

*****Please Note Time and Location of Meeting*****

CONTRA COSTA COUNTY BOARD OF EDUCATION

County Office of Education, Board Room, 3rd Floor
77 Santa Barbara Road, Pleasant Hill, CA 94523
(925) 942-3380
www.cocoschools.org

Wednesday, January 14, 2015
Start Time: 5:00 p.m.

BOARD OF EDUCATION
Pamela M. Mirabella, Vice President Trustee Area 1
Christine Deane, Clerk Trustee Area 2
Daniel A. Gomes, President Trustee Area 3
Mike Maxwell Trustee Area 4
Jeff Belle Trustee Area 5

COUNTY SUPERINTENDENT OF SCHOOLS
Karen Sakata

*To ensure an orderly meeting and an equal opportunity for each speaker, persons wishing to address the Board must fill out a speaker's card. Cards are located at the entrance to the Board Room and should be turned in to the Clerk to the Board. *The president may limit each speaker to three minutes and/or set a limit of twenty minutes for all speakers on any one subject, or the three-minute limit may be shortened. In accordance with the Brown Act, if a member of the public addresses an item not on the posted agenda, no discussion or action on that item may occur. The projected timeline is a projection only, not a limitation on the length of any agenda item, and may be revised at the meeting. Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the County Office of Education to a majority of members of the Board of Education less than 72 hours prior to that meeting are available for public inspection at 77 Santa Barbara Road, Pleasant Hill, California, during normal business hours. The County Board of Education will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Clerk to the Board at least 48 hours before the meeting at (925) 942-3380 or Ljoseph@cccoe.k12.ca.us.*

AGENDA

PROJECTED TIMELINE ORDER OF BUSINESS

- | | | |
|-----------------------|---|------------------------|
| 5:00 p.m. | 1. CALL TO ORDER | |
| | 2. OPENING PROCEDURES | |
| | 2.1 Pledge of Allegiance | |
| | 2.2 Roll Call | |
| | 2.3 Agenda Review and Adoption | Discussion/Vote |
| 3 min/speaker* | 3. PUBLIC COMMENT | |
| | 3.1 Items on the Agenda | |
| | 3.2 Items of Interest to the Public | |
| | 4. RECOGNITIONS | |
| | 4.1 Consider granting of a Contra Costa County High School Diploma to high school student MM 2-0 1/14/15 | Discussion/Vote |
| | <i>Mt. McKinley Principal, Lynn Mackey, has certified that this student has met all the requirements to receive a Contra Costa County High School diploma. The student will attend.</i> | |
| | 5. CLOSED SESSION – none | |
| | 6. PUBLIC HEARINGS - none | |

7. ADMINISTRATIVE ITEMS - Action and/or Information

7.1 Superintendent (Sakata)

7.1.1 Superintendent's Report

Information

7.2 Business Services

7.2.1 Review 2013-14 Single Audit Annual Financial Report for the County School Service Fund

Information

The California Education Code requires each school district and county office to contract for a comprehensive annual financial audit. Christy White Associates has completed the annual audit for the County Office of Education. The audit is completed in accordance with standards promulgated by the State Controller.

7.2.2 In accordance with California Education Code, a public hearing on the provisions of a charter petition was held on December 10, 2014. The Board will deliberate regarding the Petition to Establish the Contra Costa School of Performing Arts following comments from the Petitioners, the public, and the presentation of staff's report on the petition.

Information

7.2.2.1 Comments from Petitioners

7.2.2.2 Public Comment

7.2.2.3 Staff presentation of its report on the Petition

7.2.3 Consider Action to Either Deny the Petition to Establish the Contra Costa School of Performing Arts ("Petition") and to Adopt Resolution No. 8-14/15 reflecting denial of the Petition and related factual findings, or to Declare Intent to Approve the Petition and specify any conditions necessary for approval

**Discussion/
Roll Call Vote**

The Board will consider taking action to either deny the Petition to Establish the Contra Costa School of Performing Arts, and to adopt Resolution No. 8-14/15 reflecting denial of the Petition and related factual findings, or to declare its intent to approve the Petition and specify any conditions that must be met prior to approval.

7.2.4 Staff Report (Clark)

Information

7.3 Educational Services

7.3.1 Consider Approval of Single Plan for Student Achievement for each school that receives federal funding through the Consolidated Application

Vote

California Education Code (EC 64001 a) requires that each school receiving funds through the Consolidated Application develop a Single Plan for Student Achievement (SPSA). These plans must also be approved by the local governing board.

7.3.2 Staff Report (Comfort)

Information

7.4 Human Resources

7.4.1 Presentation of Labor Agreement Proposals: Initial Proposal from Contra Costa County Schools Education Association/CTA/NEA for Reopener Agreement and Initial Management Proposal for Reopener Agreement with Representatives of the Certificated Unit

Information

This proposal is being presented in accordance with Board Policy 4135.31 regarding the public noticing of collective bargaining proposals. Following initial presentation of this proposal, the Board schedules a public hearing at the next regularly scheduled meeting in order to receive public input.

7.4.2 Staff Report (Gaines)

Information

7.5 Communications

7.5.1 Staff Report (Koehne)

Information

7.6 Technology Systems

7.6.1 Staff Report (Carey)

Information

7.7 Board

7.7.1 Legislative Update

Information

There will be a review of current legislation regarding educational matters.

7.7.2 Resolution 09-14/15 Recognition of Dr. Joseph Ovick, Contra Costa County Superintendent of Schools (retired)

Roll Call Vote

Resolution recognizing Dr. Joseph Ovick for his many years of outstanding service and leadership.

3 min/speaker*

8. PUBLIC COMMENT

8.1 Items of Interest to the Public

9. CONSENT ACTIONS

Vote

By single motion, the Board approves/adopts/accepts/grants the following items or actions which reflect application of Board Policy and California Education Code. Any items marked "Consent" may be moved from the list at the option of a Board member or the Superintendent and acted on separately. Members of the public may comment on any "Consent" items during the Public Comment portion of the Board's meeting.

9.1 Consider approval of minutes for the December 10, 2014 Board meeting

The Board will consider approving the minutes from the 12/10/14 Board meeting.

9.2 Consider granting of a Contra Costa County High School Diploma to high school student MM 1-01/14/15

Mt. McKinley Principal, Lynn Mackey, has certified that this student has met all the requirements to receive a Contra Costa County High School diploma.

9.3 Consider granting of a Contra Costa County High School Diploma to adult school student CCAS 1-01/14/15

Contra Costa Adult School Principal, Angela Hatter, has certified that this student has met all the requirements to receive a Contra Costa County High School diploma.

9.4 Consider granting of a Contra Costa County High School Diploma to adult school student CCAS 2-01/14/15

Contra Costa Adult School Principal, Angela Hatter, has certified that this student has met all the requirements to receive a Contra Costa County High School diploma.

9.5 Consider Temporary County Certificates (TCCs)

Ed Code sections 44332 and 44332.5 authorize the issuance of Temporary County Certificates (TCCs) and the payment of warrants to individuals who hold a TCC.

10. CORRESPONDENCE/EVENTS CALENDAR

Information

10.1 Correspondence: *Correspondence from the public regarding the Countywide Charter petition is available for review.*

10.2 Calendar of Events:

Academic Decathlon Schedule

Subjective tests – speech and interview, January 24, 8:45 a.m. – 12:30 p.m., Cal State East Bay, Concord Campus

Objective tests and superquiz, February 7, 2:35 p.m., Los Medanos College

Academic Decathlon Awards, February 11, 6:00 – 7:30 p.m., Location - TBD

January 21, Board Workshop, CCCOE, 3:30 p.m.

11. BOARD REPORTS OF ACTIVITIES

Information

In addition to written reports, Board members may present oral reports of their activities.

12. ADJOURNMENT

The next regular meeting of the County Board of Education will be on Wednesday, February 4, 2015 at 5:00 p.m. at the County Office of Education, 77 Santa Barbara Road, Board Room, Pleasant Hill, CA. Agenda items for this meeting should be submitted to the Clerk to the Board no later than 4:00 p.m., January 28, 2015.

CONTRA COSTA COUNTY BOARD OF EDUCATION

AGENDA ITEM

ISSUE

Review 2013-14 Single Audit Annual Financial Report for the County School Service Fund

ANALYSIS

The California Education Code requires each school district and county office to contract for a comprehensive annual financial audit. Christy White Associates has completed the annual audit for the County Office of Education. The audit is completed in accordance with standards promulgated by the State Controller.

The Annual Audit for 2013-14 was completed on time. The Annual Financial Audit Report is enclosed for the Board members' review. The Audit Report concludes the financial statements are presented fairly for the year ended June 30, 2014, and that no material weaknesses were noted in the internal accounting control structure.

RECOMMENDATION

Information only

Approved B. Miller
Associate Superintendent

Item No. 7.2.1

Page 1 of 73

Date 11/09/15

Bd. Agenda 01/14/15

**CONTRA COSTA COUNTY
OFFICE OF EDUCATION**

**AUDIT REPORT
JUNE 30, 2014**

San Diego

Los Angeles

**San Francisco
Bay Area**

christywhite
A PROFESSIONAL
ACCOUNTANCY CORPORATION *associates*

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
OF CONTRA COSTA COUNTY**

PLEASANT HILL, CALIFORNIA

JUNE 30, 2014

The Contra Costa County Office of Education was organized in 1865 under the laws of the State of California. The County Office of Education is the administrative agency for nine elementary school districts, seven unified school districts, two high school districts, and one community college district.

GOVERNING BOARD

Member	Office	Term Expires
Ellen M. Elster	President – In Memoriam	
Daniel A. Gomes	Vice President	November 24, 2016
Pamela Mirabella	Clerk	November 24, 2016
Christine W. Deane	Member	November 27, 2014
Cynthia T. Ruehlig	Member	November 27, 2014
Richard P. Asadoorian	Member	November 27, 2014

COUNTY OFFICE OF EDUCATION ADMINISTRATORS

Joseph A. Owick, Ed.D.
Superintendent

Karen Sakata
Deputy Superintendent, Human Resources

Bill Clark
Associate Superintendent, Business Services

Pamela Comfort, Ed.D.
Associate Superintendent, Educational Services

Mac Carey
Chief Technology Officer

Peggy Marshburn
Chief Communications Officer

Kerry Kilmer
Executive Assistant to Superintendent

Loreen Joseph
Executive Assistant to Board and Superintendent

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
 TABLE OF CONTENTS
 FOR THE YEAR ENDED JUNE 30, 2014**

FINANCIAL SECTION

Independent Auditors' Report 1
 Management's Discussion and Analysis..... 4
 Basic Financial Statements
 Government-wide Financial Statements
 Statement of Net Position 12
 Statement of Activities 13
 Fund Financial Statements
 Governmental Funds – Balance Sheet 14
 Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position 15
 Governmental Funds – Statement of Revenues, Expenditures, and Changes in Fund Balances..... 16
 Reconciliation of the Governmental Funds Statement of Revenues, Expenditures, and Changes in Fund
 Balances to the Statement of Activities 17
 Fiduciary Funds – Statement of Net Position..... 18
 Notes to Financial Statements 19

REQUIRED SUPPLEMENTARY INFORMATION

County School Service Fund – Budgetary Comparison Schedule..... 42
 Schedule of Funding Progress 43
 Notes to Required Supplementary Information..... 44

SUPPLEMENTARY INFORMATION

Schedule of Expenditures of Federal Awards 45
 Schedule of Average Daily Attendance (ADA)..... 46
 Schedule of Financial Trends and Analysis 47
 Reconciliation of Annual Financial and Budget Report with Audited Financial Statements..... 48
 Schedule of Charter Schools 49
 Notes to Supplementary Information..... 50

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
TABLE OF CONTENTS
FOR THE YEAR ENDED JUNE 30, 2014**

OTHER INDEPENDENT AUDITORS' REPORTS

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* 52
Report on Compliance For Each Major Federal Program; and Report on Internal Control Over Compliance Required by OMB Circular A-133 54
Report on State Compliance..... 56

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Summary of Auditors' Results 59
Financial Statement Findings..... 60
Federal Award Findings and Questioned Costs 61
State Award Findings and Questioned Costs..... 62
Summary Schedule of Prior Audit Findings 63

FINANCIAL SECTION

INDEPENDENT AUDITORS' REPORT

Christy White, CPA

Michael Ash, CPA

Tanya M. Rogers, CPA, CFE

John Whitehouse, CPA

Heather Rubio

SAN DIEGO

LOS ANGELES

SAN FRANCISCO/BAY AREA

Corporate Office:

2727 Camino Del Rio South
Suite 219
San Diego, CA 92108

toll-free: 877.220.7229
tel: 619.270.8222
fax: 619.260.9085
www.christywhite.com

*Licensed by the California
State Board of Accountancy*

Governing Board
Contra Costa County Office of Education
Pleasant Hill, California

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Contra Costa County Office of Education, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Contra Costa County Office of Education's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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, each major fund, and the aggregate remaining fund information of Contra Costa County Office of Education, as of June 30, 2014, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, such as management's discussion and analysis on pages 4 through 11, the budgetary comparison information on page 42, and the schedule of funding progress on page 43, be presented to supplement the basic financial statements. Such information, although not part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in 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 the Contra Costa County Office of Education's basic financial statements. The supplementary information listed in the table of contents, including the schedule of expenditures of Federal awards, which is required by the U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 09, 2014 on our consideration of Contra Costa County Office of Education's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Contra Costa County Office of Education's internal control over financial reporting and compliance.

Christy White Associates

San Diego, California
December 09, 2014

CONTRA COSTA COUNTY OFFICE OF EDUCATION MANAGEMENT'S DISCUSSION AND ANALYSIS

INTRODUCTION

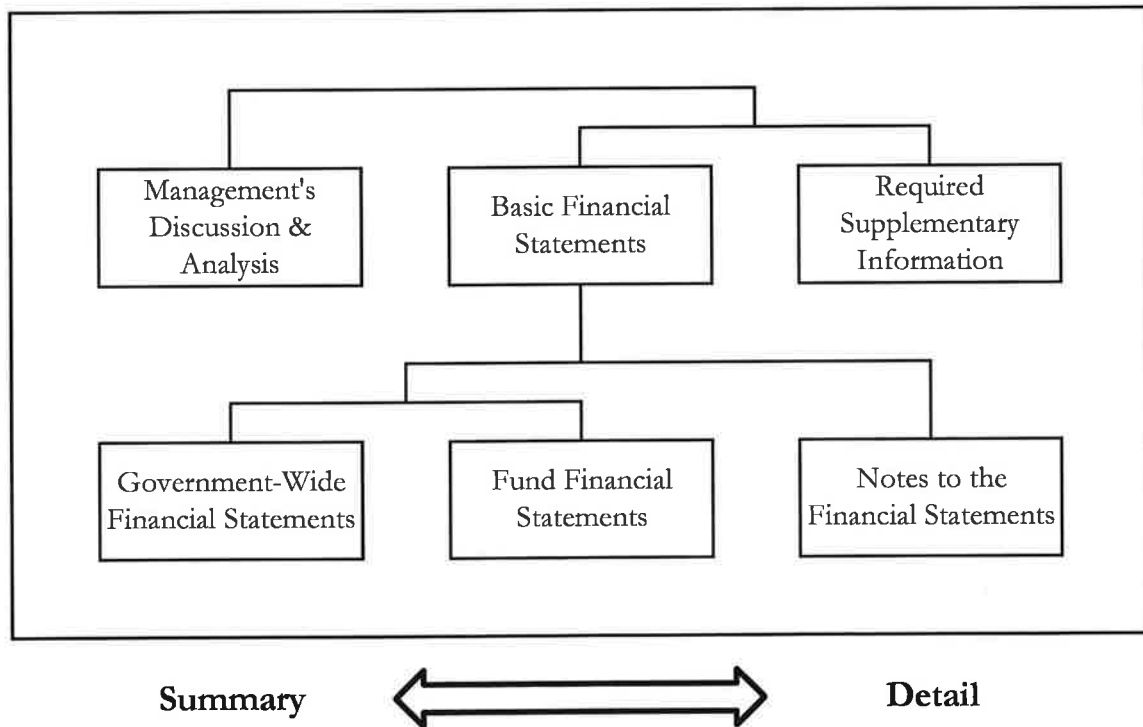
Our discussion and analysis of Contra Costa County Office of Education's (County Office of Education) financial performance provides an overview of the County Office of Education's financial activities for the fiscal year ended June 30, 2014. It should be read in conjunction with the County Office of Education's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- ▶ Total net position was \$39.5 million at June 30, 2014. This was decrease of \$2.6 million from the prior year.
- ▶ Overall revenues were \$68.5 million which was less than expenses of \$71.2 million.

