

Fullerton School District
1401 W. Valencia Drive
Fullerton, CA 92833

REGULAR MEETING OF THE BOARD OF TRUSTEES
NOTICE TO THE PUBLIC

REGULAR MEETINGS OF THE BOARD OF TRUSTEES are typically held on the second and fourth Tuesdays of the month at 5:30 p.m. in the District Board Room located at 1401 West Valencia Drive, unless otherwise noted. The agenda is posted a minimum of 72 hours prior to the meeting.

AGENDA ITEMS - Per Board Bylaw 9322(a), a member of the public may request that a matter within the jurisdiction of the Board be placed on the agenda of a Regular meeting. The request must be in writing and submitted to the Superintendent with supporting documents and information, if any, at least ten (10) working days before the scheduled meeting date. The Superintendent/designee shall decide whether a request is within the subject matter jurisdiction of the Board, whether an item is appropriate for discussion in Open or Closed Session, and how the item shall be stated on the agenda.

PUBLIC COMMENTS - The Board meeting follows rules of decorum. The public may address the Board on items of public interest within the Board's jurisdiction. Per Board Bylaw 9323, individual speakers shall be allowed three minutes to address the Board on each agenda or non-agenda item. The Board limits the total time for public input on each item to 20 minutes. The total time allowed for Public Comment shall be 30 minutes. Public comments or questions about an item that is on the posted agenda will be heard at the time the agenda item is considered by the Board. Public comment about an item that is not on the posted agenda will be heard during this time. No action or discussion may take place on an item that is not on the posted agenda except as expressly authorized by law. Since the Board cannot take action on items which are not on the agenda, such items will be referred to the Superintendent for handling. Persons wishing to address the Board are invited to complete and submit a "request to speak" slip to the secretary. These slips are available at the reception counter.

PERSONS ADDRESSING THE BOARD - Please state your name for the record. Comments related to the published agenda shall be limited to 3 minutes per person and 20 minutes total for the agenda item. When any group of persons wishes to address the Board, the Board President may request that a spokesperson be chosen to speak for the group. Public comment will be allowed on items on the agenda at the time each item is considered.

CONSENT ITEMS - These items are considered routine and will be acted upon by one motion unless a member of the Board or staff requests that an item be discussed and/or removed from the consent calendar for separate action.

AMERICANS WITH DISABILITIES ACT - In compliance with the Americans with Disabilities Act, if you need special assistance, disability-related modifications or accommodations, including auxiliary aids or services, in order to participate in the public meetings of the District's governing board, please contact the Office of the Superintendent at (714) 447-7410. Notification 72 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accommodation and accessibility to this meeting. Upon request, the District shall also make available this agenda and all other public records associated with this meeting in appropriate alternative formats for persons with a disability.

FULLERTON SCHOOL DISTRICT
Regular Meeting of the Board of Trustees
Tuesday, May 11, 2004
District Board Room, 1401 W. Valencia Drive, Fullerton, CA 92833
4:30 Closed Session
5:30 p.m. Open Session
Agenda

Call to Order and Pledge of Allegiance

For purposes of agenda item number 2a, the Board Members are meeting as the legislative body of the Fullerton School District (District 22) and Fullerton School District Community Facilities District No. 2001-1 (Amerige Heights) (District 48).

For purposes of agenda item number 3a, the Board Members are meeting as the legislative body of the Community Facilities District No. 2000-1 (Van Daele), identified as District 40, for accounting purposes.

Public Comments

Approve Consent Agenda and/or Request To Move An Item to Action

Consent Items – District 22

Actions for Consent Items are consistent with approved practices of the District and are deemed routine in nature. Since Trustees receive Board agenda backup information in advance of scheduled meetings, they are prepared to vote with knowledge on the Consent Items. Board Members routinely contact District staff for clarification of Board items, prior to the meeting. Consent Items are voted on at one time, although any such item can be considered separately at a Board member's request, in which event it will be acted upon subsequent to action on the Consent Items.

- 1a. Approve/ratify Assignment of Certificated Personnel Report as submitted.
- 1b. Approve/Ratify Purchase Orders Numbered 422B0356 through 422B0407, 422C0187 through 422C0194, 422D0187 through 422D0190, 422M0397 through 422M0409, 422R1673 through 422R1764, 422S0186 through 422S0195, 422T0080 through 422T0085, 422V0191 through 422V0206, and 422X0515 through 422X0537.
- 1c. Approve/ratify Food Services purchase orders numbered 600887 through 600925 for 2003/2004.
- 1d. Approve/Ratify warrants numbered 37500 through 37635 for the 2003/2004 school year in the amount of \$1,857,498.63.
- 1e. Approve/ratify Food Services warrants numbered 2719 through 2767 in the amount of \$252,297.06 for the 2003/2004 school year.
- 1f. Accept gifts and authorize District staff to express the Board's appreciation to all donors.
- 1g. Approve classified tuition reimbursements.
- 1h. Approve rejection of Claim Number S 145368 DD.
- 1i. Ratify Agreement with Datatel Wiring Products, Inc. to add components and wiring to the

cable television system at Laguna Road School.

- 1j. Approve Notice of Completion for Category D – Modernization 2003 Group 1 (Maple and Richman Schools), FSD-02-03-CC-3.
- 1k. Approve rejection of Claim Number S 145572 NW.
- 1l. Approve Out of State Conference attendance of speech and language pathologists to “Bilingual Therapies Symposium” in Las Vegas, Nevada, July 15-17, 2004.
- 1m. Approve submission of Intent to Participate in Community Based English Tutoring (CBET) for the 2004-2005 school year.
- 1n. Approve Agreement with Fullerton Joint Union High School District (FJUHSD) for provision of Community Based English Tutoring (CBET) program services for the 2004-2005 school year.
- 1o. Approve rejection of Claim Number S 145524 DD.
- 1p. Adopt Resolution #03/04-26 proclaiming May 12, 2004 as “Day of the Teacher” in the Fullerton School District.
- 1q. Adopt Resolution #03/04-27 proclaiming May 16-22, 2004, as “Classified Employee Week” in the Fullerton School District.
- 1r. Approve participation in Val Verde Unified School District Bid Number 050467 for purchase of carpet for Robert C. Fisler School.

Consent Item – Districts 22 and 48

In approving #2a, the Board Members are acting as, and on behalf of, the legislative body of the Fullerton School District (District 22) and Fullerton School District Community Facilities District No. 2001-1 (Amerige Heights) (District 48).

- 2a. Ratify Change Order #3 For Category C – New School Construction (Robert C. Fisler School), FSD-02-03-7.

Consent Items – District 40

The Board Members are acting as the legislative body of the Community Facilities District No. 2000-1 (Van Daele), identified as District 40, for accounting purposes.

- 3a. Approve/ratify warrant numbered 1013 in the amount of \$1,930.00.

Recess to Closed Session – Agenda:

- Pupil Discipline [Education Code sections 48918 and 48912(c)]
- Conference with District’s Chief Negotiator regarding FETA (Fullerton Elementary Teachers Association) and CSEA (California School Employees Association); District Representative – Mr. Mark Douglas [Government Code sections 54954.5(f), 54957.6]
- Public Employee Discipline, Dismissal, Release, and Personnel Matters [Government Code sections 54954.5(d), 54957]
- Potential Litigation [Government Code section 54956.9(b)(1)] – Dr. Cameron M. McCune

5:30 p.m. Call to Order and Pledge of Allegiance

Report from Closed Session

Public Comments - Policy

The Board meeting follows rules of decorum. The public may address the Board on items of public interest within the Board's jurisdiction. Per Board Bylaw 9323, individual speakers shall be allowed three minutes to address the Board on each agenda or non-agenda item. The Board limits the total time for public input on each item to 20 minutes. The total time allowed for Public Comment shall be 30 minutes. Public comments or questions about an item that is on the posted agenda will be heard at the time the agenda item is considered by the Board. Public comment about an item that is not on the posted agenda will be heard during this time. No action or discussion may take place on an item that is not on the posted agenda except as expressly authorized by law. Since the Board cannot take action on items that are not on the agenda, such items will be referred to the Superintendent for handling. Persons wishing to address the Board are invited to complete and submit a "request to speak" slip to the secretary. These slips are available at the reception counter.

