary funds are used to show activities that operate more like entities found in the private sector. The County Office operates two proprietary funds: an enterprise fund for the Shady Creek Outdoor Education Program facility and a self-insurance fund for post-employment health care benefits for eligible retired employees.
3. Fiduciary funds are used to account for resources held for the benefit of external parties. Fiduciary funds are not reported in the government-wide financial statements because the resources of these funds are not available to support the operations of the Sutter County Superintendent of School's programs.

Financial Analysis of the County Office

Net Position

On June 30, 2019, total net position from governmental activities is \$11.91 million, a decrease of \$62 thousand compared to the prior year. This 0.5% decrease, although there are several small changes that offset each other, is primarily due to the impact of pensions costs on the financial statements.

Investment in capital assets, net of related debt, represents \$20.0 million of the Sutter County Superintendent of School's total net position. This includes investment in items such as land, buildings, and capital equipment. Another \$10.3 million of the Sutter County Superintendent of Schools' net position represents resources that are subject to external restrictions on how they may be used. Any final positive remaining net position represents unrestricted assets, which may be used to meet ongoing obligations, though certain laws and internally imposed designations on resources may further limit the purpose for which those assets may be used.

The Statement of Net Position reports all financial and capital resources. The statement presents the assets and liabilities in order of relative liquidity. The liabilities with average maturities greater than one year are reported in two components – the amount due within one year and the amount due in more than one year. The long-term liabilities of the County Office, consisting of net pension liability, other post-employment benefits and compensated absences payable have been reported in this manner on the Statement of Net Position.

As shown on the Statement of Net Position, the County Office’s total activities at the end of the fiscal year reflected assets of \$41.7 million and liabilities of \$37.6 million. The largest assets of the fund are \$18.1 million in cash, \$16.9 million in depreciable capital assets, and \$3.1 million in non-depreciable assets. The largest liabilities are long-term liabilities of \$35.8 million of which \$32.6 million represent the net pension liability.

Fund Level Highlights

As of June 30, 2019, the Sutter County Superintendent of Schools’ governmental funds reported a combined ending fund balance of \$15.3 million, an increase of \$2.9 million compared to the prior fiscal year.

Fund Financial Analysis

The Balance Sheet of the governmental funds reported \$17.1 million in assets, \$1.8 million in liabilities, and \$15.3 million in fund balances as of June 30, 2019. Total assets primarily consist of cash balances of \$13.2 million and accounts receivable of \$3.1 million, while total liabilities primarily consist of \$1.4 million in accounts payable and \$270 thousand in unearned revenue.

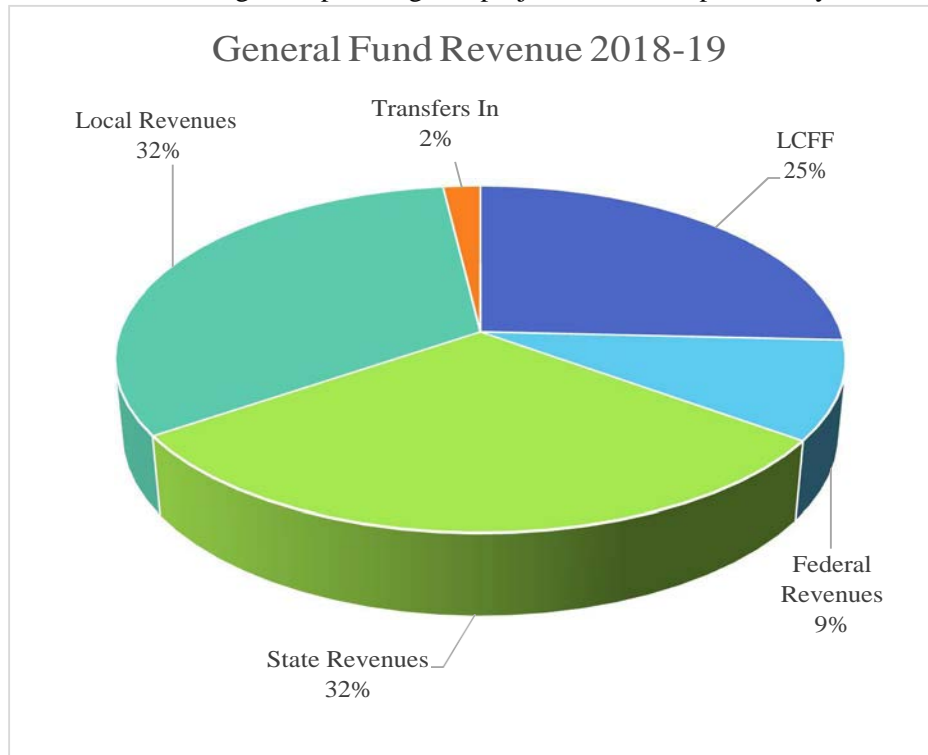
Governmental Funds					
Condensed Balance Sheet as of June 30, 2019					
	County School Service Fund	Adult Education Fund	Special Reserve for Capital Outlay Projects Fund	All Non-Major Funds	Governmental Funds Total
Assets					
Cash	\$ 10,892,546	\$ 121,786	\$ 2,122,806	\$ 40,471	\$ 13,177,609
Receivables	2,909,956	160,284	9,723	41,370	3,121,333
Prepaid Expenses	489,492	-	-	-	489,492
Due from Grantor Government	4,362	-	-	-	4,362
Due from Other Funds	263,084	1,599	-	-	264,683
Total Assets	\$ 14,559,440	\$ 283,669	\$ 2,132,529	\$ 81,841	\$ 17,057,479
Liabilities					
Accounts Payable	\$ 1,045,552	\$ 225,042	\$ -	\$ 79,739	\$ 1,350,333
Due to Other Funds	12,187	21,150	-	1,980	135,317
Unearned Revenue	270,260	-	-	122	270,382
Total Liabilities	\$ 1,427,999	\$ 246,192	\$ -	\$ 81,841	\$ 1,756,032
Fund Balances	\$ 13,131,441	\$ 37,477	\$ 2,132,529	\$ -	\$ 15,301,447

Within the total \$15.3 million in fund balance, \$5.6 million is reserved for specific programs by federal or state law, external constraints, or by contractual obligations, as well as internally imposed restrictions. A total of \$1.8 million is designated for economic uncertainties, \$7.4 million is assigned for specific purposes, and the remaining \$500 thousand represents amounts that are generally unrestricted reserves which have been designated as “nonspendable” to cover amounts for prepaid expenditures and revolving cash.

The Statement of Revenues, Expenditures, and Change in Fund Balances of the governmental funds shows \$40.9 million in revenues and \$38.1 million in expenditures. The largest source of revenue is Other State Sources representing \$14.2 million (34.7%), followed by Other Local Sources for specific programs of \$12.8 million (31.4%). The largest area of expenditure was direct student services totaling \$25.7 million (67.5%). The ending fund balance of the governmental funds for the year ending June 30, 2019 is \$15.3 million, which represents an increase of \$2.9 million (23.3%) from the prior year.

Governmental Funds

The Sutter County Superintendent of Schools' major governmental funds includes the County School Service Fund, commonly called the General Fund, and the Special Revenue Fund (Fund 17), the County School Service Fund is the Sutter County Superintendent of Schools' main operating fund. The Special Revenue Fund is used to earmark funds for long-term planning and projects. For example, money set aside to refund long-term debt may be transferred to Fund 17. All other governmental funds are considered non-major funds for financial reporting purposes. The County School Service Fund, including the Special Revenue Fund, ended the most recent fiscal year with a fund balance of \$13.1 million, while the remaining governmental funds reported a combined ending balance of \$2.2 million.



On the Statement of Revenues, Expenditures, and Change in Fund Balances for the governmental funds, the County School Service Fund had revenues of \$38.4 million and \$35.2 million in expenditures for the year ending June 30, 2019. The largest source of revenues for the County School Service Fund was \$12.6 million from Other Local Sources followed by \$12.3 million from Other State Sources for specific programs. The County School Service Fund's ending balance as of June 30, 2019 was \$13.1 million, which represents an increase of \$2.7 million compared to the prior year.

Fiduciary Funds

The Sutter County Superintendent of Schools has two fiduciary funds, which are both agency funds. These agency funds – Student Body Fund and the Payroll Trust Fund – act as clearing accounts and therefore do not have net assets.

Proprietary Funds

The Sutter County Superintendent of Schools has two proprietary funds: an internal service fund, the “Self-Insurance Fund,” and an enterprise fund, the “Other Enterprise Fund.” The Self-Insurance Fund, established in 2006-07, is used to pay post-employment health care benefits for eligible employees. The net position of the Self-Insurance Fund is \$4.7 million as of June 30, 2019, which is an increase of \$116 thousand. The Other Enterprise Fund is used to account for the revenue and expenses for use of the Shady Creek facility by outside agencies during student non-attendance days. Typically, the fund has a zero net position since excess revenue is transferred to the General Fund to help offset the educational program cost for Shady Creek.

Capital Asset and Long-Term Liabilities

Capital Assets

The Sutter County Superintendent of Schools investment in capital assets as of June 30, 2019 totaled \$20.0 million (net of accumulated depreciation), which was a change of less than 0% from the prior year.

Long-Term Liabilities

The Sutter County Superintendent of Schools did not make any purchases in 2018-19 that would require long-term debt.

Economic Outlook and Future Budgets

Although the federal and state economies have shown growth, the Sutter County Superintendent of Schools continues to maintain its conservative approach to fiscal matters. The budget for the State of California shows continued improvement but many economic indicators suggest a downturn may be in store for the near future. Furthermore, we look forward cautiously as we enter the eleventh year of the longest recovery on record. Locally, unemployment continues to be high compared to the rest of the State, but has substantially improved and growth in the county has leveled off after many years of steady increase. With these economic factors in mind, Sutter County Superintendent of Schools will continue to monitor reserves and adjust services as needed in the best interest of students in the community while maintaining its current positive position.

Requests for Information

This financial report is designed to provide a general overview of the Sutter County Superintendent of Schools’ finances to interested parties. Questions concerning the information provided in this report, or requests for additional information should be addressed to the Sutter County Superintendent of Schools Office, Business Services, 970 Klamath Lane, Yuba City, CA 95993.

BASIC FINANCIAL STATEMENTS

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
STATEMENT OF NET POSITION
June 30, 2019

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and investments (Note 2)	\$ 17,882,183	\$ 210,973	\$ 18,093,156
Receivables	3,143,940	3,305	3,147,245
Internal balances	129,366	(129,366)	-
Due from grantor governments	4,362	-	4,362
Prepaid expenses	489,492	-	489,492
Non-depreciable capital assets (Note 4)	3,055,453	-	3,055,453
Depreciable capital assets, net of accumulated depreciation (Note 4)	<u>16,915,426</u>	<u>-</u>	<u>16,915,426</u>
Total assets	<u>41,620,222</u>	<u>84,912</u>	<u>41,705,134</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows of resources - pensions (Notes 7 and 8)	9,122,703	33,501	9,156,204
Deferred outflows of resources - OPEB (Note 9)	<u>188,229</u>	<u>-</u>	<u>188,229</u>
Total Deferred Outflows of Resources	<u>9,310,932</u>	<u>33,501</u>	<u>9,344,433</u>
LIABILITIES			
Accounts payable	1,350,333	52,832	1,403,165
Unearned revenue	270,382	32,080	302,462
Long-term liabilities (Note 5):			
Due within one year	27,691	-	27,691
Due after one year	<u>35,699,821</u>	<u>117,217</u>	<u>35,817,038</u>
Total liabilities	<u>37,348,227</u>	<u>202,129</u>	<u>37,550,356</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows of resources - pensions (Notes 7 and 8)	1,603,000	-	1,603,000
Deferred inflows of resources - OPEB (Note 9)	<u>65,526</u>	<u>-</u>	<u>65,526</u>
Total Deferred Inflows of Resources	<u>1,668,526</u>	<u>-</u>	<u>1,668,526</u>
NET POSITION			
Net investment in capital assets	19,970,879	-	19,970,879
Restricted:			
Legally restricted programs	3,442,040	-	3,442,040
Capital projects	2,132,529	-	2,132,529
Internal service	4,727,181	-	4,727,181
Unrestricted	<u>(18,358,228)</u>	<u>(83,716)</u>	<u>(18,441,944)</u>
Total net position	<u>\$ 11,914,401</u>	<u>\$ (83,716)</u>	<u>\$ 11,830,685</u>

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

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2019

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Governmental activities:							
Instruction	\$ 15,131,438	\$ 4,811,086	\$ 7,124,924	\$ -	\$ (3,195,428)	\$ -	\$ (3,195,428)
Instruction-related services:							
Supervision of instruction	6,146,712	584,072	3,977,186	-	(1,585,454)	-	(1,585,454)
Instructional library, media and technology	2,049	-	-	-	(2,049)	-	(2,049)
School site administration	3,206,594	292,569	907,175	-	(2,006,850)	-	(2,006,850)
Pupil services:							
Food services	400,288	-	66,097	-	(334,191)	-	(334,191)
All other pupil services	3,727,259	975,128	2,170,670	-	(581,461)	-	(581,461)
General administration:							
Data processing	1,608,679	-	38,575	-	(1,570,104)	-	(1,570,104)
All other general administration	4,328,812	580,355	1,273,236	-	(2,475,221)	-	(2,475,221)
Plant services	1,697,019	240,020	998,093	-	(458,906)	-	(458,906)
Community services	2,597,575	567,567	1,723,722	-	(306,286)	-	(306,286)
Enterprise activities	414,638	15,680	59,094	-	(339,864)	-	(339,864)
Other outgo	10,357,535	1,719,843	8,391,038	-	(246,654)	-	(246,654)
Business-type activities:							
Enterprise activities	296,074	-	3,493	-	-	(292,581)	(292,581)
Total governmental and business-type activities	<u>\$ 49,914,672</u>	<u>\$ 9,786,320</u>	<u>\$ 26,733,303</u>	<u>\$ -</u>	<u>(13,102,468)</u>	<u>(292,581)</u>	<u>(13,395,049)</u>
General revenues:							
Taxes and subventions:							
Taxes levied for general purposes					1,518,658	-	1,518,658
Federal and state aid not restricted to specific purposes					8,631,064	-	8,631,064
Interest and investment earnings					412,771	1,400	414,171
Interagency revenues					1,232,679	-	1,232,679
Miscellaneous					1,115,448	403,172	1,518,620
Internal transfers					129,611	(129,611)	-
Total general revenues					<u>13,040,231</u>	<u>274,961</u>	<u>13,315,192</u>
Change in net position					<u>(62,237)</u>	<u>(17,620)</u>	<u>(79,857)</u>
Net position, July 1, 2018					<u>11,976,638</u>	<u>(66,096)</u>	<u>11,910,542</u>
Net position, June 30, 2019					<u>\$ 11,914,401</u>	<u>\$ (83,716)</u>	<u>\$ 11,830,685</u>

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

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS

BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2019

	County School Service <u>Fund</u>	Adult Education <u>Fund</u>	Special Reserve for Capital Outlay Projects <u>Fund</u>	All Non-Major <u>Funds</u>	Total Governmental <u>Funds</u>
ASSETS					
Cash and investments:					
Cash in County Treasury	\$ 10,877,546	\$ 121,786	\$ 2,122,806	\$ 40,471	\$ 13,162,609
Cash in revolving funds	10,000	-	-	-	10,000
Cash with Fiscal Agent	5,000	-	-	-	5,000
Receivables	2,909,956	160,284	9,723	41,370	3,121,333
Due from other funds	263,084	1,599	-	-	264,683
Due from grantor governments	4,362	-	-	-	4,362
Prepaid expenditures	<u>489,492</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>489,492</u>
Total assets	<u>\$ 14,559,440</u>	<u>\$ 283,669</u>	<u>\$ 2,132,529</u>	<u>\$ 81,841</u>	<u>\$ 17,057,479</u>
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts payable	\$ 1,045,552	\$ 225,042	\$ -	\$ 79,739	\$ 1,350,333
Due to other funds	112,187	21,150	-	1,980	135,317
Unearned revenue	<u>270,260</u>	<u>-</u>	<u>-</u>	<u>122</u>	<u>270,382</u>
Total liabilities	<u>1,427,999</u>	<u>246,192</u>	<u>-</u>	<u>81,841</u>	<u>1,756,032</u>
Fund balances:					
Nonspendable	504,492	-	-	-	504,492
Restricted	3,381,957	37,477	2,132,529	-	5,551,963
Assigned	7,451,279	-	-	-	7,451,279
Unassigned	<u>1,793,713</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,793,713</u>
Total fund balances	<u>13,131,441</u>	<u>37,477</u>	<u>2,132,529</u>	<u>-</u>	<u>15,301,447</u>
Total liabilities and fund balances	<u>\$ 14,559,440</u>	<u>\$ 283,669</u>	<u>\$ 2,132,529</u>	<u>\$ 81,841</u>	<u>\$ 17,057,479</u>

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

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2019

Total fund balances - Governmental Funds \$ 15,301,447

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

Capital assets used for governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds. The cost of the assets is \$27,604,122 and the accumulated depreciation is \$7,633,243 (Note 4). 19,970,879

Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the funds. Long-term liabilities at June 30, 2019 consisted of (Note 5):

Net pension liability (Notes 7 and 8)	\$ (32,632,783)	
Total OPEB liability (Note 9)	(3,067,038)	
Compensated absences	<u>(27,691)</u>	(35,727,512)

In government funds, deferred outflows and inflows of resources relating to pensions are not reported because they are applicable to future periods. In the Statement of Net Position, deferred outflows and inflows of resources relating to pensions are reported (Notes 7 and 8):

Deferred outflows of resources relating to pensions	\$ 9,122,703	
Deferred inflows of resources relating to pensions	<u>(1,603,000)</u>	7,519,703

Internal service funds are used to conduct certain activities for which costs are charged to other funds. Assets and liabilities are reported with governmental activities in the Statement of Net Position. 4,727,181

In government funds, deferred outflows and inflows of resources relating to other postemployment benefits (OPEB) are not reported because they are applicable to future periods. In the Statement of Net Position, deferred outflows and inflows of resources relating to OPEB are reported (Note 9):

Deferred outflows of resources relating to OPEB	\$ 188,229	
Deferred inflows of resources relating to OPEB	<u>(65,526)</u>	<u>122,703</u>

Total net position - governmental activities \$ 11,914,401

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

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2019

	County School Service Fund	Adult Education Fund	Special Reserve for Capital Outlay Projects Fund	All Non-Major Funds	Total Governmental Funds
Revenues:					
Local Control Funding Formula (LCFF):					
State apportionment	\$ 8,410,254	\$ -	\$ -	\$ -	\$ 8,410,254
Local sources	<u>1,518,016</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,518,016</u>
Total LCFF	<u>9,928,270</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,928,270</u>
Federal sources	3,552,938	234,221	-	134,413	3,921,572
Other state sources	12,301,968	1,829,036	-	53,512	14,184,516
Other local sources	<u>12,584,388</u>	<u>198,999</u>	<u>32,231</u>	<u>1,266</u>	<u>12,816,884</u>
Total revenues	<u>38,367,564</u>	<u>2,262,256</u>	<u>32,231</u>	<u>189,191</u>	<u>40,851,242</u>
Expenditures:					
Current:					
Certificated salaries	8,044,304	282,760	-	-	8,327,064
Classified salaries	10,777,197	404,288	-	157,872	11,339,357
Employee benefits	8,132,861	293,376	-	52,913	8,479,150
Books and supplies	1,072,691	21,915	-	157,658	1,252,264
Contract services and operating expenditures	5,571,293	199,220	-	119,409	5,889,922
Other outgo	800,446	1,155,500	-	-	1,955,946
Capital outlay	<u>846,640</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>846,640</u>
Total expenditures	<u>35,245,432</u>	<u>2,357,059</u>	<u>-</u>	<u>487,852</u>	<u>38,090,343</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,122,132</u>	<u>(94,803)</u>	<u>32,231</u>	<u>(298,661)</u>	<u>2,760,899</u>
Other financing (uses) sources:					
Transfers in	798,779	778,358	100,000	321,751	1,998,888
Transfers out	<u>(1,200,109)</u>	<u>(646,078)</u>	<u>-</u>	<u>(23,090)</u>	<u>(1,869,277)</u>
Total other financing (uses) sources	<u>(401,330)</u>	<u>132,280</u>	<u>100,000</u>	<u>298,661</u>	<u>129,611</u>
Net change in fund balances	2,720,802	37,477	132,231	-	2,890,510
Fund balances, July 1, 2018	<u>10,410,639</u>	<u>-</u>	<u>2,000,298</u>	<u>-</u>	<u>12,410,937</u>
Fund balances, June 30, 2019	<u>\$ 13,131,441</u>	<u>\$ 37,477</u>	<u>\$ 2,132,529</u>	<u>\$ -</u>	<u>\$ 15,301,447</u>

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

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGE IN FUND BALANCES - GOVERNMENTAL FUNDS -
TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2019

Net change in fund balances - Total Governmental Funds	\$ 2,890,510
Amounts reported for governmental activities in the Statement of Activities are different because:	
Acquisition of capital assets is an expenditure in the governmental funds, but increases capital assets in the Statement of Net Position.	755,469
Depreciation of capital assets is an expense that is not recorded in the governmental funds.	(757,196)
In governmental funds, other postemployment benefits are recognized when employers contributions are made. In government-wide statements, other postemployment benefits are recognized on the accrual basis (Notes 5 and 9).	(222,507)
In the Statement of Activities, expenses related to compensated absences are measured by the amounts earned during the year. In the governmental funds, expenditures are measured by the amount of financial resources used (Note 5).	(2,839)
In governmental funds, pension costs are recognized when employer contributions are made. In the Statement of Activities, pension costs are recognized on the accrual basis. This year, the difference between accrual-basis pension costs and actual employer contributions was (Notes 7 and 8).	(2,841,457)
Net revenues of the Self-Insurance Fund are reported with governmental activities in the Statement of Activities.	<u>115,783</u>
Change in net position of governmental activities	<u>\$ (62,237)</u>

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

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
STATEMENT OF NET POSITION -
PROPRIETARY FUNDS
June 30, 2019

	<u>Enterprise Fund</u>	<u>Internal Service Fund</u>
ASSETS		
Cash in County Treasury (Note 2)	\$ 210,973	\$ 4,704,574
Receivables	<u>3,305</u>	<u>22,607</u>
Total assets	<u>214,278</u>	<u>4,727,181</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows of resources - pensions (Notes 7 and 8)	<u>33,501</u>	<u>-</u>
LIABILITIES		
Current liabilities:		
Accounts payable	52,832	-
Unearned revenue	32,080	-
Due to other funds	<u>129,366</u>	<u>-</u>
Total current liabilities	<u>214,278</u>	<u>-</u>
Net pension liability - long-term (Notes 7 and 8)	<u>117,217</u>	<u>-</u>
Total liabilities	<u>331,495</u>	<u>-</u>
NET POSITION		
Unrestricted	<u>\$ (83,716)</u>	<u>\$ 4,727,181</u>

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

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
STATEMENT OF CHANGE IN NET POSITION -
PROPRIETARY FUNDS
For the Year Ended June 30, 2019

	<u>Enterprise Fund</u>	<u>Internal Service Fund</u>
Operating revenues:		
Self-insurance premiums	\$ -	\$ 199,061
Other local revenue	<u>408,065</u>	<u>158,069</u>
Total operating revenue	408,065	357,130
Operating expenses:		
Classified salaries	102,731	-
Employee benefits	47,851	-
Books and supplies	116,433	-
Contract services and operating expenses	<u>29,059</u>	<u>316,506</u>
Total operating expenses	<u>296,074</u>	<u>316,506</u>
Operating income	<u>111,991</u>	<u>40,624</u>
Non-operating revenue (expense):		
Interest income	-	75,159
Transfer out	<u>(129,611)</u>	<u>-</u>
Total non-operating revenue (expense)	<u>(129,611)</u>	<u>75,159</u>
Change in net position	(17,620)	115,783
Net position, July 1, 2018	<u>(66,096)</u>	<u>4,611,398</u>
Net position, June 30, 2019	<u><u>\$ (83,716)</u></u>	<u><u>\$ 4,727,181</u></u>

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

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
STATEMENT OF CASH FLOWS -
PROPRIETARY FUNDS
For the Year Ended June 30, 2019

	<u>Enterprise Fund</u>	<u>Internal Service Fund</u>
Cash flows from operating activities:		
Cash received from self insurance	\$ -	\$ 176,454
Cash received from local sources	404,779	158,069
Cash paid to employees	(132,962)	-
Cash paid for operating expenses	<u>(136,931)</u>	<u>(316,506)</u>
Net cash provided by operating activities	<u>134,886</u>	<u>18,017</u>
Cash flows provided by investing activities:		
Interest income received	<u>-</u>	<u>75,159</u>
Net cash provided by investing activities	<u>-</u>	<u>75,159</u>
Cash flows used in financing activities:		
Transfer from other funds	<u>(55,874)</u>	<u>-</u>
Net cash used in financing activities	<u>(55,874)</u>	<u>-</u>
Increase in Cash in County Treasury	79,012	93,176
Cash in County Treasury, July 1, 2018	<u>131,961</u>	<u>4,611,398</u>
Cash in County Treasury, June 30, 2019	<u>\$ 210,973</u>	<u>\$ 4,704,574</u>
Reconciliation of operating income to net cash provided by operating activities:		
Operating income	\$ 111,991	40,624
Adjustments to reconcile operating income to net cash provided by operating activities:		
Increase in:		
Receivables	(1,214)	(22,607)
Deferred outflows of resources	(3,775)	-
Increase (decrease) in:		
Accounts payable	8,561	-
Unearned revenue	(2,072)	-
Net pension liability	22,679	-
Deferred inflows of resources	<u>(1,284)</u>	<u>-</u>
Total adjustments	<u>22,895</u>	<u>(22,607)</u>
Net cash provided by operating activities	<u>\$ 134,886</u>	<u>\$ 18,017</u>

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

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
June 30, 2019

	<u>Special Education Pass-through Fund</u>	<u>Student Body Funds</u>
ASSETS		
Cash on hand and in banks (Note 2)	\$ -	\$ 2,408
Cash in County Treasury (Note 2)	1,177,194	-
Receivables	<u>3,735,968</u>	<u>-</u>
Total assets	<u>\$ 4,913,162</u>	<u>\$ 2,408</u>
LIABILITIES		
Due to School Districts	\$ 4,913,162	\$ -
Due to student groups	<u>-</u>	<u>2,408</u>
Total liabilities	<u>\$ 4,913,162</u>	<u>\$ 2,408</u>

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

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity: The Superintendent of Schools and the Board of Education are the level of government which has governance responsibilities over all activities related to public school education as conducted by the County Office. The County Office is not included in any other governmental "reporting entity" as defined by the Governmental Accounting Standards Board since Board members and the Superintendent have approval authority, the responsibility to significantly influence operations and primary accountability for fiscal matters.

The County Office receives funding from local, state and federal government sources and must comply with all the requirements of these funding sources.

Basis of Presentation - Financial Statements: The basic financial statements include a Management's Discussion and Analysis (MD & A) section providing an analysis of the County Office's overall financial position and results of operations, financial statements prepared using full accrual accounting for all of the County Office's activities, including infrastructure, and a focus on the major funds.

Basis of Presentation - Government-Wide Financial Statements: The Statement of Net Position and the Statement of Activities displays information about the reporting government as a whole. Fiduciary funds are not included in the government-wide financial statements. Fiduciary funds are reported only in the Statement of Fiduciary Assets and Liabilities at the fund financial statement level.

The Statement of Net Position and the Statement of Activities are prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from nonexchange transactions are recognized in accordance with the requirements of Governmental Accounting Standards Board Codification Section (GASB Cod. Sec.) N50.118-.121.

Program revenues: Program revenues included in the Statement of Activities derive directly from the program itself or from parties outside the County Office's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from the County Office's general revenues.

Allocation of indirect expenses: The County Office reports all direct expenses by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Depreciation expense is specifically identified by function and is included in the direct expense of each function. Interest on long-term liabilities is considered an indirect expense and is reported separately on the Statement of Activities.

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Presentation - Fund Accounting: The accounts of the County Office are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balances, revenues and expenditures. County Office resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

A - Major Funds

The County School Service Fund is the general operating fund of the County Office and accounts for all revenues and expenditures of the County Office not encompassed within other funds. All general tax revenues and other receipts that are not allocated by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures and capital improvement costs that are not paid through other funds are paid from the County School Service Fund. For financial reporting purposes, the current year activity and year-end balances of the Special Reserve for Other than Capital Outlay Fund is included in the County School Service Fund.

The Adult Education Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

The Special Reserve for Capital Outlay Projects Fund is an Capital Projects Fund used to account for resources used for the acquisition or construction of capital facilities and equipment by the County Office.

The Proprietary Fund - Enterprise Fund is a business-type activity fund that is used to account for activities of the Shady Creek Outdoor School Program.

B - Other Funds

The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. This classification includes the Child Development and Cafeteria Funds.

The Proprietary Fund - Internal Service Fund is a self-insurance fund used to account for services rendered on a cost-reimbursement basis within the County Office.