OVERVIEW OF FINANCIAL STATEMENTS

Components of the Financials Section



**CONTRA COSTA COUNTY OFFICE OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2014**

This annual report consists of three parts – Management’s Discussion and Analysis (this section), the basic financial statements, and required supplementary information. The three sections together provide a comprehensive overview of the County Office of Education. The basic financial statements are comprised of two kinds of statements that present financial information from different perspectives:

- ▶ **Government-wide financial statements**, which comprise the first two statements, provide both short-term and long-term information about the entity’s overall financial position.

- ▶ **Fund financial statements** focus on reporting the individual parts of County Office of Education operations in more detail. The fund financial statements comprise the remaining statements.
 - ▶ **Governmental Funds** provide a detailed *short-term* view that helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County Office of Education’s programs.

 - ▶ **Fiduciary Funds** report balances for which the County Office of Education is a custodian or *trustee* of the funds, such as Associated Student Bodies and pension funds.

The financial statements also include notes that explain some of the information in the statements and provide more detailed data. The basic financial statements are followed by a section of required and other supplementary information that further explain and support the financial statements.

Government-Wide Statements

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

The two government-wide statements report the County Office of Education’s net position and how it has changed. Net position is one way to measure the County Office of Education’s financial health or position. Over time, increases or decreases in the County Office of Education’s net position are an indicator of whether its financial health is improving or deteriorating, respectively.

The government-wide financial statements of the County Office of Education include governmental activities. All of the County Office of Education’s basic services is included here, such as regular education, maintenance and general administration. LCFF funding and federal and state grants finance most of these activities.

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2014**

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE

Net Position

The County Office of Education's net position was \$39.5 million at June 30, 2014, as reflected in the table below. Of this amount, \$0.6 million was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants and enabling legislation that limit the Governing Board's ability to use that net position for day-to-day operations.

	Governmental Activities		
	2014	2013	Net Change
ASSETS			
Current and other assets	\$ 26,383,620	\$ 21,387,051	\$ 4,996,569
Capital assets	32,581,808	33,715,525	(1,133,717)
Total Assets	58,965,428	55,102,576	3,862,852
LIABILITIES			
Current liabilities	10,528,396	6,037,626	4,490,770
Long-term liabilities	8,968,412	6,962,257	2,006,155
Total Liabilities	19,496,808	12,999,883	6,496,925
NET POSITION			
Net investment in capital assets	29,569,344	30,509,570	(940,226)
Restricted	9,252,363	10,193,716	(941,353)
Unrestricted	646,913	1,399,407	(752,494)
Total Net Position	\$ 39,468,620	\$ 42,102,693	\$ (2,634,073)

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2014**

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE (continued)

Changes in Net Position

The results of this year's operations for the County Office of Education as a whole are reported in the Statement of Activities. The table below takes the information from the Statement, rounds off the numbers, and rearranges them slightly, so you can see our total revenues, expenses, and special items for the year.

The County's total revenues relating to governmental activities were \$68.5 million, consisting mostly of federal and state aid, categorical programs, and property taxes.

The County's total expenditures relating to governmental activities were \$71.2 million, predominately related to educating and caring for students.

	Governmental Activities		
	2014	2013	Net Change
REVENUES			
Program revenues			
Charges for services	\$ 3,695,486	\$ 2,678,944	\$ 1,016,542
Operating grants and contributions	19,261,142	19,486,732	(225,590)
Capital grants and contributions	2,272	502,422	(500,150)
General revenues			
Property taxes	24,151,631	22,637,401	1,514,230
Unrestricted federal and state aid	17,428,114	18,382,955	(954,841)
Other	3,992,667	2,954,374	1,038,293
Total Revenues	68,531,312	66,642,828	1,888,484
EXPENSES			
Instruction	38,203,253	35,625,821	2,577,432
Instruction-related services	11,419,210	11,858,635	(439,425)
Pupil services	5,934,899	5,461,499	473,400
General administration	11,210,608	9,784,286	1,426,322
Plant services	2,459,829	1,690,164	769,665
Debt service	185,438	273,350	(87,912)
Other Outgo	74,655	74,655	-
Depreciation	1,320,732	1,984,703	(663,971)
Other	356,761	363,833	(7,072)
Total Expenses	71,165,385	67,116,946	4,048,439
Change in net position	(2,634,073)	(474,118)	(2,159,955)
Net Position - Beginning	42,102,693	42,576,811	(474,118)
Net Position - Ending	\$ 39,468,620	\$ 42,102,693	\$ (2,634,073)

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2014**

FINANCIAL ANALYSIS OF THE ENTITY AS A WHOLE (continued)

Changes in Net Position (continued)

The net cost of all our governmental activities this year was \$48.2 million (refer to table below). The amount that our taxpayers ultimately financed for these activities through taxes was \$24.2 million; the remaining cost was mostly paid by other governments and organizations who subsidized certain programs with grants and contributions (\$19.3 million).

	Net Cost of Services	
	2014	2013
Instruction	\$ 25,126,939	\$ 23,562,539
Instruction-related services	6,618,831	7,702,889
Pupil services	3,467,504	1,120,414
General administration	9,416,135	8,361,718
Plant services	2,031,552	1,364,488
Debt service	185,438	273,350
Transfers to other agencies	(308,863)	(279,635)
Depreciation	1,320,732	1,984,703
Other	348,217	358,382
Total Expenses	\$ 48,206,485	\$ 44,448,848

FINANCIAL ANALYSIS OF THE COUNTY OFFICE OF EDUCATION'S MAJOR FUNDS

The financial performance of the County Office of Education as a whole is reflected in its governmental funds as well. As the County Office of Education completed this year, its governmental funds reported a combined fund balance of \$16.6 million, which is greater than last year's ending fund balance of \$15.6 million. The County Office of Education's County School Service Fund had \$1.0 million more in operating revenues than expenditures for the year ended June 30, 2014.

CURRENT YEAR BUDGET 2013-14

During the fiscal year, budget revisions and appropriation transfers are presented to the Board for their approval on a monthly basis to reflect changes to both revenues and expenditures that become known during the year. In addition, the Board of Education approves financial projections included with the Adopted Budget, First Interim, and Second Interim financial reports. The Unaudited Actuals reflect the County Office of Education's financial projections and current budget based on State and local financial information.

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2014**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

By the end of 2013-14 the County Office of Education had invested \$32.6 million in capital assets, net of accumulated depreciation. The County Office of Education had more projects in 2012-13 fiscal year that led to the decrease in capital assets of \$1.1 million.

	Governmental Activities		
	2014	2013	Net Change
CAPITAL ASSETS			
Land	\$ 5,558,353	\$ 5,558,353	\$ -
Construction in progress	236,582	224,382	12,200
Land improvements	1,070,900	1,070,900	-
Buildings & improvements	38,142,562	38,429,096	(286,534)
Furniture & equipment	2,526,234	2,262,328	263,906
Accumulated depreciation	(14,952,823)	(13,829,534)	(1,123,289)
Total Capital Assets	\$ 32,581,808	\$ 33,715,525	\$ (1,133,717)

Long-Term Debt

At year-end, the County Office of Education had \$9.0 million in long-term debt, an increase of \$2.0 million from last year – as shown in the table below. (More detailed information about the County Office of Education's long-term liabilities is presented in footnotes to the financial statements.)

	Governmental Activities		
	2014	2013	Net Change
LONG-TERM LIABILITIES			
Build America bonds	\$ 3,012,464	\$ 3,205,955	\$ (193,491)
Early retirement incentive	1,807,792	-	1,807,792
Compensated absences	589,332	695,480	(106,148)
Net OPEB obligation	4,211,895	3,254,313	957,582
Less: current portion of long-term debt	(653,071)	(193,491)	(459,580)
Total Long-term Liabilities	\$ 8,968,412	\$ 6,962,257	\$ 2,006,155

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS, continued
FOR THE YEAR ENDED JUNE 30, 2014**

At the time these financial statements were prepared and audited, the County Office of Education was aware of several circumstances that could affect its future financial health.

Landmark legislation passed in Year 2013 reformed California school district finance by creating the new Local Control Funding Formula (LCFF). The District continues to analyze the impact of the LCFF on funding for our program offerings and services. The LCFF is designed to provide a flexible funding mechanism that links student achievement to state funding levels. The LCFF provides a per pupil base grant amount, by grade span, that is augmented by supplemental funding for targeted student groups in low income brackets, those that are English language learners and foster youth. The State anticipates all school districts to reach the statewide targeted base funding levels by 2020-21, but the annual amount funded to meet the target is uncertain.

Factors related to LCFF that the District is monitoring include: (1) estimates of funding in the next budget year and beyond; (2) the Local Control and Accountability Plan (LCAP) that aims to link student accountability measurements to funding allocations; (3) ensuring the integrity of reporting student data through the California Longitudinal Pupil Achievement Data System (CALPADs); and, (4) meeting new compliance and audit requirements.

The State's economy is expected to grow at a modest rate of about 3% annually over the next two years, according to the UCLA Anderson Economic Forecast for September 2014. In the California forecast, Senior Economist Jerry Nickelsburg writes, "The California economy is moving forward in an expansion from the depths of the Great Recession. But, even though the number of jobs is now higher than any time in the past, the state remains below its potential in output and employment. That we are entering the sixth year of expansion illustrates just how painfully plodding this recovery process has been." The ability of the State to fund the LCFF and other programs is largely dependent on the strength of the State's economy and remains uncertain.

GASB 68, *Accounting and Financial Reporting for Pensions*, will be effective in the following fiscal year, 2014-15. The new standard requires the reporting of annual pension cost using an actuarially determined method and a net pension liability is expected to result. The District participates in state employee pensions plans, PERS and STRS, and both are underfunded. The District's proportionate share of the liability will be reported in the Statement of Net Position as of June 30, 2015. The amount of the liability is unknown at this time but is anticipated to be material to the financial position of the District. To address the underfunding issues, the pension plans intend to raise employer rates in future years and the increased costs could be significant.

Enrollment can fluctuate due to factors such as population growth, competition from private, parochial, inter-district transfers in or out, economic conditions and housing values. Losses in enrollment will cause a school district to lose operating revenues without necessarily permitting the district to make adjustments in fixed operating costs.

All of these factors were considered in preparing the County Office of Education's budget for the 2013-14 fiscal year.

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
MANAGEMENT'S DISCUSSION AND ANALYSIS, *continued*
FOR THE YEAR ENDED JUNE 30, 2014**

CONTACTING THE COUNTY OFFICE OF EDUCATION'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, students, and investors and creditors with a general overview of the County Office of Education's finances and to show the County Office of Education's accountability for the money it receives. If you have questions about this report or need any additional financial information, contact the County Office of Education's Business Office, at the Contra Costa County Office of Education, 77 Santa Barbara Road; Pleasant Hill, California.

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
STATEMENT OF NET POSITION
JUNE 30, 2014**

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 15,611,432
Investments	1,277,295
Accounts receivable	9,494,893
Capital assets, not depreciated	5,794,935
Capital assets, net of accumulated depreciation	26,786,873
Total Assets	58,965,428
LIABILITIES	
Deficit cash	194,563
Accrued liabilities	9,480,399
Unearned revenue	200,363
Long-term liabilities, current portion	653,071
Long-term liabilities, non-current portion	8,968,412
Total Liabilities	19,496,808
NET POSITION	
Net investment in capital assets	29,569,344
Restricted:	
Capital projects	699,827
Educational programs	8,552,536
Unrestricted	646,913
Total Net Position	\$ 39,468,620

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

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014**

Function/Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
GOVERNMENTAL ACTIVITIES					Governmental Activities
Instruction	\$ 38,203,253	\$ 2,467,934	\$ 10,606,108	\$ 2,272	\$ (25,126,939)
Instruction-related services					
Instructional supervision and administration	7,094,941	92,580	2,765,538	-	(4,236,803)
Instructional library, media, and technology	1,121,580	-	732,663	-	(388,917)
School site administration	3,202,689	227,008	982,570	-	(1,993,111)
Pupil services					
Home-to-school transportation	1,731,514	6,803	7,408	-	(1,717,303)
Food services	67,942	10,822	56,969	-	(151)
All other pupil services	4,135,443	375,292	2,010,101	-	(1,750,050)
General administration					
Centralized data processing	2,549,067	-	-	-	(2,549,067)
All other general administration	8,661,541	344,477	1,449,996	-	(6,867,068)
Plant services	2,459,829	142,534	285,743	-	(2,031,552)
Enterprise activities	356,761	611	7,933	-	(348,217)
Interest on long-term debt	185,438	-	-	-	(185,438)
Other Outgo	74,655	27,425	356,093	-	308,863
Depreciation (unallocated)	1,320,732	-	-	-	(1,320,732)
Total Governmental Activities	\$ 71,165,385	\$ 3,695,486	\$ 19,261,142	\$ 2,272	(48,206,485)
General revenues					
Taxes and subventions					
Property taxes, levied for general purposes					
					23,846,600
Property taxes, levied for other specific purposes					
					305,031
Federal and state aid not restricted for specific purposes					
					17,428,114
Interest and investment earnings					
					44,427
Interagency revenues					
					1,713,000
Miscellaneous					
					2,235,240
Subtotal, General Revenue					
					45,572,412
CHANGE IN NET POSITION					
					(2,634,073)
Net Position - Beginning					
					42,102,693
Net Position - Ending					
					\$ 39,468,620

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

CONTRA COSTA COUNTY OFFICE OF EDUCATION
 GOVERNMENTAL FUNDS
 BALANCE SHEET
 JUNE 30, 2014

	County School Service Fund	Non-Major Governmental Funds	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 14,910,924	\$ 700,508	\$ 15,611,432
Investments	1,277,295	-	1,277,295
Accounts receivable	9,296,600	198,293	9,494,893
Total Assets	\$ 25,484,819	\$ 898,801	\$ 26,383,620
LIABILITIES			
Deficit cash	\$ -	\$ 194,563	\$ 194,563
Accrued liabilities	9,408,095	4,411	9,412,506
Unearned revenue	200,363	-	200,363
Total Liabilities	9,608,458	198,974	9,807,432
FUND BALANCES			
Nonspendable	10,000	-	10,000
Restricted	8,552,536	699,827	9,252,363
Assigned	3,267,803	-	3,267,803
Unassigned	4,046,022	-	4,046,022
Total Fund Balances	15,876,361	699,827	16,576,188
Total Liabilities and Fund Balances	\$ 25,484,819	\$ 898,801	\$ 26,383,620

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

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT
OF NET POSITION
JUNE 30, 2014**

Total Fund Balance - Governmental Funds \$ 16,576,188

Amounts reported for assets and liabilities for governmental activities in the statement of net position are different from amounts reported in governmental funds because:

Capital assets:

In governmental funds, only current assets are reported. In the statement of net position, all assets are reported, including capital assets and accumulated depreciation:

Capital assets	\$ 47,534,631	
Accumulated depreciation	(14,952,823)	32,581,808

Unmatured interest on long-term debt:

In governmental funds, interest on long-term debt is not recognized until the period in which it matures and is paid. In the government-wide statement of activities, it is recognized in the period that it is incurred. The additional liability for unmaturing interest owing at the end of the period was:

(67,893)

Long-term liabilities:

In governmental funds, only current liabilities are reported. In the statement of net position, all liabilities, including long-term liabilities, are reported. Long-term liabilities relating to governmental activities consist of:

Build America bonds	\$ 3,012,464	
Early retirement incentive	1,807,792	
Compensated absences	589,332	
Net OPEB obligation	4,211,895	(9,621,483)

Total Net Position - Governmental Activities \$ 39,468,620

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2014**

	County School Service Fund	Non-Major Governmental Funds	Total Governmental Funds
REVENUES			
LCFF sources	\$ 39,066,949	\$ -	\$ 39,066,949
Federal sources	2,761,020	475,094	3,236,114
Other state sources	11,257,212	305,045	11,562,257
Other local sources	14,663,720	2,272	14,665,992
Total Revenues	67,748,901	782,411	68,531,312
EXPENDITURES			
Current			
Instruction	35,453,351	-	35,453,351
Instruction-related services			
Instructional supervision and administration	6,683,391	411,550	7,094,941
Instructional library, media, and technology	1,121,580	-	1,121,580
School site administration	3,308,837	-	3,308,837
Pupil services			
Home-to-school transportation	1,731,514	-	1,731,514
Food services	67,942	-	67,942
All other pupil services	3,824,942	310,501	4,135,443
General administration			
Centralized data processing	2,797,501	-	2,797,501
All other general administration	8,508,162	57,788	8,565,950
Plant services	2,459,529	300	2,459,829
Facilities acquisition and maintenance	6,500	12,200	18,700
Enterprise activities	356,761	-	356,761
Transfers to other agencies	74,655	-	74,655
Debt service			
Principal	193,491	-	193,491
Interest and other	189,799	-	189,799
Total Expenditures	66,777,955	792,339	67,570,294
Excess (Deficiency) of Revenues			
Over Expenditures	970,946	(9,928)	961,018
NET CHANGE IN FUND BALANCE	970,946	(9,928)	961,018
Fund Balance - Beginning	14,905,415	709,755	15,615,170
Fund Balance - Ending	\$ 15,876,361	\$ 699,827	\$ 16,576,188

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

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2014**

Net Change in Fund Balances - Governmental Funds	\$	961,018
<p>Amounts reported for governmental activities in the statement of activities are different from amounts reported in governmental funds because:</p>		
<p>Capital outlay:</p> <p style="padding-left: 20px;">In governmental funds, the costs of capital assets are reported as expenditures in the period when the assets are acquired. In the statement of activities, costs of capital assets are allocated over their estimated useful lives as depreciation expense. The difference between capital outlay expenditures and depreciation expense for the period is:</p>		
Expenditures for capital outlay:	\$ 282,606	
Depreciation expense:	<u>(1,320,732)</u>	(1,038,126)
<p>Debt service:</p> <p style="padding-left: 20px;">In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities. Expenditures for repayment of the principal portion of long-term debt were:</p>		
		193,491
<p>Gain or loss from the disposal of capital assets:</p> <p style="padding-left: 20px;">In governmental funds, the entire proceeds from disposal of capital assets are reported as revenue. In the statement of activities, only the resulting gain or loss is reported. The difference between the proceeds from disposal of capital assets and the resulting gain or loss is:</p>		
		(95,591)
<p>Unmatured interest on long-term debt:</p> <p style="padding-left: 20px;">In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during the period but owing from the prior period, was:</p>		
		4,361
<p>Compensated absences:</p> <p style="padding-left: 20px;">In governmental funds, compensated absences are measured by the amounts paid during the period. In the statement of activities, compensated absences are measured by the amount earned. The difference between compensated absences paid and compensated absences earned, was:</p>		
		106,148
<p>Postemployment benefits other than pensions (OPEB):</p> <p style="padding-left: 20px;">In governmental funds, OPEB costs are recognized when employer contributions are made. In the statement of activities, OPEB costs are recognized on the accrual basis. This year, the difference between OPEB costs and actual employer contributions was:</p>		
		(957,582)
<p>Other liabilities not normally liquidated with current financial resources:</p> <p style="padding-left: 20px;">In the government-wide statements, expenses must be accrued in connection with any liabilities incurred during the period that are not expected to be liquidated with current financial resources. Examples include special termination benefits such as retirement incentives financed over time, and structured legal settlements. This year, expenses incurred for such obligations were:</p>		
		(1,807,792)
Change in Net Position of Governmental Activities	\$	<u>(2,634,073)</u>

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

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
FIDUCIARY FUNDS
STATEMENT OF NET POSITION
JUNE 30, 2014**

	<u>Agency Funds</u> <u>Warrant/Pass-</u> <u>through Fund</u>
ASSETS	
Cash and cash equivalents	\$ 163,335
Accounts receivable	1,907
Total Assets	<u>\$ 165,242</u>
LIABILITIES	
Due to other agencies	165,242
Total Liabilities	<u>\$ 165,242</u>

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

CONTRA COSTA COUNTY OFFICE OF EDUCATION
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Financial Reporting Entity

The Contra Costa County Office of Education (the “County Office of Education”) accounts for its financial transactions in accordance with the policies and procedures of the Department of Education's *California School Accounting Manual*. The accounting policies of the County Office of Education conform to generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants (AICPA).

The County Office of Education operates under a locally elected Board form of government and provides educational services to grades K-12 as mandated by the state. A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure the financial statements are not misleading. The primary government of the County Office of Education consists of all funds, departments and agencies that are not legally separate from the County Office of Education. For the County Office of Education, this includes general operations and student-related activities.

B. Component Units

Component units are legally separate organizations for which the County Office of Education is financially accountable. Component units may also include organizations that are fiscally dependent on the County Office of Education in that the County Office of Education approves their budget, the issuance of their debt or the levying of their taxes. In addition, component units are other legally separate organizations for which the County Office of Education is not financially accountable but the nature and significance of the organization's relationship with the County Office of Education is such that exclusion would cause the County Office of Education's financial statements to be misleading or incomplete. The County Office of Education has no such component units.

CONTRA COSTA COUNTY OFFICE OF EDUCATION
NOTES TO FINANCIAL STATEMENTS, *continued*
JUNE 30, 2014

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

C. Basis of Presentation

Government-Wide Statements. The statement of net position and the statement of activities display information about the primary government (the County Office of Education). These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenue, and other non-exchange transactions.

The statement of activities presents a comparison between direct expenses and program revenue for each function of the County Office of Education's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Indirect expense allocations that have been made in the funds have been reserved for the statement of activities. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting of operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the County Office of Education.

Fund Financial Statements. The fund financial statements provide information about the County Office of Education's funds, including its fiduciary funds. Separate statements for each fund category – governmental and fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds.

Governmental funds are used to account for activities that are governmental in nature. Governmental activities are typically tax-supported and include education of pupils, operation of child development programs, construction and maintenance of school facilities, and repayment of long-term debt.

Fiduciary funds are used to account for assets held by the County Office of Education in a trustee or agency capacity for others that cannot be used to support the County Office of Education's own programs.

Major Governmental Funds

County School Service Fund: The County School Service Fund is the main operating fund of the County Office of Education. It is used to account for all activities except those that are required to be accounted for in another fund. In keeping with the minimum number of funds principle, all of the County Office of Education's activities are reported in the County School Service Fund unless there is a compelling reason to account for an activity in another fund. A County Office of Education may have only one County School Service Fund.

CONTRA COSTA COUNTY OFFICE OF EDUCATION
NOTES TO FINANCIAL STATEMENTS, *continued*
JUNE 30, 2014

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

C. Basis of Presentation (*continued*)

Non-Major Governmental Funds

Special Revenue Funds: Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The County Office of Education maintains the following special revenue funds:

Child Development Fund: This fund is used to account separately for federal, state, and local revenues to operate child development programs. All moneys received by the County Office of Education for, or from the operation of, child development services covered under the Child Care and Development Services Act (*Education Code Section 8200 et seq.*) shall be deposited into this fund. The moneys may be used only for expenditures for the operation of child development programs. The costs incurred in the maintenance and operation of child development services shall be paid from this fund, with accounting to reflect specific funding sources (*Education Code Section 8328*).

Capital Project Funds: Capital project funds are established to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by proprietary funds and trust funds).

County School Facilities Fund: This fund is established pursuant to *Education Code Section 17070.43* to receive apportionments from the 1998 State School Facilities Fund (Proposition 1A), the 2002 State School Facilities Fund (Proposition 47), or the 2004 State School Facilities Fund (Proposition 55) authorized by the State Allocation Board for new school facility construction, modernization projects, and facility hardship grants, as provided in the Leroy F. Greene School Facilities Act of 1998 (*Education Code Section 17070 et seq.*).

Fiduciary Funds

Trust and Agency Funds: Trust and agency funds are used to account for assets held in a trustee or agent capacity for others that cannot be used to support the County Office of Education's own programs. The key distinction between trust and agency funds is that trust funds are subject to a trust agreement that affects the degree of management involvement and the length of time that the resources are held.

Warrant/Pass-Through Fund: This fund exists primarily to account separately for amounts collected from employees for federal taxes, state taxes, transfers to credit unions, and other contributions.

CONTRA COSTA COUNTY OFFICE OF EDUCATION
NOTES TO FINANCIAL STATEMENTS, *continued*
JUNE 30, 2014

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

D. Basis of Accounting – Measurement Focus

Government-Wide and Fiduciary Financial Statements

The government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus. The government-wide and fiduciary fund financial statements are reported using the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

Net Position equals assets and deferred outflows of resources minus liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. The net position should be reported as restricted when constraints placed on its use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net position restricted for other activities results from special revenue funds and the restrictions on their use.

Governmental Funds

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Governmental funds use the modified accrual basis of accounting.

Revenues – Exchange and Non-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. “Available” means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. Generally, “available” means collectible within the current period or within 60 days after year-end. However, to achieve comparability of reporting among California school districts and so as not to distort normal revenue patterns, with specific respect to reimbursements grants and corrections to State-aid apportionments, the California Department of Education has defined available for school districts as collectible within one year.

Non-exchange transactions, in which the County Office of Education receives value without directly giving equal value in return, include property taxes, grants, and entitlements. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from the grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied.

Eligibility requirements include timing requirements, which specify the year when the resources are to be used or the fiscal year when use is first permitted; matching requirements, in which the County Office of Education must provide local resources to be used for a specific purpose; and expenditure requirements, in which the resources are provided to the County Office of Education on a reimbursement basis. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2014**

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

D. Basis of Accounting – Measurement Focus (continued)

Unearned Revenue

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

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

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time a liability is incurred. On the modified accrual basis of accounting, expenditures are generally recognized in the accounting period in which the related fund liability is incurred, as under the accrual basis of accounting. However, under the modified accrual basis of accounting, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds. When both restricted and unrestricted resources are available for use, it is the County Office of Education's policy to use restricted resources first, then unrestricted resources as they are needed.

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

Cash and Cash Equivalents

The County Office of Education's cash and cash equivalents consist of cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition. Cash held in the county treasury is recorded at cost, which approximates fair value.

Investments

Investments with original maturities greater than one year are stated at fair value. Fair value is estimated based on quoted market prices at year-end. All investments not required to be reported at fair value are stated at cost or amortized cost. Fair values of investments in county and State investment pools are determined by the program sponsor.

Inventories

Inventories are recorded using the purchases method in that the cost is recorded as an expenditure at the time the individual inventory items are requisitioned. Inventories are valued at historical cost and consist of expendable supplies held for consumption.

CONTRA COSTA COUNTY OFFICE OF EDUCATION
 NOTES TO FINANCIAL STATEMENTS, *continued*
 JUNE 30, 2014

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

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

Capital Assets

The accounting and reporting treatment applied to the capital assets associated with a fund is determined by its measurement focus. Capital assets are reported in the governmental activities column of the government-wide statement of net position, but are not reported in the fund financial statements.

Capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated fixed assets are recorded at their fair market values as of the date received. The County Office of Education maintains a capitalization threshold of \$5,000. The County Office of Education does not own any infrastructure as defined in GASB Statement No. 34. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. All reported capital assets, except for land and construction in progress, are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following estimated useful lives:

<u>Asset Class</u>	<u>Estimated Useful Life</u>
Buildings and Improvements	25-50 years
Furniture and Equipment	5-20 years
Vehicles	8 years

Compensated Absences

Accumulated unpaid employee vacation benefits are accrued as a liability as the benefits are earned. The entire compensated absence liability is reported on the government-wide financial statements. For governmental funds, the current portion of unpaid compensated absences is recognized upon the occurrence of relevant events such as employee resignations and retirements that occur prior to year-end that have not yet been paid with expendable available financial resource. These amounts are recorded in the fund from which the employees who have accumulated leave are paid.

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

CONTRA COSTA COUNTY OFFICE OF EDUCATION
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2014

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds.

Premiums and Discounts

In the government-wide and proprietary fund financial statements, long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight line method.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the County Office of Education is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable - The nonspendable fund balance classification reflects amounts that are not in spendable form. Examples include inventory, prepaid items, the long-term portion of loans receivable, and nonfinancial assets held for resale. This classification also reflects amounts that are in spendable form but that are legally or contractually required to remain intact, such as the principal of a permanent endowment.

Restricted - 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.

CONTRA COSTA COUNTY OFFICE OF EDUCATION
NOTES TO FINANCIAL STATEMENTS, *continued*
JUNE 30, 2014

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

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

Committed - The committed fund balance classification reflects amounts subject to internal constraints self-imposed by formal action of the Governing Board. 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. In contrast to restricted fund balance, committed fund balance may be redirected by the government to other purposes as long as the original constraints are removed or modified in the same manner in which they were imposed, that is, by the same formal action of the Governing Board.

Assigned - The assigned fund balance classification reflects amounts that the government *intends* to be used for specific purposes. Assignments may be established either by the Governing Board or by a designee of the governing body, and are subject to neither the restricted nor committed levels of constraint. In contrast to the constraints giving rise to committed fund balance, constraints giving rise to assigned fund balance are not required to be imposed, modified, or removed by formal action of the Governing Board. The action does not require the same level of formality and may be delegated to another body or official. Additionally, the assignment need not be made before the end of the reporting period, but rather may be made any time prior to the issuance of the financial statements.

Unassigned - 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. 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.

The County Office of Education applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

F. Interfund Activity

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented in the financial statements. Interfund transfers are eliminated in the governmental activities columns of the statement of activities.

CONTRA COSTA COUNTY OFFICE OF EDUCATION
NOTES TO FINANCIAL STATEMENTS, *continued*
JUNE 30, 2014

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

G. Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimates.

H. Budgetary Data

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

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

I. Property Tax

Secured property taxes attach as an enforceable lien on property as of January 1. Taxes are payable in two installments on November 1 and February 1 and become delinquent on December 10 and April 10, respectively. Unsecured property taxes are payable in one installment on or before August 31. The County Auditor-Controller bills and collects the taxes on behalf of the County Office of Education. Local property tax revenues are recorded when received.

CONTRA COSTA COUNTY OFFICE OF EDUCATION
NOTES TO FINANCIAL STATEMENTS, *continued*
JUNE 30, 2014

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

J. New Accounting Pronouncements (*continued*)

GASB Statement No. 65 – In March 2012, GASB issued Statement No. 65, *Items Previously Reported as Assets and Liabilities*. This Statement establishes accounting and financial reporting standards that reclassify, as deferred outflows of resources or deferred inflows of resources, certain items that were previously reported as assets and liabilities and recognizes, as outflows of resources or inflows of resources, certain items that were previously reported as assets and liabilities. The Statement is effective for periods beginning after December 15, 2012. The District was not impacted by GASB Statement No. 65 for the year ended June 30, 2014.

GASB Statement No. 68 – In June 2012, GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions—an amendment of GASB Statement No. 27*. The primary objective of this Statement is to improve accounting and financial reporting by state and local governments for pensions. It also improves information provided by state and local governmental employers about financial support for pensions that is provided by other entities. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for pensions with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. The Statement is effective for periods beginning after June 15, 2014. The District has not yet determined the impact on the financial statements.