Public Comments

Introductions

Multi-age Portfolios – Orangethorpe School

Superintendent's Report

Information from the Board of Trustees

Information from PTA, FETA, CSEA, FESMA

Information Items

•District Activities Calendar from May 12 through May 25, 2004

Approve Minutes

Regular meeting on April 27, 2004.

Action Items – District 22

- 4a. Adopt Resolution #03/04-24 calling for Board of Trustees election to be held on November 2, 2004.
- 4b. Approve Settlement Agreement between the Fullerton School District and the Fullerton Elementary Teachers Association (FETA) for 2003-2004 and required AB 1200 Disclosures.
- 4c. Adopt Declaration of Need for Fully Qualified Educators for 2004/2005 school year.
- 4d. Adopt Resolution 03/04-25 to issue 2005 Tax and Revenue Anticipation Notes for the Fullerton School District.

Administrative Reports – District 22

- 5a. Disaster Mitigation Act of 2000

Board Member Request(s) for Information and/or Possible Future Agenda Items

Adjournment

The next regularly scheduled meeting of the Board of Trustees of the Fullerton School District will be held on May 25, 2004, 5:30 p.m., in the Board Room at the District Offices located at 1401 W. Valencia Drive.

CONSENT ITEM

DATE: May 11, 2004

TO: Cameron M. McCune, Ed.D., District Superintendent

FROM: Mark L. Douglas, Assistant Superintendent
Personnel Services

SUBJECT: APPROVE/RATIFY ASSIGNMENT OF CERTIFICATED PERSONNEL
REPORT

Background: The following document reflects new hires, summer school coordinator and lead teachers, administrative leave, end of temporary assignment, resignations and retirements to be presented to the Board of Trustees.

Funding: Not applicable.

Recommendation: Approve/ratify Assignment of Certificated Personnel Report.

MLD:dn

**FULLERTON SCHOOL DISTRICT ASSIGNMENT OF CERTIFICATED PERSONNEL PRESENTED
TO THE BOARD OF TRUSTEES ON May 11, 2004**

NEW HIRES

NAME/NAMES	ASSIGN/LOCATION	ACTION	EFFECTIVE DATE
April Bedard	Golden Hill/Grade 2	Employ	04/13/04
Iva Joyce Bartlett	Substitute Teacher	Employ	04/27/04
Eavan Fleming	Substitute Teacher	Employ	04/23/04
Rosario Garcia	Substitute Teacher	Employ	04/26/04
Virginia Gear	Substitute Teacher	Employ	04/19/04
Leeza Madelmont	Substitute Teacher	Employ	04/16/04
Karen Quito	Substitute Teacher	Employ	04/23/04
Joyce Watkins	Substitute Teacher	Employ	04/29/04

SUMMER SCHOOL COORDINATOR AND LEAD TEACHERS

Becky D'Arrigo	Lead Teacher Sunset Lane	\$263.717 per diem for 20 duty days Budget – 111	07/14/04-08/10/04
Kathy Ikola	Summer School Coordinator	\$263.717 per diem for 20 duty days Budget – 111	07/14/04-08/10/04
Adriana Migliore	Lead Teacher Rolling Hills	\$263.717 per diem for 20 duty days Budget – 111	07/14/04-08/10/04
Terry Radzai- Sanchez	Lead Teacher Richman	\$263.717 per diem for 20 duty days Budget – 111	07/14/04-08/10/04
Harold Sullivan	Lead Teacher Laguna Road	\$300.314 per diem for 20 duty days Budget – 111	07/14/04-08/10/04
Ken Valburg	Lead Teacher Maple Special Education	\$294.487 per diem for 20 duty days Budget - 111	07/14/04-08/10/04

**FULLERTON SCHOOL DISTRICT ASSIGNMENT OF CERTIFICATED PERSONNEL PRESENTED
TO THE BOARD OF TRUSTEES ON May 11, 2004**

**ADMINISTRATIVE LEAVE, END OF TEMPORARY ASSIGNMENT, RESIGNATIONS,
RETIREMENTS**

Judith Bailey	Rolling Hills/Grade 1	Retire	06/11/04
Elizabeth Cebula	Hermosa/Grades 3/4	Resign	06/11/04
Martha Floyd	Pacific Drive/Grade 5	End of Temporary Assignment	04/30/04
Laurie Hancock	Ladera Vista/Music	Resign	06/11/04
Barbara Langford	Beechwood/Grade 5	Retire	06/11/04
Sandra Moonan	Pacific Drive/Grade 4	Retire	06/11/04
Deborah Rich	Nicolas/Speech	Retire	06/11/04
Aurora Standring	Ladera Vista/Science	Retire	06/11/04
Mona Rae Stein	Rolling Hills/Grade 1	Retire	06/11/04
Gwendolyn Swire	Beechwood/Speech	Resign	06/11/04
Joan Tetreault	Nicolas/Language Art	Administrative Leave	4/30/04-05/07/04
Katie Vander Veldt	Richman/Grade 1	Resign	06/11/04
Melissa White	Richman/Grade 3	Resign	06/11/04

This is to certify that this is an exact copy of the Assignment of Certificated Personnel Report approved and recorded in the minutes of the meeting of the Board of Trustees on May 11, 2004.

Clerk/Secretary

CONSENT ITEM
District 22 - Fullerton School District

DATE: May 11, 2004

TO: Cameron M. McCune, Ed. D., District Superintendent

FROM: Patricia Godfrey, Ed.D., Assistant Superintendent
Business Services

PREPARED BY: Andrea Reynolds, Director of Fiscal Services

SUBJECT: APPROVE/RATIFY PURCHASE ORDERS NUMBERED 422B0356 THROUGH 422B0407, 422C0187 THROUGH 422C0194, 422D0187 THROUGH 422D0190, 422M0397 THROUGH 422M0409, 422R1673 THROUGH 422R1764, 422S0186 THROUGH 422S0195, 422T0080 THROUGH 422T0085, 422V0191 THROUGH 422V0206, AND 422X0515 THROUGH 422X0537

Background: Expenditures for the Fullerton School District must be approved by the Board of Trustees per Board Policy 3000(b). Any purchase orders included in the number range but excluded in the Purchase Order Detail Report, are purchase orders that have either been cancelled or changed in some manner and appear in the other sections of this report entitled Purchase Order Detail – Cancelled Purchase Orders, or Purchase Order Detail – Change Orders. The following purchase orders have been prepared since the last Board Meeting:

Purchase Order Designations:			
B:	Instructional Materials	S:	Stores
C:	Conferences	T:	Transportation
D:	Direct Delivery	V:	Fixed Assets
L:	Leases and Rents	X:	Open-Regular
M:	Maintenance & Operations	Y:	Open-Transportation
R:	Regular	Z:	Open-Maintenance & Operations

Funding: Funding sources are reflected in the attached listing.

Recommendation: Approve/Ratify Purchase Orders Numbered 422B0356 through 422B0407, 422C0187 through 422C0194, 422D0187 through 422D0190, 422M0397 through 422M0409, 422R1673 through 422R1764, 422S0186 through 422S0195, 422T0080 through 422T0085, 422V0191 through 422V0206, and 422X0515 through 422X0537.