The Special Education Pass-Through Fund is an agency fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for special education programs operated by various school districts within the county.

The Student Body Funds account for the receipt and disbursement of monies from the student body clubs and activities of schools within the County Office. Individual totals, by school and program, are maintained within the County Office's accounting system.

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting: Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the basic financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied

Accrual: Governmental activities in the government-wide financial statements, the proprietary fund financial statements and the fiduciary fund financial statements are presented on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

Modified Accrual: The governmental funds financial statements are presented on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., both measurable and available. "Available" means collectible within the current period or within 60 days after year end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. The exception to this general rule is that principal and interest on general obligation long-term liabilities, if any, is recognized when due.

Budgets and Budgetary Accounting: By state law, the Board of Education must adopt a final budget by July 1. A public hearing is conducted to receive comments prior to adoption. The County Office's governing board satisfied these requirements.

Receivables: Receivables consist of amounts due from the federal, state and local government, or private sources, in connection with reimbursement of allowable expenditures made pursuant to the County Office's grants and contracts. The County Office has determined that no allowance for doubtful accounts was needed as of June 30, 2019.

Capital Assets: Capital assets purchased or acquired, with an original cost of \$5,000 or more, are recorded at historical cost or estimated historical cost. Contributed assets are reported at acquisition value for the contributed asset. Additions, improvements and other capital outlay that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred. Capital assets are depreciated using the straight-line method over 4 - 30 years depending on asset types.

Deferred Outflows/Inflows of Resources: In addition to assets, the Statement of Net Position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s), and as such will not be recognized as an outflow of resources (expense/expenditures) until then. The County Office has recognized a deferred outflow of resources related to the recognition of the net pension liability and total OPEB liability reported in the Statement of Net Position.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and as such, will not be recognized as an inflow of resources (revenue) until that time. The County Office has recognized a deferred inflow of resources related to the recognition of the net pension liability and total OPEB liability reported which is in the Statement of Net Position.

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the State Teachers' Retirement Plan (STRP) and Public Employers Retirement Fund B (PERF B) and additions to/deductions from STRP's and PERF B's fiduciary net position have been determined on the same basis as they are reported by STRP and PERF B. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Certain investments are reported at fair value.

	<u>STRP</u>	<u>PERF B</u>	<u>Total</u>
Deferred outflows of resources	\$ 3,806,321	\$ 5,349,883	\$ 9,156,204
Deferred inflows of resources	\$ 1,603,000	\$ -	\$ 1,603,000
Net pension liability	<u>\$ 14,315,000</u>	<u>\$ 18,435,000</u>	<u>\$ 32,750,000</u>
Pension expense	<u>\$ 3,637,304</u>	<u>\$ 4,300,112</u>	<u>\$ 7,937,416</u>

Interfund Activity: Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or governmental proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

Compensated Absences: Compensated absences benefits totaling \$27,691 are recorded as a liability of the County Office. The liability is for the earned but unused benefits. The amount to be provided by future operations represents the total amount that would be required to be provided from the general operating revenues of the County Office if all the benefits were to be paid.

Accumulated Sick Leave: Sick leave benefits are accumulated for each employee. The employees do not gain a vested right to accumulated sick leave. Accumulated employee sick leave benefits are not recognized as liabilities of the County Office since cash payment of such benefits is not probable. Therefore, sick leave benefits are recorded as expenditures in the period that sick leave is taken.

Unearned Revenue: Revenue from federal, state, and local special projects and programs is recognized when qualified expenditures have been incurred. Funds received but not earned are recorded as unearned revenue until earned.

Net Position: Net position is displayed in three components:

1 - Net Investment in Capital Assets – Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances (excluding unspent bond proceeds) of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

2 - Restricted Net Position - Restrictions of the ending net position indicate the portions of net position not appropriate for expenditure or amounts legally segregated for a specific future use. The restriction for legally restricted programs represents the portion of net position restricted to specific program expenditures. The restriction for capital projects represents the portion of net position restricted for capital projects. The restriction for self-insurance represents the portion of net position restricted for payment of contracted services related to claims. It is the County Office's policy to use restricted net position first when allowable expenditures are incurred.

3 - Unrestricted Net Position - All other net position that does not meet the definition of "restricted" or "net investment in capital assets".

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Classifications: Governmental Accounting Standards Board Codification Sections 1300 and 1800, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB Cod. Sec. 1300 and 1800) implements a five-tier fund balance classification hierarchy that depicts the extent to which a government is bound by spending constraints imposed on the use of its resources. The five classifications, discussed in more detail below, are nonspendable, restricted, committed, assigned and unassigned.

A - Nonspendable Fund Balance:

The nonspendable fund balance classification reflects amounts that are not in spendable form, such as revolving fund cash and prepaid expenditures.

B - Restricted Fund Balance:

The restricted fund balance classification reflects amounts subject to externally imposed and legally enforceable constraints. Such constraints may be imposed by creditors, grantors, contributors, or laws or regulations of other governments, or may be imposed by law through constitutional provisions or enabling legislation. These are the same restrictions used to determine restricted net position as reported in the government-wide and fiduciary fund statements.

C - Committed Fund Balance:

The committed fund balance classification reflects amounts subject to internal constraints self-imposed by formal action of the Board of Education. The constraints giving rise to committed fund balance must be imposed no later than the end of the reporting period. The actual amounts may be determined subsequent to that date but prior to the issuance of the financial statements. Formal action by the Board of Education is required to remove any commitment from any fund balance. At June 30, 2019, the County Office had no committed fund balances.

D - Assigned Fund Balance:

The assigned fund balance classification reflects amounts that the County Office's Board of Education has approved to be used for specific purposes, based on the County Office's intent related to those specific purposes. The Board of Education can designate personnel with the authority to assign fund balances. At June 30, 2019, the Sutter County Superintendent had been designated with authority to make fund balance assignments.

E - Unassigned Fund Balance:

In the County School Service Fund only, the unassigned fund balance classification reflects the residual balance that has not been assigned to other funds and that is not restricted, committed, or assigned to specific purposes.

In any fund other than the County School Service Fund, a positive unassigned fund balance is never reported because amounts in any other fund are assumed to have been assigned, at least, to the purpose of that fund. However, deficits in any fund, including the County School Service Fund that cannot be eliminated by reducing or eliminating amounts assigned to other purposes are reported as negative unassigned fund balance.

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Balance Policy: The County Office has an expenditure policy relating to fund balances. For purposes of fund balance classifications, expenditures are to be spent from restricted fund balances first, followed in order by committed fund balances (if any), assigned fund balances and lastly unassigned fund balances.

While GASB Cod. Sec. 1300 and 1800 do not require county offices to establish a minimum fund balance policy or a stabilization arrangement, GASB Cod. Sec. 1300 and 1800 do require the disclosure of a minimum fund balance policy and stabilization arrangements, if they have been adopted by the Board of Education and the Superintendent. The County Office has established a policy to maintain a 5% reserve for economic uncertainty, but has not established a stabilization arrangement.

Property Taxes: Secured property taxes are attached as an enforceable lien on property as of March 1. Taxes are due in two installments on or before December 10 and April 10. Unsecured property taxes are due in one installment on or before August 31. The County of Sutter bills and collects taxes for the County Office. Tax revenues are recognized by the County Office when due.

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

Eliminations and Reclassifications: In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Accordingly, actual results may differ from those estimates.

NOTE 2 - CASH AND INVESTMENTS

Cash at June 30, 2019 consisted of the following:

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Fiduciary Activities</u>
Pooled Funds:			
Cash in County Treasury	\$ 13,162,609	\$ 210,973	\$ 1,177,194
Deposits:			
Revolving cash fund	10,000	-	-
Cash on hand and in banks	-	-	2,408
Cash with Fiscal Agent	<u>5,000</u>	<u>-</u>	<u>-</u>
Total	<u>\$ 13,177,609</u>	<u>\$ 210,973</u>	<u>\$ 1,179,602</u>

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 2 - CASH AND INVESTMENTS (Continued)

Pooled Funds: In accordance with Education Code Section 41001, the County Office maintains substantially all of its cash in the Sutter County Treasury. The County Office is considered to be an involuntary participant in an external investment pool. The fair value of the County Office's investment pool is reported in the financial statements at amounts based upon the County Office's pro-rata share of the fair value provided by the County Treasurer for the entire portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the County Treasurer, which is recorded on the amortized cost basis.

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

In accordance with applicable state laws, the Sutter County Treasurer may invest in derivative securities. However, at June 30, 2019, the Sutter County Treasurer has indicated that the Treasurer's pooled investment fund contained no derivatives or other investments with similar risk profiles.

Deposits - Custodial Credit Risk: The County Office limits custodial credit risk by ensuring uninsured balances are collateralized by the respective financial institution. Cash balances held in banks are insured up to \$250,000 by the Federal Deposit Insurance Corporation (FDIC) and are collateralized by the respective financial institution. At June 30, 2019, the carrying amount of the County Office's accounts was \$12,408 and the bank balances were \$15,808, all of which was insured by the FDIC.

Cash with Fiscal Agent: Cash with Fiscal Agent totaling \$5,000 represents amounts held in the County Office's name by a third party custodian at June 30, 2019.

Interest Rate Risk: The County Office does not have a formal investment policy that limits cash and investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At June 30, 2019, the County Office had no significant interest rate risk related to cash and investments held.

Concentration of Credit Risk: The County Office does not place limits on the amount it may invest in any one issuer. At June 30, 2019, the County Office had no concentration of credit risk.

NOTE 3 - INTERFUND TRANSACTIONS

Interfund Activity: Transfers between funds of the County Office are recorded as interfund transfers. The unpaid balances at year-end, as a result of such transactions, are shown as due to and due from individual funds.

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2019

NOTE 3 - INTERFUND TRANSACTIONS (Continued)

Interfund Receivables/Payables: Individual fund interfund receivable and payable balances at June 30, 2019 were as follows:

<u>Fund</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
<u>Governmental Activities</u>		
Major Fund:		
County School Service	\$ 263,084	\$ 112,187
Adult Education	1,599	21,150
Non-Major Funds:		
Child Development	-	1,773
Cafeteria	-	207
<u>Business-Type Activities</u>		
Enterprise Fund:		
Other Enterprise-----		<u>129,366</u>
Totals	<u>\$ 264,683</u>	<u>\$ 264,683</u>

Transfers: Transfers consist of operating transfers from funds receiving revenue to funds through which the resources are to be expended.

Transfers for the 2018-19 fiscal year ended were as follows:

Transfer from the County School Service Fund to the Adult Education Fund to cover fund balance.	\$ 778,358
Transfer from the County School Service Fund to the Special Reserve for Capital Outlay Projects Reserve Fund for deferred maintenance.	100,000
Transfer from the County School Service Fund to the Cafeteria Fund for food services costs.	321,751
Transfer from the Adult Education Fund to the County School Service Fund for loan reimbursement.	600,000
Transfer from the Adult Education Fund to the County School Service Fund for indirect costs.	46,078
Transfer from the Child Development Fund to the County School Service Fund for indirect costs.	4,000
Transfer from the Cafeteria Fund to the County School Service Fund for indirect costs.	19,090
Transfer from the Enterprise Fund to the County School Service Fund for Shady Creek Outdoor School costs.	<u>129,611</u>
	<u>\$ 1,998,888</u>

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 4 - CAPITAL ASSETS

A schedule of changes in capital assets for the year ended June 30, 2019 is shown below:

	<u>Balance July 1, 2018</u>	<u>Transfers and Additions</u>	<u>Transfers and Deductions</u>	<u>Balance June 30, 2019</u>
Non-depreciable:				
Land	\$ 2,956,870	\$ -	\$ -	\$ 2,956,870
Work in progress	116,565	260,306	(278,288)	98,583
Depreciable:				
Land improvements	1,146,659	116,564	-	1,263,223
Buildings	20,644,174	161,724	-	20,805,898
Equipment	<u>2,031,479</u>	<u>495,163</u>	<u>(47,094)</u>	<u>2,479,548</u>
Totals, at cost	<u>26,895,747</u>	<u>1,033,757</u>	<u>(325,382)</u>	<u>27,604,122</u>
Less accumulated depreciation:				
Land improvements	218,344	37,599	-	255,943
Buildings	5,356,687	533,961	-	5,890,648
Equipment	<u>1,348,110</u>	<u>185,636</u>	<u>(47,094)</u>	<u>1,486,652</u>
Total accumulated depreciation	<u>6,923,141</u>	<u>757,196</u>	<u>(47,094)</u>	<u>7,633,243</u>
Capital assets, net	<u>\$ 19,972,606</u>	<u>\$ 276,561</u>	<u>\$ (278,288)</u>	<u>\$ 19,970,879</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 376,137
Instructional supervision and administration	11,317
School site administration	49,698
Food services	3,908
All other pupil services	21,234
Community services	30,403
All other general administration	183,382
Plant services	75,328
Data processing	<u>5,789</u>
Total depreciation expense	<u>\$ 757,196</u>

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 5 - LONG-TERM LIABILITIES

Schedule of Changes in Long-Term Liabilities: A schedule of changes in long-term liabilities for the fiscal year ended June 30, 2019 is shown below:

<u>Governmental Activities</u>	<u>Balance</u> <u>July 1, 2018</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2019</u>	<u>Amounts</u> <u>Due Within</u> <u>One Year</u>
Net pension liability (Notes 7 and 8)	\$ 29,540,462	\$ 3,092,321	\$ -	\$ 32,632,783	\$ -
Total OPEB liability (Note 9)	2,912,107	154,931	-	3,067,038	-
Compensated absences	<u>24,852</u>	<u>2,839</u>	<u>-</u>	<u>27,691</u>	<u>27,691</u>
Totals	<u>\$ 32,477,421</u>	<u>\$ 3,250,091</u>	<u>\$ -</u>	<u>\$ 35,727,512</u>	<u>\$ 27,691</u>
<u>Business-Type Activities</u>					
Net pension liability (Notes 7 and 8)	<u>\$ 94,538</u>	<u>\$ 22,679</u>	<u>\$ -</u>	<u>\$ 117,217</u>	<u>\$ -</u>

Payments on net pension liability, total OPEB liability and compensated absences are made from the fund for which the related employee worked.

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 6 - FUND BALANCES

Fund balances, by category, at June 30, 2019 consisted of the following:

	County School Service Fund	Adult Education Fund	Special Reserve for Capital Outlay Projects Fund	All Non-Major Funds	Total
Nonspendable:					
Revolving cash fund	\$ 10,000	\$ -	\$ -	\$ -	\$ 10,000
Cash with Fiscal Agent	5,000				5,000
Prepaid expenses	<u>489,492</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>489,492</u>
Subtotal nonspendable	<u>504,492</u>				<u>504,492</u>
Restricted:					
Legally restricted programs	3,381,957	37,477	-	-	3,419,434
Capital projects	<u>-</u>	<u>-</u>	<u>2,132,529</u>	<u>-</u>	<u>2,132,529</u>
Subtotal restricted	<u>3,381,957</u>	<u>37,477</u>	<u>2,132,529</u>	<u>-</u>	<u>5,551,963</u>
Assigned:					
COE	4,902,230	-	-	-	4,902,230
One Stop	121,144	-	-	-	121,144
ES IPP and administration	10,738	-	-	-	10,738
Adult and alternative education programs	15,267	-	-	-	15,267
SELPA	88,345	-	-	-	88,345
MAA	991,769	-	-	-	991,769
Special Education	7,792	-	-	-	7,792
Equipment replacement and purchase	<u>1,313,994</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,313,994</u>
Subtotal assigned	<u>7,451,279</u>				<u>7,451,279</u>
Unassigned:					
Designated for economic uncertainty	<u>1,793,713</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,793,713</u>
Subtotal Unassigned	<u>1,793,713</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,793,713</u>
Total fund balances	<u>\$13,131,441</u>	<u>\$ 37,477</u>	<u>\$ 2,132,529</u>	<u>\$ -</u>	<u>\$15,301,447</u>

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 7 - NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN

General Information about the State Teachers' Retirement Plan

Plan Description: Teaching-certified employees of the County Office are provided with pensions through the State Teachers' Retirement Plan (STRP) – a cost-sharing multiple-employer defined benefit pension plan administered by the California State Teachers' Retirement System (CalSTRS). The Teachers' Retirement Law (California Education Code Section 22000 et seq.), as enacted and amended by the California Legislature, established this plan and CalSTRS as the administrator. The benefit terms of the plans may be amended through legislation. CalSTRS issues a publicly available financial report that can be obtained at <http://www.calstrs.com/comprehensive-annual-financial-report>.

Benefits Provided: The STRP Defined Benefit Program has two benefit formulas:

- CalSTRS 2% at 60: Members first hired on or before December 31, 2012, to perform service that could be creditable to CalSTRS.
- CalSTRS 2% at 62: Members first hired on or after January 1, 2013, to perform service that could be creditable to CalSTRS.

The Defined Benefit (DB) Program provides retirement benefits based on members' final compensation, age and years of service credit. In addition, the retirement program provides benefits to members upon disability and to survivors/beneficiaries upon the death of eligible members. There are several differences between the two benefit formulas which are noted below.

CalSTRS 2% at 60

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

CalSTRS calculates retirement benefits based on a one-year final compensation for members who retired on or after January 1, 2001, with 25 or more years of credited service, or for classroom teachers with less than 25 years of credited service if the employer elected to pay the additional benefit cost prior to January 1, 2014. One-year final compensation means a member's highest average annual compensation earnable for 12 consecutive months calculated by taking the creditable compensation that a member could earn in a school year while employed on a fulltime basis, for a position in which the person worked. For members with less than 25 years of credited service, final compensation is the highest average annual compensation earnable for any three consecutive years of credited service.

CalSTRS 2% at 62

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

All CalSTRS 2% at 62 members have their final compensation based on their highest average annual compensation earnable for three consecutive years of credited service.

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 7 - NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN (Continued)

Contributions: Required member, employer and state contribution rates are set by the California Legislature and Governor and detailed in Teachers' Retirement Law. Contribution rates are expressed as a level percentage of payroll using the entry age normal actuarial cost method.

A summary of statutory contribution rates and other sources of contributions to the Defined Benefit Program are as follows:

Members - Under CalSTRS 2% at 60, the member contribution rate was 10.25 percent of applicable member earnings for fiscal year 2018-19. Under CalSTRS 2% at 62, members contribute 50 percent of the normal cost of their retirement plan, which resulted in a contribution rate of 10.205 percent of applicable member earnings for fiscal year 2018-19.

In general, member contributions cannot increase unless members are provided with some type of "comparable advantage" in exchange for such increases. Under previous law, the Legislature could reduce or eliminate the 2 percent annual increase to retirement benefits. As a result of AB 1469, effective July 1, 2014, the Legislature cannot reduce the 2 percent annual benefit adjustment for members who retire on or after January 1, 2014, and in exchange for this "comparable advantage," the member contribution rates have been increased by an amount that covers a portion of the cost of the 2 percent annual benefit adjustment.

Employers – 16.28 percent of applicable member earnings.

Pursuant to AB 1469, employer contributions will increase from a prior rate of 8.25 percent to a total of 19.1 percent of applicable member earnings phased in over seven years starting in 2014. The legislation also gives the CalSTRS board limited authority to adjust employer contribution rates from July 1, 2021 through June 2046 in order to eliminate the remaining unfunded actuarial obligation related to service credited to members prior to July 1, 2014. The CalSTRS board cannot adjust the rate by more than 1 percent in a fiscal year, and the total contribution rate in addition to the 8.25 percent cannot exceed 12 percent.

In June 2019, California Senate Bill 90 (SB 90) was signed into law and appropriated approximately \$2.2 billion in fiscal year 2018–19 from the state's General Fund as contributions to CalSTRS on behalf of employers. The bill requires portions of the contribution to supplant the amounts remitted by employers such that the amounts remitted will be 1.03 and 0.70 percentage points less than the statutorily required amounts due for fiscal years 2019–20 and 2020–21, respectively. The remaining portion of the contribution is allocated to reduce the employers' share of the unfunded actuarial obligation of the Defined Benefit Program.

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2019

NOTE 7 - NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN (Continued)

The employer contribution rates set in statute by the CalSTRS Funding Plan were not changed by the passage of SB 90. A summary of statutory contribution rates and other sources of contributions to the Defined Benefit Program are as follows:

<u>Effective Date</u>	<u>Prior Rate</u>	<u>Increase</u>	<u>Total</u>
July 01, 2018	8.25%	8.03%	16.28%
July 01, 2019	8.25%	9.88%	18.13%
July 01, 2020	8.25%	10.85%	19.10%
July 01, 2021 to June 30, 2046	8.25%	*	*
July 01, 2046	8.25%	Increase from prior rate ceases in 2046-47	

* The Teachers' Retirement Board (the "board") cannot adjust the employer rate by more than 1 percent in a fiscal year, and the increase to the contribution rate above the 8.25 percent base contribution rate cannot exceed 12 percent for a maximum of 20.25 percent.

The County Office contributed \$733,321 to the plan for the fiscal year ended June 30, 2019.

State - 9.828 percent of the members' creditable earnings from the fiscal year ending in the prior calendar year.

Also as a result of AB 1469, the additional state appropriation required to fully fund the benefits in effect as of 1990 by 2046 is specific in subdivision (b) of Education Code Section 22955.1. The increased contributions end as of fiscal year 2045-2046.

The state's base contribution to the Defined Benefit Program is calculated based on creditable compensation from two fiscal years prior. The state rate will increase to 5.811% on July 1, 2019, to continue paying down the unfunded liabilities associated with the benefits structure that was in place in 1990 prior to certain enhancements in benefits and reductions in contributions. Additionally, the enactment of SB 90 will result in future supplemental contributions to be made by the state to pay down its portion of the unfunded actuarial obligation of the Defined Benefit Program in fiscal years 2019–20 through 2022–23. The CalSTRS state contribution rates effective for fiscal year 2018-19 and beyond are summarized in the table below.

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 7 - NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN (Continued)

<u>Effective Date</u>	<u>Base Rate</u>	<u>AB 1469 Increase For 1990 Benefit Structure</u>	<u>SBMA Funding(1)</u>	<u>Total State Appropriation to DB Program</u>
July 01, 2018	2.017%	5.311%	2.50%	9.828%
July 01, 2019	2.017%	5.811%(2)	2.50%	10.328%(3)
July 01, 2020 to June 30, 2046	2.017%	(4)	2.50%	(4)
July 01, 2046 and thereafter	2.017%	(5)	2.50%	4.517%(5)

- (1) This rate does not include the \$72 million reduction in accordance with Education Code Section 22954.
- (2) In May 2019, the board of CalSTRS exercised its limited authority to increase the state contribution rate by 0.5 percent of the payroll effective July 1, 2019.
- (3) This rate does not include the \$2.2 billion supplemental state contribution on behalf of employers pursuant to SB 90.
- (4) The CalSTRS board has limited authority to adjust state contribution rates annually through June 30, 2046 in order to eliminate the remaining unfunded actuarial obligation associated with the 1990 benefit structure. The board cannot increase the rate by more than 0.50 percent in a fiscal year, and if there is no unfunded actuarial obligation, the contribution rate imposed to pay for the 1990 benefit structure would be reduced to 0 percent. Rates in effect prior to July 1, 2014, are reinstated if necessary to address any remaining 1990 unfunded actuarial obligation from July 1, 2046, and thereafter.
- (5) From July 1, 2046, and thereafter, the rates in effect prior to July 1, 2014, are reinstated, if necessary, to address any remaining 1990 unfunded actuarial obligation.

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

At June 30, 2019, the County Office reported a liability for its proportionate share of the net pension liability that reflected a reduction for State pension support provided to the County Office. The amount recognized by the County Office as its proportionate share of the net pension liability, the related State support, and the total portion of the net pension liability that was associated with the County Office were as follows:

County Office's proportionate share of the net pension liability	\$ 14,315,000
State's proportionate share of the net pension liability associated with the County Office	<u>8,196,000</u>
Total	<u>\$ 22,511,000</u>

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017. The County Office's proportion of the net pension liability was based on the County Office's share of contributions to the pension plan relative to the contributions of all participating school districts and county offices and the State. At June 30, 2018, the County Office's proportion was 0.016 percent, which was an increase of 0.001 percent from its proportion measured as of June 30, 2017.

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 7 - NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN (Continued)

For the year ended June 30, 2019, the County Office recognized pension expense of \$3,637,304 and revenue of \$2,007,366 for support provided by the State. At June 30, 2019, the County Office reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 44,000	\$ 208,000
Changes of assumptions	2,224,000	-
Net differences between projected and actual earnings on investments	-	551,000
Changes in proportion and differences between County Office contributions and proportionate share of contributions	805,000	844,000
Contributions made subsequent to measurement date	<u>733,321</u>	<u>-</u>
Total	<u>\$ 3,806,321</u>	<u>\$ 1,603,000</u>

\$733,321 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Years Ended <u>June 30,</u>	
2020	\$ 503,983
2021	297,983
2022	(78,017)
2023	189,317
2024	476,067
2025	80,667

Differences between expected and actual experience and changes in assumptions are amortized over a closed period equal to the average remaining service life of plan members, which is 7 years as of the June 30, 2018 measurement date. Deferred outflows and inflows related to differences between projected and actual earnings on plan investments are netted and amortized over a closed 5-year period.

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2019

NOTE 7 - NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN (Continued)

Actuarial Methods and Assumptions: The total pension liability for the STRP was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2017, and rolling forward the total pension liability to June 30, 2018. The financial reporting actuarial valuation as of June 30, 2017 used the following actuarial methods and assumptions, applied to all prior periods included in the measurement:

Valuation Date	June 30, 2017
Experience Study	July 1, 2010 through June 30, 2015
Actuarial Cost Method	Entry age normal
Investment Rate of Return	7.10%
Consumer Price Inflation	2.75%
Wage Growth	3.50%
Post-retirement Benefit Increases	2.00% simple for DB Not applicable for DBS/CBB

CalSTRS uses a generational mortality assumption, which involves the use of a base mortality table and projection scales to reflect expected annual reductions in mortality rates at each age, resulting in increases in life expectancies each year into the future. The base mortality tables are CalSTRS custom tables derived to best fit the patterns of mortality among its members. The projection scale was set equal to 110 percent of the ultimate improvement factor from the Mortality Improvement Scale (MP-2016) table, issued by the Society of Actuaries.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. The best estimate ranges were developed using capital market assumptions from CalSTRS general investment consultant as an input to the process. The actuarial investment rate of return assumption was adopted by the CalSTRS board in February 2017 in conjunction with the most recent experience study. For each future valuation, CalSTRS consulting actuary reviews the return assumption for reasonableness based on the most current capital market assumptions. Best estimates of 20-year geometric real rates of return and the assumed asset allocation for each major asset class used as input to develop the actuarial investment rate of return are summarized in the following table:

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

* 20-year geometric average

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2019

NOTE 7 - NET PENSION LIABILITY – STATE TEACHERS' RETIREMENT PLAN (Continued)

Discount Rate: The discount rate used to measure the total pension liability was 7.10 percent. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and employers will be made at statutory contribution rates in accordance with the rate increase per AB 1469. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.10 percent) and assuming that contributions, benefit payments, and administrative expense occur midyear. Based on those assumptions, the STRP's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the County Office's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the County Office's proportionate share of the net pension liability calculated using the discount rate of 7.10 percent, as well as what the County Office's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.10 percent) or 1-percentage-point higher (8.10 percent) than the current rate:

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
County Office's proportionate share of the net pension liability	<u>\$ 20,969,000</u>	<u>\$ 14,315,000</u>	<u>\$ 8,797,000</u>

Pension Plan Fiduciary Net Position: Detailed information about the pension plan's fiduciary net position is available in the separately issued CalSTRS financial report.

NOTE 8 - NET PENSION LIABILITY – PUBLIC EMPLOYER'S RETIREMENT FUND B

General Information about the Public Employer's Retirement Fund B

Plan Description: The schools cost-sharing multiple-employer defined benefit pension plan Public Employer's Retirement Fund B (PERF B) is administered by the California Public Employees' Retirement System (CalPERS). Plan membership consists of non-teaching and non-certified employees of public schools (K-12), community college districts, offices of education, charter and private schools (elective) in the State of California.

The Plan was established to provide retirement, death and disability benefits to non-teaching and noncertified employees in schools. The benefit provisions for Plan employees are established by statute. CalPERS issues a publicly available financial report that can be obtained at:

<https://www.calpers.ca.gov/docs/forms-publications/cafr-2018.pdf>.

Benefits Provided: The benefits for the defined benefit plans are based on members' years of service, age, final compensation, and benefit formula. Benefits are provided for disability, death, and survivors of eligible members or beneficiaries. Members become fully vested in their retirement benefits earned to date after five years (10 years for State Second Tier members) of credited service.

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 8 - NET PENSION LIABILITY – PUBLIC EMPLOYER’S RETIREMENT FUND B (continued)

Contributions: The benefits for the defined benefit pension plans are funded by contributions from members and employers, and earnings from investments. Member and employer contributions are a percentage of applicable member compensation. Member contribution rates are defined by law and depend on the respective employer’s benefit formulas. Employer contribution rates are determined by periodic actuarial valuations or by state statute. Actuarial valuations are based on the benefit formulas and employee groups of each employer. Employer contributions, including lump sum contributions made when districts first join PERF B, are credited with a market value adjustment in determining contribution rates.