GASB Statement No. 71 – In November 2013, GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*. This standard seeks to clarify certain implementation issues related to amounts that are deferred and amortized at the time GASB 68 is first adopted. It applies to situations in which the measurement date of an actuarial valuation differs from the government's fiscal year. The Statement is effective for periods beginning after June 15, 2014. The District has not yet determined the impact on the financial statements.

CONTRA COSTA COUNTY OFFICE OF EDUCATION
 NOTES TO FINANCIAL STATEMENTS, continued
 JUNE 30, 2014

NOTE 2 – CASH AND INVESTMENTS

A. Summary of Cash and Investments

	Total Governmental Activities
Cash in county	\$ 15,601,432
Cash in revolving fund	10,000
Total cash and cash equivalents	\$ 15,611,432
Investments	\$ 1,277,295

B. Policies and Practices

The County Office of Education is authorized under California Government Code to make direct investments in local agency bonds, notes, or warrants within the state; U.S. Treasury instruments; registered state warrants or treasury notes; securities of the U.S. Government, or its agencies; bankers acceptances; commercial paper; certificates of deposit placed with commercial banks and/or savings and loan companies; repurchase or reverse repurchase agreements; medium term corporate notes; shares of beneficial interest issued by diversified management companies, certificates of participation, obligations with first priority security; collateralized mortgage obligations; and the County Investment Pool.

Investment in County Treasury – The County Office of Education maintains substantially all of its cash in the County Treasury in accordance with *Education Code Section 41001*. The Contra Costa County Treasurer’s pooled investments are managed by the County Treasurer who reports on a monthly basis to the board of supervisors. In addition, the function of the County Treasury Oversight Committee is to review and monitor the County’s investment policy. The committee membership includes the Treasurer and Tax Collector, the Auditor-Controller, Chief Administrative Officer, Superintendent of Schools Representative, and a public member. The fair value of the County Office of Education’s investment in the pool is based upon the County Office of Education’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.

State Investment Pool – The County Office of Education is considered to be a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by California government code Section 16429 under the oversight of the Treasurer of the State of California. The fair value of the County Office’s investment in the pool is reported in the accompanying financial statement at amounts based upon the County Office’s pro-rata share of the fair value provided by LAIF for the entire LAIF portfolio (in relation to the amortized cost of that portfolio). The balance available for withdrawal is based on the accounting records maintained by the LAIF, which is recorded on the amortized cost basis.

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2014**

NOTE 2 – CASH AND INVESTMENTS (continued)

C. General Authorizations

Except for investments by trustees of debt proceeds, the authority to invest County Office of Education funds deposited with the county treasury is delegated to the County Treasurer and Tax Collector. Additional information about the investment policy of the County Treasurer and Tax Collector may be obtained from its website. The table below identifies the investment types permitted by California Government Code.

<u>Authorized Investment Type</u>	<u>Maximum Remaining Maturity</u>	<u>Maximum Percentage of Portfolio</u>	<u>Maximum Investment in One Issuer</u>
Local Agency Bonds, Notes, Warrants	5 years	None	None
Registered State Bonds, Notes, Warrants	5 years	None	None
U. S. Treasury Obligations	5 years	None	None
U. S. Agency Securities	5 years	None	None
Banker's Acceptance	180 days	40%	30%
Commercial Paper	270 days	25%	10%
Negotiable Certificates of Deposit	5 years	30%	None
Repurchase Agreements	1 year	None	None
Reverse Repurchase Agreements	92 days	20% of base	None
Medium-Term Corporate Notes	5 years	30%	None
Mutual Funds	N/A	20%	10%
Money Market Mutual Funds	N/A	20%	10%
Mortgage Pass-Through Securities	5 years	20%	None
County Pooled Investment Funds	N/A	None	None
Local Agency Investment Fund (LAIF)	N/A	None	None
Joint Powers Authority Pools	N/A	None	None

D. Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The County Office of Education manages its exposure to interest rate risk by investing in the County Treasury. The County Office of Education maintains a pooled investment with the County Treasury with a fair value of approximately \$15,593,027 and an amortized book value of \$15,601,432. The average weighted maturity for this pool is 184 days. Investments consist of amounts on deposit with the State Investment Pool with an amortized book value of \$1,277,295 and a fair market value of approximately \$1,277,660, which approximated cost.

CONTRA COSTA COUNTY OFFICE OF EDUCATION
 NOTES TO FINANCIAL STATEMENTS, continued
 JUNE 30, 2014

NOTE 2 – CASH AND INVESTMENTS (continued)

E. Credit Risk

Credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The investments in the County Treasury are not required to be rated. As of June 30, 2014, the pooled investments in the County Treasury were rated AAAs/S1+ by Standard & Poor's and the pooled investments of the Local Agency Investment Fund (LAIF) has a rating of AAA/V1.

F. Custodial Credit Risk – Deposits

This is the risk that in the event of a bank failure, the County Office of Education's deposits may not be returned to it. The County Office of Education does not have a policy for custodial credit risk for deposits. However, the California Government Code requires that a financial institution secure deposits made by state or local governmental units by pledging securities in an undivided collateral pool held by a depository regulated under state law. The market value of the pledged securities in the collateral pool must equal at least 110 percent of the total amount deposited by the public agencies. California law also allows financial institutions to secure public deposits by pledging first trust deed mortgage notes having a value of 150 percent of the secured public deposits and letters of credit issued by the Federal Home Loan Bank of San Francisco having a value of 105 percent of the secured deposits. As of June 30, 2014, the County Office of Education's bank balance was not exposed to custodial credit risk.

NOTE 3 – ACCOUNTS RECEIVABLE

Accounts receivable at June 30, 2014 consisted of the following:

	<u>County School Service Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Activities</u>
Federal Government			
Categorical aid	\$ 716,978	\$ 198,096	\$ 915,074
State Government			
Apportionment	2,086,353	-	2,086,353
Categorical aid	4,345,970	-	4,345,970
Local Government			
Other local sources	2,147,299	197	2,147,496
Total	<u>\$ 9,296,600</u>	<u>\$ 198,293</u>	<u>\$ 9,494,893</u>

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2014**

NOTE 4 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2014 was as follows:

	Balance July 01, 2013	Additions	Deletions	Balance June 30, 2014
Governmental Activities				
Capital assets not being depreciated				
Land	\$ 5,558,353	\$ -	\$ -	\$ 5,558,353
Construction in progress	224,382	12,200	-	236,582
Total Capital Assets not Being Depreciated	5,782,735	12,200	-	5,794,935
Capital assets being depreciated				
Land improvements	1,070,900	-	-	1,070,900
Buildings & improvements	38,429,096	6,500	293,034	38,142,562
Furniture & equipment	2,262,328	263,906	-	2,526,234
Total Capital Assets Being Depreciated	41,762,324	270,406	293,034	41,739,696
Less Accumulated Depreciation				
Land improvements	1,007,363	6,353	-	1,013,716
Buildings & improvements	11,221,608	1,078,610	197,443	12,102,775
Furniture & equipment	1,600,563	235,769	-	1,836,332
Total Accumulated Depreciation	13,829,534	1,320,732	197,443	14,952,823
Governmental Activities				
Capital Assets, net	\$ 33,715,525	\$ (1,038,126)	\$ 95,591	\$ 32,581,808

NOTE 5 – ACCRUED LIABILITIES

Accrued liabilities at June 30, 2014 consisted of the following:

	County School Service Fund	Non-Major Governmental Funds	District-Wide	Total Governmental Activities
Vendors payable	\$ 9,408,095	\$ 4,411	\$ -	\$ 9,412,506
Unmatured interest	-	-	67,893	67,893
Total	\$ 9,408,095	\$ 4,411	\$ 67,893	\$ 9,480,399

CONTRA COSTA COUNTY OFFICE OF EDUCATION
 NOTES TO FINANCIAL STATEMENTS, continued
 JUNE 30, 2014

NOTE 6 – UNEARNED REVENUE

Unearned revenue at June 30, 2014, consisted of the following:

	Total Governmental Activities
Federal sources	\$ 77,992
State categorical sources	122,371
Total	\$ 200,363

NOTE 7 – LONG-TERM DEBT

A schedule of changes in long-term debt for the year ended June 30, 2014 consisted of the following:

	Balance July 01, 2013	Additions	Deductions	Balance June 30, 2014	Balance Due In One Year
Governmental Activities					
Build America bonds	\$ 3,205,955	\$ -	\$ 193,491	\$ 3,012,464	\$ 201,123
Early retirement incentive	-	2,259,740	451,948	1,807,792	451,948
Compensated absences	695,480	-	106,148	589,332	-
Net OPEB obligation	3,254,313	957,582	-	4,211,895	-
Total	\$ 7,155,748	\$ 3,217,322	\$ 751,587	\$ 9,621,483	\$ 653,071

A. Compensated Absences

Total unpaid employee compensated absences as of June 30, 2014 amounted to \$589,332. This amount is included as part of long-term liabilities in the government-wide financial statements.

B. Build America Bonded Debt

On October 15, 2010 the County Office of Education entered into a Taxable Build America Equipment Lease/Purchase agreement with the Bank of America to finance and install Solar Panels. The annual requirements to amortize general obligation bonds payable outstanding as of June 30, 2014, are as follows:

Year Ended June 30,	Principal	Interest	Total
2015	\$ 201,123	\$ 178,056	\$ 379,179
2016	209,057	165,851	374,908
2017	217,304	153,164	370,468
2018	225,875	139,976	365,851
2019	234,785	126,269	361,054
2020 - 2024	1,320,376	406,038	1,726,414
2025 - 2026	603,944	45,810	649,754
Total	\$ 3,012,464	\$ 1,215,164	\$ 4,227,628

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2014**

NOTE 7 – LONG-TERM DEBT (continued)

C. Early Retirement Incentive

On July 1, 2014 the County Office of Education offered an Early Retirement Incentive. The annual payment requirements as of June 30, 2014, are as follows:

<u>Year Ended June 30,</u>	<u>Payment</u>
2015	\$ 451,948
2016	451,948
2017	451,948
2018	451,948
Total	<u>\$ 1,807,792</u>

NOTE 8 – FUND BALANCES

Fund balances were composed of the following elements at June 30, 2014:

	<u>County School Service Fund</u>	<u>Non-Major Governmental Funds</u>	<u>Total Governmental Funds</u>
Non-spendable			
Revolving cash	\$ 10,000	\$ -	\$ 10,000
Total non-spendable	<u>10,000</u>	<u>-</u>	<u>10,000</u>
Restricted			
Educational programs	8,552,536	-	8,552,536
Capital projects	-	699,827	699,827
Total restricted	<u>8,552,536</u>	<u>699,827</u>	<u>9,252,363</u>
Assigned			
Other assignments	1,766,869	-	1,766,869
Post employment benefits	1,500,934	-	1,500,934
Total assigned	<u>3,267,803</u>	<u>-</u>	<u>3,267,803</u>
Unassigned			
Reserve for economic uncertainties	4,046,022	-	4,046,022
Total unassigned	<u>4,046,022</u>	<u>-</u>	<u>4,046,022</u>
Total	<u>\$ 15,876,361</u>	<u>\$ 699,827</u>	<u>\$ 16,576,188</u>

The County Office of Education is committed to maintaining a prudent level of financial resources to protect against the need to reduce service levels because of temporary revenue shortfalls or unpredicted expenditures. The County Office of Education’s Minimum Fund Balance Policy requires a Reserve for Economic Uncertainties, consisting of unassigned amounts, equal to 2 percent of County School Service Fund expenditures and other financing uses.

CONTRA COSTA COUNTY OFFICE OF EDUCATION
 NOTES TO FINANCIAL STATEMENTS, continued
 JUNE 30, 2014

NOTE 9 –POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

A. Plan Description and Contribution Information

The County Office of Education implemented Governmental Accounting Standards Board Statement #45, Accounting and Financial Reporting by Employers for Postemployment Benefit Plans Other Than Pension Plans, in 2009-10.

Membership in the plan consisted of the following:

Retirees and beneficiaries receiving benefits	218
Active plan members	456
Total*	<u>674</u>
 Number of participating employers	 1

*As of June 1, 2013 actuarial study

The County Office of Education provides postemployment health care benefits, in accordance with the County employment contracts, to all employees who retire from the County Office of Education on or after attaining age 55 with at least 5 years of service. The County Office of Education contributes 100 percent of the amount of premiums incurred by retirees. Expenditures for postemployment benefits are recognized on a pay-as-you-go basis, as premiums are paid.

B. Funding Policy

The County Office of Education’s funding policy is based on the projected pay-as-you-go financing requirements, with additional amounts to prefund benefits as determined annually by the governing board. For fiscal year 2013-14, the County Office of Education contributed \$672,806 to the plan.

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2014**

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (continued)

C. Annual OPEB Cost and Net OPEB Obligation

The County Office of Education’s annual OPEB cost (expense) is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial accrued liabilities (UAAL) (or funding excess) over a period not to exceed thirty years. The following table shows the components of the County Office of Education’s annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the County Office of Education’s net OPEB obligation to the Plan:

Annual required contribution	\$	1,611,816
Interest on net OPEB obligation		162,716
Adjustment to annual required contribution		<u>(144,144)</u>
Annual OPEB cost (expense)		1,630,388
Contributions made		<u>(672,806)</u>
Increase (decrease) in net OPEB obligation		957,582
Net OPEB obligation, beginning of the year		<u>3,254,313</u>
Net OPEB obligation, end of the year	\$	<u>4,211,895</u>

The annual OPEB cost, the percentage of annual OPEB cost contributed to the Plan, and the net OPEB obligation for the year ended June 30, 2014 and the preceding two years were as follows:

<u>Year Ended June 30,</u>	<u>Annual OPEB Cost</u>	<u>Percentage Contributed</u>	<u>Net OPEB Obligation</u>
2014	\$ 1,630,388	41%	\$ 4,211,895
2013	\$ 1,625,261	45%	\$ 3,254,313
2012	\$ 1,241,144	59%	\$ 235,594

CONTRA COSTA COUNTY OFFICE OF EDUCATION
 NOTES TO FINANCIAL STATEMENTS, continued
 JUNE 30, 2014

NOTE 9 – POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB) (continued)

D. Funded Status and Funding Progress

The funded status of the plan as of the most recent actuarial evaluation consists of the following:

Actuarial Valuation Date	Actuarial Valuation of Assets	Actuarial Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
June 1, 2013	\$ -	\$ 11,668,114	\$ 11,668,114	0%	\$ 32,414,961	36%

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

The schedule of funding progress, presented as required supplementary information following the notes to financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

E. Actuarial Methods and Assumptions

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

Valuation Date	6/1/2013
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level-percentage of payroll
Remaining Amortization Period	27
Actuarial Assumptions:	
Investment rate of return	5.0%
Discount rate	5.0%
Health care trend rate	4.0%

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
 NOTES TO FINANCIAL STATEMENTS, continued
 JUNE 30, 2014**

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS

Qualified employees are covered under multiple-employer retirement plans maintained by agencies of the State of California. Certificated employees are members of the California State Teachers' Retirement System (CalSTRS), and classified employees are members of the California Public Employees' Retirement System (CalPERS).

California State Teachers' Retirement System (CalSTRS)

Plan Description

The County Office of Education contributes to the California State Teachers' Retirement System (CalSTRS); a cost-sharing multiple employer public employee retirement system defined benefit pension plan administered by CalSTRS. The plan provides retirement and disability benefits and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. CalSTRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalSTRS annual financial report may be obtained from CalSTRS, 7919 Folsom Blvd., Sacramento, CA 95826.