PG:AR:dlh

**FULLERTON ELEMENTARY
PURCHASE ORDER DETAIL REPORT
BOARD OF TRUSTEES MEETING 05/11/2004**

FROM 04/16/2004 TO 04/27/2004

PO NUMBER	VENDOR	PO TOTAL	ACCOUNT AMOUNT	ACCOUNT NUMBER	PSEUDO / OBJECT DESCRIPTION
422B0356	WORLD BOOK EDUCATIONAL PRODUCTS	374.97	374.97	0121527241 4310	Title V Media Sunset Lane / Materials and Supplies Instr
422B0357	WORLD BOOK EDUCATIONAL PRODUCTS	1,060.51	1,060.51	0121511241 4310	Title V Media Beechwood / Materials and Supplies Instr
422B0358	CAPSTONE PRESS	1,198.66	1,198.66	0138428249 4200	Library 02/03 SBX1 18 VP Prima / Books Other Than T
422B0359	CHILD'S WORLD, THE	667.40	667.40	0138428249 4200	Library 02/03 SBX1 18 VP Prima / Books Other Than T
422B0360	CHILDREN'S PRESS	1,083.16	1,083.16	0138428249 4200	Library 02/03 SBX1 18 VP Prima / Books Other Than T
422B0361	FOLLETT LIBRARY RESOURCES	1,669.50	1,669.50	0138428249 4200	Library 02/03 SBX1 18 VP Prima / Books Other Than T
422B0362	FOLLETT LIBRARY RESOURCES	1,916.48	1,916.48	0138428249 4200	Library 02/03 SBX1 18 VP Prima / Books Other Than T
422B0363	LIBRARY VIDEO COMPANY	975.91	975.91	0138428249 4200	Library 02/03 SBX1 18 VP Prima / Books Other Than T
422B0364	ROURKE PUBLISHING	186.95	186.95	0138428249 4200	Library 02/03 SBX1 18 VP Prima / Books Other Than T
422B0365	FOLLETT LIBRARY RESOURCES	93.44	93.44	0138428249 4200	Library 02/03 SBX1 18 VP Prima / Books Other Than T
422B0366	HOUGHTON MIFFLIN COMPANY	749.68	749.68	0134516101 4310	English Lang Acq Prg Hermosa / Materials and Supplies
422B0367	LORSON'S BOOKS & PRINTS	250.95	250.95	0110315109 4200	Reimburse Golden Hill Disc / Books Other Than Textbo
422B0368	CURRICULUM ASSOCIATES	261.99	261.99	0109716109 4310	Suppl Grant Support Hermosa Dr / Materials and Supplk
422B0369	POWER KIDS PRESS	700.54	700.54	0138428249 4200	Library 02/03 SBX1 18 VP Prima / Books Other Than T
422B0370	LEARNER PUBLICATIONS	421.12	421.12	0138414249 4200	Library 02/03 SBX1 18 VP Inter / Books Other Than Te
422B0371	FOLLETT LIBRARY RESOURCES	1,475.60	1,475.60	0138414249 4200	Library 02/03 SBX1 18 VP Inter / Books Other Than Te
422B0372	PENWORTHY COMPANY, THE	772.55	772.55	0138426249 4200	Library 02/03 SBX1 18 Rolling / Books Other Than Tex
422B0373	FOLLETT LIBRARY RESOURCES	1,252.96	1,252.96	0138414249 4200	Library 02/03 SBX1 18 VP Inter / Books Other Than Te
422B0374	RAINTREE STECK VAUGHN	510.47	510.47	0138414249 4200	Library 02/03 SBX1 18 VP Inter / Books Other Than Te
422B0375	HEINEMANN	1,421.38	1,421.38	0138414249 4200	Library 02/03 SBX1 18 VP Inter / Books Other Than Te
422B0376	CHILD'S WORLD, THE	240.61	240.61	0138414249 4200	Library 02/03 SBX1 18 VP Inter / Books Other Than Te
422B0377	COMMONWEALTH EDITIONS	154.75	154.75	0140455249 4310	Multi Media Curriculum Lab DC / Materials and Supplie
422B0378	INTERACT	88.31	88.31	0109915109 4310	02/03 SBX1 18 Golden Hill 304 / Materials and Supplie:
422B0379	SCHOLASTIC INC	843.38	843.38	0121520241 4310	Title V Media Nicolas / Materials and Supplies Instr

**FULLERTON ELEMENTARY
PURCHASE ORDER DETAIL REPORT
BOARD OF TRUSTEES MEETING 05/11/2004**

FROM 04/16/2004 TO 04/27/2004

<u>PO NUMBER</u>	<u>VENDOR</u>	<u>PO TOTAL</u>	<u>ACCOUNT AMOUNT</u>	<u>ACCOUNT NUMBER</u>	<u>PSEUDO / OBJECT DESCRIPTION</u>
422B0380	LIBRARY VIDEO COMPANY	532.41	532.41	0121525241 4310	Title V Media Richman / Materials and Supplies Instr
422B0381	SCHOLASTIC INC	264.32	264.32	0121527241 4310	Title V Media Sunset Lane / Materials and Supplies Instr
422B0382	RENAISSANCE LEARNING INC	733.18	733.18	0121522241 4310	Title V Media Pacific Dr / Materials and Supplies Instr
422B0383	SCHOLASTIC INC	32.11	32.11	0121527241 4310	Title V Media Sunset Lane / Materials and Supplies Instr
422B0384	ROSEN PUBLISHING	1,976.57	1,976.57	0138430249 4200	Library 02/03 SBX1 18 Fisler / Books Other Than Textb
422B0385	FOLLETT LIBRARY RESOURCES	2,008.79	2,008.79	0138430249 4200	Library 02/03 SBX1 18 Fisler / Books Other Than Textb
422B0386	FOLLETT LIBRARY RESOURCES	44.02	44.02	0121523241 4310	Title V Media Parks / Materials and Supplies Instr
422B0387	HOUGHTON MIFFLIN COMPANY	514.83	514.83	0121527241 4310	Title V Media Sunset Lane / Materials and Supplies Instr
422B0388	SCHOLASTIC INC	160.76	160.76	0121529241 4310	Title V Media Woodcrest / Materials and Supplies Instr
422B0389	SCHOLASTIC INC	225.29	225.29	0121529241 4310	Title V Media Woodcrest / Materials and Supplies Instr
422B0390	DELANEY EDUCATIONAL ENTERPRISE	791.43	791.43	0121516241 4310	Title V Media Hermosa Dr / Materials and Supplies Instr
422B0391	SCHOLASTIC INC	142.86	142.86	0121529241 4310	Title V Media Woodcrest / Materials and Supplies Instr
422B0392	FOLLETT LIBRARY RESOURCES	321.36	321.36	0121517241 4310	Title V Media Ladera Vista / Materials and Supplies Instr
422B0393	SCHOLASTIC INC	1,052.85	1,052.85	0121512241 4310	Title V Media Commonwealth / Materials and Supplies I
422B0394	DELANEY EDUCATIONAL ENTERPRISE	199.97	199.97	0121516241 4310	Title V Media Hermosa Dr / Materials and Supplies Instr
422B0395	SCHOLASTIC INC	476.33	476.33	0134523101 4310	English Lang Acq Prg Parks / Materials and Supplies Ins
422B0396	SCHOLASTIC INC	473.60	473.60	0134523101 4310	English Lang Acq Prg Parks / Materials and Supplies Ins
422B0397	RECORDED BOOKS INC	261.85	261.85	0134523101 4310	English Lang Acq Prg Parks / Materials and Supplies Ins
422B0398	LORSON'S BOOKS & PRINTS	32.87	32.87	0109915109 4200	02/03 SBX1 18 Golden Hill 304 / Books Other Than Te
422B0399	AMAZON.COM	753.50	753.50	0134519101 4310	English Lang Acq Prg Maple / Materials and Supplies In
422B0400	RENAISSANCE LEARNING INC	400.09	400.09	0121536241 4310	Title V Media St Juliana / Materials and Supplies Instr
422B0401	RENAISSANCE LEARNING INC	318.74	318.74	0121536241 4310	Title V Media St Juliana / Materials and Supplies Instr
422B0402	EYE ON EDUCATION	114.05	114.05	0121534241 4310	Title V Media Eastside 7 12 / Materials and Supplies Inst
422B0403	HAWTHORNE EDUCATION SERVICES I	35.27	35.27	0121533241 4310	Title V Media Eastside K 6 / Materials and Supplies Inst