The required contribution rates of most active plan members are based on a percentage of salary in excess of a base compensation amount ranging from zero dollars to \$863 monthly.

Required contribution rates for active plan members and employers as a percentage of payroll for the year ended June 30, 2019 were as follows:

Members - The member contribution rate was 6.50 or 7.50 percent of applicable member earnings for fiscal year 2018-19.

Employers - The employer contribution rate was 18.062 percent of applicable member earnings.

The County Office contributed \$1,713,883 to the plan for the fiscal year ended June 30, 2019.

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

At June 30, 2019, the County Office reported a liability of \$18,435,000 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2017. The County Office’s proportion of the net pension liability was based on the County Office’s share of contributions to the pension plan relative to the contributions of all participating school districts and county offices. At June 30, 2018, the County Office’s proportion was 0.069 percent, which was an increase of 0.002 percent from its proportion measured as of June 30, 2017.

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2019

NOTE 8 - NET PENSION LIABILITY – PUBLIC EMPLOYER’S RETIREMENT FUND B (Continued)

For the year ended June 30, 2019, the County Office recognized pension expense of \$4,300,112 and revenue of \$623,767 for support provided by the State. At June 30, 2019, the County Office reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 1,209,000	\$ -
Changes of assumptions	1,841,000	-
Net differences between projected and actual earnings on investments	151,000	-
Changes in proportion and differences between County Office contributions and proportionate share of contributions	435,000	-
Contributions made subsequent to measurement date	1,713,883	-
Total	\$ 5,349,883	\$ -

\$1,713,883 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Years Ended June 30,</u>	
2020	\$ 2,082,417
2021	1,568,417
2022	93,917
2023	(108,751)

Differences between expected and actual experience and changes in assumptions are amortized over a closed period equal to the average remaining service life of plan members, which is 4 years as of the June 30, 2018 measurement date. Deferred outflows and inflows related to differences between projected and actual earnings on plan investments are netted and amortized over a closed 5-year period.

Actuarial Methods and Assumptions: The total pension liability for the Plan was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2017, and rolling forward the total pension liability to June 30, 2018. The financial reporting actuarial valuation as of June 30, 2017, used the following actuarial methods and assumptions, applied to all prior periods included in the measurement:

Valuation Date	June 30, 2017
Experience Study	June 30, 1997 through June 30, 2015
Actuarial Cost Method	Entry age normal
Investment Rate of Return	7.15%
Consumer Price Inflation	2.50%
Wage Growth	Varies by entry age and service
Post-retirement Benefit Increases	2.00% until Purchasing Power Protection Allowance Floor on Purchasing Power applies 2.50% thereafter

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 8 - NET PENSION LIABILITY – PUBLIC EMPLOYER’S RETIREMENT FUND B (Continued)

The mortality table used was developed based on CalPERS specific data. The table includes 15 years of mortality improvements using Society of Actuaries Scale 90% of Scale MP 2016. For more details on this table, please refer to the 2017 experience study report.

All other actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period from 1997 to 2015, including updates to salary increase, mortality and retirement rates. Further details of the Experience Study can be found at CalPERS’ website.

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

<u>Asset Class</u>	<u>Long-Term* Assumed Asset Allocation</u>	<u>Expected Real Rate of Return Years 1-10 (1)</u>	<u>Expected Real Rate of Return Years 11+</u>
Global Equity	50%	4.80%	5.98%
Fixed Income	28	1.00	2.62
Inflation Assets	-	0.77	1.81
Private Equity	8	6.30	7.23
Real Estate	13	3.75	4.93
Liquidity	1	-	(0.92)

* 10-year geometric average

- (1) An expected inflation rate of 2.00% used for this period
- (2) An expected inflation rate of 2.92% used for this period

Discount Rate: The discount rate used to measure the total pension liability was 7.15 percent. A projection of the expected benefit payments and contributions was performed to determine if assets would run out. The test revealed the assets would not run out. Therefore the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability for the Plan. The results of the crossover testing for the Plan are presented in a detailed report that can be obtained at CalPERS’ website.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations as well as the expected cash flows of the Plan. Such cash flows were developed assuming that both members and employers will make their required contributions on time and as scheduled in all future years. Using historical returns of all the Plan’s asset classes, expected compound (geometric) returns were calculated over the short-term (first 10 years) and the long-term (11-60 years) using a building-block approach. Using the expected nominal returns for both short-term and long-term, the present value of benefits was calculated. The expected rate of return was set by calculating the rounded single equivalent expected return that arrived at the same present value of benefits for cash flows as the one calculated using both short-term and long-term returns. The expected rate of return was then set equivalent to the single equivalent rate calculated above and adjusted to account for assumed administrative expenses.

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2019

NOTE 8 - NET PENSION LIABILITY – PUBLIC EMPLOYER’S RETIREMENT FUND B (Continued)

Sensitivity of the County Office’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate: The following presents the County Office’s proportionate share of the net pension liability calculated using the discount rate of 7.15 percent, as well as what the County Office’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.15 percent) or 1-percentage-point higher (8.15 percent) than the current rate:

	1% Decrease <u>(6.15%)</u>	Current Discount Rate <u>(7.15%)</u>	1% Increase <u>(8.15%)</u>
County Office’s proportionate share of the net pension liability	<u>\$ 26,840,000</u>	<u>\$ 18,435,000</u>	<u>\$ 11,461,000</u>

Pension Plan Fiduciary Net Position: Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalPERS financial report.

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS

Plan Description: In addition to the pension benefits described in Notes 7 and 8, the County Office provides post-employment health care benefits under a single employer defined benefit OPEB plan to eligible retirees. The plan does not issue separate financial statements.

The Plan, which is administered by the County Office, allows employees who retire and meet retirement eligibility requirements to continue health insurance coverage as a participant in the County Office’s plan. The County Office’s Governing Board has the authority to establish or amend the benefit terms offered by the Plan. The County Office’s Governing Board also retains the authority to establish the requirements for paying the Plan benefits as they come due. As of June 30, 2019 the County Office has not accumulated assets in a qualified trust for the purpose of paying the benefits related to the County Office’s Total OPEB Liability.

Employees Covered by Benefit Terms: The following is a table of plan participants at June 30, 2019:

	<u>Number of Participants</u>
Inactive plan members, covered spouses, or beneficiaries currently receiving benefits	17
Active employees	<u>295</u>
	<u>312</u>

Benefits Provided: The benefits provided are the same as those provided for active employees. Employees aged 55 or older who retire from the County Office with fifteen years of full-time service for administrative personnel or twenty years of full-time service for nonadministrative personnel are eligible. Administrative retirees receive an amount equal to 50% of the highest available plan at the composite rate at the time of retirement. Non-administrative retirees receive 65% of the cap at the time of retirement. The County Office pays the benefits until the retiree reaches age 65, or becomes Medicare eligible.

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
 NOTES TO FINANCIAL STATEMENTS
 June 30, 2019

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Contributions: California Government Code specifies that the County Office's contribution requirements for covered employees are established and may be amended by the Governing Board. Retirees participating in the group insurance plans offered by the County Office are required to contribute 100% of the active premiums. In future years, contributions are assumed to increase at the same rate as premiums. The County Office's premium rates being charged to these retirees are lower than the expected cost for a retiree population under age 65. Thus, an implicit subsidy exists as a result of this difference between the actual cost and the true retiree cost.

Contributions to the Plan from the County Office were \$232,643 for the year ended June 30, 2019. Employees are not required to contribute to the OPEB plan.

Total OPEB Liability

The County Office's total OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2017.

Actuarial Assumptions: The total OPEB liability in the June 30, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

<u>Valuation Date</u>	June 30, 2017
<u>Fiscal Year End</u>	June 30
<u>Mortality Rate</u>	2014 CalPERS Active Mortality for Miscellaneous Employees and 2009 CalSTRS Mortality Table
<u>Discount Rate</u>	3.8%. Based on the Bond Buyer 20-Bond Index
<u>Retirement Rate</u>	Hired before 1/1/2013: 2009 CalPERS Retirement Rates for School employees. Hired after 12/31/2012: 2009 CalPERS Retirement Rates for Miscellaneous Employees 2009 CalSTRS Retirement Rates
<u>Inflation Rate</u>	2.75% per year
<u>Payroll Increases</u>	2.75% per year
<u>Health Care Inflation</u>	4.00%
<u>Termination Rate</u>	CalPERS and CalSTRS 2009 Rates.
<u>Funding Method</u>	Entry Age Cost Method (Level Percentage of Pay).

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (Continued)

Changes in Total OPEB Liability

	<u>Total OPEB Liability</u>
Balance at June 30, 2018	\$ <u>2,912,107</u>
Changes for the year:	
Service cost	349,782
Interest	112,886
Changes of benefit terms	-
Differences between actual and expected experience	-
Changes in assumptions	(75,094)
Benefit payments	<u>(232,643)</u>
Net change	<u>154,931</u>
Balance, June 30, 2019	\$ <u><u>3,067,038</u></u>

There were no changes between the measurement date and the year ended June 30, 2019 which had a significant effect on the County Office's total OPEB liability.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate: The following presents the Total OPEB Liability of the County Office, as well as what the County Office's Total OPEB Liability would be if it were calculated using a discount rate that is one percentage-point lower or one percentage-point higher than the current discount rate:

	1% Decrease (<u>2.8%</u>)	Current Discount Rate (<u>3.8%</u>)	1% Increase (<u>4.8%</u>)
Total OPEB liability	\$ <u>3,307,011</u>	\$ <u>3,067,038</u>	\$ <u>2,853,678</u>

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates: The following presents the Total OPEB Liability of the County Office, as well as what the County Office's Total OPEB Liability would be if it were calculated using healthcare cost trend rates that are one percentage-point lower or one percentage-point higher than the current healthcare cost trend rates:

	1% Decrease (<u>3.0%</u>)	Healthcare Cost Trend Rates Rate (<u>4.0%</u>)	1% Increase (<u>5.0%</u>)
Total OPEB Liability	\$ <u>2,834,960</u>	\$ <u>3,067,038</u>	\$ <u>3,324,620</u>

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 9 - OTHER POSTEMPLOYMENT BENEFITS (Continued)

OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2019, the County Office recognized OPEB expense of \$457,884. At June 30, 2019, the County Office reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	65,526
Net differences between projected and actual earnings on investments	-	-
Changes in proportion and differences between County contributions and proportionate share of contributions	-	-
Benefits made subsequent to measurement date	<u>188,229</u>	<u>-</u>
Total	<u>\$ 188,229</u>	<u>\$ 65,526</u>

\$188,229 reported as deferred outflows of resources related to benefits paid subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred inflows of resources related to OPEB liability will be recognized in OPEB expense in the amount of \$4,784 annually.

NOTE 10 - JOINT POWERS AGREEMENTS

The County Office is a member of North Valley Schools Insurance Group (NVSIG), which is a common risk management and insurance program providing workers' compensation insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The following is a summary of financial information for NVSIG as of June 30, 2018 (the latest information available):

Total assets	\$ 3,308,256
Total liabilities	1,738,535
Net position	1,569,721
Total revenues	13,843,468
Total expenses	13,840,086
Change in net position	3,382

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
NOTES TO FINANCIAL STATEMENTS
June 30, 2019

NOTE 10 - JOINT POWERS AGREEMENTS (Continued)

The County Office is also a member of Tri-County Schools Insurance Group (TCSIG), which is a common risk management and insurance program providing health and welfare insurance. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The following is a summary of financial information for TCSIG as of June 30, 2018 (the latest information available):

Total assets	\$ 22,491,791
Deferred outflows of resources	442,979
Total liabilities	9,787,237
Deferred inflows of resource	57,158
Net position	13,090,375
Total revenues	44,233,391
Total expenses	40,665,485
Change in net position	3,567,906

The relationship between Sutter County Superintendent of Schools and the two Joint Powers Authorities is such that they are not a component unit of the County Office for financial reporting purposes.

NOTE 11 - CONTINGENCIES

The County Office is subject to legal proceedings and claims which arise in the ordinary course of business. In the opinion of management, the amount of ultimate liability with respect to these actions will not materially affect the financial position or results of operations of the County Office.

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

REQUIRED SUPPLEMENTARY INFORMATION

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
COUNTY SCHOOL SERVICE FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2019

	<u>Budget</u>		<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local Control Funding Formula:				
State apportionment	\$ 7,753,041	\$ 8,423,639	\$ 8,410,254	\$ (13,385)
Local sources	<u>1,447,368</u>	<u>1,518,077</u>	<u>1,518,016</u>	<u>(61)</u>
Total LCFF	<u>9,200,409</u>	<u>9,941,716</u>	<u>9,928,270</u>	<u>(13,446)</u>
Federal sources	3,601,163	4,390,958	3,552,938	(838,020)
Other state sources	8,661,819	10,691,437	12,301,968	1,610,531
Other local sources	<u>14,087,690</u>	<u>13,612,058</u>	<u>12,584,388</u>	<u>(1,027,670)</u>
Total revenues	<u>35,551,081</u>	<u>38,636,169</u>	<u>38,367,564</u>	<u>(268,605)</u>
Expenditures:				
Current:				
Certificated salaries	8,294,766	7,963,160	8,044,304	(81,144)
Classified salaries	11,366,056	11,398,230	10,777,197	621,033
Employee benefits	7,372,073	6,959,308	8,132,861	(1,173,553)
Books and supplies	915,635	1,360,730	1,072,691	288,039
Contract services and operating expenditures	4,883,344	7,890,516	5,571,293	2,319,223
Other outgo	224,896	826,532	800,446	26,086
Capital outlay	<u>532,930</u>	<u>1,150,327</u>	<u>846,640</u>	<u>303,687</u>
Total expenditures	<u>33,589,700</u>	<u>37,548,803</u>	<u>35,245,432</u>	<u>2,303,371</u>
Excess of revenues over expenditures	<u>1,961,381</u>	<u>1,087,366</u>	<u>3,122,132</u>	<u>2,034,766</u>
Other financing sources (uses):				
Transfers in	163,071	521,912	798,779	276,867
Transfers out	<u>(499,598)</u>	<u>(1,250,863)</u>	<u>(1,200,109)</u>	<u>50,754</u>
Total other financing sources (uses)	<u>(336,527)</u>	<u>(728,951)</u>	<u>(401,330)</u>	<u>327,621</u>
Net change in fund balance	1,624,854	358,415	2,720,802	2,362,387
Fund balance, July 1, 2018	<u>10,410,639</u>	<u>10,410,639</u>	<u>10,410,639</u>	<u>-</u>
Fund balance, June 30, 2019	<u>\$ 12,035,493</u>	<u>\$ 10,769,054</u>	<u>\$ 13,131,441</u>	<u>\$ 2,362,387</u>

See accompanying note to required supplementary information.

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
ADULT EDUCATION FUND
BUDGETARY COMPARISON SCHEDULE
For the Year Ended June 30, 2019

	<u>Budget</u>		<u>Actual</u>	Variance Favorable <u>(Unfavorable)</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Federal sources	\$ 80,680	\$ 234,221	\$ 234,221	\$ -
Other state sources	39,676	1,772,517	1,829,036	56,519
Other local sources	<u>450</u>	<u>198,999</u>	<u>198,999</u>	<u>-</u>
Total revenues	<u>120,806</u>	<u>2,205,737</u>	<u>2,262,256</u>	<u>56,519</u>
Expenditures:				
Current:				
Certificated salaries	-	285,875	282,760	3,115
Classified salaries	-	397,698	404,288	(6,590)
Employee benefits	-	243,559	293,376	(49,817)
Books and supplies	-	24,785	21,915	2,870
Contract services and operating expenditures	114,806	244,905	199,220	45,685
Other outgo	<u>6,000</u>	<u>-</u>	<u>1,155,500</u>	<u>(1,155,500)</u>
Total expenditures	<u>120,806</u>	<u>1,196,822</u>	<u>2,357,059</u>	<u>(1,160,237)</u>
Excess of revenues over expenditures	<u>-</u>	<u>1,008,915</u>	<u>(94,803)</u>	<u>(1,103,718)</u>
Other financing sources (uses):				
Transfers in	-	794,714	778,358	(16,356)
Transfers out	<u>-</u>	<u>(1,503,630)</u>	<u>(646,078)</u>	<u>857,552</u>
Total other financing sources (uses)	<u>-</u>	<u>(708,916)</u>	<u>132,280</u>	<u>841,196</u>
Net change in fund balance	-	299,999	37,477	(262,522)
Fund balance, July 1, 2018	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, June 30, 2019	<u>\$ -</u>	<u>\$ 299,999</u>	<u>\$ 37,477</u>	<u>\$ (262,522)</u>

See accompanying note to required supplementary information.

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
 SCHEDULE OF CHANGES IN THE COUNTY OFFICE'S TOTAL
 OTHER POSTEMPLOYMENT BENEFITS (OPEB) LIABILITY
 For the Year Ended June 30, 2019

	Last 10 Fiscal Years	
	<u>2018</u>	<u>2019</u>
Total OPEB Liability		
Service Cost	\$ 340,420	\$ 349,782
Interest	96,348	112,886
Change in assumptions	-	(75,094)
Benefit Payments	<u>(223,866)</u>	<u>(232,643)</u>
Net change in total OPEB liability	212,902	154,931
Total OPEB liability - beginning of year	<u>2,699,205</u>	<u>2,912,107</u>
Total OPEB liability - end of year	<u>\$ 2,912,107</u>	<u>\$ 3,067,038</u>
Covered employee payroll	\$ 19,974,992	\$ 20,524,304
Total OPEB liability as a percentage of covered-employee payroll	14.6%	14.9%

This is a 10 year schedule, however the information in this schedule is not required to be presented retrospectively. The amounts presented for each fiscal year were determined as of the year end that occurred one year prior. All years prior to 2018 are not available.

See accompanying note to required supplementary information.

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
SCHEDULE OF THE COUNTY OFFICE'S PROPORTIONATE
SHARE OF THE NET PENSION LIABILITY
For the Year Ended June 30, 2019

	State Teachers' Retirement Plan Last 10 Fiscal Years				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
County Office's proportion of the net pension liability	0.016%	0.016%	0.016%	0.015%	0.016%
County Office's proportionate share of the net pension liability	\$ 9,453,000	\$ 10,529,000	\$ 13,013,000	\$ 13,726,000	\$ 14,315,000
County Office's proportionate share of the net pension liability associated with the County Office	<u>5,708,000</u>	<u>5,568,000</u>	<u>7,408,000</u>	<u>8,120,000</u>	<u>8,196,000</u>
Total net pension liability	<u>\$ 15,161,000</u>	<u>\$ 16,097,000</u>	<u>\$ 20,421,000</u>	<u>\$ 21,846,000</u>	<u>\$ 22,511,000</u>
County Office's covered payroll	\$ 7,205,000	\$ 7,259,000	\$ 8,018,000	\$ 7,866,000	\$ 7,990,000
County Office's proportionate share of the net pension liability as a percentage of its covered payroll	131.20%	145.05%	162.30%	174.50%	179.16%
Plan fiduciary net position as a percentage of the total pension liability	76.52%	74.02%	70.04%	69.46%	70.99%

The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

All years prior to 2015 are not available.

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
 SCHEDULE OF THE COUNTY OFFICE'S PROPORTIONATE
 SHARE OF THE NET PENSION LIABILITY
 For the Year Ended June 30, 2019

Public Employer's Retirement Fund B
 Last 10 Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
County Office's proportion of the net pension liability	0.059%	0.065%	0.066%	0.067%	0.069%
County Office's proportionate share of the net pension liability	\$ 7,505,000	\$ 9,624,000	\$ 13,034,000	\$ 15,909,000	\$ 18,435,000
County Office's covered payroll	\$ 6,154,000	\$ 7,228,000	\$ 7,918,000	\$ 8,496,000	\$ 9,177,000
County Office's proportionate share of the net pension liability as a percentage of its covered payroll	121.95%	133.15%	164.61%	187.25%	200.88%
Plan fiduciary net position as a percentage of the total pension liability	83.38%	79.43%	73.89%	71.87%	70.85%

The amounts presented for each fiscal year were determined as of the year-end that occurred one year prior.

All years prior to 2015 are not available.

See accompanying note to required supplementary information.

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
 SCHEDULE OF THE COUNTY OFFICE'S CONTRIBUTIONS
 For the Year Ended June 30, 2019

State Teachers' Retirement Plan
 Last 10 Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Contractually required contribution	\$ 644,571	\$ 860,335	\$ 1,003,630	\$ 1,152,938	\$ 733,321
Contributions in relation to the contractually required contribution	<u>(644,571)</u>	<u>(860,335)</u>	<u>(1,003,630)</u>	<u>(1,152,938)</u>	<u>(733,321)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County Office's covered payroll	\$ 7,259,000	\$ 8,018,000	\$ 7,866,000	\$ 7,990,000	\$ 4,504,000
Contributions as a percentage of covered payroll	8.88%	10.73%	12.58%	14.43%	16.28%

All years prior to 2015 are not available.

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
SCHEDULE OF THE COUNTY OFFICE'S CONTRIBUTIONS
For the Year Ended June 30, 2019

Public Employer's Retirement Fund B
Last 10 Fiscal Years

	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Contractually required contribution	\$ 850,864	\$ 938,001	\$ 1,173,463	\$ 1,425,344	\$ 1,713,883
Contributions in relation to the contractually required contribution	<u>(850,864)</u>	<u>(938,001)</u>	<u>(1,173,463)</u>	<u>(1,425,344)</u>	<u>(1,713,883)</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County Office's covered payroll	\$ 7,228,000	\$ 7,918,000	\$ 8,496,000	\$ 9,177,000	\$ 9,489,000
Contributions as a percentage of covered payroll	11.77%	11.85%	13.89%	15.53%	18.06%

All years prior to 2015 are not available.

See accompanying note to required supplementary information.

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
June 30, 2019

NOTE 1 - PURPOSE OF SCHEDULES

A - Budgetary Comparison Schedule

The County Office employs budget control by object codes and by individual appropriation accounts. Budgets are prepared on the modified accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board. The budgets are revised during the year by the Board of Education to provide for revised priorities. Expenditures cannot legally exceed appropriations by major object code. The originally adopted and final revised budgets for the County School Service and Adult Education Funds are presented as Required Supplementary Information. The basis of budgeting is the same as GAAP.

B - Schedule of Changes in Total Other Postemployment Benefits (OPEB) Liability

The Schedule of Changes in Total OPEB Liability is presented to illustrate the elements of the District's Total OPEB liability. There is a requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available. The District has not accumulated assets in a qualified trust for the purpose of paying the benefits related to the District's Total OPEB Liability.

C - Schedule of the County's Proportionate Share of the Net Pension Liability

The Schedule of the County Office's Proportionate Share of the Net Pension Liability is presented to illustrate the elements of the County's Net Pension Liability. There is a requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

D - Schedule of the County Office's Contributions

The Schedule of the County Office's Contributions is presented to illustrate the County's required contributions relating to the pensions. There is a requirement to show information for 10 years. However, until a full 10-year trend is compiled, governments should present information for those years for which information is available.

E - Changes of Benefit Terms

There are no changes in benefit terms reported in the Required Supplementary Information.

F - Changes of Assumptions

The discount rate for Public Employer's Retirement Fund B (PERF B) was 7.50, 7.65, 7.65, 7.15, and 7.15 percent in the June 30, 2013, 2014, 2015, 2016 and 2017 actuarial reports, respectively.

The following are the assumptions for State Teachers' Retirement Plan:

<u>Assumption</u>	<u>As of June 30, 2018</u>	<u>As of June 30, 2017</u>	<u>As of June 30, 2016</u>	<u>As of June 30, 2015</u>
Consumer price inflation	2.75%	2.75%	3.00%	3.00%
Investment rate of return	7.10%	7.10%	7.60%	7.60%
Wage growth	3.50%	3.50%	3.75%	3.75%

SUPPLEMENTARY INFORMATION

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
 COMBINING BALANCE SHEET
 ALL NON-MAJOR FUNDS
 June 30, 2019

	Child Development <u>Fund</u>	Cafeteria Fund <u>Fund</u>	<u>Total</u>
ASSETS			
Cash in County Treasury	\$ 64,953	\$ (24,482)	\$ 40,471
Receivables	<u>16,638</u>	<u>24,732</u>	<u>41,370</u>
Total assets	<u>\$ 81,591</u>	<u>\$ 250</u>	<u>\$ 81,841</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 79,696	\$ 43	\$ 79,739
Due to other funds	1,773	207	1,980
Unearned revenue	<u>122</u>	<u>-</u>	<u>122</u>
Total liabilities	<u>81,591</u>	<u>250</u>	<u>81,841</u>
Total fund balances	<u>-</u>	<u>-</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 81,591</u>	<u>\$ 250</u>	<u>\$ 81,841</u>

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES
 ALL NON-MAJOR FUNDS
 For the Year Ended June 30, 2019

	<u>Child Development Fund</u>	<u>Cafeteria Fund</u>	<u>Total</u>
Revenues:			
Federal sources	\$ 77,985	\$ 56,428	\$ 134,413
Other state sources	40,803	12,709	53,512
Other local sources	<u>1,266</u>	<u>-</u>	<u>1,266</u>
Total revenues	<u>120,054</u>	<u>69,137</u>	<u>189,191</u>
Expenditures:			
Current:			
Classified salaries	-	157,872	157,872
Employee benefits	-	52,913	52,913
Books and supplies	-	157,658	157,658
Contract services and operating expenditures	<u>116,054</u>	<u>3,355</u>	<u>119,409</u>
Total expenditures	<u>116,054</u>	<u>371,798</u>	<u>487,852</u>
Excess (deficiency) of revenues over (under) expenditures	<u>4,000</u>	<u>(302,661)</u>	<u>(298,661)</u>
Other financing sources (uses):			
Transfers in	-	321,751	321,751
Transfers out	<u>(4,000)</u>	<u>(19,090)</u>	<u>(23,090)</u>
Total other financing (uses) sources	<u>(4,000)</u>	<u>302,661</u>	<u>298,661</u>
Net change in fund balances	-	-	-
Fund balances, July 1, 2018	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
ORGANIZATION
June 30, 2019

Sutter County Superintendent of Schools provides supportive services to eight elementary school districts, two unified school districts and two high school districts within Sutter County. There were no changes in the County boundaries during the current year.

The County Office supervises the activities and financial affairs of each school district to ensure that requirements of the California Education Code are met. It also provides administrative and budgetary assistance, furnishes educational specialists, facilitates the development or improvement of instructional programs, coordinates interdistrict activities, and performs other services, as needed, to improve the quality of education throughout the County.

GOVERNING BOARD

<u>Name</u>	<u>Office</u>	<u>Term Expires</u>
Jim Richmond	President	2022
Ron Turner	Vice President	2020
Victoria Lachance	Member	2020
Karm Bains	Member	2022
June McJunkin	Member	2020

ADMINISTRATION

Tom Reusser
Superintendent

Ron Sherrod
Assistant Superintendent
Business Services

Elizabeth Engleken
Assistant Superintendent
SELPA

Bill Embleton
Assistant Superintendent
Special Education

Kathy Tamez
Human Resource Director

Angela Huerta
Communications Director

Maggie Nicoletti
Executive Assistant to the Superintendent

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
SCHEDULE OF AVERAGE DAILY ATTENDANCE
For the Year Ended June 30, 2019

	<u>Second Period Report</u>	<u>Annual Report</u>
Certificate Numbers	63694A0B	81B46B55
County Community School:		
Elementary	39	39
Secondary	<u>12</u>	<u>13</u>
Total County Office	<u>51</u>	<u>52</u>

See accompanying notes to supplementary information.