Funding Policy

Active plan members are required to contribute 8.0% of their salary for fiscal year 2014 and the County Office of Education is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by CalSTRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2014 was 8.25% of annual payroll. The contribution requirements of the plan members are established by state statute. The County Office of Education's contributions to CalSTRS for the last three fiscal years were as follows:

	<u>Contribution</u>	<u>Percent of Required Contribution</u>
2013-14	\$ 1,444,900	100%
2012-13	\$ 1,431,292	100%
2011-12	\$ 1,487,515	100%

On-Behalf Payments

The County Office of Education was the recipient of on-behalf payments made by the State of California to CalSTRS for K-12 education. These payments consist of state County School Service Fund contributions of approximately \$938,307 to CalSTRS (5.204% of 2011-12 creditable compensation subject to CalSTRS).

CONTRA COSTA COUNTY OFFICE OF EDUCATION
 NOTES TO FINANCIAL STATEMENTS, continued
 JUNE 30, 2014

NOTE 10 – EMPLOYEE RETIREMENT SYSTEMS (continued)

California Public Employees’ Retirement System (CalPERS)

Plan Description

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

Funding Policy

Active plan members who entered into the plan prior to January 1, 2013 are required to contribute 7.0% of their salary. The California Public Employees’ Pension Reform Act (PEPRA) specifies that new members entering into the plan on or after January 1, 2013, shall pay the higher of fifty percent of normal costs or 6.0% of their salary. Additionally, for new members entering the plan on or after January 1, 2013, the employer is prohibited from paying any of the employee contribution to CalPERS unless the employer payment of the member’s contribution is specified in an employment agreement or collective bargaining agreement that expires after January 1, 2013.

The District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2014 was 11.442% of annual payroll. The District’s contributions to CalPERS for the last three fiscal years were as follows:

	Contribution	Percent of Required Contribution
2013-14	\$ 1,640,634	100%
2012-13	\$ 1,797,129	100%
2011-12	\$ 1,727,559	100%

CONTRA COSTA COUNTY OFFICE OF EDUCATION
NOTES TO FINANCIAL STATEMENTS, *continued*
JUNE 30, 2014

NOTE 11 – COMMITMENTS AND CONTINGENCIES

A. Grants

The County Office of Education received financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the County School Service Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the County Office of Education at June 30, 2014.

B. Litigation

The County Office of Education is involved in various litigation arising from the normal course of business. In the opinion of management and legal counsel, the disposition of all litigation pending is not expected to have a material adverse effect on the overall financial position of the County Office of Education at June 30, 2014.

C. Construction Commitments

As of June 30, 2014, the County Office of Education had no commitments with respect to unfinished capital projects.

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
NOTES TO FINANCIAL STATEMENTS, continued
JUNE 30, 2014**

NOTE 12 – PARTICIPATION IN JOINT POWERS AUTHORITIES

The County Office of Education participates in four joint powers agreement (JPA) entities, the Contra Costa County Schools Insurance Group (CCCSIG), Schools Self-Insurance of Contra Costa County (SSICCC), Alameda Contra Costa Schools Financial Authority JPA, Northern California Regional Liability Excess Fund (ReLiEF), Schools Association for Excess Risk JPA (SAFER), and Northern California Medi-Cal Administrative Services JPA. The County Office of Education pays an annual premium to each entity for its health, workers' compensation, and property liability coverage.

Each JPA is governed by a board consisting of a representative from each member school agency. Each governing board controls the operations of its JPA independent of any influence by the County Office of Education beyond the school agency's representation on the governing boards.

Each JPA is independently accountable for its fiscal matters. Budgets are not subject to any approval other than that of the respective governing boards. Member County Offices of Education share surpluses and deficits proportionately to their participation in the JPA.

The relationship between the County Office of Education and the JPAs are such that none of the JPAs are a component unit of the County Office of Education for financial reporting purposes. Financial information for Alameda – Contra Costa Schools Financial Authority is available from the entity. Condensed current financial information for the JPAs that was available is shown below:

	CCCSIG Audited June 30, 2014	SSICCC Audited June 30, 2013	NorReLiEF Audited June 30, 2013	SAFER Audited June 30, 2014	Northern Ca MEDI-CAL Audited June 30, 2014
Assets	\$98,493,454	\$ 5,784,694	\$ 6,406,667	\$ 6,441,498	\$ 3,478,337
Liabilities	80,533,843	835,547	739,830	5,916,290	1,133,684
Net Assets	\$17,959,611	\$ 4,949,147	\$ 5,666,837	\$ 525,208	\$ 2,344,653
Revenues	\$44,857,164	\$14,360,613	\$14,480,785	\$ 1,317,786	\$ 173,941
Expenses	42,373,992	14,978,481	13,779,585	3,121,411	1,720,588
Operating income	2,483,172	(617,868)	701,200	(1,803,625)	(1,546,647)
Non-operating income	815,732	28,102	16,490	55,732	-
Change in net assets	\$ 3,298,904	\$ (589,766)	\$ 717,690	\$ (1,747,893)	\$ (1,546,647)

**REQUIRED SUPPLEMENTARY
INFORMATION**

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
COUNTY SCHOOL SERVICE FUND – BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2014**

	Budgeted Amounts		Actual* (Budgetary Basis)	Variances - Final to Actual
	Original	Final		
REVENUES				
LCFF sources	\$ 28,982,584	\$ 39,086,721	\$ 39,066,949	\$ (19,772)
Federal sources	2,969,815	2,941,737	2,761,020	(180,717)
Other state sources	22,572,268	11,179,763	10,318,905	(860,858)
Other local sources	11,262,263	14,363,439	14,661,030	297,591
Total Revenues	65,786,930	67,571,660	66,807,904	(763,756)
EXPENDITURES				
Certificated salaries	18,706,682	18,741,250	17,957,277	783,973
Classified salaries	14,702,866	15,116,974	15,113,118	3,856
Employee benefits	14,471,190	14,494,885	14,155,959	338,926
Books and supplies	2,506,497	2,388,114	2,443,614	(55,500)
Services and other operating expenditures	14,779,709	15,591,384	15,285,251	306,133
Capital outlay	245,500	261,218	270,406	(9,188)
Other outgo				
Excluding transfers of indirect costs	458,041	936,859	457,945	478,914
Transfers of indirect costs	(67,238)	(57,788)	(57,788)	-
Total Expenditures	65,803,247	67,472,896	65,625,782	1,847,114
Excess (Deficiency) of Revenues				
Over Expenditures	(16,317)	98,764	1,182,122	1,083,358
Other Financing Sources (Uses)				
Transfers out	(290,000)	-	(628,818)	(628,818)
Net Financing Sources (Uses)	(290,000)	-	(628,818)	(628,818)
NET CHANGE IN FUND BALANCE	(306,317)	98,764	553,304	454,540
Fund Balance - Beginning	10,766,564	13,822,123	13,822,123	-
Fund Balance - Ending	\$ 10,460,247	\$ 13,920,887	\$ 14,375,427	\$ 454,540

* The actual amounts reported on this schedule do not agree with the amounts reported on the Statement of Revenues, Expenditures, and Changes in Fund Balance for the following reasons:

- On behalf payments of \$938,307 are not included in the actual revenues and expenditures reported in this schedule.
- Actual amounts reported in this schedule are for the County School Service Fund only, and do not agree with the amounts reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances because the amounts on that schedule include the financial activity of the Deferred Maintenance Fund and Special Reserve for Post-Employment Benefits Fund, in accordance with the fund type definitions promulgated by GASB Statement No. 54.

See accompanying note to required supplementary information.

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
SCHEDULE OF FUNDING PROGRESS
FOR THE YEAR ENDED JUNE 30, 2014**

Actuarial Valuation Date	Actuarial Valuation of Assets	Actuarial Accrued Liability (AAL)	Unfunded AAL (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
June 1, 2013	\$ -	\$ 11,668,114	\$ 11,668,114	0%	\$ 32,414,961	36%
June 1, 2009	\$ -	\$ 11,027,802	\$ 11,027,802	0%	\$ 36,612,210	30%
April 1, 2007	\$ -	\$ 11,492,654	\$ 11,492,654	0%	\$ 35,808,873	32%

See accompanying note to required supplementary information.

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
 NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
 FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 1 – PURPOSE OF SCHEDULES

Budgetary Comparison Schedule

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

Schedule of Funding Progress

This schedule is required by GASB Statement No. 45 for all sole and agent employers that provide other postemployment benefits (OPEB). The schedule presents, for the most recent actuarial valuation and the two preceding valuations, information about the funding progress of the plan, including, for each valuation, the actuarial valuation date, the actuarial value of assets, the actuarial accrued liability, the total unfunded actuarial liability (or funding excess), the actuarial value of assets as a percentage of the actuarial accrued liability (funded ratio), the annual covered payroll, and the ratio of the total unfunded actuarial liability (or funding excess) to annual covered payroll.

NOTE 2 – EXCESS OF EXPENDITURES OVER APPROPRIATIONS

For the year ended June 30, 2014, the County Office of Education incurred an excess of expenditures over appropriations in individual major funds presented in the Budgetary Comparison Schedule by major object code, as follows:

	Expenditures and Other Uses		
	Budget	Actual	Excess
County School Service Fund			
Books and supplies	\$ 2,388,114	\$ 2,443,614	\$ 55,500
Capital outlay	\$ 261,218	\$ 270,406	\$ 9,188

**SUPPLEMENTARY
INFORMATION**

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2014**

Federal Grantor/Pass-Through Grantor/Program or Cluster	CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures
U. S. DEPARTMENT OF EDUCATION:			
<i>Passed through California Department of Education:</i>			
Title I, Part A Cluster			
Title I, Part A, Basic Grants Low -Income and Neglected	84.010	14329	\$ 287,629
Title I, Part D, Local Delinquent Programs	84.010	14357	664,576
Subtotal Title I, Part A Cluster			<u>952,205</u>
Adult Education: Adult Basic Education & ESL	84.002A	14508	280,923
Adult Education: Institutionalized Adults	84.002	13971	112,883
Title II, Part A, Teacher Quality	84.367A	14341	5,807
Title III, Technical Assistance	84.365	14967	197,480
Special Education Cluster			
IDEA Basic Local Assistance Entitlement, Part B, Sec 611	84.027	13379	36,581
IDEA Mental Health Allocation Plan, Part B, Sec 611	84.027	14468	2,699
Subtotal Special Education Cluster			<u>39,280</u>
IDEA Early Intervention Grants	84.181	23761	179,044
Vocational Programs: Voc & Appl Tech Secondary II C, Sec 131 (Carl Perkins Act)	84.048	14893	2,108
Workforce Investment Act	17.259	10055	795,000
Total U. S. Department of Education			<u><u>2,564,730</u></u>
U. S. DEPARTMENT OF AGRICULTURE:			
<i>Passed through California Department of Education:</i>			
National School Lunch Program	10.555	13391	52,450
Total U. S. Department of Agriculture			<u>52,450</u>
U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES:			
<i>Passed through California Department of Education:</i>			
CCDF Cluster			
Local Planning Councils	93.575	13946	56,647
Quality Improvement Activities	93.575	13979	723,493
Subtotal CCDF Cluster			<u>780,140</u>
<i>Passed through California Department of Health Services:</i>			
Medi-Cal Billing Option	93.778	10013	143,839
Total U. S. Department of Health & Human Services			<u>923,979</u>
Total Federal Expenditures			<u><u>\$ 3,541,159</u></u>

See accompanying note to supplementary information.

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
SCHEDULE OF AVERAGE DAILY ATTENDANCE (ADA)
FOR THE YEAR ENDED JUNE 30, 2014**

	Second Period Report	Annual Report
COUNTY OPERATED PROGRAMS		
TK/K through Third		
Special Education	80.36	79.93
Total TK/K through Third	80.36	79.93
Fourth through Sixth		
Special Education	73.41	73.29
Total Fourth through Sixth	73.41	73.29
Seventh through Eighth		
Special Education	65.64	65.72
Total Seventh through Eighth	65.64	65.72
Ninth through Twelfth		
Special Education	245.46	244.40
Total Ninth through Twelfth	245.46	244.40
Total County Operated Programs	464.87	463.34
COUNTY OFFICE OF EDUCATION		
Elementary		
Juvenile Halls, Homes and Camp	8.41	12.73
Probation Referred, on Probation or Parole, Expelled	15.41	20.31
Total Elementary	23.82	33.04
High School		
Juvenile Halls, Homes and Camp	265.07	300.33
Probation Referred, on Probation or Parole, Expelled	85.65	88.09
Total High School	350.72	388.42
Total County Office of Education	374.54	421.46
Adults		
Adults in Correctional Facilities	416.86	472.52
Total Adults	416.86	472.52

See accompanying note to supplementary information.

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2014**

	2015 (Budget)	2014	2013	2012
County School Service Fund - Budgetary Basis**				
Revenues And Other Financing Sources	\$ 64,632,965	\$ 66,807,904	\$ 64,267,875	\$ 69,234,375
Expenditures And Other Financing Uses	65,858,184	66,254,600	63,603,484	67,325,924
Net change in Fund Balance	\$ (1,225,219)	\$ 553,304	\$ 664,391	\$ 1,908,451
Ending Fund Balance	\$ 13,150,208	\$ 14,375,427	\$ 13,822,123	\$ 13,157,732
Available Reserves*	\$ 3,951,491	\$ 4,046,022	\$ 3,811,012	\$ 4,322,170
Available Reserves As A Percentage Of Outgo	6.00%	6.11%	5.99%	6.42%
Long-term Debt	\$ 8,968,412	\$ 9,621,483	\$ 7,155,748	\$ 6,396,595
Average Daily Attendance At P-2	839	839	1,376	1,601

The County School Service Fund balance has increased by \$1.2 million over the past two years. The fiscal year 2014-15 budget projects a decrease of \$1.2 million. For a County Office of Education this size, the State recommends available reserves of at least 2% of County School Service Fund expenditures, transfers out, and other uses (total outgo).

The County Office of Education has incurred operating surpluses in each of the past three years and anticipates incurring an operating deficit during the 2014-15 fiscal year. Total long term obligations have increased by \$3.2 million over the past two years.

Average daily attendance has decreased by 762 ADA over the past two years. No change ADA is anticipated during the 2014-15 fiscal year.

**The actual revenues and expenditures reported in this schedule do not include STRS on behalf payments of \$938,307.*

***The actual amounts reported in this schedule are for the County School Service Fund only, and do not agree with the amounts reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances because the amounts on that schedule include the financial activity of the Special Reserve for Post-Employment Benefits Fund, in accordance with the fund type definitions promulgated by GASB Statement No. 54.*

Available reserves consist of all unassigned fund balance within the County School Service Fund.

See accompanying note to supplementary information.

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
RECONCILIATION OF ANNUAL FINANCIAL AND BUDGET REPORT WITH AUDITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2014**

	General Fund	Special Reserve for Post Employment Benefits Fund
June 30, 2014, annual financial and budget report fund balance	\$ 14,375,427	\$ 1,500,934
Adjustments and reclassifications:		
Increase (decrease) in total fund balances:		
Fund balance transfer (GASB 54)	1,500,934	(1,500,934)
Net adjustments and reclassifications	1,500,934	(1,500,934)
June 30, 2014, audited financial statement fund balance	<u>\$ 15,876,361</u>	<u>\$ -</u>

See accompanying note to supplementary information.

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
SCHEDULE OF CHARTER SCHOOLS
FOR THE YEAR ENDED JUNE 30, 2014**

Charter School	Status	Included in Audit Report
Making Waves Charter School	Active	No
Clayton Valley Charter High	Active	No
Caliber Beta Academy	Active	No
Summit Public School K2	Active	No

See accompanying note to supplementary information.

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
 NOTES TO SUPPLEMENTARY INFORMATION
 FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 1 – PURPOSE OF SCHEDULES

Schedule of Expenditures of Federal Awards

The accompanying Schedule of Expenditures of Federal Awards includes the Federal grant activity of the County Office of Education and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of the United States Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

The following schedule provides reconciliation between revenues reported on the Statement of Revenue, Expenditures, and Changes in Fund Balance, and the related expenditures reported on the Schedule of Expenditures of Federal Awards. The reconciling amounts represent Federal funds that have been recorded as revenues in a prior year that have been expended by June 30, 2014 or Federal funds that have been recorded as revenues in the current year and were not expended by June 30, 2014.