**FULLERTON ELEMENTARY
PURCHASE ORDER DETAIL REPORT
BOARD OF TRUSTEES MEETING 05/11/2004**

FROM 04/16/2004 TO 04/27/2004

<u>PO NUMBER</u>	<u>VENDOR</u>	<u>PO TOTAL</u>	<u>ACCOUNT AMOUNT</u>	<u>ACCOUNT NUMBER</u>	<u>PSEUDO / OBJECT DESCRIPTION</u>
422B0404	CHILDREN'S PRESS	611.70	611.70	0121521241 4310	Title V Media Orangethorpe / Materials and Supplies Ins
422B0405	SCHOLASTIC INC	392.22	392.22	0121529241 4310	Title V Media Woodcrest / Materials and Supplies Instr
422B0406	AMAZON.COM	1,349.09	1,349.09	0121517241 4310	Title V Media Ladera Vista / Materials and Supplies Inst
422B0407	SCHOLASTIC INC	315.88	315.88	0121529241 4310	Title V Media Woodcrest / Materials and Supplies Instr
422C0187	ORANGE CNTY DEPARTMENT OF EDU	625.00	625.00	0152657719 5210	Superintendent Discret / Conferences and Meetings
422C0188	HILTON PALM SPRINGS RESORT	540.48	540.48	0137452261 5210	Hlthy Start Start Up Parent Pa / Conferences and Meetin
422C0189	CALIFORNIA INSTITUTE FOR SCHOO	255.00	190.00	0130452211 5210	SBCP Instr Supervision Dist / Conferences and Meetings
			65.00	0152055779 5210	Education Services Discret / Conferences and Meetings
422C0190	LA HARRA CITY SCHOOL DISTRICT	320.00	320.00	0137452261 5210	Hlthy Start Start Up Parent Pa / Conferences and Meetin
422C0191	LORMAN EDUCATION SERVICES	339.00	339.00	0153150759 5210	Warehouse DC / Conferences and Meetings
422C0192	ORANGE CNTY DEPARTMENT OF EDU	110.00	110.00	0153050799 5210	Business Administration DC / Conferences and Meetings
422C0193	SCHOOL SERVICES OF CALIFORNIA	109.00	109.00	0153050799 5210	Business Administration DC / Conferences and Meetings
422C0194	AMERICAN RED CROSS	90.00	90.00	8155050721 5210	EP Safety Mandates PR / Conferences and Meetings
422D0187	BUYCOSTUMES.COM	583.30	583.30	0130425101 4310	SBCP Instr Richman / Materials and Supplies Instr
422D0188	LOWES HIW INC	138.74	138.74	0109555109 4310	Beckman Science Instructional / Materials and Supplies I
422D0189	CULVER NEWLIN INC	8,373.02	8,373.02	3568130851 6200	Amerige Heights Facilities / Buildings and Improve of B
422D0190	SCHOOLTEE INC	163.75	163.75	0110326109 4310	Reimburse Rolling Hills Disc / Materials and Supplies In
422M0397	GLASBY MAINTENANCE SUPPLY COM	2,039.71	2,039.71	0154253829 4360	Custodial Discretionary / Materials and Supplies Other
422M0398	ORANGE COUNTY REGISTER	2,750.64	916.88	2267719851 5830	CC Facilities Maple / Legal Advertising
			916.88	2267725851 5830	CC Facilities Richman / Legal Advertising
			916.88	2267729851 5830	CC Facilities Woodcrest / Legal Advertising
422M0399	ORANGE COUNTY REGISTER	2,775.76	693.94	2267714851 5830	CC Facilities VP Intermediate / Legal Advertising
			693.94	2267718851 5830	CC Facilities Laguna Rd / Legal Advertising
			693.94	2267721851 5830	CC Facilities Orangethorpe / Legal Advertising
			693.94	2267728851 5830	CC Facilities VP Primary / Legal Advertising

FULLERTON ELEMENTARY
PURCHASE ORDER DETAIL REPORT
 BOARD OF TRUSTEES MEETING 05/11/2004

FROM 04/16/2004 TO 04/27/2004

<u>PO NUMBER</u>	<u>VENDOR</u>	<u>PO TOTAL</u>	<u>ACCOUNT AMOUNT</u>	<u>ACCOUNT NUMBER</u>	<u>PSEUDO / OBJECT DESCRIPTION</u>
422M0400	SIMPLEX GRINNELL FIRE PROTECTI	6,900.00	750.00	2267711851 6200	CC Facilities Beechwood / Buildings and Improve of Bu
			750.00	2267717851 6200	CC Facilities Ladera Vista / Buildings and Improve of B
			750.00	2267718851 6200	CC Facilities Laguna Rd / Buildings and Improve of Bui
			750.00	2267722851 6200	CC Facilities Pacific Dr / Buildings and Improve of Buil
			750.00	2267725851 6200	CC Facilities Richman / Buildings and Improve of Build
			750.00	2267726851 6200	CC Facilities Rolling Hills / Buildings and Improve of B
			750.00	2267727851 6200	CC Facilities Sunset Ln / Buildings and Improve of Buil
			750.00	2267729851 6200	CC Facilities Woodcrest / Buildings and Improve of Buil
422M0401	SHIFFLER EQUIPMENT SALES	404.07	404.07	0153353819 4363	Plant Maintenance DC / Materials and Supplies Repairs
422M0402	TROJAN PORTABLE SERVICES	1,892.53	315.00	2267710851 6200	CC Facilities Acacia / Buildings and Improve of Build
			315.00	2267712851 6200	CC Facilities Commonwealth / Buildings and Improve of
			315.00	2267717851 6200	CC Facilities Ladera Vista / Buildings and Improve of B
			947.53	2267720851 6200	CC Facilities Nicolas Jr High / Buildings and Improve of
422M0403	INTERFINISH CORPORATION	4,003.71	4,003.71	4067419851 6200	Modernization AE Facil Maple / Buildings and Improve
422M0404	HERTZ FURNITURE SYSTEMS	158.93	158.93	4067418851 4363	Modernization AE Facil Laguna / Materials and Supplies
422M0405	CERAMICS AND CRAFTS WAREHOUSE	205.17	205.17	4067418851 4363	Modernization AE Facil Laguna / Materials and Supplies
422M0406	ADT SECURITY SERVICES INC	1,423.49	1,423.49	0154950839 5899	Security / Other Expenses
422M0407	ADT SECURITY SERVICES INC	4,252.83	4,252.83	0154950839 5899	Security / Other Expenses
422M0408	RELIABLE SHEET METAL	1,050.00	1,050.00	3569923851 6200	Modernization Parks Jr Hi Sch / Buildings and Improve
422M0409	TRI BEST CHALKBOARD	179.95	179.95	0153353819 4363	Plant Maintenance DC / Materials and Supplies Repairs
422R1673	EDUCATIONAL RESOURCES	1,901.64	1,001.64	0121526241 4310	Title V Media Rolling Hills / Materials and Supplies Inst
422R1674	IT'S ELEMENTARY	1,943.38	1,943.38	0130414101 4310	SBCP Instr Valen Park Intermed / Materials and Supplies
422R1675	OFFICE DEPOT BUSINESS SERVICE	534.33	534.33	0153050799 4350	Business Administration DC / Materials and Supplies Of
422R1676	HOUGHTON MIFFLIN COMPANY	6,864.81	6,864.81	0109555109 4310	Beckman Science Instructional / Materials and Supplies I
422R1677	APPLE COMPUTER INC.	1,323.12	1,323.12	0130425101 4310	SBCP Instr Richman / Materials and Supplies Instr
422R1678	BOOK LINKS	28.95	28.95	0138415249 4200	Libr 02/03 SBX.1 18 Golden Hill / Books Other Than Te