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
For the Year Ended June 30, 2019

<u>Federal Catalog Number</u>	<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Pass- Through Entity Identifying Number</u>	<u>Federal Expenditures</u>
<u>U.S. Department of Education - Passed through California</u>			
<u>Department of Education</u>			
	Special Education Cluster:		
84.027	Special Education: IDEA Basic Local Assistance Entitlement, Part B, Sec 611	13379	\$ 376,612
84.027A	Special Education: Alternate Dispute Resolution, Part B, Sec 611	13007	33,122
84.173A	Special Education: IDEA Preschool Staff Development, Part B, Section 619	13431	<u>1,000</u>
	Subtotal Special Education Cluster		<u>410,734</u>
	Adult Education Programs:		
84.002A	Adult Education: Adult Basic Education and ELA	14508	31,388
84.002A	Adult Education: English Literacy and Civics Education	14109	11,571
84.002	Adult Education: Institutionalized Adults	13971	15,812
84.002A	Adult Education: Adult Secondary Education Section 231	13978	<u>175,450</u>
	Subtotal Adult Education Programs		<u>234,221</u>
84.010	ESEA: Title I, Part A, Basic Grants Low Income and Neglected	14329	119,247
84.181	Special Education: IDEA Early Intervention, Part C	23761	169,534
84.158	Department of Rehabilitation: Workability II, Transitions Partnership Program	10006	195,055
84.196	ESEA: Education for Homeless Children and Youth, Subtitle VII-B McKinney-Vento Act	14332	25,000
84.367	ESEA: Title II, Part A, Improving Teacher Quality	14341	12,840
84.365	ESEA: Title III, English Learner Student Program Student Program	14346	49,722
84.424	ESEA: Title IV, Part A, Student Support and Academic Enrichment Grants	14341	<u>10,000</u>
	Total U.S. Department of Education		<u>1,226,353</u>

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
 SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS
 For the Year Ended June 30, 2019

<u>Federal Catalog Number</u>	<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Pass- Through Entity Identifying Number</u>	<u>Federal Expend- itures</u>
<u>U.S. Department of Health & Human Services - Passed through California Department of Education</u>			
	Child Development Program:		
93.596	Child Development: Quality Improvement - Child Care Staff Retention Program	14990	\$ 24,977
93.596	Child Development: Federal Local Planning Councils	13946	<u>53,008</u>
	Total Child Development Program		<u>77,985</u>
93.778	Medi-Cal Billing Option - Medicaid Cluster	10013	<u>481,688</u>
	Total U.S. Department of Health & Human Services		<u>559,673</u>
<u>U.S. Department of Agriculture - Passed through California Department of Education</u>			
10.555	Child Nutrition: School Programs - Child Nutrition Cluster	13391	<u>56,428</u>
<u>U.S. Department of Labor - Passed through California Department of Education</u>			
17.259	Workforce Innovation and Opportunity Act	10055	<u>2,155,627</u>
	Total Federal Programs		<u>\$ 3,998,081</u>

See accompanying notes to supplementary information.

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
RECONCILIATION OF UNAUDITED ACTUAL FINANCIAL REPORT
WITH AUDITED FINANCIAL STATEMENTS
For the Year Ended June 30, 2019

	Enterprise <u>Fund</u>
June 30, 2019 Unaudited Actual Financial Reporting Ending Fund Balance:	\$ -
Client requested adjustment for GASB 68	<u>(83,716)</u>
June 30, 2019 Audit Financial Statements Ending Fund Balance	<u>\$ (83,716)</u>

There were no adjustments made to any other funds of the County Office.

See accompanying notes to supplementary information.

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
 SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
 For the Year Ended June 30, 2019
 (UNAUDITED)

	(Budgeted) 2020	2019	2018	2017
<u>County School Service Fund</u>				
Revenues and other financing sources	\$ 36,893,368	\$ 39,166,343	\$ 35,809,077	\$ 35,940,556
Expenditures	33,673,188	35,245,432	33,139,144	37,605,212
Other uses and transfers out	<u>845,135</u>	<u>1,200,109</u>	<u>2,527,834</u>	<u>1,517,533</u>
Total outgo	<u>34,518,323</u>	<u>36,445,541</u>	<u>35,666,978</u>	<u>39,122,745</u>
Change in fund balance	<u>\$ 2,375,045</u>	<u>\$ 2,720,802</u>	<u>\$ 142,099</u>	<u>\$ (3,182,189)</u>
Ending fund balance	<u>\$ 15,506,486</u>	<u>\$ 13,131,441</u>	<u>\$ 10,410,639</u>	<u>\$ 10,268,540</u>
Available reserves	<u>\$ 1,722,042</u>	<u>\$ 1,798,713</u>	<u>\$ 1,750,312</u>	<u>\$ 1,956,827</u>
Designated for economic uncertainties	<u>\$ 1,722,042</u>	<u>\$ 1,798,713</u>	<u>\$ 1,750,312</u>	<u>\$ 1,956,827</u>
Undesignated fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Available reserves as a percentage of total outgo	<u>5.0%</u>	<u>5.0%</u>	<u>4.9%</u>	<u>5.0%</u>
<u>All Funds</u>				
Total long-term liabilities	<u>\$ 35,699,821</u>	<u>\$ 35,727,512</u>	<u>\$ 32,477,421</u>	<u>\$ 27,663,855</u>
Average daily attendance at annual	<u>46</u>	<u>52</u>	<u>93</u>	<u>85</u>

The County School Service Fund fund balance has decreased by \$319,288 over the past three years. The fiscal year 2019-20 budget projects a surplus of \$2,375,045. For a County Office this size, the State of California recommends available reserves of at least 3 percent of total County School Service Fund expenditures, transfers out, and other uses (total outgo). The County Office met this requirement at June 30, 2019.

The County Office has incurred operating surplus in two of the past three years, and anticipates incurring an operating surplus during the 2019-20 fiscal year.

Total long-term liabilities have increased by \$8,063,657 over the past two years, primarily due to the net pension obligation and total OPEB liability.

Average daily attendance has decreased by 33 over the past two years and is anticipated to decrease by 6 during the 2019-20 fiscal year.

See accompanying notes to supplementary information.

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
SCHEDULE OF CHARTER SCHOOLS
For the Year Ended June 30, 2019

Charter Schools Chartered by County Office

2000 - AeroSTEM Academy

Included in County Office
Financial Statements, or
Separate Report

Separate Report

See accompanying notes to supplementary information.

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
 NOTES TO SUPPLEMENTARY INFORMATION
 June 30, 2019

NOTE 1 - PURPOSE OF SCHEDULES

A - Schedule of Average Daily Attendance

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

B - Schedule of Instructional Time

The County Office has received incentive funding for increasing instructional time as provided by the Incentives for Longer Instructional Day. The County Office exceeded its target funding. This schedule presents information on the amount of instructional time offered by the County Office, and whether the County Office complied with the provisions of Education Code Sections 46201 through 46206.

C - Schedule of Expenditure of Federal Awards

The Schedule of Expenditure of Federal Awards includes the federal award activity of the County Office, and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. Expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-21, Cost Principles for Educational Institutions or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The County Office has elected not to use the 10-percent de minimus indirect cost rate allowed in the Uniform Guidance.

The following schedule provides a reconciliation between revenues reported on the Statement of Revenues, Expenditures and Change in Fund Balances and the related expenditures reported on the Schedule of Expenditure of Federal Awards. The reconciling amounts represent Federal funds that have been recorded as revenues that have not been expended by June 30, 2019.

<u>Description</u>	<u>CFDA Number</u>	<u>Amount</u>
Total Federal revenues, Statement of Revenues, Expenditures and Change in Fund Balances		\$ 3,921,572
Medi-Cal Administrative Activities (MAA) Dept of Health Care Services (DHCS): Medi-Cal Billing Option	93.778	(38,042)
	93.778	<u>114,551</u>
Total Schedule of Expenditure of Federal Awards		<u>\$ 3,998,081</u>

D - Reconciliation of Unaudited Actual Financial Report with Audited Financial Statements

This schedule provides the information necessary to reconcile the Unaudited Actual Financial Report to the audited financial statements.

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
NOTES TO SUPPLEMENTARY INFORMATION
June 30, 2019

NOTE 1 - PURPOSE OF SCHEDULES (Continued)

E - Schedule of Financial Trends and Analysis - Unaudited

This schedule provides information on the County Office's financial condition over the past three years and its anticipated condition for the 2019 fiscal year, as required by the State Controller's Office.

F - Schedule of Charter Schools

This schedule provides information for the California Department of Education to monitor financial reporting by Charter Schools.

NOTE 2 - EARLY RETIREMENT INCENTIVE PROGRAM

Education Code Section 14502 requires certain disclosures in the financial statements of county offices of education which adopt Early Retirement Incentive Programs pursuant to Education Code Sections 22714 and 44929. For the fiscal year ended June 30, 2018, the County Office did not adopt such a program.



INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE WITH STATE LAWS AND REGULATIONS

Board of Education
Sutter County Superintendent of Schools
Yuba City, California

Report on Compliance with State Laws and Regulations

We have audited Sutter County Superintendent of Schools' compliance with the types of compliance requirements described in the State of California's *2018-19 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* (the "Audit Guide") applicable to the state laws and regulations listed below for the year ended June 30, 2019.

<u>Description</u>	<u>Procedures Performed</u>
Attendance Reporting	Yes
Teacher Certification and Misassignments	Yes
Kindergarten Continuance	No, see below
Independent Study	Yes
Continuation Education	No, see below
Instructional Time for School Districts	No, see below
Instructional Materials general requirements	Yes
Ratio of Administrative Employees to Teachers	No, see below
Classroom Teacher Salaries	No, see below
Early Retirement Incentive Program	No, see below
Gann Limit Calculation	Yes
School Accountability Report Card	Yes
Juvenile Court Schools	No, see below
Middle or Early College High School	No, see below
K-3 Grade Span Adjustment	No, see below
Transportation Maintenance of Effort	No, see below
Apprenticeship: Related and Supplemental Instruction	No, see below
Comprehensive School Safety	Yes
District of Choice	No, see below
California Clean Energy Jobs Act	Yes
After/Before School Education and Safety Program:	
General requirements	No, see below
After school	No, see below
Before school	No, see below
Proper Expenditure of Education Protection Account Funds	Yes
Unduplicated Local Control Funding Formula Pupil Counts	Yes
Local Control and Accountability Plan	Yes
Independent Study - Course Based	No, see below
Contemporaneous Records of Attendance, for charter schools	No, see below
Mode of Instruction, for charter schools	No, see below
Nonclassroom-Based Instruction/Independent Study, for charter schools	No, see below
Determination of Funding for Nonclassroom-Based Instruction, for charter schools	No, see below
Annual Instructional Minutes - Classroom-Based, for charter schools	No, see below
Charter School Facility Grant Program	No, see below

(Continued)

We did not perform any procedures related to Kindergarten Continuance as the County Office did not have any students who were retained for a second year of kindergarten.

We did not perform any procedures related to Continuation Education as the County Office does not offer Continuation Education.

The County Office is not a school district, therefore we did not perform any procedures related to Instructional Time for School Districts.

We did not perform any procedures related to Ratio of Administrative Employees to Teachers as the ratio does not apply to County Offices.

We did not perform any procedures related to Classroom Teacher Salaries as the ratio does not apply to County Offices.

The County Office does not offer an Early Retirement Incentive Program; therefore, we did not perform any procedures related to this program.

The County Office does not operate a Juvenile Court Schools; therefore, we did not perform any testing related to Juvenile Court Schools.

The County Office does not operate a Middle or Early College High School program; therefore, we did not perform any procedures related to this program.

We did not perform any procedures related to K-3 Grade Span Adjustment as the County Office did not claim classroom based ADA for apportionment for kindergarten and grades 1 to 3.

We did not perform any procedures related to Transportation Maintenance of Effort as the County Office did not expend any Transportation MOE funds in 2012-13 or 2014-15.

The County Office does not offer an Apprenticeship - Related and supplemental Instruction; therefore, we did not perform any procedures related to this program.

The County Office did not elect to operate as a District of Choice, therefore, we did not perform any procedures related to District of Choice.

The County Office does not operate an After / Before School Education and Safety Program; therefore, we did not perform any procedures related to the After / Before School Education and Safety Program.

The County Office did not offer an Independent Study-Course Based program; therefore, we did not perform any procedures related to this program.

The County Office does not have any Charter Schools; therefore, we did not perform any of the testing required for charter schools.

Management's Responsibility

Management is responsible for compliance with the requirements of state laws and regulations, as listed above.

(Continued)

Auditor's Responsibility

Our responsibility is to express an opinion on Sutter County Superintendent of Schools' compliance with state laws and regulations as listed above based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; and the State of California's *2018-19 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* (Audit Guide). Those standards and the Audit Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a material effect on Sutter County Superintendent of Schools' compliance with the state laws and regulations listed above occurred. An audit includes examining, on a test basis, evidence about Sutter County Superintendent of Schools' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance with state laws and regulations. However, our audit does not provide a legal determination of Sutter County Superintendent of Schools' compliance.

Opinion with State Laws and Regulations

In our opinion Sutter County Superintendent of Schools complied, in all material respects, with the compliance requirements referred to above that are applicable to the state laws and regulations referred to above for the year ended June 30, 2019.

Purpose of this Report

The purpose of this report on compliance is solely to describe the scope of our testing of compliance and the results of that testing based on the requirements of the State of California's *2018-19 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

Crowe LLP

Crowe LLP

Sacramento, California
December 13, 2019

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

Board of Education
Sutter County Superintendent of Schools
Yuba City, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Sutter County Superintendent of Schools as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise Sutter County Superintendent of Schools' basic financial statements, and have issued our report thereon dated December 13, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Sutter County Superintendent of Schools' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Sutter County Superintendent of Schools' internal control. Accordingly, we do not express an opinion on the effectiveness of Sutter County Superintendent of Schools' internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

(Continued)

Compliance and Other Matters

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

Purpose of this Report

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

Crowe LLP

Crowe LLP

Sacramento, California
December 13, 2019

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
FOR EACH MAJOR FEDERAL PROGRAM AND REPORT
ON INTERNAL CONTROL OVER COMPLIANCE

Board of Education
Sutter County Superintendent of Schools
Yuba City, California

Report on Compliance for Each Major Federal Program

We have audited Sutter County Superintendent of Schools' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Sutter County Superintendent of Schools' major federal programs for the year ended June 30, 2019. Sutter County Superintendent of Schools' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Sutter County Superintendent of Schools' major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Sutter County Superintendent of Schools' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Sutter County Superintendent of Schools' compliance.

Opinion on Each Major Federal Program

In our opinion, Sutter County Superintendent of Schools complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

(Continued)

Report on Internal Control Over Compliance

Management of Sutter County Superintendent of Schools is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Sutter County Superintendent of Schools' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Sutter County Superintendent of Schools' internal control over compliance.

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

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

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



Crowe LLP

Sacramento, California
December 13, 2019

FINDINGS AND RECOMMENDATIONS

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2019

SECTION I - SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued: Unmodified

Internal control over financial reporting:
Material weakness(es) identified? _____ Yes X No
Significant deficiency(ies) identified not considered
to be material weakness(es)? _____ Yes X None reported

Noncompliance material to financial statements
noted? _____ Yes X No

FEDERAL AWARDS

Internal control over major programs:
Material weakness(es) identified? _____ Yes X No
Significant deficiency(ies) identified not considered
to be material weakness(es)? _____ Yes X None reported

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

Any audit findings disclosed that are required to be
reported in accordance with 2 CFR 200.516(a)? _____ Yes X No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
17.259	Workforce Innovation and Opportunity Act

Dollar threshold used to distinguish between Type A
and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? _____ Yes X No

STATE AWARDS

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

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2019

SECTION II - FINANCIAL STATEMENT FINDINGS

No matters were reported.

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2019

SECTION III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

(Continued)

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
SCHEDULE OF AUDIT FINDINGS AND QUESTIONED COSTS
Year Ended June 30, 2019

SECTION IV - STATE AWARD FINDINGS AND QUESTIONED COSTS

No matters were reported.

**STATUS OF PRIOR YEAR
FINDINGS AND RECOMMENDATIONS**

SUTTER COUNTY SUPERINTENDENT OF SCHOOLS
STATUS OF PRIOR YEAR FINDINGS AND RECOMMENDATIONS
Year Ended June 30, 2019

<u>Finding/Recommendation</u>	<u>Current Status</u>	County Office Explanation <u>If Not Implemented</u>
No matters were reported.		

BOARD AGENDA ITEM: School Accountability Report Cards

BOARD MEETING DATE: January 15, 2020

AGENDA ITEM SUBMITTED FOR:

- Action
- Reports/Presentation
- Information
- Public Hearing
- Other (specify)

PREPARED BY:

Brian Gault, Bill Embleton and
John Kovach

SUBMITTED BY:

Brian Gault

PRESENTING TO BOARD:

Brian Gault

BACKGROUND AND SUMMARY INFORMATION:

School Accountability Report Cards are prepared per state requirements for Sutter County Special Education and Feather River Academy.

Feather River Academy

School Accountability Report Card Reported Using Data from the 2018—19 School Year California Department of Education

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

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

DataQuest

DataQuest is an online data tool located on the CDE DataQuest web page at <https://dq.cde.ca.gov/dataquest/> that contains additional information about this school and comparisons of the school to the district and the county. Specifically, DataQuest is a dynamic system that provides reports for accountability (e.g., test data, enrollment, high school graduates, dropouts, course enrollments, staffing, and data regarding English learners).

Internet Access

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

About This School

Contact Information (School Year 2019—20)

District Contact Information (School Year 2019—20)	
District Name	Sutter County Office of Education
Phone Number	(530) 822-2900
Superintendent	Tom Reusser
Email Address	tomr@sutter.k12.ca.us
Website	www.sutter.k12.ca.us

School Contact Information (School Year 2019—20)	
School Name	Feather River Academy
Street	1895 Lassen Blvd.
City, State, Zip	Yuba City, Ca, 95993-8987
Phone Number	530-822-2400
Principal	John Kovach, Principal
Email Address	johnk@sutter.k12.ca.us
Website	www.sutter.k12.ca.us
County-District-School (CDS) Code	51105120114207

Last updated: 12/23/2019

School Description and Mission Statement (School Year 2019—20)

Feather River Academy (FRA), Fully Accredited by the Schools Commission of the Western Association of Schools and Colleges, is an alternative school established by the Sutter County Superintendent of Schools to provide specialized education services for students who require an alternative education program. Feather River Academy consists of a county community school including an Independent Study Program (ISP). Feather River Academy and the Independent Study Program are housed on a campus next door to the Sutter County Superintendent of Schools Office. FRA is an innovative alternative education program offering individualized educational options in a safe, challenging, and needfulfilling environment. Students are encouraged to acknowledge responsibility in both the local and global community. Students prepare for a successful quality life according to their individual needs. Students in grades 7 – 12 who are at risk of being expelled, have been expelled, or are referred by courts or probation are served by Feather River Academy. The Independent Study Program is an option for FRA students who demonstrate a high degree of self motivation and prefer a selfguided program under the guidance of a credentialed teacher. Independent study is an alternative to classroom instruction for at risk youth and is consistent with the county office's course of study and not an alternative curriculum. It provides individual students with a choice of ways to acquire the values, skills and knowledge all students should gain as verified in a written agreement. Independent study can be a part of, be separate from, or be in addition to a regular classroom program. All programs work closely with students and parents to provide a focused instructional program that leads to graduation or eventual return to their home school. The enrollment at FRA fluctuates during the school year between 50-100 students. Data collected is not always truly reflective due to the small sample size of participants, especially in subgroups. The enrollment at FRA was declining in the 18-19 which resulted in a reduction in staffing. To support growth and to provide the best model for serving the youth in Sutter County, several meetings were held with a variety of stakeholders to develop a more supportive model to serve expelled youth. FRA staff and administration will continue to work to expand and improve the program for our youth.

Mission Statement: The mission of Feather River Academy is to provide students with an alternative to traditional education.

Focus on Responsibility and Academics

Our Vision Is To:

Develop relationships among students, staff and peers that emphasize respectful and responsible behavior in all endeavors.

Provide a rigorous alternative academic program guiding school-wide and individual goals.

Empower students to think critically and problem solve.

Prepare our students for a successful personal and professional future.

As Students:

We are Responsible FRA students

We are Respectful FRA students

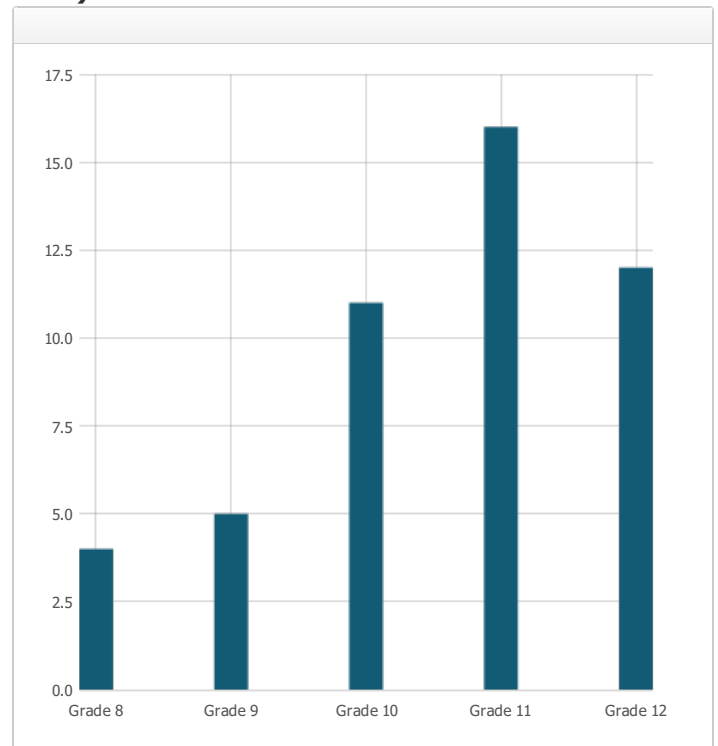
We are Safe FRA students

We are Kind FRA students

Last updated: 1/7/2020

Student Enrollment by Grade Level (School Year 2018—19)

Grade Level	Number of Students
Grade 8	4
Grade 9	5
Grade 10	11
Grade 11	16
Grade 12	12
Total Enrollment	48



Last updated: 12/23/2019

Student Enrollment by Student Group (School Year 2018—19)

Student Group	Percent of Total Enrollment
Black or African American	4.20 %
American Indian or Alaska Native	%
Asian	8.30 %
Filipino	%
Hispanic or Latino	43.80 %
Native Hawaiian or Pacific Islander	%
White	37.50 %
Two or More Races	2.10 %
Other	2.00 %
Student Group (Other)	Percent of Total Enrollment
Socioeconomically Disadvantaged	93.80 %
English Learners	2.10 %
Students with Disabilities	25.00 %
Foster Youth	2.10 %
Homeless	2.10 %

A. Conditions of Learning

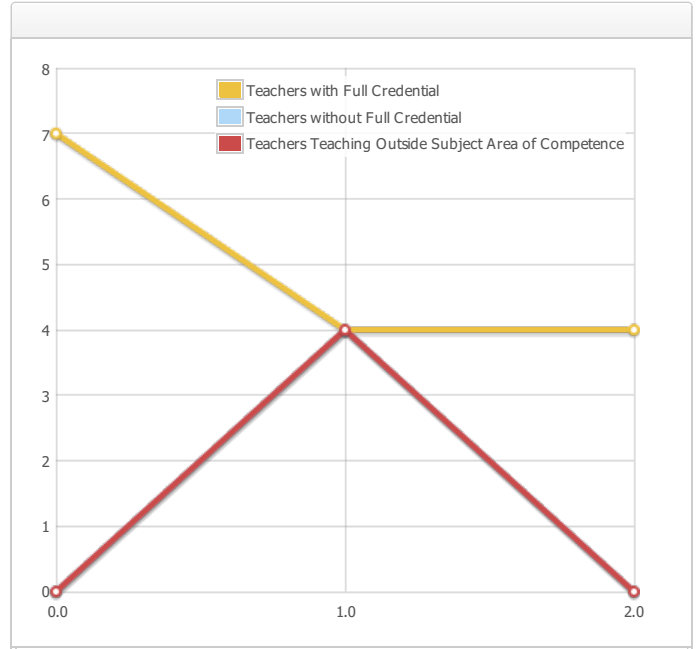
State Priority: Basic

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

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

Teacher Credentials

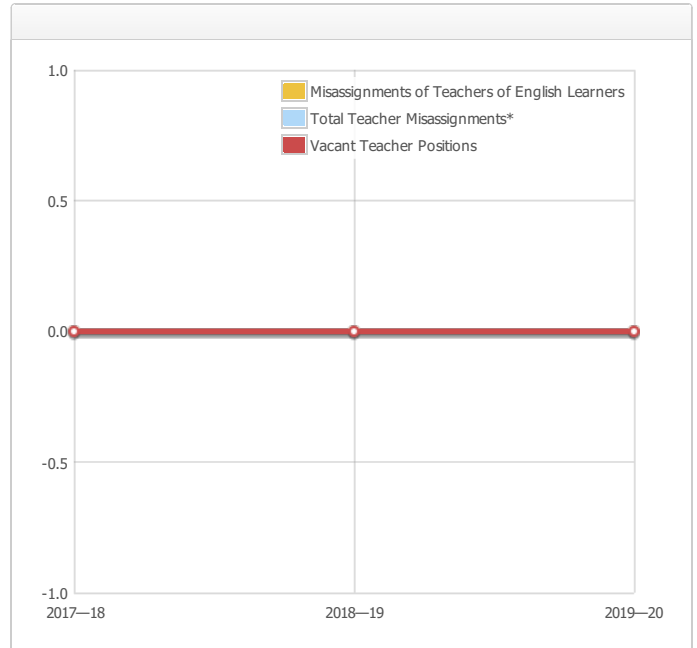
Teachers	School 2017—18	School 2018—19	School 2019—20	District 2019—20
With Full Credential	7	4	4	4
Without Full Credential	0	4	0	0
Teachers Teaching Outside Subject Area of Competence (with full credential)	0	4	0	0



Last updated: 1/7/2020

Teacher Misassignments and Vacant Teacher Positions

Indicator	2017—18	2018—19	2019—20
Misassignments of Teachers of English Learners	0	0	0
Total Teacher Misassignments*	0	0	0
Vacant Teacher Positions	0	0	0



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

Last updated: 12/23/2019

Quality, Currency, Availability of Textbooks and Other Instructional Materials (School Year 2019—20)

Year and month in which the data were collected: September 2019

Subject	Textbooks and Other Instructional Materials/year of Adoption	From Most Recent Adoption?	Percent Students Lacking Own Assigned Copy
Reading/Language Arts	Grades 9 uses Holt, Rinehart and Winston, for Literature and Language Arts, Third Course. Grades 9-12 uses Holt, Rinehart and Winston, 2003, Literature and Language Arts, Fourth Course. Grades 9-12 uses Holt, Rinehart and Winston, 2003, Literature and Language Arts, Fifth Course.	No	0.00 %
Mathematics	Grades 7-8 uses McDougal-Littell Pre-Algebra. Grades 9-12 McDougal-Little, Algebra1.	No	0.00 %
Science	Grades 7-12 uses Holt, Rinehart and Winston, Holt Science Spectrum Physical Science. Grades 9-12 uses Holt, Rinehart and Winston, Holt Biology California.	No	0.00 %
History-Social Science	Grade 7 uses Teachers' Curriculum Institute, 2005, History Alive!, The Medieval World and Beyond. Grade 8 uses Teachers' Curriculum Institute, 2005, History Alive!, The United States Through Industrialism. Grades 10 uses McDougal Littell, Modern World History. Grade 11 uses McDougal Littell, The Americans. Grade 12 uses Prentice Hall, American Government. Grade 12 uses Holt, Rinehart and Winston, Economics.	No	0.00 %
Foreign Language	N/A		0.00 %
Health	Glencoe Health	No	0.00 %
Visual and Performing Arts	Glencoe- Art in Focus	No	0.0 %
Science Lab Eqpmt (Grades 9-12)	N/A	N/A	0.0 %

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

Last updated: 1/7/2020

School Facility Conditions and Planned Improvements

Sutter County Superintendent of Schools is committed to providing a safe, orderly, and secure environment for the students and staff of Feather River Academy. The campus was built in 2004/2005 and officially opened to students in August 2005. The campus includes state-of-the-art technology, design, and access to the community. All classrooms and offices are equipped with energy-efficient heating and lighting. Internet access is provided in all classrooms and offices. The school includes an intrusion and video surveillance system. Feather River Academy has full-time grounds and maintenance services. The grounds and building are clean and properly maintained. The facility is 28,000 square feet and can house 130 full-time students.

The County Office takes great efforts to ensure that all schools are clean, safe, and functional. To assist in this effort, the County Office uses a facility survey instrument developed by the State of California Office of Public School Construction. The results of this survey are available at the county schools office. County School maintenance staff ensures that the repairs necessary to keep the school in good repair and working order are completed in a timely manner. A work order process is used to ensure efficient service and emergency repairs are given the highest priority. There are adopted cleaning standards for the county sites.