	CFDA	
	Number	Amount
Total Federal Revenues reported in the Statement of Revenues, Expenditures, and Changes in Fund Balance		\$ 3,236,114
Quality Improvement Activities	93.575	<u>305,045</u>
Total Expenditures reported in the Schedule of Expenditures of Federal Awards		<u>\$ 3,541,159</u>

Schedule of Average Daily Attendance (ADA)

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

Schedule of Instructional Time

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 46200 through 46208*. Through 2014-15, the instructional day and minute requirements have been reduced pursuant to *Education Code Section 46201.2*.

Schedule of Financial Trends and Analysis

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

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
NOTES TO SUPPLEMENTARY INFORMATION, continued
FOR THE YEAR ENDED JUNE 30, 2014**

NOTE 1 – PURPOSE OF SCHEDULES (continued)

Reconciliation of Annual Financial and Budget Report with Audited Financial Statements

This schedule provides the information necessary to reconcile the fund balance of all funds reported on the Annual Financial and Budget Report Unaudited Actuals to the audited financial statements.

Schedule of Charter Schools

This schedule lists all Charter Schools chartered by the County Office of Education, and displays information for each Charter School on whether or not the Charter School is included in the County Office of Education audit.

Local Education Agency Organization Structure

This schedule provides information about the County Office of Education's boundaries and schools operated, members of the governing board, and members of the administration. (Located in the front of the audit report)

Subrecipients

Of the Federal Expenditures presented in this schedule, the County Office of Education did not provide Federal Awards to subrecipients during June 30, 2014 due to the reimbursements being deferred.

**OTHER INDEPENDENT
AUDITORS' REPORTS**

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

Christy White, CPA

Michael Ash, CPA

Tanya M. Rogers, CPA, CFE

John Whitehouse, CPA

Heather Rubio

SAN DIEGO
LOS ANGELES
SAN FRANCISCO/BAY AREA

Corporate Office:
2727 Camino Del Rio South
Suite 219
San Diego, CA 92108

toll-free: 877.220.7229
tel: 619.270.8222
fax: 619.260.9085
www.christywhite.com

Licensed by the California
State Board of Accountancy

Independent Auditors' Report

Governing Board
Contra Costa County Office of Education
Pleasant Hill, 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, each major fund, and the aggregate remaining fund information of Contra Costa County Office of Education, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Contra Costa County Office of Education's basic financial statements, and have issued our report thereon dated December 9, 2014.

Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.



San Diego, California
December 9, 2014

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; AND REPORT
ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB
CIRCULAR A-133

Christy White, CPA

Michael Ash, CPA

Tanya M. Rogers, CPA, CFE

John Whitehouse, CPA

Heather Rubio

SAN DIEGO
LOS ANGELES
SAN FRANCISCO/BAY AREA

Corporate Office:
2727 Camino Del Rio South
Suite 219
San Diego, CA 92108

toll-free: 877.220.7229
tel: 619.270.8222
fax: 619.260.9085
www.christywhite.com

Licensed by the California
State Board of Accountancy

Independent Auditors' Report

Governing Board
Contra Costa County Office of Education
Pleasant Hill, California

Report on Compliance for Each Major Federal Program

We have audited Contra Costa County Office of Education's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Contra Costa County Office of Education's major federal programs for the year ended June 30, 2014. Contra Costa County Office of Education's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

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

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Contra Costa County Office of Education's compliance.

Opinion on Each Major Federal Program

In our opinion, Contra Costa County Office of Education 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, 2014.

Report on Internal Control Over Compliance

Management of Contra Costa County Office of Education 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 Contra Costa County Office of Education's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Contra Costa County Office of Education's 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 OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Christy White Associates

San Diego, California
December 9, 2014

REPORT ON STATE COMPLIANCE

Independent Auditors' Report

Christy White, CPA

Michael Ash, CPA

Tanya M. Rogers, CPA, CFE

John Whitehouse, CPA

Heather Rubio

SAN DIEGO

LOS ANGELES

SAN FRANCISCO/BAY AREA

Corporate Office:

2727 Camino Del Rio South
Suite 219
San Diego, CA 92108

toll-free: 877.220.7229
tel: 619.270.8222
fax: 619.260.9085
www.christywhite.com

*Licensed by the California
State Board of Accountancy*

Governing Board
Contra Costa County Office of Education
Pleasant Hill, California

Report on State Compliance

We have audited Contra Costa County Office of Education's compliance with the types of compliance requirements described in the *Standards and Procedures for Audits of California K – 12 Local Education Agencies 2013-14*, issued by the California Education Audit Appeals Panel that could have a direct and material effect on each of Contra Costa County Office of Education's state programs for the fiscal year ended June 30, 2014, as identified below.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of Contra Costa County Office of Education's state 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 *Standards and Procedures for Audits of California K – 12 Local Education Agencies 2013-14*, issued by the California Education Audit Appeals Panel as regulations. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on the state programs noted below occurred. An audit includes examining, on a test basis, evidence about Contra Costa County Office of Education's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance with the requirements referred to above. However, our audit does not provide a legal determination of Contra Costa County Office of Education's compliance with those requirements.

Opinion on State Compliance

In our opinion, Contra Costa County Office of Education complied, in all material respects, with the types of compliance requirements referred to above that are applicable to the state programs noted in the table below for the year ended June 30, 2014.

Procedures Performed

In connection with the audit referred to above, we selected and tested transactions and records to determine Contra Costa County Office of Education's compliance with the state laws and regulations applicable to the following items:

PROGRAM NAME	PROCEDURES IN AUDIT GUIDE	PROCEDURES PERFORMED
Attendance Reporting	6	Yes
Teacher Certification and Misassignments	3	Yes
Kindergarten Continuance	3	Not Applicable
Independent Study	23	Yes
Continuation Education	10	Not Applicable
Instructional Time for school districts	10	Not Applicable
Instructional Materials, general requirements	8	Yes
Ratios of Administrative Employees to Teachers	1	Not Applicable
Classroom Teacher Salaries	1	Not Applicable
Early Retirement Incentive	4	Not Applicable
Gann Limit Calculation	1	Yes
School Accountability Report Card	3	Yes
Juvenile Court Schools	8	Yes
Local Control Funding Formula Certification	1	Yes
California Clean Energy Jobs Act	3	Yes

<u>PROGRAM NAME</u>	<u>PROCEDURES IN AUDIT GUIDE</u>	<u>PROCEDURES PERFORMED</u>
After School Education and Safety Program:		
General requirements	4	Not Applicable
After school	5	Not Applicable
Before school	6	Not Applicable
Education Protection Account Funds	1	Yes
Common Core Implementation Funds	3	Yes
Unduplicated Local Control Funding Formula Pupil Counts	3	Yes
Contemporaneous Records of Attendance; for charter schools	8	Not Applicable
Mode of Instruction; for charter schools	1	Not Applicable
Nonclassroom-Based Instruction/Independent Study; for charter schools	15	Not Applicable
Determination of Funding for Nonclassroom-Based Instruction; for charter schools	3	Not Applicable
Annual Instructional Minutes – Classroom Based; for charter schools	4	Not Applicable
Charter School Facility Grant Program	1	Not Applicable

Christy White Associates

San Diego, California
December 9, 2014

**SCHEDULE OF FINDINGS
AND QUESTIONED COSTS**

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
SUMMARY OF AUDITORS' RESULTS
FOR THE YEAR ENDED JUNE 30, 2014**

FINANCIAL STATEMENTS

Type of auditors' report issued:	<u>Unmodified</u>
Internal control over financial reporting:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None Reported</u>
Non-compliance material to financial statements noted?	<u>No</u>

FEDERAL AWARDS

Internal control over major program:	
Material weakness(es) identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None Reported</u>
Type of auditors' report issued:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with section .510(a) of OMB Circular A-133?	<u>No</u>
Identification of major programs:	

<u>CFDA Number(s)</u>	<u>Name of Federal Program of Cluster</u>
<u>93.575</u>	<u>CCDF Cluster</u>
<u>84.002, 84.002A</u>	<u>Adult Education Cluster</u>

Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$ 300,000</u>
Auditee qualified as low-risk auditee?	<u>Yes</u>

STATE AWARDS

Internal control over state programs:	
Material weaknesses identified?	<u>No</u>
Significant deficiency(ies) identified?	<u>None Reported</u>
Type of auditors' report issued on compliance for state programs:	<u>Unmodified</u>

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
FINANCIAL STATEMENT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2014**

FIVE DIGIT CODE

20000
30000
60000

AB 3627 FINDING TYPE

Inventory of Equipment
Internal Control
Miscellaneous

There are no financial statement findings for the year ended June 30, 2014.

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
FEDERAL AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

FIVE DIGIT CODE

50000

AB 3627 FINDING TYPE

Federal Compliance

There are no federal award findings or questioned costs for the year ended June 30, 2014.

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
STATE AWARD FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2014**

FIVE DIGIT CODE

10000
40000
41000
60000
61000
70000
71000
72000

AB 3627 FINDING TYPE

Attendance
State Compliance
CalSTRS
Miscellaneous
Classroom Teacher Salaries
Instructional Materials
Teacher Misassignments
School Accountability Report Card

There are no state award findings or questioned costs for the year ended June 30, 2014.

**CONTRA COSTA COUNTY OFFICE OF EDUCATION
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
FOR THE YEAR ENDED JUNE 30, 2014**

FINDING #2013-1 SCHOOL ACCOUNTABILITY REPORT CARD (72000)

Criteria: School Accountability Report Cards (SARCs), prepared on an annual basis for each school site within the COE and posted, should contain information regarding school facilities conditions, as indicated in the most recently prepared facility inspection tool (FIT) and developed by the Office of Public School Construction and approved by the State Allocation Board, or local evaluation instruments that meet the same criteria, as per Education Code Section 33126(b)(8) and 17002(d).

Condition: In testing the School Accountability Report Cards (SARC), as posted online through the District website, we found that the information contained on the SARC for Golden Gate Community School did not match the information that was recorded on the Facilities Inspection Tool (FIT).

Cause: Golden Gate Community School has four (4) different sites. One FIT form is used for all four (4) sites.

Effect: Noncompliance with state requirements.

Perspective/Context: We tested one Community School with four sites.

Questioned Cost: Not applicable

Recommendation: We recommend that the Agency implement appropriate internal control procedures to ensure that information reported on the SARC is accurate and consistent with the FIT. This can be done by having one FIT form for each site at Golden Gate Community School in order to ensure a more accurate reporting method of the conditions of the school's facilities.

District Response: The CCCOE agrees with this finding and will take steps to ensure information reported on the SARC is accurate and reports the results of each of the agency community schools.

Status: Implemented.

CONTRA COSTA COUNTY BOARD OF EDUCATION

AGENDA ITEM

ISSUE

Consider Petition to Establish the Contra Costa School of Performing Arts

ANALYSIS

In accordance with the California Education Code, a public hearing on the provisions of a charter petition was held on December 10, 2014. The Board will deliberate regarding the Petition to Establish the Contra Costa School of Performing Arts following comments from the Petitioners, the public, and the presentation of staff's report on the petition.

RECOMMENDATION

Information only

Approved *B. Miller*
Associate Superintendent

Item No. 7.2.2

Page 1 of 1

Date 1109115

Bd. Agenda 01/14/15

CONTRA COSTA COUNTY BOARD OF EDUCATION

AGENDA ITEM

ISSUE

Consider Action to Either Deny the Petition to Establish the Contra Costa School of Performing Arts (“Petition”) and to Adopt Resolution No. 8-14/15 reflecting denial of the Petition and related factual findings, or to Declare Intent to Approve the Petition and specify any conditions necessary for approval.

ANALYSIS

The Board will consider taking action to either deny the Petition to Establish the Contra Costa School of Performing Arts, and to adopt Resolution No. 8-14/15 reflecting denial of the Petition and related factual findings, or to declare its intent to approve the Petition and specify any conditions that must be met prior to approval.

RECOMMENDATION

The County Office of Education Administration recommends denial of Petition to Establish the Contra Costa School of Performing Arts for reasons expressed in the attached Findings of Fact.

Approved 
Associate Superintendent

Item No. 7.2.3

Page 1 of 5

Date 1/09/15

Bd. Agenda 01/14/15

IN THE CONTRA COSTA COUNTY BOARD OF EDUCATION

OF

CONTRA COSTA COUNTY, STATE OF CALIFORNIA

In the Matter of Denying Petition to)
Establish the Contra Costa School of) Resolution No. 8-14/15
Performing Arts, and Adopting)
Written Findings of Fact)

WHEREAS, the County Board of Education conducted a public hearing on the provisions of the proposed charter on December 10, 2014, and assessed the level of support for the petition from parents, the school districts and the community; and

WHEREAS, the County Office of Education Charter Review Committee has reviewed and analyzed the petition and supporting documents and has identified deficiencies in, and concerns related to, the Petition and have recommended that the County Board of Education deny the petition for the reasons expressed in Exhibit "A", hereto, Findings of Fact; and

WHEREAS, pursuant to California Education Code section 47605, the County Board of Education finds that granting the petition to establish the Contra Costa School of Performing Arts does not meet the requirements provided by state law;

NOW, THEREFORE, BE IT RESOLVED, that the Findings of Fact attached hereto as Exhibit "A" are adopted as the factual findings specific to the petition, and support that:

1. The proposed charter school presents an unsound educational program for the pupils to be enrolled in the charter school; and
2. The petitioners are demonstrably unlikely to successfully implement the program set forth in the petition; and
3. The petition does not meet the requirements to establish a countywide charter.

BE IT FURTHER RESOLVED, that the Petition to Establish the Contra Costa School of Performing Arts, is denied;

PASSED AND ADOPTED by the Contra Costa County Board of Education on 14th of January, 2015, at a regular meeting of the Board by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

I hereby certify that the foregoing resolution was duly introduced, passed and adopted as stated.

Daniel A. Gomes, President
Contra Costa County Board of Education

**Contra Costa County Board of Education
Petition for
Contra Costa School of Performing Arts
Findings of Fact – January 14, 2015**

Background

On October 13, 2014, the Contra Costa County Office of Education received a Countywide Benefit Charter Petition to establish the Contra Costa School of Performing Arts ("Petition"). The Petition would serve an estimated 1,050 students in grades 6-12 who are interested in the performing arts.

On December 10, 2014, the County Board held a public hearing to consider the Petition. At the hearing, the Petitioner presented information about the proposed instructional program, financial and facilities plan.

Legislative Intent

It is the intent of the Legislature to provide opportunities for teachers, parents, pupils, and community members to establish and maintain schools that operate independently from the existing school district structure.

The Petition does not meet the legislative intent in the following ways:

1. **The Petition should increase learning opportunities for all pupils, with a special emphasis on expanded learning experiences for pupils who are identified as academically low achieving.**
 - a) The Petition does not ensure a fair and equitable selection process for admittance to the charter, particularly for **academically low achieving students**. The Petition outlines a preference for students who perform well in an audition process. On page 9, the Petition uses the words "best students in the County" to describe their target. This disadvantages all students who have not had the privilege of private lessons, coaching and other educational support necessary to compete in a formal audition process. Also, this would likely result in low achieving students and/or students with disabilities being screened out from participation. Furthermore, the Petition does not provide a plan to recruit and develop low performing or high needs students who are not likely to succeed at a live audition.
 - b) In addition, the Petition does not contain a plan for attracting and ensuring the admission of a **racial and ethnic balance** that reflects the demographics of the county. The Petition did summarize in charts some aspects of the county's diversity, but the Petition does not indicate how it will address the issue of recruitment. At the public hearing the Petitioner gave testimony of their intention to follow the enrollment practices of performing arts programs that use an audition process. Testimony given at the December 10th public hearing verified that performing arts programs that utilize an audition process generate very low enrollment of students who are disabled, English learners and/or economically disadvantaged.