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422R1679	SCI-MA EDUCATION	1,274.33	1,274.33	010955109 4310	Beckman Science Instructional / Materials and Supplies Instr
422R1680	NYSTROM	674.27	674.27	0121527241 4310	Title V Media Sunset Lane / Materials and Supplies Instr
422R1681	SUPPLY MASTER	74.03	74.03	0121525241 4310	Title V Media Richman / Materials and Supplies Instr
422R1682	LIBRARY STORE, THE	998.22	998.22	0121520241 4310	Title V Media Nicolas / Materials and Supplies Instr
422R1683	DEMCO SUPPLY INC	392.32	392.32	0121525241 4310	Title V Media Richman / Materials and Supplies Instr
422R1684	RAND MCNALLY	1,022.96	1,022.96	0121524241 4310	Title V Media Raymond / Materials and Supplies Instr
422R1685	EDUCATIONAL RESOURCES	48.29	48.29	0130913101 6410	Ed Tech Supp Grant Fern Drive / New Equip Less Than
422R1686	HIGHSMITH COMPANY INC	166.63	166.63	0121525241 4310	Title V Media Richman / Materials and Supplies Instr
422R1687	MOHR, BARBARA	174.17	174.17	0109915109 4310	02/03 SBX1 18 Golden Hill 304 / Materials and Supplies Instr
422R1688	STAPLES 025724519	56.51	56.51	0109615109 4310	02/03 SBX1 18 Golden 345 / Materials and Supplies Ins
422R1689	OWL ASSOCIATES	172.47	172.47	0141155229 4310	Staff Development Disc / Materials and Supplies Instr
422R1690	SUPER DUPER PUBLICATIONS	52.53	52.53	0121221101 4310	Title I Orangethorpe Instr / Materials and Supplies Instr
422R1691	ORANGE CNTY DEPARTMENT OF EDU	505.00	505.00	0122452101 5210	Title III LEP DC / Conferences and Meetings
422R1692	EDUCATIONAL RESOURCES	925.63	925.63	0130924101 4310	Ed Tech Supp Grant Raymond / Materials and Supplies I
422R1693	SEHI COMPUTER PRODUCTS	56.72	56.72	0130452211 4350	SBCP Instr Supervision Dist / Materials and Supplies Of
422R1694	ALPHASMART INC	7,807.88	7,807.88	0132819101 4310	Targeted Instr Imprv Maple / Materials and Supplies Instr
422R1695	GOV CONNECTION	365.27	365.27	0136624109 4310	API Rewards Instr Raymond DC / Materials and Supplie
422R1696	CDW.G	140.37	140.37	8152451741 5899	Property and Liability / Other Expenses
422R1697	SUPPLY MASTER	271.49	271.49	0109716109 4310	Suppl Grant Support Hermosa Dr / Materials and Supplir
422R1698	GOV CONNECTION	782.27	782.27	0122217101 4310	Enhanc Ed Thru Tech Inst Lader / Materials and Supplie
422R1699	SEHI COMPUTER PRODUCTS	272.22	272.22	0138429249 4310	Library 02/03 SBX1 18 Woodcrst / Materials and Suppli
422R1700	TROXELL COMMUNICATIONS	160.55	160.55	0130924101 4310	Ed Tech Supp Grant Raymond / Materials and Supplies I
422R1701	SCHOOLMASTERS SAFETY	40.27	40.27	0135252101 4310	School Safety Instruction / Materials and Supplies Instr
422R1702	TEACHER'S VIDEO COMPANY	446.89	446.89	0135252101 4310	School Safety Instruction / Materials and Supplies Instr

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422R1703	GOV CONNECTION	443.71	443.71	0130924101 4310	Ed Tech Supp Grant Raymond / Materials and Supplies I
422R1704	GOV CONNECTION	478.42	478.42	0121525241 4310	Title V Media Richman / Materials and Supplies Instr
422R1705	SUNRISE RIVER PRESS	230.06	230.06	0151354341 4350	Health Services / Materials and Supplies Office
422R1706	LAKESHORE LEARNING	71.75	71.75	0109915109 4310	02/03 SBX1 18 Golden Hill 304 / Materials and Supplies
422R1707	APPLE COMPUTER INC.	73.70	73.70	0121219101 4310	Title I Maple Instruction / Materials and Supplies Instr
422R1708	AEROMARK	30.17	30.17	0151354341 4350	Health Services / Materials and Supplies Office
422R1709	CHOO, YAE LAN	140.08	140.08	0136723101 4310	API Discretionary Parks Jr Hi / Materials and Supplies In
422R1710	SOUTHERN CALIFORNIA RISK MANAC	125.00	125.00	6852458741 5630	Workers Comp Admin / Rents and Leases
422R1711	NEW MANAGEMENT	107.75	107.75	0110219109 4310	Instruction Maple DC / Materials and Supplies Instr
422R1712	USI INC	317.11	317.11	0121219101 4310	Title I Maple Instruction / Materials and Supplies Instr
422R1713	AEROMARK	9.43	9.43	0151454391 4350	Special Services / Materials and Supplies Office
422R1714	BLUM, CHRIS	57.32	57.32	0122452221 4350	Title III Instr Staff Dev / Materials and Supplies Office
422R1715	EDGEWOOD PRESS INC	405.14	405.14	0121219101 4310	Title I Maple Instruction / Materials and Supplies Instr
422R1716	SYSKO'S BASKETBALL BOOKS AND V	94.10	94.10	0121734101 4200	Title II Tch Qty Eastside7 12 / Books Other Than Textb
422R1717	GOOD LITE COMPANY	20.35	20.35	0151354341 4350	Health Services / Materials and Supplies Office
422R1718	MORRIS, DEBORAH L	439.50	439.50	0139252101 4310	Prop 10 OC Families Instr / Materials and Supplies Instr
422R1719	ALPHASMART INC	283.80	283.80	0125554101 4310	LEA Medi Cal Reimburse Speech / Materials and Suppli
422R1720	LAKESHORE LEARNING	85.14	85.14	0125554101 4310	LEA Medi Cal Reimburse Speech / Materials and Suppli
422R1721	PRO ED	301.70	301.70	0124254101 4315	Special Ed IDEA Basic RSP NSH / Materials Test Kits I
422R1722	BROOKMAN, JERRY	126.98	126.98	0110220129 4310	Electronics Nicolas Jr High / Materials and Supplies Instr
422R1723	LIBRARY VIDEO COMPANY	442.88	442.88	0121519241 4310	Title V Media Maple / Materials and Supplies Instr
422R1724	TEACHER'S VIDEO COMPANY	448.16	448.16	0121519241 4310	Title V Media Maple / Materials and Supplies Instr
422R1725	LIBRARY VIDEO COMPANY	272.55	272.55	0121521241 4310	Title V Media Orangethorpe / Materials and Supplies Ins
422R1726	ESSENTIAL SKILLS SOFTWARE	914.91	914.91	0121528241 4310	Title V Media VP Primary / Materials and Supplies Instr

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422R1727	SOCIAL STUDIES SCHOOL SERVICES	162.49	162.49	0121514241 4310	Title V Media VP Intermediate / Materials and Supplies
422R1728	USI INC	1,314.88	1,314.88	0121219101 4310	Title I Maple Instruction / Materials and Supplies Instr
422R1729	GOV CONNECTION	158.39	158.39	8152451741 5899	Property and Liability / Other Expenses
422R1730	CASON, THEO	74.35	74.35	0130425101 4310	SBCP Instr Richman / Materials and Supplies Instr
422R1731	PIONEER STATIONERS	21.21	21.21	0152657719 4350	Superintendent Discret / Materials and Supplies Office
422R1732	SCHOLASTIC MAGAZINES	135.45	135.45	0121214101 4310	Title I Valen Park Intermediat / Materials and Supplies I
422R1733	SCHOLASTIC MAGAZINES	76.68	76.68	0121214101 4310	Title I Valen Park Intermediat / Materials and Supplies I
422R1734	LEARNING SERVICES INC	850.69	850.69	0121521241 4310	Title V Media Orangethorpe / Materials and Supplies Ins
422R1735	EDUCATIONAL RESOURCES	73.84	24.61	0122217231 4350	EETT Staff Dev Ladera Vista / Materials and Supplies O
			24.61	0122220231 4350	EETT Staff Dev Nicolas / Materials and Supplies Office
			24.62	0122223231 4350	EETT Staff Dev Parks / Materials and Supplies Office
422R1736	FOLLETT LIBRARY RESOURCES	54.07	54.07	0121517241 4310	Title V Media Ladera Vista / Materials and Supplies Instr
422R1737	CDW.G	770.28	770.28	1231019101 4310	Preschool Instruction / Materials and Supplies Instr
422R1738	PRINT PRINTING	86.20	43.10	0140055249 4350	Multi Media Technology DC / Materials and Supplies OI
			43.10	0140955259 4350	Information Systems ServicesDC / Materials and Supplie
422R1739	PRINT PRINTING	21.55	21.55	0121228101 4310	Title I Valen Park Primary / Materials and Supplies Instr
422R1740	TOOL CRIB	366.33	366.33	0110220179 4310	Woods Nicolas Jr High / Materials and Supplies Instr
422R1741	BRIGHT SOLUTIONS FOR DYSLEXIA	82.37	82.37	0121733271 4350	Title II Tchr Qlty Adm Eas K 6 / Materials and Supplies
422R1742	GOV CONNECTION	95.90	95.90	0109723109 4310	Suppl Grant Support Parks / Materials and Supplies Instr
422R1743	RAYVERN LIGHTING SUPPLY CO INC	93.53	93.53	0110223109 4310	Instruction Parks DC / Materials and Supplies Instr
422R1744	SCANTRON	930.23	930.23	0110223109 4310	Instruction Parks DC / Materials and Supplies Instr
422R1745	UPSTART	71.90	71.90	0121225101 4310	Title I Richman Instruction / Materials and Supplies Instr
422R1746	DEMCO SUPPLY INC	48.80	48.80	0121225101 4310	Title I Richman Instruction / Materials and Supplies Instr
422R1747	DEMCO SUPPLY INC	258.96	258.96	0121525241 4310	Title V Media Richman / Materials and Supplies Instr
422R1748	TEACHER'S DISCOVERY	123.43	123.43	0121519241 4310	Title V Media Maple / Materials and Supplies Instr