Last updated: 12/23/2019

School Facility Good Repair Status

Year and month of the most recent FIT report: September 2019

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

Overall Facility Rate

Year and month of the most recent FIT report: September 2019

Overall Rating	Exemplary
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Last updated: 12/23/2019

B. Pupil Outcomes

State Priority: Pupil Achievement

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

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

**CAASPP Test Results in ELA and Mathematics for All Students
Grades Three through Eight and Grade Eleven
Percentage of Students Meeting or Exceeding the State Standard**

Subject	School 2017–18	School 2018–19	District 2017–18	District 2018–19	State 2017–18	State 2018–19
English Language Arts / Literacy (grades 3-8 and 11)	6%	9%	7%	12%	50.0%	50.0%
Mathematics (grades 3-8 and 11)	7%	5%	5%	5%	38.0%	39.0%

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

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

Last updated: 12/23/2019

**CAASPP Test Results in ELA by Student Group
Grades Three through Eight and Grade Eleven (School Year 2018—19)**

Student Group	Total Enrollment	Number Tested	Percent Tested	Percent Not Tested	Percent Met or Exceeded
All Students	28	23	82.14%		8.70%
Male	18	15	83.33%		0.00%
Female	--	--	--		
Black or African American					
American Indian or Alaska Native					
Asian	--	--	--		
Filipino					
Hispanic or Latino	19	15	78.95%		0.00%
Native Hawaiian or Pacific Islander					
White	--	--	--		
Two or More Races	--	--	--		
Socioeconomically Disadvantaged	28	23	82.14%		8.70%
English Learners	--	--	--		
Students with Disabilities	--	--	--		
Students Receiving Migrant Education Services					
Foster Youth					
Homeless					

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

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

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

Last updated: 12/23/2019

**CAASPP Test Results in Mathematics by Student Group
Grades Three through Eight and Grade Eleven (School Year 2018—19)**

Student Group	Total Enrollment	Number Tested	Percent Tested	Percent Not Tested	Percent Met or Exceeded
All Students	28	22	78.57%		4.55%
Male	18	14	77.78%		0.00%
Female	--	--	--		
Black or African American					
American Indian or Alaska Native					
Asian	--	--	--		
Filipino					
Hispanic or Latino	19	15	78.95%		0.00%
Native Hawaiian or Pacific Islander					
White	--	--	--		
Two or More Races	--	--	--		
Socioeconomically Disadvantaged	28	22	78.57%		4.55%
English Learners	--	--	--		
Students with Disabilities	--	--	--		
Students Receiving Migrant Education Services					
Foster Youth					
Homeless					

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

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

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

Last updated: 12/23/2019

**CAASPP Test Results in Science for All Students
Grades Five, Eight and High School
Percentage of Students Meeting or Exceeding the State Standard**

Subject	School 2017—18	School 2018—19	District 2017—18	District 2018—19	State 2017—18	State 2018—19
Science (grades 5, 8, and high school)						

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

Note: This is a placeholder for the California Science Test (CAST) which was administered operationally during the 2018–19 school year. However, these data are not available for inclusion in the 2018–19 SARC posting due February 1, 2020. These data will be included in the 2019–20 SARC posting due February 1, 2021.

Last updated: 12/23/2019

Career Technical Education (CTE) Participation (School Year 2018—19)

Measure	CTE Program Participation
Number of Pupils Participating in CTE	39
Percent of Pupils that Complete a CTE Program and Earn a High School Diploma	--
Percent of CTE Courses that are Sequenced or Articulated Between the School and Institutions of Postsecondary Education	--

Last updated: 12/23/2019

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

UC/CSU Course Measure	Percent
2018—19 Pupils Enrolled in Courses Required for UC/CSU Admission	0.00%
2017—18 Graduates Who Completed All Courses Required for UC/CSU Admission	0.00%

State Priority: Other Pupil Outcomes

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

- Pupil outcomes in the subject area of physical education

C. Engagement

State Priority: Parental Involvement

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

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

Opportunities for Parental Involvement (School Year 2019—20)

Parents are encouraged to participate in all aspects of their child's education. Parents attend the orientation meeting with the principal or school counselor to discuss appropriate placement, status of credits, course of study; and expectations for attendance and behavior. Principal and staff regularly meet with parents to report on student progress through written and oral communication. Parents are invited to the many activities on campus including assemblies, breakfasts, graduations, and visits to the classrooms. Parents are strongly encouraged to contact FRA staff to share concerns, ask questions, or conference with teachers. The FRA's site council reviews documents and provides input for various funding sources. Diligent efforts are ongoing to form additional parent committees. Due to the highly transient nature of our student population, the formation of parent committees is challenging. Efforts are made to obtain parent input during initial and orientation meetings, and by the principal and staff throughout the student tenure. During the orientation parents are encouraged to participate in FRA by identifying times and activities in which they are interested or in which their students show interest.

State Priority: Pupil Engagement

Last updated: 12/23/2019

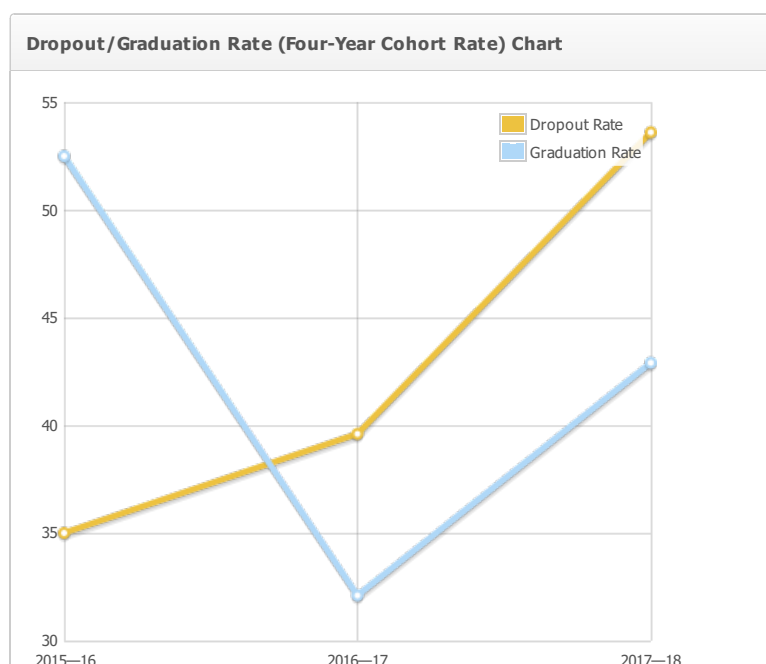
The SARC provides the following information relevant to the State priority: Pupil Engagement (Priority 5):

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

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

Indicator	School 2015—16	District 2015—16	State 2015—16
Dropout Rate	35.00%	26.80%	9.70%
Graduation Rate	52.50%	41.10%	83.80%

Indicator	School 2016—17	School 2017—18	District 2016—17	District 2017—18	State 2016—17	State 2017—18
Dropout Rate	39.60%	53.60%	35.10%	31.30%	9.10%	9.60%
Graduation Rate	32.10%	42.90%	24.30%	29.20%	82.70%	83.00%



For the formula to calculate the 2016–17 and 2017–18 adjusted cohort graduation rate, see the 2018–19 Data Element Definitions document located on the SARC web page at <https://www.cde.ca.gov/ta/ac/sa/>.

Last updated: 12/23/2019

State Priority: School Climate

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

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

Suspensions and Expulsions

Rate	School 2016—17	School 2017—18	School 2018—19	District 2016—17	District 2017—18	District 2018—19	State 2016—17	State 2017—18	State 2018—19
Suspensions	18.10%	14.80%	31.70%	16.00%	15.60%	16.40%	3.60%	3.50%	3.50%
Expulsions	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.10%	0.10%	0.10%

Last updated: 12/23/2019

School Safety Plan (School Year 2019—20)

The purpose of the Safety Plan, including an Emergency Response Plan, is to provide a uniform basis of operation and conduct for all personnel associated with Sutter County Superintendent of Schools Office, including Feather River Academy, before, during, and after an emergency.

The plan is updated on an annual basis and is available at Feather River Academy. The Safety Plan is reviewed and updated by the School Site Council in conjunction with school staff on an annual basis.

Last updated: 12/23/2019

D. Other SARC Information

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

Average Class Size and Class Size Distribution (Secondary) (School Year 2016—17)

Subject	Average Class Size	Number of Classes * 1-22	Number of Classes * 23-32	Number of Classes * 33+
English	6.00	11		
Mathematics	5.00	10		
Science				
Social Science	16.00	6		

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

Average Class Size and Class Size Distribution (Secondary) (School Year 2017—18)

Subject	Average Class Size	Number of Classes * 1-22	Number of Classes * 23-32	Number of Classes * 33+
English	5.00	7		
Mathematics	8.00	5		
Science				
Social Science	9.00	6		

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

Average Class Size and Class Size Distribution (Secondary) (School Year 2018—19)

Subject	Average Class Size	Number of Classes * 1-22	Number of Classes * 23-32	Number of Classes * 33+
English	3.00	19		
Mathematics	4.00	9		
Science				
Social Science	3.00	16		

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

Last updated: 12/23/2019

Ratio of Academic Counselors to Pupils (School Year 2018—19)

Title	Ratio**
Counselors*	1.0

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

**Average Number of Pupils per Counselor

Last updated: 1/7/2020

Student Support Services Staff (School Year 2018—19)

Title	Number of FTE* Assigned to School
Counselor (Academic, Social/Behavioral or Career Development)	1.00
Library Media Teacher (Librarian)	0.00
Library Media Services Staff (Paraprofessional)	0.00
Psychologist	0.20
Social Worker	0.00
Nurse	0.20
Speech/Language/Hearing Specialist	0.20
Resource Specialist (non-teaching)	0.00
Other	

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

Last updated: 1/7/2020

Expenditures Per Pupil and School Site Teacher Salaries (Fiscal Year 2017—18)

Level	Total Expenditures Per Pupil	Expenditures Per Pupil (Restricted)	Expenditures Per Pupil (Unrestricted)	Average Teacher Salary
School Site	\$41888.65	\$5183.32	\$36705.33	\$72529.69
District	N/A	N/A	--	--
Percent Difference – School Site and District	N/A	N/A	--	--
State	N/A	N/A	\$7506.64	--
Percent Difference – School Site and State	N/A	N/A	--	--

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

Last updated: 1/7/2020

Types of Services Funded (Fiscal Year 2018—19)

Attendance Outreach staff that provides services to help increase student attendance. Students receive Social Emotional Counseling Support from our school counselor. We also provide PBIS Incentives to help increase student engagement and participation.

Last updated: 1/7/2020

Professional Development

Measure	2017—18	2018—19	2019—20
Number of school days dedicated to Staff Development and Continuous Improvement	8	5	3

Last updated: 1/7/2020

Sutter County Special Education

School Accountability Report Card Reported Using Data from the 2018—19 School Year California Department of Education

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

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

DataQuest

DataQuest is an online data tool located on the CDE DataQuest web page at <https://dq.cde.ca.gov/dataquest/> that contains additional information about this school and comparisons of the school to the district and the county. Specifically, DataQuest is a dynamic system that provides reports for accountability (e.g., test data, enrollment, high school graduates, dropouts, course enrollments, staffing, and data regarding English learners).

Internet Access

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

About This School

Contact Information (School Year 2019—20)

District Contact Information (School Year 2019—20)	
District Name	Sutter County Office of Education
Phone Number	(530) 822-2900
Superintendent	Tom Reusser
Email Address	tomr@sutter.k12.ca.us
Website	www.sutter.k12.ca.us

School Contact Information (School Year 2019—20)	
School Name	Sutter County Special Education
Street	970 Klamath Ln.
City, State, Zip	Yuba City, Ca, 95993-8961
Phone Number	530-822-2912
Principal	Bill Embleton, Asst. Supt., Special Education
Email Address	bille@sutter.k12.ca.us
Website	www.sutter.k12.ca.us
County-District-School (CDS) Code	51105126069454

Last updated: 1/7/2020

School Description and Mission Statement (School Year 2019—20)

Mission Statement: ***Working Together for Student Success***

Vision Statement:

We believe...

...That all special education students can reach their highest possible standard of achievement.

...That special education students can become contributing members of our community.

...That special education programs will reflect only the finest in research-based practices.

...That ongoing staff development will focus on the refinement of instructional practices that reflect the unique needs of our students.

...That all special education activities will be meaningful, authentic, and engaging for our students.

...That all Sutter County Special Educators will be a model of excellence in their field.

Programs:

The Special Education Department provides special education related services to the 12 school districts and three charter schools within Sutter County for students from birth to age 22 years. The Special Education Department consists of approximately 177 staff members, located throughout Sutter County which provide support to students and families. In addition to providing specialized academic instruction, speech and language, and school psychologist services to the eleven smaller districts of Sutter County, Sutter County serves approximately 352 students, in 38 classes, on 17 sites, throughout Sutter County. These 352 students, aged 3-22 yrs., require specialized instruction in a self-contained class to accommodate their special needs. Additionally, we served 114 students in regional programs and 340 students with speech services. For ages Birth to three, services include the Infant Development Program. Preschool students are served in various special day class settings. For ages Five to 22 years, special day class programs are provided for students with emotional disabilities, for students

with severe cognitive, physical, and/or medical disabilities, students identified with behavioral needs, and students identified with autism. Specialized services include speech and language, behavior, school nurse, and school psychologist.

The following programs provide meaningful instruction that is focused on utilizing research based instructional strategies, curriculum, and interventions.

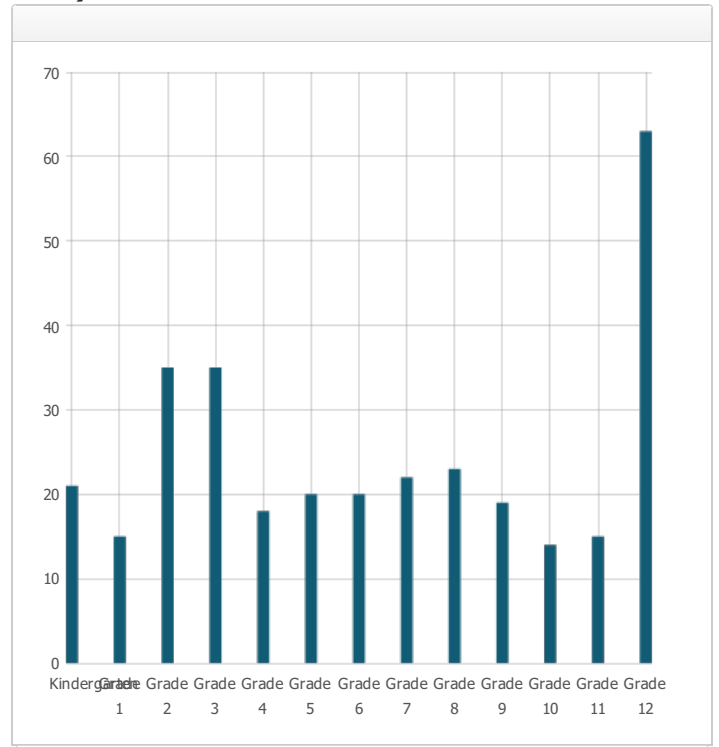
Autism Spectrum Disorder
Multiple Disability
Severe Disability
Adult Transition
Deaf and Hard of Hearing
Bi-County Itinerant Deaf and Hard of Hearing
Non-Categorical
Bi-County Infant Program
Support Services
Speech and Language
School Psychologist
School Nurses

Students in the Sutter County Schools program who have completed the requirements for a highschool diploma, receive their diplomas through their District of Residence.

Last updated: 1/7/2020

Student Enrollment by Grade Level (School Year 2018—19)

Grade Level	Number of Students
Kindergarten	21
Grade 1	15
Grade 2	35
Grade 3	35
Grade 4	18
Grade 5	20
Grade 6	20
Grade 7	22
Grade 8	23
Grade 9	19
Grade 10	14
Grade 11	15
Grade 12	63
Total Enrollment	320



Last updated: 1/7/2020

Student Enrollment by Student Group (School Year 2018—19)

Student Group	Percent of Total Enrollment
Black or African American	2.50 %
American Indian or Alaska Native	1.30 %
Asian	7.80 %
Filipino	0.30 %
Hispanic or Latino	42.80 %
Native Hawaiian or Pacific Islander	0.30 %
White	37.50 %
Two or More Races	1.30 %
Other	5.60 %
Student Group (Other)	Percent of Total Enrollment
Socioeconomically Disadvantaged	73.80 %
English Learners	24.10 %
Students with Disabilities	100.00 %
Foster Youth	1.30 %
Homeless	0.60 %

A. Conditions of Learning

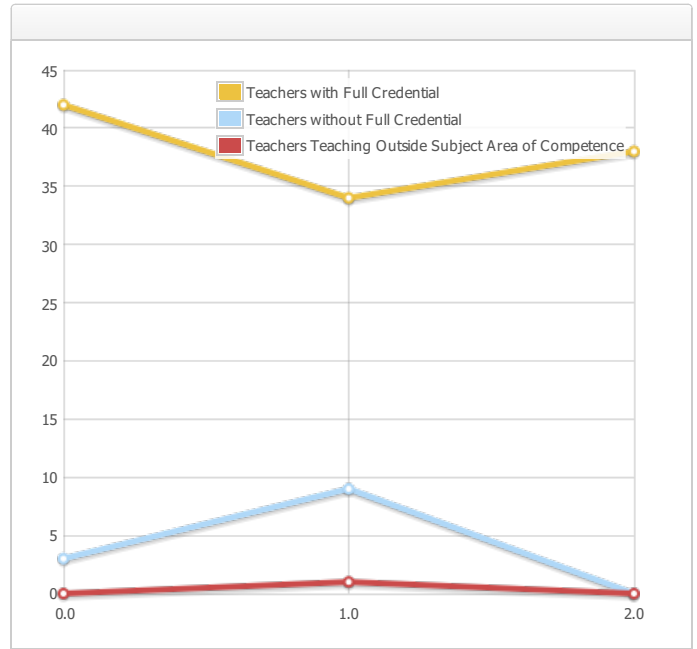
State Priority: Basic

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

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

Teacher Credentials

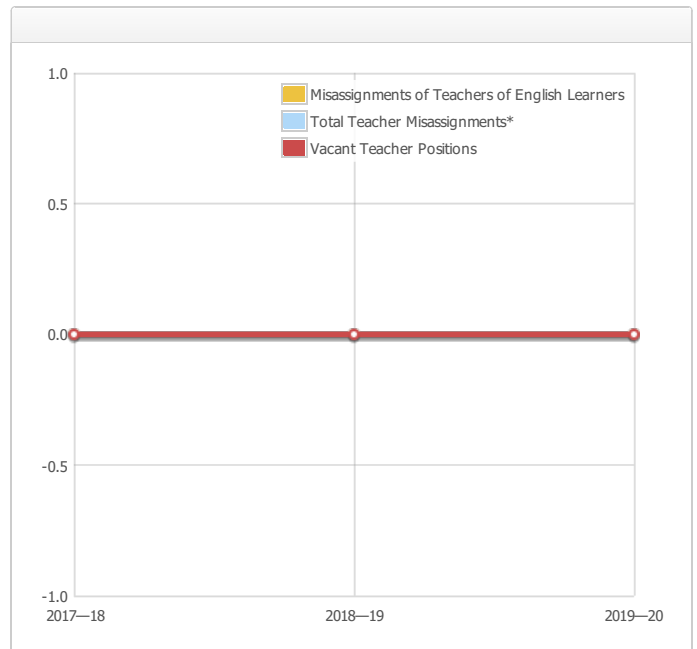
Teachers	School 2017—18	School 2018—19	School 2019—20	District 2019—20
With Full Credential	42	34	38	
Without Full Credential	3	9	0	
Teachers Teaching Outside Subject Area of Competence (with full credential)	0	1	0	



Last updated: 1/7/2020

Teacher Misassignments and Vacant Teacher Positions

Indicator	2017—18	2018—19	2019—20
Misassignments of Teachers of English Learners	0	0	0
Total Teacher Misassignments*	0	0	0
Vacant Teacher Positions	0	0	0



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

Last updated: 1/7/2020

School Facility Conditions and Planned Improvements

Sutter County Superintendent of Schools (SCSOS) classrooms are guest tenants on various district campuses throughout Sutter County. The classrooms we are housed in are located on the following campuses: Andros Karperos, Butte Vista Elementary, Barry Elementary, Live Oak Middle School, Live Oak High School, Luther Elementary School, Gray Avenue Middle School, Central Gaither Elementary, Sutter Union High School, Yuba City High School, River Valley High School, Riverbend Elementary, Lincoln Elementary, Lincrest Elementary and Apricot Center. All of the classrooms are in good physical shape and are not in need of repairs.

Last updated: 1/7/2020

B. Pupil Outcomes

State Priority: Pupil Achievement

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

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

**CAASPP Test Results in ELA and Mathematics for All Students
Grades Three through Eight and Grade Eleven
Percentage of Students Meeting or Exceeding the State Standard**

Subject	School 2017–18	School 2018–19	District 2017–18	District 2018–19	State 2017–18	State 2018–19
English Language Arts / Literacy (grades 3-8 and 11)	7%	11%	7%	12%	50.0%	50.0%
Mathematics (grades 3-8 and 11)	4%	4%	5%	5%	38.0%	39.0%

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

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

Last updated: 1/7/2020

**CAASPP Test Results in ELA by Student Group
Grades Three through Eight and Grade Eleven (School Year 2018—19)**

Student Group	Total Enrollment	Number Tested	Percent Tested	Percent Not Tested	Percent Met or Exceeded
All Students	87	45	51.72%		11.11%
Male	74	37	50.00%		13.51%
Female	13	8	61.54%		0.00%
Black or African American	--	--	--		
American Indian or Alaska Native	--	--	--		
Asian	--	--	--		
Filipino					
Hispanic or Latino	33	18	54.55%		5.56%
Native Hawaiian or Pacific Islander					
White	37	19	51.35%		21.05%
Two or More Races					
Socioeconomically Disadvantaged	68	35	51.47%		8.57%
English Learners	21	11	52.38%		0.00%
Students with Disabilities	87	45	51.72%		11.11%
Students Receiving Migrant Education Services					
Foster Youth	--	--	--		
Homeless					

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

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

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

Last updated: 1/7/2020

**CAASPP Test Results in Mathematics by Student Group
Grades Three through Eight and Grade Eleven (School Year 2018—19)**

Student Group	Total Enrollment	Number Tested	Percent Tested	Percent Not Tested	Percent Met or Exceeded
All Students	87	45	51.72%		4.44%
Male	74	37	50.00%		5.41%
Female	13	8	61.54%		0.00%
Black or African American	--	--	--		
American Indian or Alaska Native	--	--	--		
Asian	--	--	--		
Filipino					
Hispanic or Latino	33	18	54.55%		5.56%
Native Hawaiian or Pacific Islander					
White	37	19	51.35%		5.26%
Two or More Races					
Socioeconomically Disadvantaged	68	36	52.94%		2.78%
English Learners	21	11	52.38%		0.00%
Students with Disabilities	87	45	51.72%		4.44%
Students Receiving Migrant Education Services					
Foster Youth	--	--	--		
Homeless					

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

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

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

Last updated: 1/7/2020

CAASPP Test Results in Science for All Students
Grades Five, Eight and High School
Percentage of Students Meeting or Exceeding the State Standard

Subject	School 2017–18	School 2018–19	District 2017–18	District 2018–19	State 2017–18	State 2018–19
Science (grades 5, 8, and high school)						

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

Note: This is a placeholder for the California Science Test (CAST) which was administered operationally during the 2018–19 school year. However, these data are not available for inclusion in the 2018–19 SARC posting due February 1, 2020. These data will be included in the 2019–20 SARC posting due February 1, 2021.

Last updated: 1/7/2020

State Priority: Other Pupil Outcomes

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

- Pupil outcomes in the subject area of physical education

California Physical Fitness Test Results (School Year 2018—19)

Grade Level	Percentage of Students Meeting Four of Six Fitness Standards	Percentage of Students Meeting Five of Six Fitness Standards	Percentage of Students Meeting Six of Six Fitness Standards
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Note: Percentages are not calculated and double dashes (--) appear in the table when the number of students tested is ten or less, either because the number of students in this category is too small for statistical accuracy or to protect student privacy.

Last updated: 1/7/2020

C. Engagement

State Priority: Parental Involvement

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

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

Opportunities for Parental Involvement (School Year 2019—20)

Parents participate in annual IEP meetings. Additionally, the Community Advisory Committee (CAC) that is facilitated by the Sutter County Superintendent of Schools SELPA is regularly asked for input regarding the programs, special program needs, special student needs, and policy developments. The CAC is an advisory body that meets regularly and is comprised of parents, community members and school representatives.

As our programs are hosted on school district sites, our parents are included in parent activities such as a Back-to-School night, Open House, parent conferences, and other special family and parent focused events such as a "Harvest Festival."

State Priority: Pupil Engagement

Last updated: 1/7/2020

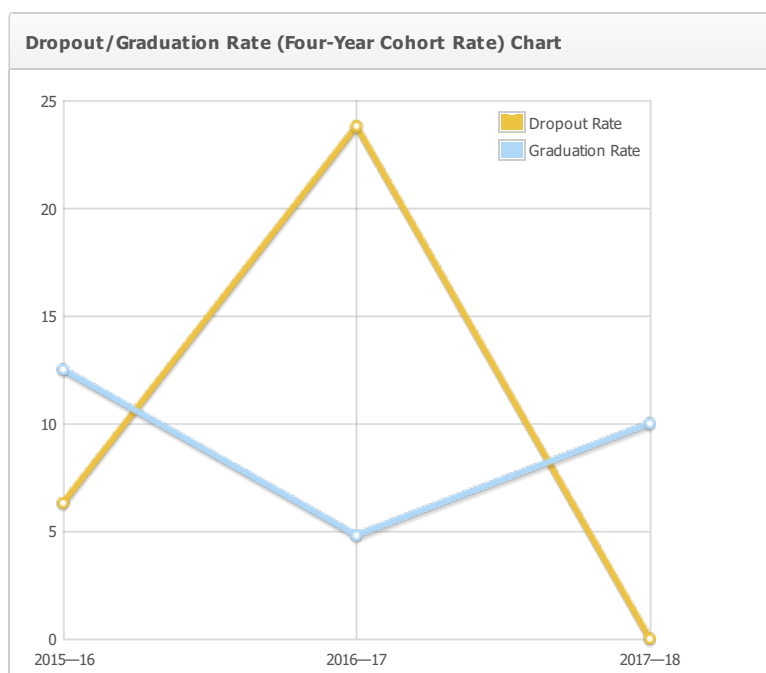
The SARC provides the following information relevant to the State priority: Pupil Engagement (Priority 5):

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

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

Indicator	School 2015—16	District 2015—16	State 2015—16
Dropout Rate	6.30%	26.80%	9.70%
Graduation Rate	12.50%	41.10%	83.80%

Indicator	School 2016—17	School 2017—18	District 2016—17	District 2017—18	State 2016—17	State 2017—18
Dropout Rate	23.80%	0.00%	35.10%	31.30%	9.10%	9.60%
Graduation Rate	4.80%	10.00%	24.30%	29.20%	82.70%	83.00%



For the formula to calculate the 2016–17 and 2017–18 adjusted cohort graduation rate, see the 2018–19 Data Element Definitions document located on the SARC web page at <https://www.cde.ca.gov/ta/ac/sa/>.

Last updated: 1/7/2020

State Priority: School Climate

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

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

Suspensions and Expulsions

Rate	School 2016—17	School 2017—18	School 2018—19	District 2016—17	District 2017—18	District 2018—19	State 2016—17	State 2017—18	State 2018—19
Suspensions	14.90%	16.00%	15.80%	16.00%	15.60%	16.40%	3.60%	3.50%	3.50%
Expulsions	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.10%	0.10%	0.10%

Last updated: 1/7/2020

School Safety Plan (School Year 2019—20)

Sutter County Superintendent of Schools' (SCSOS) classrooms are guest tenants on multiple school campuses within Sutter County. Therefore, SCSOS staff and students adhere to host site safety plans. SCSOS does not participate in the development and review of safety plans for district schools where we are housed. However, the staff at each of these sites does participate in staff meetings with the host school that outlines the school site plan and procedures.

Last updated: 1/7/2020

D. Other SARC Information

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

Average Class Size and Class Size Distribution (Elementary) School Year (2016—17)

Grade Level	Average Class Size	Number of Classes * 1-20	Number of Classes * 21-32	Number of Classes * 33+
K	8.00	3		
1				
2	11.00	1		
3	8.00	1		
4	5.00	1		
5	12.00	2		
6	1.00	1		
Other**	8.00	5		

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

** "Other" category is for multi-grade level classes.

Average Class Size and Class Size Distribution (Elementary) School Year (2017—18)

Grade Level	Average Class Size	Number of Classes * 1-20	Number of Classes * 21-32	Number of Classes * 33+
K	8.00	2		
1				
2	9.00	3		
3	8.00	1		
4	1.00	1		
5	7.00	2		
6	5.00	3		
Other**	10.00	5		

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

** "Other" category is for multi-grade level classes.

Average Class Size and Class Size Distribution (Elementary) School Year (2018—19)

Grade Level	Average Class Size	Number of Classes * 1-20	Number of Classes * 21-32	Number of Classes * 33+
K	0.00	0		
1		0		
2		0		
3	0.00	0		
4	0.00	0		
5	0.00	0		
6	0.00	0		
Other**	0.00	25		

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

** "Other" category is for multi-grade level classes.

Average Class Size and Class Size Distribution (Secondary) (School Year 2016—17)

Subject	Average Class Size	Number of Classes * 1-22	Number of Classes * 23-32	Number of Classes * 33+
English				
Mathematics				
Science				
Social Science				

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

Average Class Size and Class Size Distribution (Secondary) (School Year 2017—18)

Subject	Average Class Size	Number of Classes * 1-22	Number of Classes * 23-32	Number of Classes * 33+
English				
Mathematics				
Science				
Social Science				

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

Average Class Size and Class Size Distribution (Secondary) (School Year 2018—19)

Subject	Average Class Size	Number of Classes * 1-22	Number of Classes * 23-32	Number of Classes * 33+
English	4.00	24		
Mathematics	5.00	16		
Science	5.00	14		
Social Science	3.00	18		

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

Last updated: 1/7/2020

Ratio of Academic Counselors to Pupils (School Year 2018—19)

Title	Ratio**
Counselors*	0.00

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

**Average Number of Pupils per Counselor

Last updated: 1/7/2020

Student Support Services Staff (School Year 2018—19)

Title	Number of FTE* Assigned to School
Counselor (Academic, Social/Behavioral or Career Development)	
Library Media Teacher (Librarian)	
Library Media Services Staff (Paraprofessional)	
Psychologist	5.00
Social Worker	
Nurse	3.00
Speech/Language/Hearing Specialist	10.40
Resource Specialist (non-teaching)	
Other	

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

Last updated: 1/7/2020

Types of Services Funded (Fiscal Year 2018—19)

Services for students, counseling, mental health services, transportation, celebrations and other supports are funded using LCFF and/or other unrestricted funds. Grants are also sought out to support additional services to student

Last updated: 1/7/2020

Professional Development

Measure	2017—18	2018—19	2019—20
Number of school days dedicated to Staff Development and Continuous Improvement	5	6	3

Last updated: 1/7/2020

BOARD AGENDA ITEM: LCAP Federal Addendum

BOARD MEETING DATE: January 15, 2020

AGENDA ITEM SUBMITTED FOR:

PREPARED BY:

Action

Brian Gault

Reports/Presentation

SUBMITTED BY:

Information

Brian Gault

Public Hearing

PRESENTING TO BOARD:

Other (specify)

Brian Gault

BACKGROUND AND SUMMARY INFORMATION:

After multiple submissions and revisions, the LCAP Federal Addendum was approved in its entirety by CDE on 12/9/19. It is suggested that this go back to the Board as an information item since it is so drastically different than the one initially approved on June 26, 2019.