**Contra Costa County Board of Education
Petition for
Contra Costa School of Performing Arts
Findings of Fact – January 14, 2015**

- 2. The Petition should demonstrate the need for the charter and how it provides parents and pupils with expanded choices in the types of educational opportunities that are available within the public school system.**

The Petition does not establish the need for a countywide charter that concentrates expertise in the performing arts (both students and teachers) under the auspices of a single school. Though there were a few comments in support of the charter, none of the testimony addressed how students' needs were not being met through existing programs. At a minimum, the Petition should have included written or oral testimony from two of the following groups: teachers, parents and school leadership of affected districts across the county to demonstrate the need. There was testimony from superintendents and other district staff about the existing successful arts programs and student participants in their districts. No testimony, or data, was presented that even suggest the need for a countywide entity.

Nearly all of Contra Costa County's Districts have established arts programs in many areas (e.g., instrumental, drama, choral). Those who might want to strengthen an arts focus could do so at the district level. There are certainly enough students in the county. The value added of a countywide structure is missing.

Testimony was provided that actually supports the value of keeping such offerings more local. The East Bay School for Performing Arts not only provides arts apprenticeships and instruction to students in Richmond, but it does so in a way that is culturally aware of and often culturally relevant to *that* community.

The Petition was silent about how they would provide expanded choices in the arts in cross-curricular settings. The Petition does not refer to a unique curriculum that would be different or superior to that which is already available in our local school districts. For example, there is no evidence of a mathematics curriculum that prepares students to learn mathematics through performing arts settings, examples, or thinking. Neither is there mention of the source of such material, nor how it would be maintained to align with the Common Core and the Next Generation Science Standards.

The Petition gives no examples of unique arts-based curriculum other than online materials which are equally available to public schools. The idea of immersion in an arts-centered curriculum appears unlikely given the lack of specific curriculum, facilities limitations and limited teacher credentials to support the program.

- 3. Even if the Petition could provide expanded choices, they do not have the resources in terms of leadership, staff, equipment or facilities to provide a program that would be uniquely different or superior to what is already provided locally. A countywide**

**Contra Costa County Board of Education
Petition for
Contra Costa School of Performing Arts
Findings of Fact – January 14, 2015**

charter must provide educational services that cannot be served as well by a school that operates in one school district.

Only a couple of the teachers identified in the Petition possessed credentials with authorizations in music or art. No evidence was presented that the leadership team had arts expertise.

In terms of facilities, the Concord Pavilion is a performance space but it is not necessarily the facility that best serves students needs across the arts. It is not even clear that it serves performing arts *students'* needs. It was designed to serve the needs of performers. The Petition is unclear about how students will use the facility. The plan does not show where the portable classroom buildings will be placed. Furthermore, it appears that the 16 portables identified in the facilities financing plan will be insufficient in meeting even minimal requirements for the proposed academic program. Also, the facility plan does not clearly identify how the other typical campus needs would be met. For example, restroom facilities, custodial, technology, playground, gym, kitchen, performance and practice facilities and musical/performance equipment, etc., are not clearly identified in the facilities financing plan.

In terms of location, the charter facility is located in an outlying area, making it difficult to access by public transportation. There is no provision for transportation for low income students or any other students. For this reason, most students likely to attend the school would be drawn from the school district where the charter facility is located. There appears to be no justification to establish a countywide charter to serve a majority of students drawn from one or perhaps two local school districts.

The Petition includes budget assumptions for expenditure items for the program described in the Petition. The Petition presents an unrealistic financial or operational plan for the proposed charter school. The proposed charter relies on the receipt of \$250,000 from the Charter School Revolving Loan. This loan is not guaranteed and cannot be relied upon. Additionally, the Petition relies on donations of \$40,000. There is no evidence to suggest that this funding will be received.

The Petition proposes a segregated benefits plan. Certificated teachers are eligible to participate in the State Teachers Retirement System. Classified and other full-time employees will not be given similar retirement benefits, creating a two tier retirement system disadvantaging some employees.

Conclusion: Based on the above analysis, staff recommends that the Contra Costa County Board of Education deny the Petition.

CONTRA COSTA COUNTY BOARD OF EDUCATION
AGENDA ITEM

ISSUE *(Clear, concise statement for the Board meeting agenda which indicates exactly what will be discussed.)*

Consider approval of the Single Plan for Student Achievement for each school that receives federal funding through the Consolidated Application.

ANALYSIS *(Overviews of the issue—Attach all background information Board members will need to consider or vote on this issue. As appropriate, refer to the “who, what, when, and how” elements of the item.)*

The California Education Code (EC 64001 a) requires that each school receiving funds through the Consolidated Application to develop a Single Plan for Student Achievement (SPSA). Each school must have a school site council involved in the creation and approval of these plans. The stated purpose of the SPSA is to improve the academic performance of all pupils. These plans must also be approved by the local governing board. The four plans enclosed for consideration are:

- Mt. McKinley School
- Delta Vista High School
- Golden Gate Community School
- Far East County Student Programs - Liberty

RECOMMENDATION *(Advise approval or adoption, or note that the item is for information only.)*

Approval

(Please note: supporting documentation for this agenda item will be located via separate link on CCCOE website as "2014 Single Plan for Student Achievement")

Approved 
Associate Superintendent

Item No. 7.3.1

Page 1 of 215

Date January 6, 2015

Board Agenda January 14, 2015
(Date)

CONTRA COSTA COUNTY BOARD OF EDUCATION

AGENDA ITEM

ISSUE (*clear, concise statement for the Board meeting agenda which indicates exactly what will be discussed*)

Presentation of Labor Agreement Proposals:

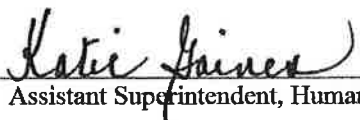
- Initial Proposal from Contra Costa County Schools Education Association/CTA/NEA for Reopener Agreement
- Initial Management Proposal for Reopener Agreement with Representatives of the Certificated Unit

ANALYSIS (*overviews of the issue -- Attach all background information Board members will need to consider or vote on this issue. As appropriate, refer to the "who, what, when, and how" elements of the item.*)

This proposal is being presented in accordance with Board Policy 4135.31 regarding the public noticing of collective bargaining proposals. Administrative Regulation 4135.31(a) provides that initial collective bargaining proposals shall be presented to the Board of Education and County Superintendent of Schools in public during a regularly scheduled Board Meeting. Following initial presentation of this proposal, the Board schedules a public hearing at the next regularly scheduled meeting in order to receive public input.

RECOMMENDATION (*Advise approval or adoption, or note that the item is for information only.*)

Scheduling of a public hearing to receive input at the next regularly scheduled meeting of the County Board of Education is recommended.

Approved 
Assistant Superintendent, Human Resources

Item No. 7.4.1

Page 1 of 3

Date: 1-8-15

Bd. Agenda: 1/14/2015

**PROPOSED CONCEPTUAL BARGAINING PROPOSALS
BETWEEN THE
CONTRA COSTA COUNTY SCHOOLS EDUCATION ASSOCIATION/CTA/NEA
AND THE CONTRA COSTA COUNTY OFFICE OF EDUCATION
FOR A REOPENER AGREEMENT
FOR THE CONTRACT ENDING JUNE 30, 2016
(When Finally Agreed)**

January 8, 2015

1. All previously agreed to side letters, memoranda of agreement, memoranda of understanding, letters of understanding, joint proposals of agreements and understandings and any and all agreements between the parties of any kind, shall be incorporated in any successor agreement as written and agreed unless superseded by subsequent agreement between the parties or delineated to be changed by this or subsequent proposals by the Association.
2. Decisions of binding arbitrations that have County-wide impact shall be reduced to writing and incorporated within articles (provisions) of the Successor Agreement.
3. Necessary date changes shall be made to give full force of implementation to any article of the Prior Agreement or other agreement or memoranda of any kind, agreed to by the parties.
4. Article 9 Hours – Improve and clarify language in this article.
5. CCCSEA has interest in improving the salary and benefits of unit members – Article 16 and 17.

**INITIAL MANAGEMENT PROPOSAL
FOR AGREEMENT WITH
REPRESENTATIVES OF THE CERTIFICATED UNIT**

The Contra Costa County Superintendent of Schools, through his designated negotiating team, proposes to negotiate a Reopener Agreement, to be in effect from July 1, 2014 through June 30, 2016.

The Superintendent's negotiating team will engage in a collaborative effort with representatives of the Certificated Unit to continue current agreement provisions where appropriate; and to reach agreement on new/revised contract language that addresses the following matters of interest to the Employer.

Review language for the following contract articles:

- Article 9 (Hours)
- Article 16 (Benefits)
- Article 17 (Salaries)

CONTRA COSTA COUNTY BOARD OF EDUCATION

AGENDA ITEM

ISSUE

Recognition of Dr. Joseph Ovick, Contra Costa County Superintendent of Schools

ANALYSIS

Dr. Joseph Ovick began his distinguished tenure at the Contra Costa County Office of Education on July 1, 1985 as the Director of Special Education. Four years later, Joe was promoted to the position of Assistant Superintendent of Student Programs, and in 1995 he became the Assistant Superintendent of Administrative Services. He was appointed County Superintendent of Schools in 1996, then elected to the position in 1998 where he was re-elected three times (all unopposed) and served until his retirement on January 5, 2015.

Joe began his education career as a substitute school site custodian. He went on to get his teaching credential because he thought he could help students, especially young people with special needs. In addition to his extensive efforts to champion legislation to improve services to students, Joe is considered to be an expert in the area of organizational management which was most recently exhibited by his active coordination of the "Choose Civility" initiative, adopted by most school districts and local governments in Contra Costa County.

Much can be said about Joe's many accomplishments along the way, which perhaps can be summed up best with this statement, "Joe has always had a soft place in his heart for kids and what was best for them." That's what has made him a great superintendent. There has been no greater champion for public education and for young people in our county!

RECOMMENDATION

Adopt Resolution No. 9-14/15 in recognition of Dr. Ovick's many years of outstanding service and leadership.

Approved 
Associate Superintendent

Item No. 7.7.2

Page 1 of 2

Date 11/09/15

Bd. Agenda 01/14/15

CONTRA COSTA COUNTY OFFICE OF EDUCATION

RESOLUTION NO. 9-14/15

RECOGNITION OF DR. JOSEPH A. OVICK,

COUNTY SUPERINTENDENT OF SCHOOLS

WHEREAS, Dr. Joseph Ovick retired as the Contra Costa County Superintendent of Schools on January 5, 2015, and

WHEREAS, Dr. Joseph Ovick worked for nearly thirty years in the Contra Costa County Office of Education and eighteen years as County Superintendent of Schools providing outstanding and visionary leadership, and

WHEREAS, Dr. Joseph Ovick has been a tireless champion in his efforts to improve the education and opportunities for all students, and

WHEREAS, Dr. Joseph Ovick has left an indelible mark on the educational process in Contra Costa County and California, particularly in support of students with special needs,

THEREFORE BE IT RESOLVED that the Contra Costa County Board of Education hereby recognizes by official Board Resolution the work and contributions of Dr. Joseph Ovick to the Contra Costa County Office of Education and the students and communities we serve.

PASSED AND ADOPTED by the Contra Costa County Board of Education this 14th day of January, 2015.

AYES:

NOES:

ABSTENTION:

ABSENT:

I certify that the foregoing resolution was duly introduced, passed, and adopted as stated.

Daniel A. Gomes, President
Contra Costa County Board of Education

**County Board of Education
Ronald L. Stewart Center
77 Santa Barbara Road, Pleasant Hill, California
December 10, 2014**

- ROLL CALL:** Pamela Mirabella, Area 1 Trustee; Christine Deane, Area 2 Trustee; Daniel Gomes, Area 3 Trustee; and Jeff Belle, Area 5 Trustee.
- Absent:** Mike Maxwell, Area 4 Trustee
- Others:** Joseph Ovick, Pamela Comfort, Terry Koehne, Bill Clark, Katie Gaines, Loreen Joseph and County Office staff.
- Presiding:** The regular meeting of the Contra Costa County Board of Education was called to order by Vice President Gomes at 5:00 p.m. with the recitation of the Pledge of Allegiance.
- Oaths of Office** Joseph Ovick, Ed.D., County Superintendent of Schools, administered the Oath of Office to Christine Deane, Area 2 Trustee and Jeff Belle, Area 5 Trustee. Dr. Ovick administered the Oath of Office to Mike Maxwell at the Pleasant Hill Rotary meeting on December 4, 2014.
- Reorganization of the Board** Jeff Belle said he was honored for being elected as a Board member and thanked his family for their support.
- Mirabella moved, Gomes seconded, and the Board voted 4-0-1 to appoint Mr. Gomes as President, Ms. Mirabella as Vice President, and Ms. Deane as Clerk.
- Ayes: Gomes, Deane, Belle, Mirabella
Noes: None
Absent: Maxwell
Abstain: None
- AGENDA REVIEW AND ADOPTION** Mirabella moved, Belle seconded, and the Board voted 4-0-1 to approve the agenda as presented. The graduation recognition was moved before Public Comment.
- Ayes: Gomes, Deane, Belle, Mirabella
Noes: None
Absent: Maxwell
Abstain: None
- RECOGNITIONS**
- Consider granting of a Contra Costa County High School Diploma to high school student DVHS 1-12/10/2014** Mirabella moved, Belle seconded, and the Board voted 4-0-1 to approve granting of a high school diploma to high school student DVHS 1-12/10/14.
- Ayes: Gomes, Deane, Belle, Mirabella
Noes: None
Absent: Maxwell
Abstain: None
- President Gomes and Dr. Ovick, County Superintendent of Schools presented the graduate with his diploma and offered their congratulations.
- PUBLIC COMMENT** Nellie Meyers, Superintendent, Mt. Diablo Unified School District (MDUSD), stated that MDUSD does not support the approval of the Contra Costa School of Performing Arts.
- Willie Mims, East County NAACP/PBPA, congratulated Jeff Belle and Christine Deane on their successful elections. He stated the Brown Act allows the public to speak on any agenda item. He also said the NAACP opposes the emergence of charter schools unless they have a valid purpose.

Ms. Mirabella presented Mr. Gomes with the centerpiece from the Teacher of the Year Dinner. She offered her personal thanks as well as thanks from outgoing and current Board members for his leadership in 2014.

CLOSED SESSION

None

PUBLIC HEARING

Public Hearing on the Petition to Establish the Contra Costa School of Performing Arts (the Charter School)

President Gomes opened the public hearing at 5:40 p.m. Bill Clark, Associate Superintendent, Business Services, introduced the petition to establish the charter school and stated the COE has no specific comments at this time.

Comments from the Petitioners

Neil McChesney, lead petitioner, shared a PowerPoint presentation and provided information regarding the petition. He said there is widespread support in the area. In answer to a question from Ms. Mirabella he stated that Education Code provides for additional factors in terms of what the county board needs to look at when deciding whether or not to approve a countywide charter. He expressed disappointment that MDUSD Superintendent Meyers doesn't embrace the project, but understands her position. He said his team looked at all districts in the county and what their arts programs offer. The Contra Costa School of Performing Arts (CCSPA) would differ by offering pre-professional training that cannot be mirrored in the traditional elective arts program. The student's entire academic experience at CCSPA would be imbued with some level of performing arts. Ms. Mirabella expressed concern about the enrollment process and the requirement for auditioning. She asked how the acceptance of Special Education and English learner students will work. Mr. McChesney explained that those students would be admitted and served. The charter speaks to that issue at length. Ms. Mirabella expressed interest in visiting the proposed site.

In answer to a question from Mr. Belle regarding support from the community, Mr. McChesney responded that there are one-hundred signatures on their website. They continue to have meetings across the county to help get the word out. He further explained that it is not the burden of the petitioners to prove that the charter would not have a negative impact on Mt. Diablo Unified School District. Additionally, they are not trying to serve a population that would have a great impact on enrollment or ADA.