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422R1749	SCHOOL SPECIALTY	526.36	526.36	0140055249 4350	Multi Media Technology DC / Materials and Supplies Or
422R1750	RENAISSANCE LEARNING INC	1,432.60	1,432.60	0121513241 4310	Title V Media Fern Dr / Materials and Supplies Instr
422R1751	GOV CONNECTION	232.74	232.74	0136729101 4310	API Discretionary Woodcrest / Materials and Supplies Ir
422R1752	GOV CONNECTION	34.37	34.37	0110223109 4310	Instruction Parks DC / Materials and Supplies Instr
422R1753	HARVEY, REBEKAH	122.59	122.59	0121219101 4310	Title I Maple Instruction / Materials and Supplies Instr
422R1754	PACTRONICS INC	439.46	439.46	0130417101 4310	SBCP Instr Ladera Vista / Materials and Supplies Instr
422R1755	TAMS-WITMARK MUSIC LIBRARY INC	63.25	63.25	0110217119 4310	LV Productions / Materials and Supplies Instr
422R1756	JOHNSON, JOYCE	517.51	517.51	0110217159 4310	Foods Ladera Vista / Materials and Supplies Instr
422R1757	TROXELL COMMUNICATIONS	240.28	240.28	0110217109 4310	Instruction Ladera Vista DC / Materials and Supplies Ins
422R1758	RENAISSANCE LEARNING INC	175.21	175.21	0121533241 4310	Title V Media Eastside K 6 / Materials and Supplies Instr
422R1759	EDUCATORS OUTLET	28.23	28.23	0121533241 4310	Title V Media Eastside K 6 / Materials and Supplies Instr
422R1760	NATIONAL SCHOOL PRODUCTS	68.17	68.17	0121533241 4310	Title V Media Eastside K 6 / Materials and Supplies Instr
422R1761	CLASSROOM DIRECT	577.49	577.49	0121533241 4310	Title V Media Eastside K 6 / Materials and Supplies Instr
422R1762	MECCA, WARREN	104.51	104.51	0132452101 4310	State After Sch Learn Prg Inst / Materials and Supplies In
422R1763	ALIMED	1,488.69	1,488.69	8152451741 5899	Property and Liability / Other Expenses
422R1764	CDW.G	1,088.96	1,088.96	0110217109 4310	Instruction Ladera Vista DC / Materials and Supplies Ins
422S0186	WAXIE KLEEN LINE CORPORATION	2,194.87	2,194.87	0100000000 9320	Unrestricted / Stores
422S0187	COSTCO WHOLESALE	103.22	103.22	0100000000 9320	Unrestricted / Stores
422S0188	PIONEER CHEMICAL COMPANY	723.11	723.11	0100000000 9320	Unrestricted / Stores
422S0189	RAYVERN LIGHTING SUPPLY CO INC	323.68	323.68	0100000000 9320	Unrestricted / Stores
422S0190	SOUTHWEST SCHOOL SUPPLY	1,217.85	1,217.85	0100000000 9320	Unrestricted / Stores
422S0191	OFFICE DEPOT BUSINESS SERVICE	978.69	978.69	0100000000 9320	Unrestricted / Stores
422S0192	PIONEER STATIONERS	1,525.22	1,525.22	0100000000 9320	Unrestricted / Stores
422S0193	BEST BUY CHEMICAL AND SUPPLY	2,138.63	2,138.63	0100000000 9320	Unrestricted / Stores

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422S0194	GALE SUPPLY COMPANY	2,990.30	2,990.30	0100000000 9320	Unrestricted / Stores
422S0195	SUPPLY MASTER	5,283.36	5,283.36	0100000000 9320	Unrestricted / Stores
422T0080	UNITRAX	606.06	439.06	0156656369 4360	Transportation Special Ed DC / Materials and Supplies C
			167.00	0156656369 5640	Transportation Special Ed DC / Repairs by Vendors
422T0081	CAL TEX TRANSMISSION PARTS INC	455.78	455.78	0156656369 4360	Transportation Special Ed DC / Materials and Supplies C
422T0082	ASBURY ENVIRONMENTAL SERVICE	45.00	45.00	0156656369 5640	Transportation Special Ed DC / Repairs by Vendors
422T0083	PAINT N PLACE	592.67	92.67	0156656369 4360	Transportation Special Ed DC / Materials and Supplies C
			500.00	0156656369 5640	Transportation Special Ed DC / Repairs by Vendors
422T0084	SOUTHERN COUNTIES OIL CO	745.84	745.84	0156656369 4360	Transportation Special Ed DC / Materials and Supplies C
422T0085	JOE RHODES MAINTENANCE	295.69	295.69	0156656369 4361	Home to Sch Transportation DC / Materials and Supplies
422V0191	APPLE COMPUTER INC.	1,022.55	1,022.55	8152451741 6410	Property and Liability / New Equip Less Than \$10,000
422V0192	APPLE COMPUTER INC.	51,715.65	5,133.17	0132819101 4310	Targeted Instr Imprv Maple / Materials and Supplies Inst
			46,582.48	0132819101 6410	Targeted Instr Imprv Maple / New Equip Less Than \$10,
422V0193	APPLE COMPUTER INC.	4,954.35	4,954.35	0136729101 6410	API Discretionary Woodcrest / New Equip Less Than \$1
422V0194	CDW.G	2,247.50	353.42	0110216109 4310	Instruction Hermosa Drive DC / Materials and Supplies I
			1,894.08	0110216109 6410	Instruction Hermosa Drive DC / New Equip Less Than \$
422V0195	APPLE COMPUTER INC.	2,417.91	483.80	0122217101 4310	Enhanc Ed Thru Tech Inst Lader / Materials and Supplie
			851.00	0122217101 6410	Enhanc Ed Thru Tech Inst Lader / New Equip Less Than
			1,083.11	0122217231 6410	EETT Staff Dev Ladera Vista / New Equip Less Than \$1
422V0196	CERAMICS AND CRAFTS WAREHOUSE	1,027.85	1,027.85	3568130851 6200	Amerige Heights Facilities / Buildings and Improve of B
422V0197	CERAMICS AND CRAFTS WAREHOUSE	962.52	962.52	4067418851 6410	Modernization AE Facil Laguna / New Equip Less Than
422V0198	APPLE COMPUTER INC.	2,583.85	2,583.85	1231019101 6410	Preschool Instruction / New Equip Less Than \$10,000
422V0199	LEXMARK INTERNATIONAL	2,004.81	2,004.81	0138430249 6410	Library 02/03 SBX1 18 Fisler / New Equip Less Than \$1
422V0200	MICRO WORKS INC	5,578.28	5,578.28	0110310109 6410	Reimburse Acacia Disc / New Equip Less Than \$10,000
422V0201	APPLE COMPUTER INC.	2,011.05	73.70	0121523241 4310	Title V Media Parks / Materials and Supplies Instr