Background Information for the LCAP Federal Addendum

- An approved LCAP, the submission of the ConApp, and an approved LCAP Federal Addendum meet the Federal LEA plan requirements.
- The LCAP Federal Addendum is meant to supplement the LCAP to ensure that eligible LEAs have the opportunity to meet the Local Educational Agency (LEA) Plan provisions of the ESSA.
- The ESSA provisions contained in the LCAP Federal Addendum do not align with any of the 8 (10 for COEs) state priorities covered within the LCAP.
- The LCAP Federal Addendum Template must be completed and submitted to the California Department of Education (CDE) to apply for ESSA funding. Each provision for each program must be addressed, unless the provision is not applicable to the LEA. SCSOS applies for Title 1, Part A, Title II, Part A, Title III, Part A, and Title IV, Part A.
- In addressing these provisions, LEAs must provide a narrative that addresses the provisions.
- The CDE emphasizes that the LCAP Federal Addendum should not drive LCAP development. ESSA funds are supplemental to state funds, just as the LCAP Federal Addendum supplements the LCAP. LEAs are encouraged to integrate their ESSA funds into their LCAP development as much as possible to promote strategic planning of all resources; however, this is not a requirement. In reviewing the LCAP Federal Addendum, staff will evaluate the LEA's responses to the ESSA plan provisions.

Local Control and Accountability Plan (LCAP) Every Student Succeeds Act (ESSA) Federal Addendum Template

LEA name:

Sutter County Superintendent of Schools

CDS code:

51-10512-0000000

Link to the LCAP:

(optional)

<http://www.sutter.k12.ca.us/documents/School%20Districts/Documents/SCSOS%20LCAP/2019-2020/Sutter%20County%20Superintendent%20of%20Schools.pdf>

For which ESSA programs will your LEA apply?

Choose from:

TITLE I, PART A

Improving Basic Programs Operated by State and Local Educational Agencies

TITLE I, PART D

Prevention and Intervention Programs for Children and Youth Who Are Neglected, Delinquent, or At-Risk

TITLE II, PART A

Supporting Effective Instruction

TITLE III, PART A

Language Instruction for English Learners and Immigrant Students

TITLE IV, PART A

Student Support and Academic Enrichment Grants

(NOTE: This list only includes ESSA programs with LEA plan requirements; not all ESSA programs.)

Title I, Part A

Title II, Part A

Title III, Part A

Title IV, Part A

In the following pages, ONLY complete the sections for the corresponding programs.

Instructions

The LCAP Federal Addendum is meant to supplement the LCAP to ensure that eligible LEAs have the opportunity to meet the Local Educational Agency (LEA) Plan provisions of the ESSA.

The LCAP Federal Addendum Template must be completed and submitted to the California Department of Education (CDE) to apply for ESSA funding. LEAs are encouraged to review the LCAP Federal Addendum annually with their LCAP, as ESSA funding should be considered in yearly strategic planning.

The LEA must address the Strategy and Alignment prompts provided on the following page.

Each provision for each program must be addressed, unless the provision is not applicable to the LEA.

In addressing these provisions, LEAs must provide a narrative that addresses the provision **within the LCAP Federal Addendum Template.**

Under State Priority Alignment, state priority numbers are provided to demonstrate where an ESSA provision aligns with state priorities. This is meant to assist LEAs in determining where ESSA provisions may already be addressed in the LEA's LCAP, as it demonstrates the LEA's efforts to support the state priorities.

The CDE emphasizes that **the LCAP Federal Addendum should not drive LCAP development.** ESSA funds are supplemental to state funds, just as the LCAP Federal Addendum supplements your LCAP. LEAs are encouraged to integrate their ESSA funds into their LCAP development as much as possible to promote strategic planning of all resources;

however, this is not a requirement. In reviewing the LCAP Federal Addendum, staff will evaluate the LEA's responses to the ESSA plan provisions. There is no standard length for the responses. LEAs will be asked to clarify insufficient responses during the review process.

California's ESSA State Plan significantly shifts the state's approach to the utilization of federal resources in support of underserved student groups. This LCAP Federal Addendum provides LEAs with the opportunity to document their approach to maximizing the impact of federal investments in support of underserved students.

The implementation of ESSA in California presents an opportunity for LEAs to innovate with their federally-funded programs and align them with the priority goals they are realizing under the state's Local Control Funding Formula (LCFF).

LCFF provides LEAs flexibility to design programs and provide services that meet the needs of students in order to achieve readiness for college, career, and lifelong learning. The LCAP planning process supports continuous cycles of action, reflection, and improvement.

Please respond to the prompts below, and in the pages that follow, to describe the LEA's plan for making the best use of federal ESEA resources in alignment with other federal, state, and local programs as described in the LEA's LCAP.

Strategy

Explain the LEA's strategy for using federal funds to supplement and enhance local priorities or initiatives funded with state funds, as reflected in the LEA's LCAP. This shall include describing the rationale/evidence for the selected use(s) of federal funds within the context of the LEA's broader strategy reflected in the LCAP.

Feather River Academy (FRA) and Sutter County Superintendent of Schools (SCSOS), along with School Site Council Members and other stakeholders, determined the areas of greatest need and highest priorities among students and created goals accordingly. The goals align with FRA's Single Plan for Student Achievement and the School-Wide Action Plan to maintain consistency in procedures. These goals ensure Feather River Academy works to increase equity, and close the achievement gap. Goal 1: Provide Interventions in areas of academic, social, emotional, behavior and attendance. Goal 2: Identify barriers and strategies to overcome those barriers to improve school environmental scales as reported in the California Healthy Kids Survey (CHKS) and support all students by creating a school climate that is safe. Goal 3: All foster youth will receive improved academic and social-emotional support through the improved cross-systems communication and services with agencies and schools to increase identification and support for providing case management services to help close the achievement gap. Goal 4: Expelled youth will satisfy the terms of the expulsion agreements and return to their home school or fulfill requirements for graduation at FRA. FRA uses federal funds received to supplement and enrich state funding to make certain all actions within the LCAP and Single Plan fulfill the goals laid out. This ensures the federal dollars are spent on the needs identified and the intended outcomes are met. FRA's school site council and parent surveys provide feedback and input on a regular basis to ensure goals adequately and appropriately reflect the needs of students each year.

Alignment

Describe the efforts that the LEA will take to align use of federal funds with activities funded by state and local funds and, as applicable, across different federal grant programs.

Feather River Academy has aligned the LCAP, Single Plan for Student Achievement and the School-Wide Action Plan. The school site council and input from other stakeholders helped to shape the goals and priorities in each of these plans. Services provided to students are outlined within all the goals. Detailed expenditures of federal funds are written into the Single Plan and aligned to the LCAP goals.

ESSA Provisions Addressed Within the LCAP

Within the LCAP an LEA is required to describe its goals, and the specific actions to achieve those goals, for each of the LCFF state priorities. In an approvable LCAP it will be apparent from the descriptions of the goals, actions, and services how an LEA is acting to address the following ESSA provisions through the aligned LCFF state priorities and/or the state accountability system.

TITLE I, PART A

Monitoring Student Progress Towards Meeting Challenging State Academic Standards

ESSA SECTION	STATE PRIORITY ALIGNMENT
1112(b)(1) (A–D)	1, 2, 4, 7, 8 (<i>as applicable</i>)

Describe how the LEA will monitor students' progress in meeting the challenging state academic standards by:

- (A) developing and implementing a well-rounded program of instruction to meet the academic needs of all students;
- (B) identifying students who may be at risk for academic failure;
- (C) providing additional educational assistance to individual students the LEA or school determines need help in meeting the challenging State academic standards; and
- (D) identifying and implementing instructional and other strategies intended to strengthen academic programs and improve school conditions for student learning.

Overuse in Discipline Practices that Remove Students from the Classroom

ESSA SECTION	STATE PRIORITY ALIGNMENT
1112(b)(11)	6 (<i>as applicable</i>)

Describe how the LEA will support efforts to reduce the overuse of discipline practices that remove students from the classroom, which may include identifying and supporting schools with high rates of discipline, disaggregated by each of the student groups, as defined in Section 1111(c)(2).

Career Technical and Work-based Opportunities

ESSA SECTION	STATE PRIORITY ALIGNMENT
1112(b)(12)(A–B)	2, 4, 7 (<i>as applicable</i>)

If determined appropriate by the LEA, describe how such agency will support programs that coordinate and integrate:

- (A) academic and career and technical education content through coordinated instructional strategies, that may incorporate experiential learning opportunities and promote skills attainment important to in-demand occupations or industries in the State; and
- (B) work-based learning opportunities that provide students in-depth interaction with industry professionals and, if appropriate, academic credit.

TITLE II, PART A

Title II, Part A Activities

ESSA SECTION	STATE PRIORITY ALIGNMENT
2102(b)(2)(A)	1, 2, 4 (<i>as applicable</i>)

Provide a description of the activities to be carried out by the LEA under this Section and how these activities will be aligned with challenging State academic standards.

TITLE III, PART A

Parent, Family, and Community Engagement

ESSA SECTION	STATE PRIORITY ALIGNMENT
3116(b)(3)	3, 6 (<i>as applicable</i>)

Describe how the eligible entity will promote parent, family, and community engagement in the education of English learners.

ESSA Provisions Addressed in the Consolidated Application and Reporting System

An LEA addresses the following ESSA provision as part of completing annual reporting through the Consolidated Application and Reporting System (CARS).

TITLE I, PART A

Poverty Criteria

ESSA SECTION	STATE PRIORITY ALIGNMENT
1112(b)(4)	N/A

Describe the poverty criteria that will be used to select school attendance areas under Section 1113.

ESSA Provisions Not Addressed in the LCAP

For the majority of LEAs the ESSA provisions on the following pages do not align with state priorities. **Each provision for each program provided on the following pages must be addressed**, unless the provision is not applicable to the LEA. In addressing these provisions, LEAs must provide a narrative that addresses the provision **within this addendum**.

As previously stated, the CDE emphasizes that the LCAP Federal Addendum should not drive LCAP development. ESSA funds are supplemental to state funds, just as the LCAP Federal Addendum supplements your LCAP. LEAs are encouraged to integrate their ESSA funds into their LCAP development as much as possible to promote strategic planning of all resources; however, this is not a requirement. In reviewing the LCAP Federal Addendum, staff will evaluate the LEA's responses to the ESSA plan provisions. There is no standard length for the responses. LEAs will be asked to clarify insufficient responses during the review process.

TITLE I, PART A

Educator Equity

ESSA SECTION 1112(b)(2)

Describe how the LEA will identify and address, as required under State plans as described in Section 1111(g)(1)(B), any disparities that result in low-income students and minority students being taught at higher rates than other students by ineffective, inexperienced, or out-of-field teachers.

THIS ESSA PROVISION IS ADDRESSED BELOW:

Feather River Academy (FRA) is a small county community school serving 7-12 grade youth from referring districts within Sutter County. The current enrollment is 57 students, 30 of whom are served in Day School, with the remaining 27 served in Independent Studies. The student population is 61.8% Hispanic, 21.8% White, 7.3% Asian, 1.8% American Indian, 1.8% Black and 5.5% Multi-Ethnic. 94.7% of students are classified as Socio-Economically Disadvantaged. 5.5% of students are EL, and all are classified as Low Income. School site analysis of staffing shows no disparities. All teachers meet the effectiveness requirements and hold the appropriate credentials. There are no new teachers. Professional Development is offered to all teachers every year to encourage growth and equity. If disparities are found in future analysis, current staff would be reassigned to balance any disparities.

Parent and Family Engagement

ESSA SECTIONS 1112(b)(3) and 1112(b)(7)

Describe how the LEA will carry out its responsibility under Section 1111(d).

Describe the strategy the LEA will use to implement effective parent and family engagement under Section 1116.

THIS ESSA PROVISION IS ADDRESSED BELOW:

Feather River Academy holds quarterly School Site Council meetings and makes individual phone calls home to all parents to personally invite them to these meetings. The School-Parent Compact,

School-Wide Action Plan and LCAP are discussed in depth at SSC meetings. Budgets, school-wide activities, and school data are also reviewed. The school gains valuable input from parents, students, families and community members to identify needs and progress to goals. Individual orientation is conducted with every new student and their parent/guardian. At that time, areas of need are focused on, and the appropriate referrals for services are made. FRA works closely with probation, Intervention and Prevention Services, One-Stop, Mental Health, Youth for Change and other agencies to help fill any service gaps and meet the needs of students and families. In the 18/19 school year, Feather River Academy hosted a six-week Nurtured Heart Approach training course for parents of FRA students. Parents are also invited to Back to School Night at the start of the school year and Open House at the end. During these events, dinner and/or snacks are served as a way to improve attendance and engagement. Administration, teachers, support staff, students and families discuss school programs, plans, and progress as a group. FRA employs bilingual staff to aid in communication and engagement with parents and families. They are able to provide translation services during IEP meetings, communications home, School Site Council Meetings, and translations of written documents. FRA's Parent and Family Engagement Policy is located in the handbook and in the Parent/School Compact. The policy was updated in October of 2018 and shared and discussed with the School Site Council. The Parent/School Compact is updated yearly with the input of parents and students at the School Site Council Meetings. Parents and families receive a copy of the handbook with the Parent and Family Engagement Policy, as well as the Compact, annually upon enrollment. Feather River Academy will hold staff meetings and professional development meetings to educate teachers, specialized instructional support personnel, principals and other school leaders, and other staff with the assistance of parents, in the value and utility of contributions of parents, and in how to reach out to, communicate with, and work with parents as equal partners, implement and coordinate parent programs, and build ties between parents and the school. FRA makes every effort to provide opportunities for the informed participation of parents and family members with disabilities, and parents and family members of migratory children. Feather River Academy provides accommodations, such as interpreters, when warranted. Feather River Academy makes home visits and/or phone meetings to meet with parents in the event the parent is unable to meet at the school. FRA meets with parents and students before and after students are away for an extended period of time to ensure their educational disruption is kept to a minimum. When possible the student is entered into an Independent-Study Program to prevent disruption.

Schoolwide Programs, Targeted Support Programs, and Programs for Neglected or Delinquent Children

ESSA SECTIONS 1112(b)(5) and 1112(b)(9)

Describe, in general, the nature of the programs to be conducted by the LEA's schools under sections 1114 and 1115 and, where appropriate, educational services outside such schools for children living in local institutions for neglected or delinquent children, and for neglected and delinquent children in community day school programs.

Describe how teachers and school leaders, in consultation with parents, administrators, paraprofessionals, and specialized instructional support personnel, in schools operating a targeted assistance school program under Section 1115, will identify the eligible children most in need of services under this part.

THIS ESSA PROVISION IS ADDRESSED BELOW:

Feather River Academy is required to annually evaluate and develop a Local Control Accountability Plan (LCAP). The schools' LCAP is developed based on analysis of local, district, and state data This

data is reviewed by our school staff as part of the plan to develop and review a comprehensive needs assessment. Schools are required to conduct comprehensive needs assessments to assist with creating programs to support eligible students in achieving grade-level standards. The school determines, within the parameters and guidelines established by law and district priorities in the Local Control Accountability Plan (LCAP), which services and supporting resources will be offered at their site using Title and other funding sources. Multiple measures are used to determine students' eligibility. Comprehensive Needs Assessment/SWP Plan Development/ SWP Assessment: Through conversations with each family, students, staff discussions, home visits, school to home communication, current enrollment, incoming students, and historical demographic information FRA anticipates the following student demographic: 98% of our students currently qualify for free/reduced lunch. This student body demographic fulfills the minimum that 40 percent of the students in the school, or residing in the attendance area served by the school, are from low-income families. Furthermore, each year, FRA conducts a comprehensive data analysis of student achievement, including multiple measures of student performance. At the end of the year, the data will be gathered for various student groups, including English Learners, Students with Disabilities, and Socio-Economically Disadvantaged students, from assessments such as STAR Reading and Math, CAASPP and ELPAC. To assess student achievement needs in an ongoing, formative basis, the staff and teachers at FRA will use both formal and informal standards-based assessments to assess students' mastery of the California content standards taught. After administering these assessments, staff will conduct data analysis in order to adjust weekly and long-term lesson plans, identify which standards need to be retaught or reinforced, and identify students who need extra assistance. Through the ongoing use of standards-based assessments to produce data that will inform the practice of its teachers, FRA will constantly be informed of the specific needs of its students in relation to the state academic content standards, and will be able to adjust its practice, methodology, curriculum, planning, and policies to meet these needs. As a school that receives Title I funds, FRA will identify eligible students who are in need of additional academic or social-emotional supports as evidenced by multiple measures, including local, state, and site assessments. For example, students whose CAASPP scores show they are not meeting the standards, and/or who have multiple D or F grades in core subject areas, can receive supplemental academic and social-emotional services, including additional tutoring, additional academic time with classroom teachers, and para-educators. Eligible students who indicate additional difficulty engaging with school due to poor attendance rates and/or social-emotional needs may receive additional counseling and skills-building help, such as organizational and time-management skills, through support classes and programs. FRA also sponsors field trips to colleges and local businesses and trade schools to encourage a growth mindset and college-going perspective. FRA uses Title I funding to offer Extended School Year learning opportunities for students, including summer programs to support additional learning for English-Language Arts and/or Math, as well as credit recovery programs for high school students who failed a course and need to make up credits. Students are counseled to take classes in summer, which allows them to free up their schedule so they may experience a support class such as ROP or community college courses. We have implemented and are in the process of improving a multi-tiered system of supports (MTSS) that will include universal supports for academics, careers and behavior as well as data-informed academic and school culture (behavior, social-emotional) supports/interventions for all students who need them. Universal supports for school culture will be based on trauma-informed practices, restorative practices, and PBIS. We are expanding and updating the MTSS/Student Support and Outreach(SSO) program to analyze data for students who are at risk, expelled, English Learners, and foster youth. We will use this data to guide improvements we can make to better prepare students to succeed in college and career planning. Meetings occur with probation officers and the SSO to enhance stakeholder engagement, partnership, and to more effectively meet student needs. We continue to assist all families, students, probation and child welfare in the identification of appropriate education rights holders

Homeless Children and Youth Services

ESSA SECTION 1112(b)(6)

Describe the services the LEA will provide homeless children and youths, including services provided with funds reserved under Section 1113(c)(3)(A), to support the enrollment, attendance, and success of homeless children and youths, in coordination with the services the LEA is providing under the McKinney-Vento Homeless Assistance Act (42 United States Code 11301 et seq.).

THIS ESSA PROVISION IS ADDRESSED BELOW:

Feather River Academy provides transportation services to homeless and at risk of being homeless youth in the form of van pick-up, as well as, monthly bus passes. The school connects students and families with SCSOS Intervention and Prevention Services for school supplies, interventions, and referrals to resources. FRA also makes contact with other local agencies (shelters, Hands of Hope, welfare, etc.) to connect families to area assistance that is available. SCSOS, Student Support and Outreach (SSO) staff coordinates and provides professional development, assistance in technical guidance and resource materials. This includes procedure protocols, systemic changes and technical assistance to all of our school sites within Sutter County. You Can Enroll Posters are updated and distributed to all of the school sites in Sutter County notifying students and parents of their rights. Each identified school homeless liaison and/or representative from each district and charter school within Sutter County will be invited to attend professional development trainings. Two professional development trainings will be provided; one each school semester during the 2019-20 school year. In addition, SSO staff will conduct a needs assessment at district and charter schools, and collaborate with Sutter-Yuba Homeless Consortium on the process to identify needs, duplication of services and identify appropriate needs by Sutter County Schools. The purpose of this assessment is to reduce duplication of services. The SSO coordinator will work with school homeless liaisons and partners on the importance of consistency in the implementation of adopted board policies, procedures and protocols and to increase accurate identification of homeless children and youth, and student data management systems (i.e., CALPADS) to meet the requirements by the McKinney-Vento Homeless Assistance Act and Every Student Succeeds Act (ESSA).

Student Transitions

ESSA SECTIONS 1112(b)(8) and 1112(b)(10) (A–B)

Describe, if applicable, how the LEA will support, coordinate, and integrate services provided under this part with early childhood education programs at the LEA or individual school level, including plans for the transition of participants in such programs to local elementary school programs.

Describe, if applicable, how the LEA will implement strategies to facilitate effective transitions for students from middle grades to high school and from high school to postsecondary education including:

- (A) through coordination with institutions of higher education, employers, and other local partners; and
- (B) through increased student access to early college high school or dual or concurrent enrollment opportunities, or career counseling to identify student interests and skills.

THIS ESSA PROVISION IS ADDRESSED BELOW:

N/A

Additional Information Regarding Use of Funds Under this Part

ESSA SECTION 1112(b)(13) (A–B)

Provide any other information on how the LEA proposes to use funds to meet the purposes of this part, and that the LEA determines appropriate to provide, which may include how the LEA will:

- (A) assist schools in identifying and serving gifted and talented students; and
- (B) assist schools in developing effective school library programs to provide students an opportunity to develop digital literacy skills and improve academic achievement.

THIS ESSA PROVISION IS ADDRESSED BELOW:

N/A

TITLE I, PART D

Description of Program

ESSA SECTION 1423(1)

Provide a description of the program to be assisted [by Title I, Part D].

THIS ESSA PROVISION IS ADDRESSED BELOW:

N/A

Formal Agreements

ESSA SECTION 1423(2)

Provide a description of formal agreements, regarding the program to be assisted, between the

- (A) LEA; and
- (B) correctional facilities and alternative school programs serving children and youth involved with the juvenile justice system, including such facilities operated by the Secretary of the Interior and Indian tribes.

THIS ESSA PROVISION IS ADDRESSED BELOW:

[Address the provision here]

Comparable Education Program

ESSA SECTION 1423(3)

As appropriate, provide a description of how participating schools will coordinate with facilities working with delinquent children and youth to ensure that such children and youth are participating in an education program comparable to one operating in the local school such youth would attend.

THIS ESSA PROVISION IS ADDRESSED BELOW:

N/A

Successful Transitions

ESSA SECTION 1423(4)

Provide a description of the program operated by participating schools to facilitate the successful transition of children and youth returning from correctional facilities and, as appropriate, the types of services that such schools will provide such children and youth and other at-risk children and youth.

THIS ESSA PROVISION IS ADDRESSED BELOW:

N/A

Educational Needs

ESSA SECTION 1423(5)

Provide a description of the characteristics (including learning difficulties, substance abuse problems, and other special needs) of the children and youth who will be returning from correctional facilities and, as appropriate, other at-risk children and youth expected to be served by the program, and a description of how the school will coordinate existing educational programs to meet the unique educational needs of such children and youth.

THIS ESSA PROVISION IS ADDRESSED BELOW:

N/A

Social, Health, and Other Services

ESSA SECTION 1423(6)

As appropriate, provide a description of how schools will coordinate with existing social, health, and other services to meet the needs of students returning from correctional facilities, at-risk children or youth, and other participating children or youth, including prenatal health care and nutrition services related to the health of the parent and the child or youth, parenting and child development classes, child care, targeted reentry and outreach programs, referrals to community resources, and scheduling flexibility.

THIS ESSA PROVISION IS ADDRESSED BELOW:

N/A

Postsecondary and Workforce Partnerships

ESSA SECTION 1423(7)

As appropriate, provide a description of any partnerships with institutions of higher education or local businesses to facilitate postsecondary and workforce success for children and youth returning from correctional facilities, such as through participation in credit-bearing coursework while in secondary school, enrollment in postsecondary education, participation in career and technical education programming, and mentoring services for participating students.

THIS ESSA PROVISION IS ADDRESSED BELOW:

N/A

Parent and Family Involvement

ESSA SECTION 1423(8)

As appropriate, provide a description of how the program will involve parents and family members in efforts to improve the educational achievement of their children, assist in dropout prevention activities, and prevent the involvement of their children in delinquent activities.

THIS ESSA PROVISION IS ADDRESSED BELOW:

N/A

Program Coordination

ESSA SECTION 1423(9–10)

Provide a description of how the program under this subpart will be coordinated with other Federal, State, and local programs, such as programs under title I of the Workforce Innovation and Opportunity Act and career and technical education programs serving at-risk children and youth.

Include how the program will be coordinated with programs operated under the Juvenile Justice and Delinquency Prevention Act of 1974 and other comparable programs, if applicable.

THIS ESSA PROVISION IS ADDRESSED BELOW:

N/A

Probation Officer Coordination

ESSA SECTION 1423(11)

As appropriate, provide a description of how schools will work with probation officers to assist in meeting the needs of children and youth returning from correctional facilities.

THIS ESSA PROVISION IS ADDRESSED BELOW:

N/A

Individualized Education Program Awareness

ESSA SECTION 1423(12)

Provide a description of the efforts participating schools will make to ensure correctional facilities working with children and youth are aware of a child's or youth's existing individualized education program.

THIS ESSA PROVISION IS ADDRESSED BELOW:

N/A

Alternative Placements

ESSA SECTIONS 1423(13)

As appropriate, provide a description of the steps participating schools will take to find alternative placements for children and youth interested in continuing their education but unable to participate in a traditional public school program.

THIS ESSA PROVISION IS ADDRESSED BELOW:

N/A

TITLE II, PART A

Professional Growth and Improvement

ESSA SECTION 2102(b)(2)(B)

Provide a description of the LEA's systems of professional growth and improvement, such as induction for teachers, principals, or other school leaders and opportunities for building the capacity of teachers and opportunities to develop meaningful teacher leadership.

THIS ESSA PROVISION IS ADDRESSED BELOW:

Feather River Academy contracted with the SCSOS Educational Services Department to provide professional development and support to FRA teachers. Ed Services provided instructional coaching to each teacher individually and as a group. PLC meetings were held to support and build the capacity for all teachers in all subjects. Student achievement data, as well as, classroom observation and common assessments are used to measure and evaluate the effectiveness of professional development. Professional development is also discussed during weekly staff meetings to encourage implementation, share goals and knowledge. Staff was sent to a variety of trainings, including the California Consortium for Independent Studies, and Google Suite trainings, as well as a course, to allow a welding class on campus. These trainings allow FRA to provide a breadth of courses and opportunities to students. A Nurtured Heart Approach support group was created to support and encourage teachers to continue using NHA in their classrooms. Teachers and staff are encouraged to seek out other opportunities for professional development and ask for funding to attend.

Prioritizing Funding

ESSA SECTION 2102(b)(2)(C)

Provide a description of how the LEA will prioritize funds to schools served by the agency that are implementing comprehensive support and improvement activities and targeted support and improvement activities under Section 1111(d) and have the highest percentage of children counted under Section 1124(c).

THIS ESSA PROVISION IS ADDRESSED BELOW:

N/A

Data and Ongoing Consultation to Support Continuous Improvement

ESSA SECTION 2102(b)(2)(D)

Provide a description of how the LEA will use data and ongoing consultation described in Section 2102(b)(3) to continually update and improve activities supported under this part.

THIS ESSA PROVISION IS ADDRESSED BELOW:

Due to Feather River Academy's transient student population, it is difficult to track improvement from year to year, and sometimes throughout the school year. Renaissance data is used to track student growth and improvement throughout the school year. CAASSP data is also reviewed every year to provide guidance and direction. Feather River Academy holds weekly staff meetings to consult with all staff regarding areas of strength and need. These staff meetings include all teachers, administrators and support staff. FRA also holds quarterly School Site Council meetings which include, the site administrator, counselor, at least one teacher, parent(s), student(s), community members and collaborative partners. During these site meetings, the use of funds and how they can be used to improve activities and student learning outcomes is discussed. FRA uses these meetings to drive the direction of the school and to provide guidance as to where to focus on improvement.