Ms. Mirabella asked staff to review the funding for the facilities costs. Mr. McChesney explained that they will apply for grants and are thus far guaranteed a \$250,000 loan from the state.

Mr. Gomes inquired about the admission process. It was explained by Mr. McChesney that a diverse and vetted panel will be used to make sure there is an objective process structured.

Comments from the Public

The following spoke in favor of approving the charter petition: David Shuey, Scott DeVenney, Noelle Arms, Richard Asadoorian, Colleen Cull, Melissa Kirmsse, Stacey Wickware, Lisa Kingsbury, Janet Gower, Tom Nichols, Rob Seitelman, Jason Miller, Alison Bacigalupo, Betty Lou Moglen, Barbara Goldsmith, Kristyn Pullen, Michelle Lopez, Brianna Shahvar, and Guy Moore.

The following spoke in opposition of approving the charter petition: Mary Vinciguerra, Linda Delgado, Dr. Mara Lockowandt, Patrick Martin, Dorothy Weisenberger, and Denise Lambert.

Toni Taylor said she is neither pro nor con and explained programs offered by San Ramon Valley Unified School District. Jennifer Krnich expressed concern with charter school oversight.

A brief break took place during public comment.

President Gomes closed the public hearing at 7:30 p.m.

A brief break took place after the public hearing was closed.

ADMINISTRATIVE ITEMS

SUPERINTENDENT'S REPORT

Joseph Ovick, Ed.D., County Superintendent of Schools, invited the Board of Education to the January 5 dedication of the COE Student Services area, which will become the Ellen Elster

Student Services area. Deputy Superintendent Karen Sakata will be sworn in as the County Superintendent of Schools the same day. He commended staff for the good work they continue to do and thanked the Board for working well together.

BUSINESS SERVICES

Consider Approval of the 2014-15 First Period Interim Report of the Contra Costa County Office of Education Budget

Bill Clark, Associate Superintendent, Business Services presented the first interim report. He recognized Jane Lin, Manager, Budget and Accounting, who compiles the projections by program and consolidates them into the interim report. He shared that the audit of last year's financial statement was completed without exception. He gave a copy of the Board's budget to Board members.

Mirabella moved, Belle seconded, and the Board voted 4-0-1 to approve the First Interim Report as presented.

Ayes: Gomes, Deane, Belle, Mirabella
Noes: None
Absent: Maxwell
Abstain: None

Update on the County School Service Fund (CSSF) Investment Activities

Bill Clark, said the cash flow projection through September is approximately \$6.4 million. This amount is lower than last year at this time. The reason being the change in the billing cycle for special education. The report also gives a breakdown of how cash is invested. COE is in compliance with government code and has secure investments which are handled through the County Auditor and County Treasurer's Office.

Consider Adoption of Resolution No. 06-14/15 to verify Certificate of Signatures of person or persons authorized to sign orders drawn on funds of the county office and Notice of Employment as defined on the Certificate

Mirabella moved, Belle seconded, and the Board voted 4-0-1 to adopt resolution 6-14/15 as presented.

Ayes: Gomes, Deane, Belle, Mirabella
Noes: None
Absent: Maxwell
Abstain: None

School districts are required to hold an annual organizational meeting in December and need to adopt a new Certificate of Signatures Resolution. Effective December 10, 2014 – January 5, 2015.

Consider Adoption of Resolution No. 07-14/15 to verify Certificate of Signatures of person or persons authorized to sign orders drawn on funds of the county office and Notice of Employment as defined on the Certificate

Mirabella moved, Belle seconded, and the Board voted 4-0-1 to adopt resolution 7-14/15 as presented.

Ayes: Gomes, Deane, Belle, Mirabella
Noes: None
Absent: Maxwell
Abstain: None

School districts are required to hold an annual organizational meeting in December and need to adopt a new Certificate of Signatures Resolution. Effective January 5, 2015 – December 31, 2015

Consider Approval of a Lease Agreement between the Contra Costa County Board of Education and the Antioch Unified School District for a 960 sq. ft. portable building at John

Mirabella moved, Belle seconded, and the Board voted 4-0-1 to approve the lease agreement as presented.

Ayes: Gomes, Deane, Belle, Mirabella
Noes: None

Muir Elementary School

Absent: Maxwell
Abstain: None

Staff Report

None

EDUCATIONAL SERVICES

Staff Report

Dr. Pamela Comfort, Associate Superintendent, Educational Services, speaking on behalf of administrators and staff, recognized Dr. Ovick for his service to the County Office of Education and students of Contra Costa County. He was presented with an engraved gift.

HUMAN RESOURCES

Staff Report

None

COMMUNICATIONS

Staff Report

Terry Koehne, Chief Communications Officer, reported that West Contra Costa Unified School District will be closed Wednesday in anticipation of the upcoming storm. Several districts in neighboring counties will be closed as well.

TECHNOLOGY SYSTEMS

Staff Report

None

BOARD

Legislative Update

Ms. Deane will be attending the upcoming CSBA conference as a delegate.

**Adoption of the 2015 Proposed
Schedule of Regular Meetings of the
County Board of Education**

Ms. Mirabella requested that any additional meetings be scheduled on Wednesdays.

Mirabella moved, Belle seconded, and the Board voted 4-0-1 to approve the calendar of Board meetings for 2015.

Ayes: Gomes, Deane, Belle, Mirabella
Noes: None
Absent: Maxwell
Abstain: None

**Policy Committee Members and
Possible Meeting Dates**

Mirabella moved, Gomes seconded, and the Board voted 4-0-1 to appoint Jeff Belle and Christine Deane to serve on the Policy Committee. The meeting dates will be set at a later date.

Ayes: Gomes, Deane, Belle, Mirabella
Noes: None
Absent: Maxwell
Abstain: None

**Appoint Christine Deane to Serve as the
county board representative to vote at
the CCBE General Breakfast
Membership meeting**

Mirabella moved, Belle seconded, and the Board voted 4-0-1 to appoint Christine Deane as the county board representative to vote at the CCBE General Breakfast Membership meeting.

Ayes: Gomes, Deane, Belle, Mirabella
Noes: None
Absent: Maxwell
Abstain: None

PUBLIC COMMENT

Carmen Belle said she would like Board meetings to begin at 6:00 p.m. so it would be more convenient for the public and parents to attend.

CONSENT AGENDA

Mirabella moved, Belle seconded, and the Board voted 4-0-1 to approve the Consent Agenda as presented.

Consider approval of minutes of November 5, 2014

Ayes: Gomes, Deane, Belle, Mirabella
Noes: None
Absent: Maxwell
Abstain: None

Consider Temporary County Certificates (TCCs)

**Granting of Contra Costa County High School Diploma to high school students
MM 1-12/10/2014, MM 2-12/10/2014,
MM 3-12/10/2014, and
DVHS 1-12/10/2014**

**Granting of Contra Costa County High School Diploma to adult school students
CCAS 1-12/10/2014
and CCAS 2-12/10/2014**

**CORRESPONDENCE/EVENTS
CALENDAR**

Correspondence: None

Calendar of Events:

December 14 – 16, CSBA Annual Conference, Moscone Center, San Francisco

December 17, Qtly Awards Ceremony, WCDF, 11:00 a.m. – 12:00 p.m.

December 18, Qtly Awards Ceremony, MCDF, 10:30 – 11:30 a.m.

January 5, Swearing In Ceremony – Superintendent, CCCOE, 11:30 a.m.

January 14, Regular Board Meeting, CCCOE, 5:00 p.m.

January 21, Board Workshop, CCCOE, 3:30 p.m.

BOARD REPORTS OF ACTIVITIES

Ms. Mirabella attended the Marchus Thanksgiving Luncheon on November 20. On December 3 she attended the West County League of Women Voters Holiday event. She attended Tony Thurman's swearing in for the 15th District Assembly. Mr. Belle attended the DLAC meeting at Antioch Middle School. Ms. Deane met with Vicki Gordon of the Community College Board.

Meeting adjourned at 9:04 p.m.

Joseph A. Ovick, Ed.D., Ex Officio Secretary
County Board of Education

Copies of all resolutions adopted by the Board are on file in the Office of the Superintendent, Ex Officio Secretary of the Board of Education.

These unadopted minutes are summaries and excerpts from the regular meeting of December 10, 2014, and are subject to amendments and/or correction prior to the approval of the County Board of Education.

For further information, contact Loreen Joseph, (925) 942-3380, ljoseph@cccoe.k12.ca.us.

CONTRA COSTA COUNTY BOARD OF EDUCATION

AGENDA ITEM

ISSUE (clear, concise statement for the Board meeting agenda which indicates exactly what will be discussed)

Consider approval of applications for Temporary County Certificates. (See monthly Summary Report attached.)

ANALYSIS (overviews of the issue -- Attach all background information Board members will need to consider or vote on this issue. As appropriate, refer to the "who, what, when, and how" elements of the item.)

Education Code Section 44332 and 44332.5 authorize the issuance of Temporary County Certificates and the payment of warrants to individuals who hold the TCC and are shown below.

EDUCATION CODE 44332

Except where that service is provided by a school district authorized to register certification documents pursuant to Section 44332.5, each county or city and county board of education may issue temporary certificates for the purpose of authorizing salary payments to certified employees whose credential applications are being processed or to personnel employed in children's centers or other preschool educational programs whose permit applications are being processed. However, the individual must have demonstrated proficiency in basic reading, writing, and mathematic skills pursuant to the requirements of Section 44252.5. The applicant for the temporary certificate shall make a statement under oath that he or she has duly filed an application for a credential or permit together with the required fee and that, to the best of his or her knowledge, no reason exists why a certificate or permit should not be issued. The certificate or permit shall be valid for not more than one calendar year from the date of issuance.

The county or city and county board of education shall cancel the temporary certificate or permit immediately upon receipt of certification in writing from the commission that the applicant apparently does not possess adequate academic qualifications or apparently has a criminal record that would disqualify the applicant.

In no event shall a temporary certificate issued to a permit applicant be valid beyond the time that the commission either issued or denies the originally requested permit. In no event shall a temporary certificate issued to a credential applicant be valid beyond the time that the commission provides written notification to the county or city and county board of education that the applicant apparently does not possess adequate qualifications, that the commission has received facts that may cause denial of the application, or issues or denies the originally requested credential.

RECOMMENDATION (Advise approval or adoption, or note that the item is for information only.)

Approve as authorized by above-cited section of the Education Code.

Approved 
Assistant Superintendent, Human Resources


Item No. **9.5**

Page 1 of 5


Date 1-8-15

Bd. Agenda 1/14/15


CONTRA COSTA COUNTY OFFICE OF EDUCATION
Temporary County Certificates Processed During the Month of
December 2014

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	Totals
																						CCOE
																						Walnut Creek
																						San Ramon
																						WCCC
																						Pittsburg
																						Orinda
																						Oakley
																						Mt. Diablo
																						Moraga
																						Martinez
																						Liberty
																						Lafayette
																						Knightsen
																						John Swett
																						Canyon
																						Byron
																						Brentwood
																						Antioch
																						Acalanes
1																						
2																						
3	30 Day Substitute		2																			
4	PIP/STSP/APPEAL/ EMERGENCY																					
5	SINGLE SUBJECT																					
6	Art																					0
7	Business																					0
8	English																					0
9	Foreign Language																					0
10	Home Economics																					0
11	Health Science																					0
12	Industrial Arts/Tech Ed																					0
13	Math																					0
14	Music																					0
15	Physical Education																					1
16	Science - Biology																					0
17	Science - Chemistry																					0
18	Science - Geological																					0
19	Science - Physical																					0
20	Social Science																					0
21	MULTIPLE SUBJECT																					0
22	Multiple Subject																					0
23	CLAD/BCLAD Permits									1												4
24	EDUCATION SPECIALISTS																					0
25	Deaf and Hard of Hearing																					0
26	Early Childhood																					0
27	Ed.Specialist Mild/Moderate												1							1		2
28	Ed.Specialist Moderate/Severe																				1	1
29	Resource Specialist																					0
30	Visually Impaired																					0
31																						0


CONTRA COSTA COUNTY OFFICE OF EDUCATION
Temporary County Certificates Processed During the Month of
December 2014

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	Totals	
																						CCCOE	
	Acalanes Antioch Brentwood Byron Canyon John Swett Knightsen Lafayette Liberty Martinez Moraga Mt. Diablo Oakley Orinda Pittsburg WCCC San Ramon Walnut Creek																						
1																							
32	SERVICE CREDENTIALS																						
33	Library Media																						0
34	Sub Total	0	2	0	0	0	0	0	1	0	1	0	2	2	0	3	7	11	0	0	1	1	30
35	WAIVERS																						
36	Single Subject																						0
37	Multiple Subject																						0
38	Education Specialist																						0
39	Clinical Rehab																						0
40	Library Media																						0
41	Sub Total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
42	OUT-OF-STATE AB877																						
43	Single Subject													1									1
44	Multiple Subject																						0
45	Education Specialist																						0
46	Service Credential																						0
47	Sub Total	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	1
48	INTERN																						
49	SINGLE SUBJECT																						
50	Art																						0
51	Business																						0
52	English																						0
53	Foreign Language																						0
54	Industrial Technology																						0
55	Math																1						1
56	Music																						0
57	Science																						0
58	Social Science																						0
59	Physical Education																						0
60	MULTIPLE SUBJECT																						
61	Multiple Subject																						0

CONTRA COSTA COUNTY OFFICE OF EDUCATION
Temporary County Certificates Processed During the Month of
December 2014

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	
																						
	Acalanes Antioch Brentwood Byron Canyon John Swett Knightsen Lafayette Liberty Martinez Moraga Mt. Diablo Oakley Orinda Pittsburg WCC San Ramon Walnut Creek Totals																					
1																						
62	EDUCATION SPECIALIST																					
63	Mild/Moderate												1									1
64	Moderate/Severe																					0
65	SERVICE CREDENTIALS																					
66	Administrative Services																					0
67	Pupil Personnel																					0
68	Sub Total	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	1	0	0	0	0	2
69	PRELIMINARY/CLEAR																					
70	SINGLE SUBJECT																					
71	Agriculture																					0
72	Art																					0
73	Business																					0
74	Earth Science																					0
75	English																					1
76	Foreign Language																					0
77	Home Economics																					0
78	Health Science																					0
79	Math																					0
80	Music																					1
81	Physical Education																					1
82	Science - Biology/Life																					0
83	Science - Chemistry																					0
84	Science - Geological																					0
85	Science - Physical																					0
86	Social Science																					0
87	Technology and Industrial Ed.																					0
88	MULTIPLE SUBJECT																					
89	Multiple Subject																					2
90	CLAD/BCLAD Permits																					0
91	EDUCATION SPECIALISTS																					
92	Adapted Physical Education																					0

CONTRA COSTA COUNTY OFFICE OF EDUCATION
Temporary County Certificates Processed During the Month of
December 2014

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S	T	U	
	Acaldnes	Antioch	Brentwood	Byron	Canyon	John Swett	Knightsen	Lafayette	Liberty	Martinez	Moraga	Mt. Diablo	Oakley	Orinda	Pittsburg	WCCO	San Ramon	Walnut Creek	CCCOE	Totals	
1																					
93																					0
94																					0
95															1						0
96																					1
97																					0
98																					0
99																					0
100																					0
101	SERVICE CREDENTIALS																				
102												2									2
103																					0
104																					0
105																					0
106																					0
107	CHILD CENTER PERMITS																				
108																					1
109																					0
110																					0
111																					0
112																					0
113																					0
114																					0
114	0	0	1	0	0	0	0	0	0	0	0	3	0	0	3	1	0	0	1	1	9
115	DESIGNATED SUBJ. AE/CTE																				
116																					1
117																					0
118	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1
119																					
120	0	2	1	0	0	0	0	1	0	1	0	7	2	0	6	9	11	0	3	43	