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422V0201	*** CONTINUED ***				
422V0202	LEXMARK INTERNATIONAL	2,003.42	1,937.35	0121523241 6410	Title V Media Parks / New Equip Less Than \$10,000
422V0203	APPLE COMPUTER INC.	13,293.12	2,003.42	0122217101 6410	Enhanc Ed Thru Tech Inst Lader / New Equip Less Than \$
422V0204	APPLE COMPUTER INC.	2,692.67	13,293.12	0110216109 6410	Instruction Hermosa Drive DC / New Equip Less Than \$
422V0205	APPLE COMPUTER INC.	12,919.23	2,692.67	0136729101 6410	API Discretionary Woodcrest / New Equip Less Than \$1
422V0206	APPLE COMPUTER INC.	8,960.49	12,919.23	0132819101 6410	Targeted Instr Imprv Maple / New Equip Less Than \$10,
422X0515	ROSSIER PARK ELEMENTARY SCHOO	16,147.80	6,052.32	0130425101 4310	SBCP Instr Richman / Materials and Supplies Instr
422X0516	GALLAGHER PEDIATRIC THERAPY	5,360.00	2,908.17	0130425101 6410	SBCP Instr Richman / New Equip Less Than \$10,000
422X0517	FLORENCE CRITTENTON SCHOOL	1,020.00	16,147.80	0115554101 5867	Non Public Schools / LCI Non Public School
422X0518	GALLAGHER PEDIATRIC THERAPY	80.00	5,360.00	0115554101 5866	Non Public Schools / Nonpublic Agency Services
422X0519	FLORENCE CRITTENTON SCHOOL	1,224.00	1,020.00	0115554101 5867	Non Public Schools / LCI Non Public School
422X0520	SCHWARTZ, MR AND MRS PETER	8,000.00	80.00	0115554101 5866	Non Public Schools / Nonpublic Agency Services
422X0521	SCHWARTZ, MR AND MRS PETER	50,000.00	8,000.00	0151454391 5220	Special Services / Mileage
422X0522	TEC SANTA ANA	10,200.00	50,000.00	0142054201 5805	Special Ed Administration / Consultants
422X0523	VISTA BEHAVIOR CONSULTING INC	20,500.00	10,200.00	0115554101 5867	Non Public Schools / LCI Non Public School
422X0524	VISTA BEHAVIOR CONSULTING INC	28,700.00	20,500.00	0115554101 5866	Non Public Schools / Nonpublic Agency Services
422X0525	STEPS TO INDEPENDENCE THROUGH	20,887.50	28,700.00	0115554101 5866	Non Public Schools / Nonpublic Agency Services
422X0526	GALLAGHER PEDIATRIC THERAPY	1,680.00	20,887.50	0115554101 5866	Non Public Schools / Nonpublic Agency Services
422X0527	ROZENBERG MS CCC-SLP, ABBY M	1,440.00	1,680.00	0115554101 5866	Non Public Schools / Nonpublic Agency Services
422X0528	PARADIGM HEALTHCARE SERVICES	30,000.00	30,000.00	0125554721 5805	LEA Medi Cal Reimbursement / Consultants
422X0529	SIMMONS PH.D., SUSAN S	5,500.00	5,500.00	0142054201 5805	Special Ed Administration / Consultants
422X0530	LANG PH.D ABPN, MARY JOANN	5,325.00	5,325.00	0142054201 5805	Special Ed Administration / Consultants

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422X0531	CM SCHOOL SUPPLY COMPANY	1,250.00	1,250.00	0121221101 4310	Title I Orangethorpe Instr / Materials and Supplies Instr
422X0532	LAKESHORE LEARNING	400.00	400.00	0121221101 4310	Title I Orangethorpe Instr / Materials and Supplies Instr
422X0533	STAPLES 025724519	350.00	350.00	0121221101 4310	Title I Orangethorpe Instr / Materials and Supplies Instr
422X0534	CSUSB FOUNDATION	2,000.00	2,000.00	0132252101 5805	Visual & Performing Arts Instr / Consultants
422X0535	CHIDESTER AND ASSOCIATES, MAR	500.00	500.00	0151055339 5825	Child Welfare and AttendanceDC / Legal Assistance
422X0536	ROSSIER PARK SCHOOL	22,346.00	22,346.00	0115554101 5865	Non Public Schools / Nonpublic School Services
422X0537	ROSSIER PARK SCHOOL	9,699.00	9,699.00	0115554101 5865	Non Public Schools / Nonpublic School Services
	Fund 01 Total:	462,845.73			
	Fund 12 Total:	3,354.13			
	Fund 22 Total:	13,418.93			
	Fund 35 Total:	10,450.87			
	Fund 40 Total:	5,330.33			
	Fund 68 Total:	125.00			
	Fund 81 Total:	2,900.00			
	Total Amount of Purchase Orders:	498,424.99			

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422M0244	PJHM ARCHITECTS INC	117,075.20	+1,538.46	2267712851 5805	CC Facilities Commonwealth / Consultants
422M0248	PJHM ARCHITECTS INC	138,768.30	+8,601.56	2267717851 5805	CC Facilities Ladera Vista / Consultants
422M0254	PJHM ARCHITECTS INC	153,156.63	+23,031.89	2267714851 5805	CC Facilities VP Intermediate / Consultants
422M0367	GOPHER SPORT	142.30	+15.00	4067418851 4363	CC Facilities VP Primary / Consultants
422S0118	OFFICE DEPOT BUSINESS SERVICE	2,091.71	-9.31	0100000000 9320	Modernization AE Facil Laguna / Materials and Supplies R
422X0016	LOWES HIW INC	950.00	+100.00	0110220129 4310	Unrestricted / Stores
422X0017	FORD ELECTRONICS INC	1,525.00	+125.00	0110220129 4310	Electronics Nicolas Jr High / Materials and Supplies Instr
422X0068	TECHNOLOGY INTEGRATION GROUP	1,500.00	+500.00	0140055249 4363	Electronics Nicolas Jr High / Materials and Supplies Instr
422X0111	BARNES AND NOBLE INC	700.00	+200.00	0121228101 4310	Multi Media Technology DC / Materials and Supplies Repa
422X0187	MARDAN SCHOOL	28,684.00	-1,136.00	0115554101 5865	Title I Valen Park Primary / Materials and Supplies Instr
422X0265	SPEECH LANGUAGE DEVELOPMENT C	36,818.00	+2,884.00	0115554101 5865	Non Public Schools / Nonpublic School Services
422X0311	COYNE AND ASSOCIATES EDUCATION	35,450.00	-850.00	0115554101 5866	Non Public Schools / Nonpublic School Services
422X0364	CENTER FOR AUTISM AND RELATED	51,100.00	-10,000.00	0115554101 5866	Non Public Schools / Nonpublic Agency Services
422X0470	SCHOOL SERVICES OF CALIFORNIA	3,159.25	-4,840.75	0153050799 5805	Business Administration DC / Consultants
422X0478	VAN PETER OTRL, DYANNE E	4,250.00	+850.00	0115554101 5866	Non Public Schools / Nonpublic Agency Services
422X0485	GALLAGHER PEDIATRIC THERAPY	960.00	+320.00	0115554101 5866	Non Public Schools / Nonpublic Agency Services
422X0491	SPEECH LANGUAGE DEVELOPMENT C	46,566.13	+10,982.13	0115554101 5865	Non Public Schools / Nonpublic School Services
422X0502	GALLAGHER PEDIATRIC THERAPY	5,200.00	+3,840.00	0115554101 5866	Non Public Schools / Nonpublic Agency Services
422Z0017	CLARK SECURITY PRODUCTS	2,800.00	+800.00	0153353819 4363	Plant Maintenance DC / Materials and Supplies Repairs
Fund 01 Total:			3,765.07		
Fund 22 Total:			56,203.79		
Fund 40 Total:			15.00		
Total Amount of Change Orders:			59,983.86		

FULLERTON ELEMENTARY
PURCHASE ORDER DETAIL REPORT - CANCELED PURCHASE ORDERS

FROM 04/16/2004 TO 04/27/2004

BOARD OF TRUSTEES MEETING 05/11/2004

<u>PO NUMBER</u>	<u>VENDOR</u>	<u>PO</u>	<u>ACCOUNT</u>	<u>ACCOUNT</u>	<u>NUMBER</u>	<u>PSEUDO / OBJECT DESCRIPTION</u>
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NO CANCELED PURCHASE ORDERS TO PRINT FOR THIS DATE RANGE

CONSENT ITEM

DATE: May 11, 2004
TO: Cameron M. McCune, Ed.D., District Superintendent
FROM: Patricia Godfrey, Ed.D., Assistant Superintendent
Business Services
PREPARED BY: Lisa Saldivar, Director of Food Services
SUBJECT: APPROVE/RATIFY FOOD SERVICES PURCHASE ORDERS NUMBERED
600887 THROUGH 600925 FOR 2003/2004

Background: Board approval is requested for Food Services purchase orders. The purchase order summary dated April 14, 2004 through April 27, 2004 contains purchase orders numbered 600887 through 600925. Open purchase orders list as \$0.00 on the Purchase Order Summary so we have listed them separately. On this register, the amount of the open purchase order is listed as the “not to exceed amount” for the year. For Board information, the listing of Food Services purchase orders is available in the Business Office for review.