TITLE III, PART A

Title III Professional Development

ESSA SECTION 3115(c)(2)

Describe how the eligible entity will provide effective professional development to classroom teachers, principals and other school leaders, administrators, and other school or community-based organizational personnel.

THIS ESSA PROVISION IS ADDRESSED BELOW:

The Sutter County Title III Consortium is committed to providing focused professional development to support instruction and student learning and instructional skills. All district teachers and administrators will be trained in the California Common Core State Standards, the California English Language Development Standards, and the ELA/ELD Framework. There is a specific focus on the implementation of academic vocabulary across all grade levels and content areas. Quarterly ELD cadre meetings are scheduled to allow teacher leaders and ELD teachers the opportunity to collaborate and share best practices while receiving ongoing support from the ELA/ELD Professional Development Coordinator. Customized professional development is scheduled with individual districts and provided by the Professional Development Coordinators. The focus and content is driven by locally identified areas of need and student data and is coordinated by the Curriculum, Instruction, and Accountability division

Enhanced Instructional Opportunities

ESSA SECTIONS 3115(e)(1) and 3116

Describe how the eligible entity will provide enhanced instructional opportunities for immigrant children and youth.

THIS ESSA PROVISION IS ADDRESSED BELOW:

The LEA is not eligible to receive funds under this subgrant.

Title III Programs and Activities

ESSA SECTION 3116(b)(1)

Describe the effective programs and activities, including language instruction educational programs, proposed to be developed, implemented, and administered under the subgrant that will help English learners increase their English language proficiency and meet the challenging State academic standards.

THIS ESSA PROVISION IS ADDRESSED BELOW:

All of the instructional programs designed for EL students must contain the following components: A. Explicit, systematic, standards-based, differentiated English Language Development (ELD) instruction, specifically designed for English Learners. B. Well-articulated, standards-based, differentiated core curriculum instruction provided with primary language support as necessary and/or through specially designed academic instruction in English (SDAIE); C. Structured activities designed to develop multicultural competency and positive self-esteem. Many districts within the consortium are implementing Dr. Kate Kinsella's Academic Vocabulary Toolkit as a supplementary Designated ELD curriculums aligned to the core instructional programs. One day of professional development is coordinated by the consortium and will be provided by co-author Theresa Hancock in August. A second day of training will be held in October. The consortium purchased Toolkits for member districts committed to attending the trainings as well as participating in follow up coaching with a SCSOS Professional Development Coordinator.

English Proficiency and Academic Achievement

ESSA SECTION 3116(b)(2)(A-B)

Describe how the eligible entity will ensure that elementary schools and secondary schools receiving funds under Subpart 1 assist English learners in:

- (A) achieving English proficiency based on the State's English language proficiency assessment under Section 1111(b)(2)(G), consistent with the State's long-term goals, as described in Section 1111(c)(4)(A)(ii); and
- (B) meeting the challenging State academic standards.

THIS ESSA PROVISION IS ADDRESSED BELOW:

The Title III Consortium works directly with member districts to analyze data, discuss best practice and engage in ongoing coaching with all teachers to monitor student growth on embedded assessments as well as statewide assessments. English Learners' progress through the English Language Development standards and California state standards is monitored on an ongoing basis. In addition to the English Language Proficiency Assessments for California (ELPAC), each English Learner completes regular assessments in ELD at the site level to demonstrate progress in language proficiency. State-wide Assessment of Language Progress and Proficiency English Language Proficiency Assessments for California (ELPAC) data is used as an annual measurement of student

progress in language proficiency. English Learners' current sub-scores in listening, speaking, reading and writing, as well as longitudinal data on overall scores are provided on data reports to sites and individual teachers in the beginning and end of the school year, and upon receipt of official ELPAC scores in the spring. Teachers monitor progress for all assessments and respond with intervention when needed. Annual ELPAC data is monitored for yearly progress of overall scores as well as progress within sub-skills. ELD and academic progress monitoring data is also analyzed to evaluate student progress, as well as the efficacy of ELD programs and instruction. Data is used to consider interventions for students not making adequate progress, recommend candidates for reclassification, and make programmatic recommendations and other suggestions targeted to improved student achievement. The Title III Consortium regularly works with teachers and administrators to set benchmarks for students and ensure growth is occurring for students across content areas.

TITLE IV, PART A

Title IV, Part A Activities and Programs

ESSA SECTION 4106(e)(1)

Describe the activities and programming that the LEA, or consortium of such agencies, will carry out under Subpart 1, including a description of:

- (A) any partnership with an institution of higher education, business, nonprofit organization, community-based organization, or other public or private entity with a demonstrated record of success in implementing activities under this subpart;
- (B) if applicable, how funds will be used for activities related to supporting well-rounded education under Section 4107;
- (C) if applicable, how funds will be used for activities related to supporting safe and healthy students under Section 4108;
- (D) if applicable, how funds will be used for activities related to supporting the effective use of technology in schools under Section 4109; and
- (E) the program objectives and intended outcomes for activities under Subpart 1, and how the LEA, or consortium of such agencies, will periodically evaluate the effectiveness of the activities carried out under this section based on such objectives and outcomes.

THIS ESSA PROVISION IS ADDRESSED BELOW:

Partnerships with Mental Health, local community colleges, the arts council, intervention and prevention programs, county probation, ROP, and one-stop allows access to content in different areas to provide a well-rounded education. FRA offered ceramics and poetry opportunities through the local community arts council and welding with an SP2 certificate through the community college welding program and ROP. School-based mental health services, as well as, drug and alcohol counseling are provided to referred students. FRA provides students with opportunities to work in the greenhouse to learn agricultural skills. Students are encouraged and/or recommended to participate in activities with the objective of learning new skills, gaining knowledge and creating new interests and experiences. Programs are evaluated and assessed every school year by the school, participating agencies, parents and students to provide feedback for improvements or changes.

BOARD AGENDA ITEM: Business Services Report

BOARD MEETING DATE: January 15, 2020

AGENDA ITEM SUBMITTED FOR:

- Action
- Reports/Presentation
- Information
- Public Hearing
- Other (specify)

PREPARED BY:

Nic Hoogeveen

SUBMITTED BY:

Nic Hoogeveen

PRESENTING TO BOARD:

Nic Hoogeveen

BACKGROUND AND SUMMARY INFORMATION:

The monthly financial report for December will be reviewed.

Summary Report of Revenues, Expenditures and Changes in Fund Balance (Unrestricted and Restricted Combined)

DECEMBER REPORT

11/01/19-12/15/19

Description	Account Codes	Original Budget	Operating Budget	Actuals to Date	Projected Yr Totals	Difference (Col D - B)	2019-20 % Actuals as a % of Budget
		7/1/19 (A)	10/31/19 (B)	12/15/19 (C)	12/15/19 (D)	(E)	
A. Revenues							
1) Local Control Funding Formula	8010-8099	\$ 9,958,960	\$ 9,983,326	\$ 3,093,436	\$ 9,983,326	-	A 31.0%
2) Federal Revenues	8100-8299	\$ 3,800,629	\$ 3,955,151	\$ 1,059,080	\$ 3,957,542	2,391	B 26.8%
3) Other State Revenues	8300-8599	\$ 8,548,686	\$ 11,437,092	\$ 4,373,958	\$ 11,437,092	-	C 38.2%
4) Other Local Revenues	8600-8799	\$ 14,408,563	\$ 13,011,396	\$ 878,996	\$ 13,018,037	6,641	D 6.8%
TOTAL REVENUES		\$ 36,716,838	\$ 38,386,965	\$ 9,405,470	\$ 38,395,997	\$ 9,032	24.5%
B. Expenditures							
1. Certificated Salaries	1000-1999	\$ 8,381,028	\$ 8,352,517	\$ 3,576,148	\$ 8,352,517	-	E 42.8%
2. Classified Salaries	2000-2999	\$ 11,671,820	\$ 11,517,489	\$ 4,086,383	\$ 11,513,851	(3,638)	F 35.5%
3. Employee Benefits	3000-3999	\$ 7,531,320	\$ 7,869,371	\$ 2,449,941	\$ 7,869,626	255	G 31.1%
4. Books and Supplies	4000-4999	\$ 841,597	\$ 982,697	\$ 300,573	\$ 1,004,715	22,018	H 30.6%
5. Services, Other Operation	5000-5999	\$ 4,555,559	\$ 6,251,034	\$ 2,011,990	\$ 6,295,031	43,997	I 32.2%
6. Capital Outlay	6000-6999	\$ 481,710	\$ 547,464	\$ 43,367	\$ 620,994	73,530	J 7.9%
7. Other Outgo	7100-7299	\$ 287,624	\$ 822,135	\$ 424,928	\$ 822,135	-	K 51.7%
8. Direct Support/Indirect	7300-7399	\$ (77,470)	\$ (79,219)	\$ (24,510)	\$ (79,219)	-	L 30.9%
9. Debt Service	7400-7499	\$ -	\$ -	\$ -	\$ -	-	M 0.0%
TOTAL EXPENDITURES		\$ 33,673,188	\$ 36,263,488	\$ 12,868,820	\$ 36,399,650	136,162	35.5%
Excess (Deficiency) of Revenues Over Expenditures Before Other Financing Sources and Uses (A5-B9)							
		\$ 3,043,650	\$ 2,123,477	\$ (3,463,350)	\$ 1,996,347	\$ (127,130)	-173.5%
D. Other Financing Sources/Uses							
1. Transfers In	8910-8979	\$ 54,234	\$ 98,691	\$ -	\$ 98,691	-	N 0.0%
2. Transfer Out	7610-7629	\$ 767,665	\$ 775,416	\$ -	\$ 775,416	-	O 0.0%
3. Contributions	8980-8999	\$ -	\$ -	\$ -	\$ -	-	P 0.0%
Total, Other Fin Sources/Uses		\$ (713,431)	\$ (676,725)	\$ -	\$ (676,725)	\$ -	0.0%
E. Net Change to Fund Balance							
		\$ 2,330,219	\$ 1,446,752	\$ (3,463,350)	\$ 1,319,622	\$ (127,130)	
F. Fund Balance (Fund 01 only)							
1. Beginning Balance		\$ 9,586,727	\$ 9,586,727	\$ 9,586,727	\$ 9,586,727	-	
2. Adjustments/Restatements		\$ -	\$ -	\$ -	\$ -	-	
Ending Balance		\$ 11,916,946	\$ 11,033,479	\$ 6,123,377	\$ 10,906,349	\$ (127,130)	
G. Components of Ending Fund Balance							
Designated Amounts	9711-9730	\$ 10,000	\$ 10,000		\$ 10,000	\$ -	
Legally Restricted	9740-9760	\$ 3,124,346	\$ 3,124,346		\$ 3,124,346	\$ -	
Assigned	9780	\$ 7,060,557	\$ 7,060,557		\$ 5,913,249	\$ -	
Restricted Economic Uncertainty	9789	\$ 1,722,043	\$ 1,722,043		\$ 1,858,753	\$ -	
Unassigned/Unappropriated	9790	\$ -	\$ -		\$ -	\$ -	

Explanation of Differences
Net Change in Current Year Budget December Board Report
11/01/2019 - 12/15/2019

	<u>Amount</u>	<u>Explanation of Differences</u>
A		
<u>Local Control Funding Formula (8010-8099)</u>		
	<u>\$ -</u>	
B		
<u>Federal Revenues (8100-8299)</u>		
Curriculum, Instruction, and Accountability (CIA)	\$ 1,791	<i>Increase budget for Grant award and 18/19 Title III revenue</i>
Various departments	\$ 600	<i>Miscellaneous Adjustments</i>
	<u>\$ 2,391</u>	
C		
<u>Other State Revenues (8300-8599)</u>		
	<u>\$ -</u>	
D		
<u>Other Local Revenues (8600-8799)</u>		
County Office	\$ 5,670	<i>Increase budget for 18/19 Charter oversight fees from AeroSTEM</i>
Various departments	\$ 971	<i>Miscellaneous Adjustments</i>
	<u>\$ 6,641</u>	
E		
<u>Certificated Salaries (1000-1999)</u>		
	<u>\$ -</u>	
F		
<u>Classified Salaries (2000-2999)</u>		
Regional Occupation Program (ROP)	\$ (3,638)	<i>Re-allocate budget to Capital Outlay for manufacturing trailer accessories</i>
	<u>\$ (3,638)</u>	
G		
<u>Employee Benefits (3000-3999)</u>		
Various departments	\$ 255	<i>Miscellaneous Adjustments</i>
	<u>\$ 255</u>	
H		
<u>Books and Supplies (4000-4999)</u>		
County Office	\$ 2,867	<i>Increase budget to match actuals</i>
Special Education	\$ 10,805	<i>Increase budget for technology purchase</i>
One Stop	\$ 4,459	<i>Increase budget to match actuals</i>
Curriculum, Instruction, and Accountability (CIA)	\$ 1,039	<i>Increase budget for 18/19 Title III revenue</i>
Regional Occupation Program (ROP)	\$ (2,232)	<i>Reallocate funds to Services and Other Operations</i>
Feather River Academy (FRA)	\$ 4,000	<i>Increase budget for student-related expenditures</i>
Medi-Cal Administrative Activities (MAA)	\$ 1,400	<i>Establish budget for Local Educational Consortium Meetings</i>
Various departments	\$ (320)	<i>Miscellaneous Adjustments</i>
	<u>\$ 22,018</u>	
I		
<u>Services, Other Operations (5000-5999)</u>		
County Office	\$ 17,336	<i>Increase budget to match actuals</i>
Special Education	\$ 21,088	<i>Increase budget for contract employment and new vehicle leases</i>
Student Support and Outreach (SSO)	\$ 4,649	<i>Establishing budget for database</i>
Regional Occupation Program (ROP)	\$ 2,232	<i>Reallocate funds from Books and Supplies</i>
Feather River Academy (FRA)	\$ (4,000)	<i>Reallocate funds to Books and Supplies</i>
Medi-Cal Administrative Activities (MAA)	\$ 2,500	<i>Establish budget for Local Educational Consortium Meetings</i>
Various departments	\$ 192	<i>Miscellaneous Adjustments</i>
	<u>\$ 43,997</u>	

Explanation of Differences
Net Change in Current Year Budget December Board Report
11/01/2019 - 12/15/2019

		<u>Amount</u>	<u>Explanation of Differences</u>
J	<u>Capital Outlay (6000-6999)</u>		
	County Office	\$ 69,892	<i>Increase budget for Shady Creek Bus Pad and SELPA office remodel</i>
	Regional Occupation Program (ROP)	\$ 3,638	<i>Increase budget for manufacturing trailer accessories</i>
		<u>\$ 73,530</u>	
K	<u>Other Outgo (7100 - 7299)</u>		
		<u>\$ -</u>	
L	<u>Direct Support / Indirect (7300-7399)</u>		
		<u>\$ -</u>	
M	<u>Debt Services (7400 - 7499)</u>		
	Various departments	<u>\$ -</u>	
N	<u>Transfers In (8910-8979)</u>		
		<u>\$ -</u>	
O	<u>Transfers Out (7610-7629)</u>		
		<u>\$ -</u>	
P	<u>Contributions (8980-8999)</u>		
		<u>\$ -</u>	
	Net Change in Current Year Budget	\$ (127,130)	

BOARD AGENDA ITEM: Real Property

BOARD MEETING DATE: January 15, 2020

AGENDA ITEM SUBMITTED FOR:

- Action
- Reports/Presentation
- Information
- Public Hearing
- Other (specify)

PREPARED BY:

Ron Sherrod

SUBMITTED BY:

Ron Sherrod

PRESENTING TO BOARD:

Ron Sherrod

BACKGROUND AND SUMMARY INFORMATION:

To update the Board on the status of the disposition of surplus real property located at:

Building 300
950 Tharp Rd #300
Yuba City, CA 95993

Sierra Building
1699 Sierra Ave
Yuba City, CA 95993

Parking lot
996 Klamath Lane
Yuba City, CA 95993

BOARD AGENDA ITEM: Investment Statement

BOARD MEETING DATE: January 15, 2020

AGENDA ITEM SUBMITTED FOR:

- Action
- Reports/Presentation
- Information
- Public Hearing
- Other (specify)

PREPARED BY:

Ron Sherrod

SUBMITTED BY:

Ron Sherrod

PRESENTING TO BOARD:

Ron Sherrod

BACKGROUND AND SUMMARY INFORMATION:

The Investment Statement as of November 30, 2019 from the County Treasurer will be presented.

Steven L. Harrah, CPA

Treasurer-Tax Collector



Christina N. Hernandez

Assistant Treasurer-Tax Collector

December 9, 2019

To: Sutter County Board of Supervisors
Sutter County Pooled Money Investment Board

Re: Sutter County Investment Portfolio Report for November 30, 2019

Following is the Sutter County Investment Portfolio report as of November 30, 2019. The schedule includes all short-term, mid-term and long-term investments held at the conclusion of business on the final day of the month. The Sutter County Treasurer and Tax Collector is given authority over the pooled investment portfolio through Board delegation pursuant to Government Code §27000.1. Investment activities of the pooled treasury are governed by Government Code §53601 as incorporated in the Sutter County Investment Policy. Investment of the county's, school districts' and special district's surplus funds start with the objective of safety of the principle to minimize possibility losses. Following safety is the liquidity objective to provide coverage of day to day operations and to meet contingency as they arise. The final objective is earning a reasonable return or yield on the funds invested. The Sutter County Investment Policy may be found on the Treasurer's webpage at: https://www.suttercounty.org/assets/pdf/ttc/Investment_Policy_2019.pdf

As Treasurer and Tax Collector, I certify that this document reflects the government agencies' pooled investments and that all investments are in compliance with the County of Sutter Investment Policy.

The combined cash and investments in the county treasury total \$216,233,991 and will provide sufficient cash flow liquidity to meet estimated pooled treasury expenditures for the next six months.

Invested treasury funds total \$192,652,125 with \$55,258,365 under the management of the Local Agency Investment Fund and California Asset Management Program. The Bank of New York, which provides third-party safekeeping services to Sutter County, provides market value data. The dollar-weighted average maturity of invested funds is 581 days.

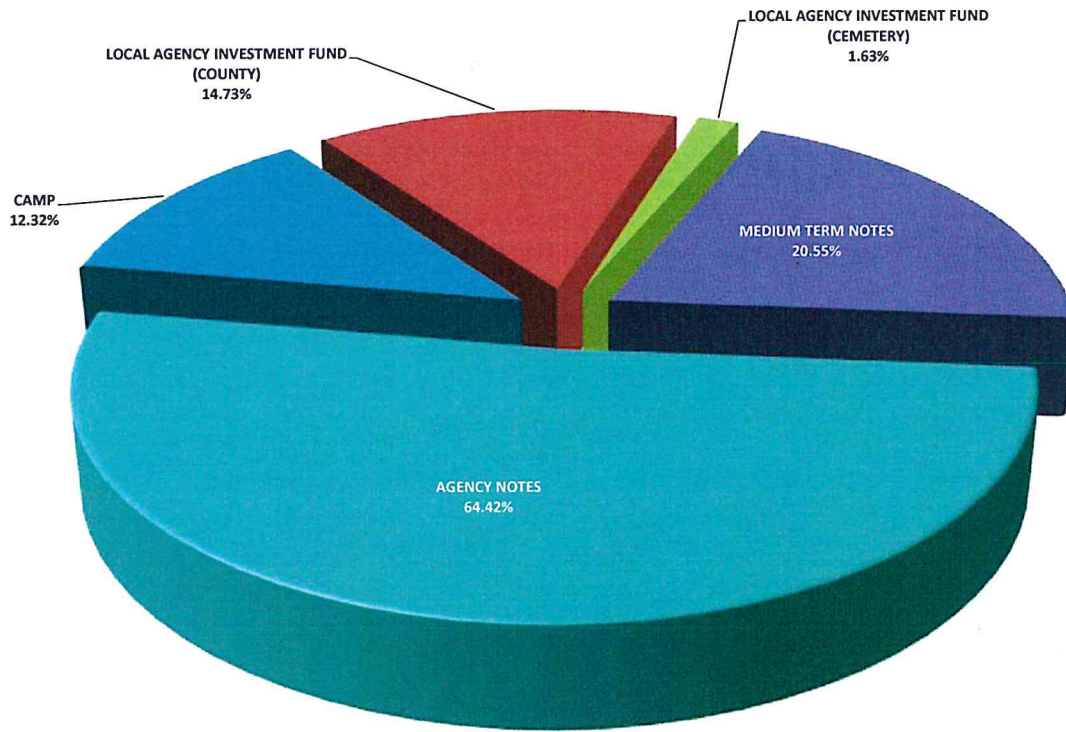
Investments are selected based on criteria contained in the Sutter County Investment Policy, which emphasizes safety, liquidity, yield and diversification. Therefore, the interest rates will fluctuate, and the types of investments will vary depending upon county needs and market availability on a particular day.

Respectfully submitted,

A blue ink signature of Steven L. Harrah, written in a cursive style.

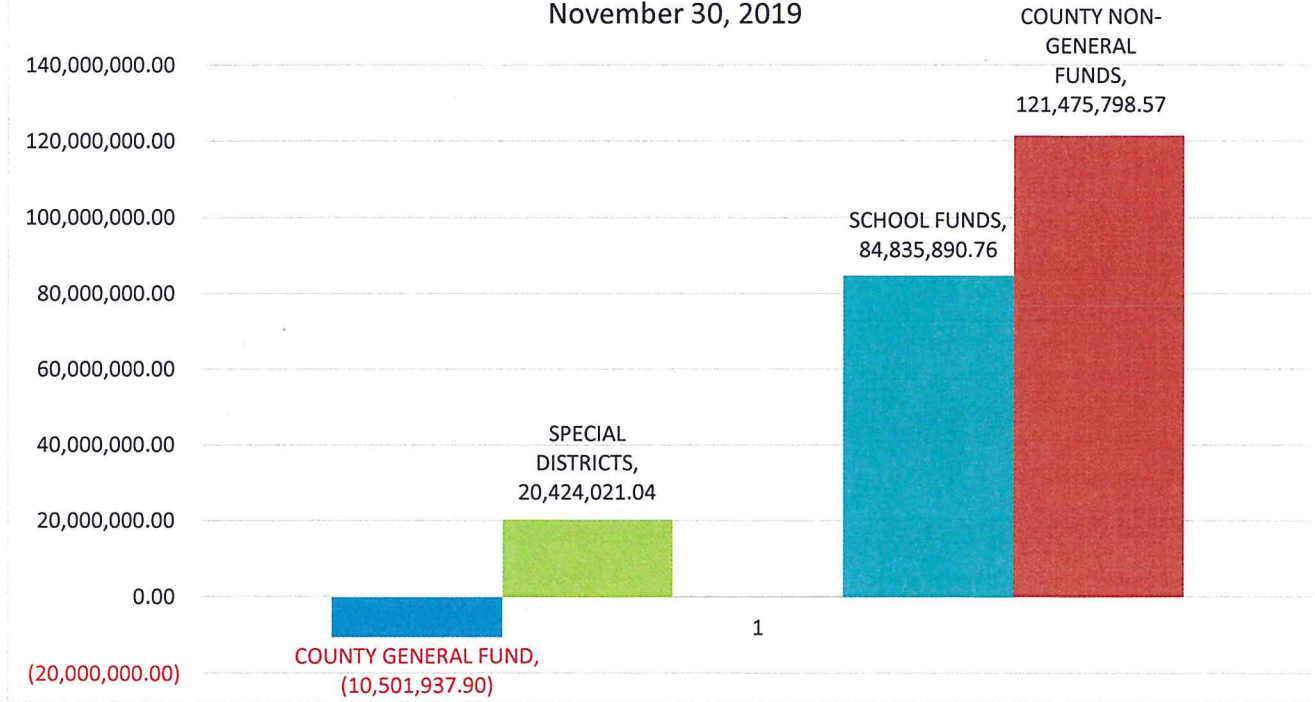
Steven L. Harrah, CPA
Treasurer and Tax Collector

**Sutter County Pooled Investment Portfolio
November 30, 2019**



	<u>BOOK VALUE</u>	<u>PERCENTAGE OF MANAGED PORTFOLIO</u>	<u>INVESTED % OF POOLED PORTFOLIO</u>	<u>AVERAGE DAYS TO MATURITY</u>	<u>AVERAGE YIELD</u>
CAMP	\$23,732,098.80	12.32%	12.52%	1	2.05%
LOCAL AGENCY INVESTMENT FUND (COUNTY)	28,383,956.72	14.73%	14.98%	1	2.10%
LOCAL AGENCY INVESTMENT FUND (CEMETERY)	3,142,309.45	1.63%	-	1	2.10%
MEDIUM TERM NOTES	38,316,776.81	19.89%	20.22%	883	2.51%
AGENCY NOTES	<u>99,076,983.25</u>	<u>51.43%</u>	<u>52.28%</u>	<u>752</u>	<u>1.87%</u>
TOTAL MANAGED INVESTMENTS	\$192,652,125.03	100.00%		<u>747</u>	<u>2.05%</u>
LESS: LAIF FUNDS NOT POOLED	<u>3,142,309.45</u>	<u>1.63%</u>			
TOTAL POOLED INVESTMENTS	<u>\$189,509,815.58</u>	<u>98.37%</u>	<u>100.00%</u>	<u>746</u>	<u>2.05%</u>

Sutter County
Cash Positions by Participants
November 30, 2019



The Pooled Treasury is comprised of 351 separate funds representing the County's General Fund, County Non-General funds, special districts, school districts and funds collected and held for the various PACE programs that are authorized by the City of Yuba City.

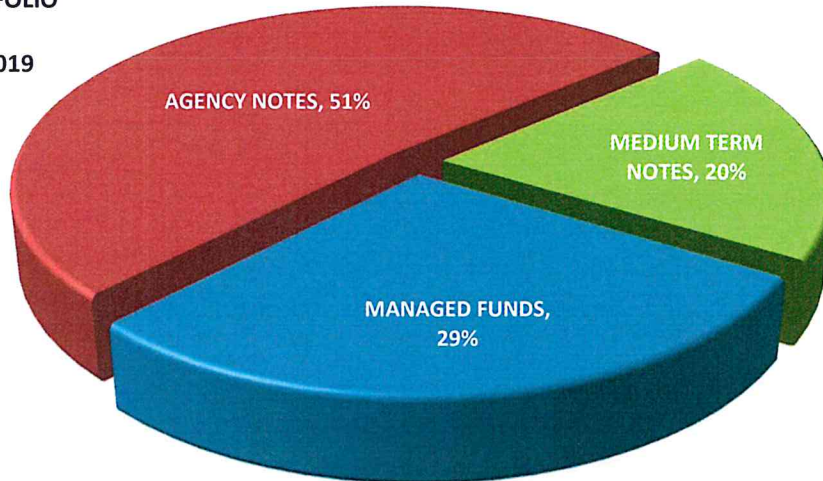
At the close of business November 30, 2019 pool participants' cash and investment balances consisted of the following:

COUNTY GENERAL FUND	-5%
COUNTY NON-GENERAL FUNDS	56%
SPECIAL DISTRICTS	9%
SCHOOL FUNDS	40%

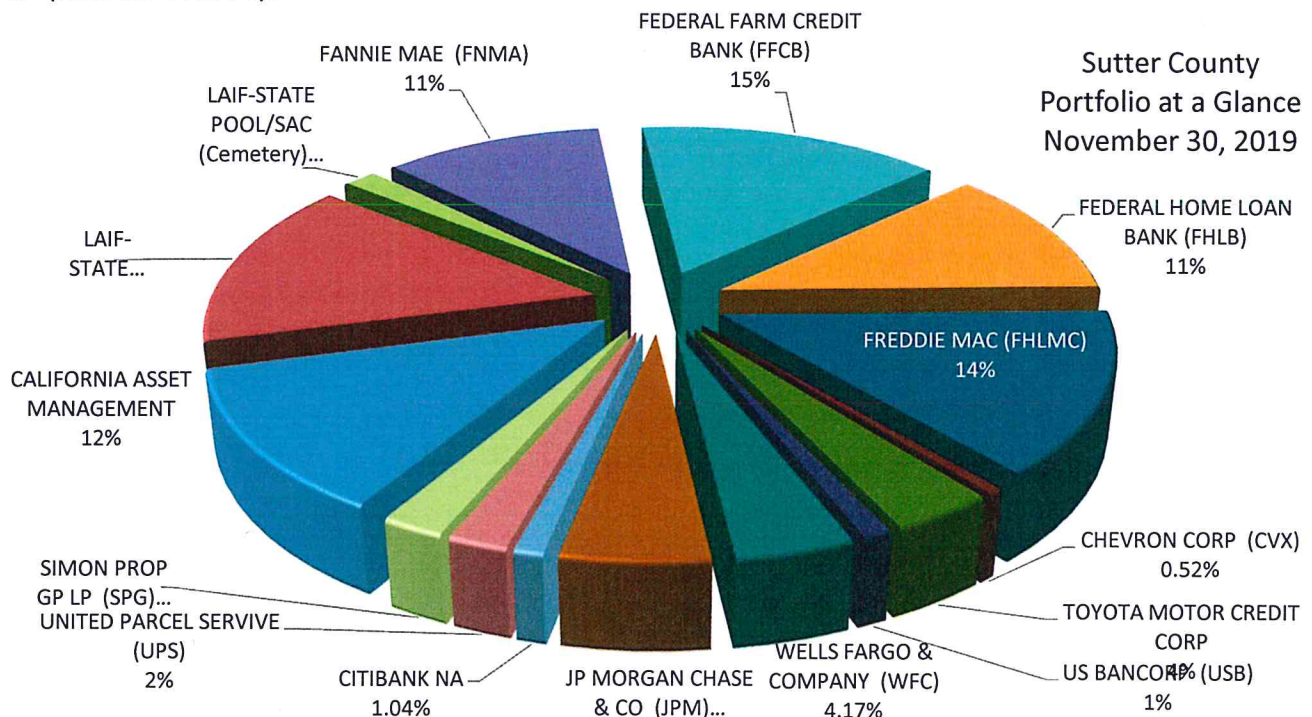
The pooled portfolio is comprised of three major classes of assets. At November 30, 2019 agency notes made up 55%, medium term notes represented 15% and funds under management within the Local Area Investment Fund (LAIF) and the California Asset Management Program (CAMP) completing the portfolio at 30%.

All assets are in compliance with the Sutter County Investment Policy and adhere to the requirements of California Government Code §53601-§53645 and §16429.1-§16429.3, which relate to the investing in the Local Area Investment Fund (LAIF)

**SUTTER COUNTY
INVESTMENT PORTFOLIO
CATEGORIES
NOVEMBER 30, 2019**

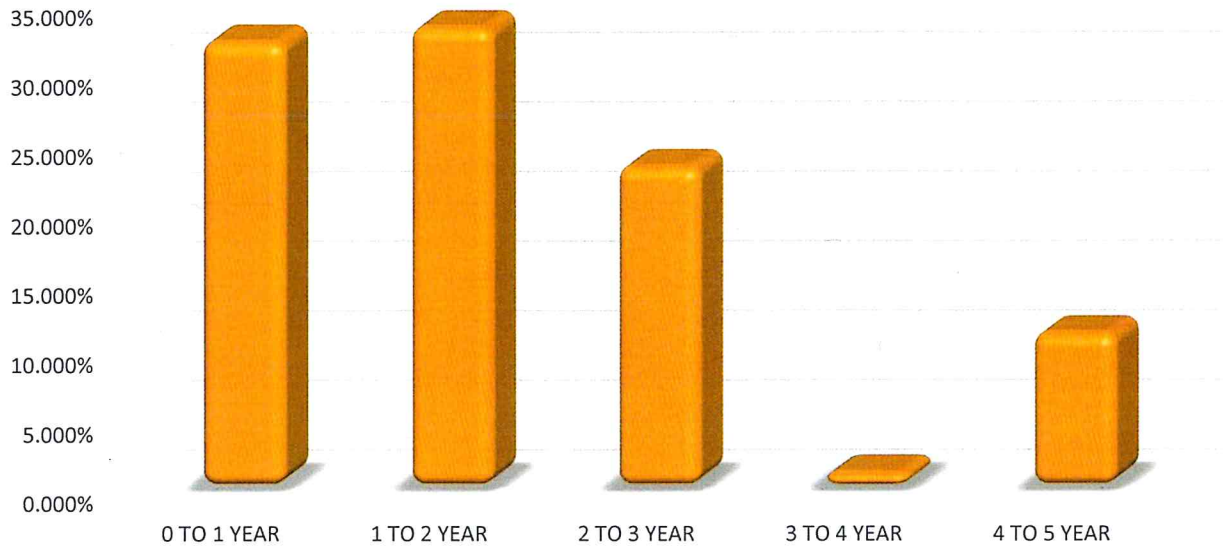


Within the three major classes of assets the portfolio is further diversified, again, operating within the constraints of California Government Code and the Sutter County Investment Policy. The chart below provides a quick glance of the portfolios' make up.



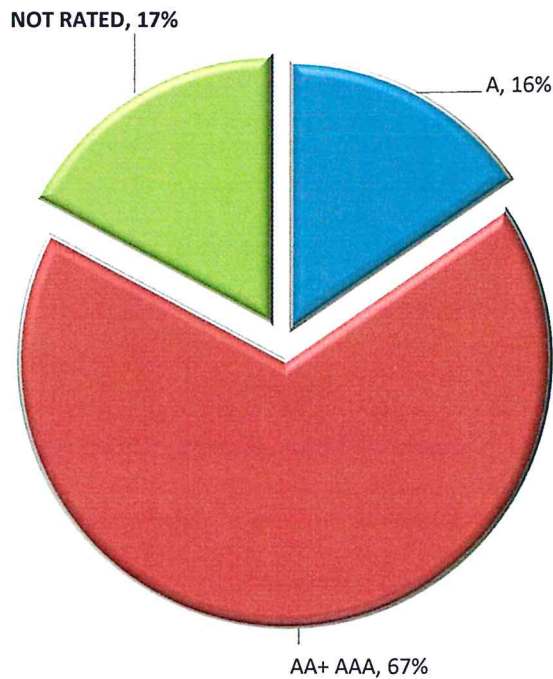
All investments conform to California Government Code §56301 with maturities of no more than five years.

Sutter County Pooled Portfolio Aging November 30, 2019



Investments in the pool must have and maintain a category rating of A or better, as prescribed in the Sutter County Investment Policy, with the exception of LAIF, which is authorized in GC §16429.1-§16429.3.

Sutter County Pooled Portfolio Asset Ratings November 30, 2019



**SUTTER COUNTY
INVESTMENT PORTFOLIO
November 30, 2019**



TREASURY NUMBER	INSTITUTION/BRANCH	CUSIP	MOODY'S	S&P	BOOK VALUE	MARKET VALUE	PAR VALUE	INVESTED	DATE	MATURES	YIELD	RATE
MANAGED FUNDS												
2019-00A	CALIFORNIA ASSET MANAGEMENT	0	Unrated	AAAm	23,732,098.80	23,732,098.80	23,732,098.80	N/A	N/A	N/A	2.05000%	2.05000%
2019-00B	LAIF-STATE POOL/SAC	0	Unrated	Unrated	28,383,956.72	28,383,956.72	28,383,956.72	N/A	N/A	N/A	2.10300%	2.10300%
2019-00C	LAIF-STATE POOL/SAC (Cemetery)	0	Unrated	Unrated	3,142,309.45	3,142,309.45	3,142,309.45	N/A	N/A	N/A	2.10300%	2.10300%
	TOTAL MANAGED FUNDS				55,258,364.97	55,258,364.97	55,258,364.97					
AGENCIES NOTES												
2016-017/024	FANNIE MAE (FNMA)	3136G3CT0	Aaa	AA+	5,995,708.65	6,000,600.00	6,000,000.00	3/15/2016	3/15/2021		2.00443%	1.75000%
2016-046	FEDERAL HOME LOAN BANK (FHLB)	3130A7QK4	Aaa	AA+	4,000,000.00	3,997,720.00	4,000,000.00	4/26/2016	4/26/2021		1.72323%	1.70000%
2016-049	FEDERAL FARM CREDIT BANK (FFCB)	3133EF2P1	Aaa	AA+	4,000,000.00	3,996,080.00	4,000,000.00	4/12/2016	4/12/2021		1.70087%	1.68000%
2016-052	FEDERAL HOME LOAN BANK (FHLB)	3130A7S48	Aaa	AA+	4,000,000.00	3,989,640.00	4,000,000.00	4/20/2016	4/20/2021		1.64771%	1.62500%
2016-054	FEDERAL FARM CREDIT BANK (FFCB)	3133EF2L0	Aaa	AA+	2,000,000.00	1,997,220.00	2,000,000.00	4/14/2016	4/13/2020		1.41468%	1.40000%
2016-064	FEDERAL FARM CREDIT BANK (FFCB)	3133EF5T0	Aaa	AA+	2,000,000.00	1,998,040.00	2,000,000.00	5/3/2016	5/3/2021		1.72101%	1.70000%
2016-072	FEDERAL FARM CREDIT BANK (FFCB)	3133EF6X0	Aaa	AA+	2,000,000.00	1,995,200.00	2,000,000.00	5/12/2016	5/12/2021		1.66253%	1.64000%
2016-090	FEDERAL FARM CREDIT BANK (FFCB)	3133EGHP3	Aaa	AA+	2,000,000.00	1,997,300.00	2,000,000.00	6/29/2016	6/29/2020		1.43529%	1.42000%
2016-092	FANNIE MAE (FNMA)	3136G3VY8	Aaa	AA+	5,002,799.56	4,994,200.00	5,000,000.00	6/30/2016	6/30/2021		1.64772%	1.62500%
2016-097	FEDERAL HOME LOAN BANK (FHLB)	3130A8MP5	Aaa	AA+	2,000,000.00	1,991,760.00	2,000,000.00	7/13/2016	10/13/2020		1.39476%	1.37500%
2016-101	FREDDIE MAC (FHLMC)	3134G9K22	Aaa	AA+	4,000,000.00	3,997,240.00	4,000,000.00	7/27/2016	7/27/2021		1.51411%	1.50000%
2016-102	FEDERAL FARM CREDIT BANK (FFCB)	3133EGLU7	Aaa	AA+	2,000,000.00	1,991,900.00	2,000,000.00	7/14/2016	7/14/2021		1.50740%	1.48000%
2016-104	FANNIE MAE (FNMA)	3136G3ZK4	Aaa	AA+	4,000,000.00	4,000,280.00	4,000,000.00	7/20/2016	7/20/2021		2.02212%	2.00000%
2016-115	FEDERAL FARM CREDIT BANK (FFCB)	3133EGQP3	Aaa	AA+	2,000,000.00	1,987,120.00	2,000,000.00	8/16/2016	8/16/2021		1.46913%	1.44000%
2016-116	FREDDIE MAC (FHLMC)	3134G95X1	Aaa	AA+	2,000,000.00	1,993,240.00	2,000,000.00	8/30/2016	8/27/2021		1.37155%	1.62500%
2016-122	FREDDIE MAC (FHLMC)	3134GAGC2	Aaa	AA+	4,000,000.00	4,000,000.00	4,000,000.00	9/13/2016	9/13/2021		2.00000%	2.00000%
2016-126	FANNIE MAE (FNMA)	3136G36C4	Aaa	AA+	2,000,000.00	1,990,500.00	2,000,000.00	9/29/2016	9/29/2021		1.62746%	1.60000%
2016-133	FREDDIE MAC (FHLMC)	3134GAEF7	Aaa	AA+	2,000,000.00	1,994,340.00	2,000,000.00	9/29/2016	9/29/2021		1.67799%	1.65000%
2016-134	FANNIE MAE (FNMA)	3136G4AH6	Aaa	AA+	2,000,000.00	1,995,540.00	2,000,000.00	9/30/2016	9/30/2021		1.65194%	1.62500%
2016-140	FREDDIE MAC (FHLMC)	3134GASY1	Aaa	AA+	1,000,000.00	996,800.00	1,000,000.00	10/28/2016	10/28/2021		1.67869%	1.65000%
2016-152	FEDERAL HOME LOAN BANK (FHLB)	3130A9W80	Aaa	AA+	2,965,000.00	2,959,277.55	2,965,000.00	11/23/2016	11/23/2021		1.31714%	1.30000%
2016-153	FEDERAL HOME LOAN BANK (FHLB)	3130A9VY4	Aaa	AA+	2,000,000.00	1,993,860.00	2,000,000.00	11/23/2016	11/23/2021		1.67939%	1.65000%
2016-161	FEDERAL HOME LOAN BANK (FHLB)	3130A9ZU8	Aaa	AA+	1,999,783.75	1,990,060.00	2,000,000.00	11/30/2016	11/26/2021		1.68598%	1.65000%
2016-163	FREDDIE MAC (FHLMC)	3134GAYG3	Aaa	AA+	2,000,000.00	1,999,920.00	2,000,000.00	12/9/2016	12/9/2021		1.76552%	1.75000%
2016-169/172	FEDERAL FARM CREDIT BANK (FFCB)	3133EGL60	Aaa	AA+	3,994,368.56	4,006,760.00	4,000,000.00	11/29/2016	11/29/2021		1.78577%	1.76000%
2016-174	FEDERAL FARM CREDIT BANK (FFCB)	3133EGQ65	Aaa	AA+	1,000,000.00	1,000,000.00	1,000,000.00	12/1/2016	6/1/2021		2.01339%	2.00000%
2016-178	FEDERAL HOME LOAN BANK (FHLB)	3130AACM8	Aaa	AA+	2,000,000.00	2,000,020.00	2,000,000.00	12/6/2016	12/6/2021		2.06576%	2.05000%
2017-022	FANNIE MAE (FNMA)	3136G4MQ3	Aaa	AA+	2,000,000.00	2,017,080.00	2,000,000.00	3/29/2017	3/29/2022		2.18757%	2.17000%
2017-091	FEDERAL HOME LOAN BANK (FHLB)	3130ABVQ6	Aaa	AA+	2,999,136.64	3,000,510.00	3,000,000.00	8/16/2017	8/16/2022		1.76175%	1.75000%
2017-105	FEDERAL FARM CREDIT BANK (FFCB)	3133EHYQ0	Aaa	AA+	4,000,000.00	4,000,040.00	4,000,000.00	9/14/2017	3/14/2022		1.97171%	1.95000%
2017-119	FREDDIE MAC (FHLMC)	3134GBJ94	Aaa	AA+	2,116,186.09	2,120,636.00	2,120,000.00	9/29/2017	9/29/2022		2.00000%	2.00000%

**SUTTER COUNTY
INVESTMENT PORTFOLIO
November 30, 2019**



TREASURY NUMBER	INSTITUTION/BRANCH	CUSIP	MOODY'S	S&P	BOOK VALUE	MARKET VALUE	PAR VALUE	DATE		RATE
								INVESTED	MATURES	
2017-151	FREDDIE MAC (FHLMC)	3134GB7G1	Aaa	AA+	1,000,000.00	1,000,120.00	1,000,000.00	12/21/2017	12/21/2022	2.25770%
2018-157	FEDERAL FARM CREDIT BANK (FFCB)	3133EJ2H1	Aaa	AA+	2,000,000.00	2,000,520.00	2,000,000.00	12/10/2018	12/10/2021	3.09965%
2018-158	FEDERAL FARM CREDIT BANK (FFCB)	3133EJ2J7	Aaa	AA+	2,000,000.00	2,000,700.00	2,000,000.00	12/11/2018	12/11/2023	3.39088%
2018-164	FREDDIE MAC (FHLMC)	3134GSJ48	Aaa	AA+	1,000,000.00	1,000,820.00	1,000,000.00	12/27/2018	6/27/2022	3.08980%
2019-128	FREDDIE MAC (FHLMC)	3134GUPS3	Aaa	AA+	4,000,000.00	3,984,000.00	4,000,000.00	11/5/2019	2/20/2024	2.00000%
2019-129	FREDDIE MAC (FHLMC)	3134GUJ0T	Aaa	AA+	2,000,000.00	1,999,260.00	2,000,000.00	11/18/2019	11/18/2024	2.00000%
2019-130	FREDDIE MAC (FHLMC)	3134GUJ0L7	Aaa	AA+	2,000,000.00	2,000,420.00	2,000,000.00	11/14/2019	5/14/2024	2.05000%
TOTAL AGENCY NOTES					99,076,983.25	98,988,723.55	99,085,000.00			
MEDIUM TERM NOTES										
2016-078	WELLS FARGO & COMPANY (WFC)	94986RN31	A2	A	2,000,000.00	2,005,900.00	2,000,000.00	6/7/2016	6/7/2021	1.99934%
2016-187	US BANCORP (USB)	91159HHL7	A1	A+	2,001,261.99	2,010,160.00	2,000,000.00	12/16/2016	1/29/2021	2.35523%
2017-002	CHEVRON CORP (CVX)	166764BG4	Aa2	AA-	997,235.73	1,003,310.00	1,000,000.00	1/9/2017	5/16/2021	2.11862%
2017-071	WELLS FARGO & COMPANY (WFC)	95000N2L2	A2	A	2,000,000.00	2,001,180.00	2,000,000.00	6/27/2017	6/27/2022	3.01125%
2017-086	TOYOTA MOTOR CREDIT CORP	89236TEA9	Aa3	AA-	2,000,000.00	1,985,280.00	2,000,000.00	8/3/2017	6/26/2022	2.14579%
2017-149	TOYOTA MOTOR CREDIT CORP	89236TEH4	Aa3	AA-	2,000,000.00	1,988,780.00	2,000,000.00	12/7/2017	6/7/2021	2.29582%
2018-068	TOYOTA MOTOR CREDIT CORP	89236TEX9	Aa3	AA-	1,000,000.00	997,010.00	1,000,000.00	5/22/2018	4/26/2021	2.80030%
2018-151	JP MORGAN CHASE & CO (JPM)	46647PAT3	A2	A-	3,996,954.72	4,017,320.00	4,000,000.00	11/23/2018	6/18/2022	3.22048%
2019-012	TOYOTA MOTOR CREDIT CORP	89236TFL4	Aa3	AA-	1,998,843.75	1,999,980.00	2,000,000.00	1/30/2019	8/28/2020	2.75295%
2019-022	CITIBANK NA	17325FAR9	A1	A+	2,007,148.71	2,010,520.00	2,000,000.00	2/15/2019	7/23/2021	2.82938%
2019-025	WELLS FARGO & COMPANY (WFC)	949746SP7	A2	A-	4,026,971.91	4,028,400.00	4,000,000.00	3/4/2019	2/11/2022	3.59754%
2019-122	UNITED PARCEL SERVICE (UPS)	911312BT2	A2	A	4,023,560.00	4,027,680.00	4,000,000.00	11/1/2019	9/1/2024	2.06891%
2019-123	SIMON PROP GP LP (SPG)	828807CR6	A2	A	4,264,800.00	4,252,400.00	4,000,000.00	11/1/2019	2/1/2024	2.01889%
2019-132	JP MORGAN CHASE & CO (JPM)	46832FQP3	Aa2	A+	2,000,000.00	2,000,000.00	2,000,000.00	11/18/2019	11/18/2022	2.10000%
2019-136	JP MORGAN CHASE & CO (JPM)	48128GM49	A2	A-	4,000,000.00	3,984,161.48	4,000,000.00	11/19/2019	11/27/2024	2.30000%
TOTAL MEDIUM TERM NOTES					38,316,776.81	38,310,081.48	38,000,000.00			
TOTAL POOLED PORTFOLIO					192,652,125.03	192,557,170.00	192,343,364.97			
								AVERAGE		2.05116%
										2.06816%

Sutter County Pool Treasury Portfolio
 Transactions
 For the Month ended November 30, 2019

Treasury Number	Settlement Date	Broker	Asset	Rate	Purchase at Cost	Sale / Call	Maturities	Coupon Received
MANAGED FUNDS								
2019-125	11/1/2019	CAMP	CAMP (2019-00a)	2.0500%	2,000,000.00			
2019-126	11/1/2019	CAMP	CAMP (2019-00a)	2.0500%	20,727.08			20,727.08
2019-127	11/5/2019	CAMP	CAMP (2019-00a)	2.0500%	5,000,000.00			
2019-131	11/6/2019	LAIF	LAIF (2019-00B)	2.4500%	1,000,000.00			
2019-133	11/12/2019	CAMP	CAMP (2019-00a)	2.0500%		6,000,000.00		
2019-134	11/18/2019	LAIF	LAIF (2019-00B)	2.4500%		2,000,000.00		
2019-135	11/19/2019	CAMP	CAMP (2019-00a)	2.0500%		2,000,000.00		
2019-137	11/20/2019	CAMP	CAMP (2019-00a)	2.0500%		1,500,000.00		
2019-138	11/22/2019	LAIF	LAIF (2019-00B)	2.4500%	2,000,000.00			
					<u>10,020,727.08</u>	<u>11,500,000.00</u>		<u>20,727.08</u>

PURCHASES/SALES/CALLS/MATURITIES

2019-122	11/1/2019	CANTOR	UNITED PARCEL SERVICE (UPS)	2.2000%	4,023,560.00			
2019-123	11/1/2019	CANTOR	SIMON PROP GP LP (SPG)	3.7500%	4,264,800.00			
2016-149	11/4/2019	CALL	FREDDIE MAC (FHLMC)	1.5000%		4,000,000.00		30,000.00
2016-151	11/4/2019	CALL	FEDERAL HOME LOAN BANK (FHLB)	1.5000%		4,000,000.00		30,000.00
2019-128	11/20/2019	VINING	FREDDIE MAC (FHLMC)	2.0000%	4,000,000.00			
2019-129	11/18/2019	JAFFRAY	FREDDIE MAC (FHLMC)	2.0000%	2,000,000.00			
2019-130	11/14/2019	WEDBUSH	FREDDIE MAC (FHLMC)	2.0500%	2,000,000.00			
2019-132	11/18/2019	FHN	JP MORGAN CHASE BANK NA (JPM)	2.1000%	2,000,000.00			
2016-100 / 17/009	11/13/2019	CANTOR	WELLS FARGO & CO. (WFC)	2.1000%		3,982,742.32		44,144.35
2019-136	11/27/2019	CANTOR	JP MORGAN CHASE & CO	2.3000%	4,000,000.00			
2017-135	11/28/2019	CALL	FEDERAL HOME LOAN BANK (FHLB)	2.0000%		3,000,000.00		
2017-136	11/28/2019	CALL	FREDDIE MAC (FHLMC)	2.0000%		3,000,000.00		
					<u>22,288,360.00</u>	<u>17,982,742.32</u>	<u>0.00</u>	<u>104,144.35</u>

COUPONS

2016-064	11/4/2019		FEDERAL FARM CREDIT BANK (FFCB)	1.7000%				17,000.00
2016-072	11/12/2019		FEDERAL FARM CREDIT BANK (FFCB)	1.6400%				16,400.00
2019-025	11/12/2019		WELLS FARGO & CO. (WFC)	3.1801%				31,801.33
2017-002	11/18/2019		CHEVRON CORP (CVX)	2.1000%				10,500.00
2017-135	11/28/2019		FEDERAL HOME LOAN BANK (FHLB)	2.0000%				30,000.00
2017-136	11/28/2019		FREDDIE MAC (FHLMC)	2.0000%				30,000.00
2019-012	11/28/2019		TOYOTA MOTOR CREDIT	2.1086%				11,721.90
2016-169 / 172	11/28/2019		FEDERAL FARM CREDIT BANK (FFCB)	1.7600%				35,200.00
			Total coupons from bonds					<u>182,623.23</u>
			Total coupons received this period					<u>307,494.66</u>

Total portfolio activity 32,309,087.08 29,482,742.32 0.00

Reconciliation		
Total Change due to activity		2,826,344.76
Portfolio balance	October 31, 2019	<u>189,825,780.27</u>
Total Pool Portfolio	November 30, 2019	<u>192,652,125.03</u>

BOARD AGENDA ITEM: Public Hearing – General Waiver Request – Educational Interpreters

BOARD MEETING DATE: January 15, 2020

AGENDA ITEM SUBMITTED FOR:

Action

Reports/Presentation

Information

Public Hearing

Other (specify)

PREPARED BY:

Kathy Tamez

SUBMITTED BY:

Kathy Tamez

PRESENTING TO BOARD:

Kathy Tamez

BACKGROUND AND SUMMARY INFORMATION:

The California Code of Regulations requires the governing Board to hold a public hearing when considering approval of a General Waiver Request under Title 5: Education, Sections 3051.16 and 3065 in regards to the required skill level certification of Educational Interpreters providing services to deaf and hard of hearing pupils.

SUTTER COUNTY BOARD OF EDUCATION

NOTICE OF PUBLIC HEARING

The Sutter County Board of Education hereby gives notice that a Public Hearing will be held as follows:

TOPIC OF HEARING:

The California Code of Regulations requires the governing board to hold a public hearing when considering approval of a General Waiver Request under Title 5: Education, Sections 3051.16 and 3065 in regards to the required skill level certification of Educational Interpreters providing services to deaf and hard of hearing pupils.

The approval of the waiver will allow one Educational Interpreter to continue to provide services to students through June 30, 2018, under a remediation plan to complete the minimum requirements. This interpreter recently scored 3.8 out of 4.0 on the EIPA interpreter assessment.

HEARING DATE: January 15, 2020

TIME: 5:30 p.m.

LOCATION: Sutter County Superintendent of Schools
970 Klamath Lane, Yuba City, CA

For additional information, contact:
Tom Reusser, Sutter County Superintendent of Schools
970 Klamath Lane, Yuba City, California.
(530) 822-2900

Posted: January 6, 2020

BOARD AGENDA ITEM: Approval of General Waiver Request for Educational Interpreter

BOARD MEETING DATE: January 15, 2020

AGENDA ITEM SUBMITTED FOR:

- Action
- Reports/Presentation
- Information
- Public Hearing
- Other (specify)

PREPARED BY:

Kathy Tamez

SUBMITTED BY:

Kathy Tamez

PRESENTING TO BOARD:

Kathy Tamez

BACKGROUND AND SUMMARY INFORMATION:

Title 5, California Code of Regulations, Section 3051.16(b) states:

An educational interpreter shall be certified by the national Registry of Interpreters for the Deaf (RID), or equivalent; in lieu of RID certification or equivalent, an educational interpreter must have achieved a score of 4.0 or above on the Educational Interpreter Performance Assessment (EIPA), the Educational Sign Skills Evaluation-Interpreter and Receptive (ESSE-I/R), or the National Association of the Deaf/American Consortium of Certified Interpreters (NAD/ACCI) assessment. If providing Cued Language transliteration, a transliterator shall possess Testing/Evaluation and Certification Unit (TECUnit) certification, or have achieved a score of 4.0 or above on the EIPA - Cued Speech.

Our extensive recruiting efforts have yielded limited candidates to work with our Deaf and Hard of Hearing (DHH) population. Therefore, we have recruited within and encouraged a current Para-Educator with Signing Skills to work toward becoming a certified interpreter. This employee scored 3.5 on the EIPA (Interpreter Assessment) in December 2018. Mr. O'Campo was provided a mentor (a certified interpreter) for the 2019-2020 school year who worked with him on specific focus areas, preparing him to take the interpreter assessment again in the very near future.

In order to employ Mr. O'Campo in the Interpreter capacity, we must apply for a waiver through the State Department of Education to allow Mr. O'Campo time to pass the Interpreter Assessment at the required 4.0 Level.

This waiver will allow for an intensive structured opportunity to support this Educational Interpreter to achieve skills needed to become certified at the required 4.0 level, while allowing students continued access to instruction with an interpreter who is continuing to refine his skills under a remediation plan to complete the minimum requirements.

Sutter County Superintendent of Schools

General Waiver, Educational Interpreter - "Attachment"

Employee: David O'Campo

Employment History with Sutter County Superintendent of Schools:

Hire Date: 8/3/2015 – Para-Educator with Signing Skills

Promotion: 8/10/2017 – Educational Interpreter (elementary level)

Current Skill Level: EIPA 3.5 (Assessment Date: 12/1/2018)
EIPA 3.8 (Assessment Date: 9/12/2016)
EIPA 2.9 (Assessment Date: 9/8/2014)

Training and Experience:

- Educational Interpreter in a DHH program for one (1) year;
- Para-Educator in a DHH program for two (2) years;
- American Sign Language Courses, Yuba College, ASL 2 and ASL 3;
- Attended Trix Bruce Workshop – the Non Manual Markers (June, 2017);
- Attended various workshops for Interpreters throughout employment with Sutter County Superintendent of Schools;
- Received mentoring from Trix Bruce November, 2015 through March, 2016; and September, 2017 through May, 2018.
- Observed Sutter County Superintendent of Schools Interpreters throughout the 2016-2017 and 2017-2018 school years;
- Received daily mentoring from a co-worker/certified interpreter throughout the 2017-2018 school year;
- Volunteer/community involvement at various events;
- Interpreted at Extra Curricular Activities.

Professional Development / Remediation Plan for 2018-2019:

David will receive individual mentoring and professional development activities by a Certified Interpreter. This work will include meeting with a mentor on a regular basis focusing on skill development, peer mentoring, job shadowing other certified interpreters, attending deaf community events.

David will work with the mentor to film samples of his work, self-assess the skill domains, and determine the root causes of issues with skills. Professional development activities will be developed for David to complete.

David will participate in group training sessions, workshops, conferences and any other organized professional development activities as they become available throughout the year.

Specific Areas of Focus:

(based on EIPA assessment feedback)

- Use additional process time to analyze the source message. Focus on identifying implicit information in the source message that needs to be explicit in the target message.
- Identify topical boundaries and shifts in topics. While sentence-level pausing was evident, awareness and marking of the teacher's shifts in topics was frequently not evident. Focus on the educator's curricular goals and ensure that these are clearly marked and emphasized.
- Spatial organization (building a visual scaffold for your interpretation), particularly in incorporating classifiers in an area identified for further development. This will assist with the ability to accurately render a model presentation of a specific topical focal point. Continue to develop familiarity with a variety of classifiers and be sure to label classifiers with either a sign or fingerspelling.
- Fairly good use of fingerspelling was noted. Continue to develop analysis of lesson content for key terms that need to be finger spelled.