Board action is required per Board Policy 3000(b), Roles of Board of Trustees.

Funding: Food Services Fund (13).

Recommendation: Approve/ratify Food Services purchase orders numbered 600887 through 600925 for 2003/2004.

PG:LS:ln

CONSENT ITEM
District 22 – Fullerton School District

DATE: May 11, 2004

TO: Cameron M. McCune, Ed.D., District Superintendent

FROM: Patricia Godfrey, Ed.D., Assistant Superintendent
Business Services

PREPARED BY: Andrea Reynolds, Director of Fiscal Services

SUBJECT: APPROVE/RATIFY WARRANTS NUMBERED 37500 THROUGH 37635 FOR THE
2003/2004 SCHOOL YEAR IN THE AMOUNT OF \$1,857,498.63

Background: Board approval is requested for warrants 37500 through 37635 for the
2003/2004 school year. The total amount presented for approval is
\$1,857,498.63. For Board information, the listing of the warrants is available in
the Business Office for review.

Board action is required per Board Policy 3000(b), Roles of Board of Trustees.

01	General Fund	\$1,533,946.48
12	Child Development	208.00
14	Deferred Maintenance	9,065.00
21	Building Fund	0
22	G.O. Bond 2002A	129,034.57
25	Capital Facilities	6,812.00
35	School Facility	101,467.83
40	Special Reserve	20,941.54
68	Workers' Compensation	55,653.21
81	Property/Liability Insurance	370.00
	Total	<u>\$1,857,498.63</u>

Funding: Funding sources as reflected in the above listing.

Recommendation: Approve/Ratify warrants numbered 37500 through 37635 for the 2003/2004
school year in the amount of \$1,857,498.63.

PG:AR:dlh

CONSENT ITEM

DATE: May 11, 2004

TO: Cameron M. McCune, Ed.D., District Superintendent

FROM: Patricia Godfrey, Ed.D., Assistant Superintendent
Business Services

PREPARED BY: Lisa Saldivar, Director of Food Services

SUBJECT: APPROVE/RATIFY FOOD SERVICES WARRANTS NUMBERED 2719
THROUGH 2767 IN THE AMOUNT OF \$252,297.06 FOR THE 2003/2004
SCHOOL YEAR

Background: Board approval is requested for warrants numbered 2719 through 2767 for the 2003/2004 school year. The total amount presented for approval is \$252,297.06. Warrants numbered 2720, 2721, and 2722 were voided and do not appear on the check register. For Board information, the listing of the Food Services warrants is available in the Business Office for review.

Board action is required per Board Policy 3000(b), Roles of Board of Trustees.

Funding: Food Services Fund (13).

Recommendation: Approve/ratify Food Services warrants numbered 2719 through 2767 in the amount of \$252,297.06 for the 2003/2004 school year.

PG:LS:ln

CONSENT ITEM

DATE: May 11, 2004

TO: Cameron M. McCune, Ed.D., District Superintendent

FROM: Patricia Godfrey, Ed.D., Assistant Superintendent
Business Services

PREPARED BY: Andrea Reynolds, Director of Fiscal Services

SUBJECT: ACCEPT GIFTS AND AUTHORIZE DISTRICT STAFF TO EXPRESS THE BOARD'S
APPRECIATION TO ALL DONORS

Background: According to Board Policy 3290 (a), the Board of Trustees may accept any bequest, gift of money or property on behalf of the School District. Gifts must be deemed suitable for a purpose by the Board of Trustees and be used in an appropriate manner. However, it is the policy of the Board of Trustees to discourage all gifts, which may directly or indirectly impair the Board of Trustees' commitment to providing equal educational opportunities to the students of the District. As indicated in the above-mentioned Board Policy, gifts designated for a specific school are approved for acceptance at that school by the District Superintendent. Descriptions of gifts presented for acceptance this evening are included on the following page. Gifts for specific dollar amounts are noted, non-monetary gifts are identified and the donor is responsible for reporting the value to the Internal Revenue Service.

Funding: The funding received from gifts will be deposited in appropriate District funds.

Recommendation: Accept gifts and authorize District staff to express the Board's appreciation to all donors.

PG:AR:es

Attachment

GIFTS 2003-2004
FULLERTON SCHOOL DISTRICT

Gifts – May 11, 2004

SCHOOL	DONOR	DESCRIPTION
Commonwealth	Commonwealth PTA	Monetary donation of \$1,120.00 towards the All the Arts for All the Kids program
District	Drs. Arlene and Bob Obremski	Monetary donation of \$100.00 towards the Science program
Fern Drive	Fern Drive PTA	Monetary donation of \$1,950.00 towards the All the Arts for All the Kids program
Fisler School	Lisa McCorkle	Monetary donation of \$75.00 towards fossil stamp(s)
Fisler School	William McGarvey	Monetary donation of \$100.00 towards fossil stamp(s)
Fisler School	Thales Ratheon Systems	Monetary donation of \$150.00 towards fossil stamp(s)
Fisler School	Emily Chung	Monetary donation of \$115.00 towards fossil stamp(s)
Fisler School	Sheridan Goodrich	Monetary donation of \$70.00 towards fossil stamp(s)
Fisler School	Roger and Laura Conover	Monetary donation of \$90.00 towards fossil stamp(s)
Fisler School	Shannon Kang	Monetary donation of \$45.00 towards fossil stamp(s)
Fisler School	Dr. Leslie Christensen	Monetary donation of \$100.00 towards fossil stamp(s)

GIFTS 2003-2004
FULLERTON SCHOOL DISTRICT

Gifts – May 11, 2004

SCHOOL	DONOR	DESCRIPTION
Fisler School	Elizabeth Ellison	Monetary donation of \$45.00 towards fossil stamp(s)
Fisler School	Jeff and Kristina Smith	Monetary donation of \$150.00 towards fossil stamp(s)
Fisler School	Yon Jae Um	Monetary donation of \$45.00 towards fossil stamp(s)
Fisler School	George and Laurreta Pearce	Monetary donation of \$75.00 towards fossil stamp(s)
Fisler School	D. Vasquez	Monetary donation of \$90.00 towards fossil stamp(s)
Fisler School	Edward and Marilyn Kieper	Monetary donation of \$45.00 towards fossil stamp(s)
Fisler School	Patricia Godfrey	Monetary donation of \$190.00 towards fossil stamp(s)
Fisler School	Minard Duncan	Monetary donation of \$105.00 towards fossil stamp(s)
Fisler School	Kelvin and Patsy Okino	Monetary donation of \$150.00 towards fossil stamp(s)
Fisler School	Ellen Ballard	Monetary donation of \$110.00 towards fossil stamp(s)
Fisler School	Priscilla Park	Monetary donation of \$180.00 towards fossil stamp(s)
Hermosa Drive	Stater Brothers Stores Gus Carreras, Manager	Monetary donation of \$25.00 for purchasing STAR Testing snacks

GIFTS 2003-2004
FULLERTON SCHOOL DISTRICT

Gifts – May 11, 2004

SCHOOL	DONOR	DESCRIPTION
Fisler School	Andy and Sandra Fukudome	Monetary donation of \$200.00 towards fossil stamp(s)
Fisler School	Bernards Brothers Construction	Monetary donation of \$250.00 towards fossil stamp(s)
Fisler School	Alexander Chung	Monetary donation of \$450.00 towards fossil stamp(s)
Fisler School	Jay Nakada	Monetary donation of \$60.00 towards fossil stamp(s)
Fisler School	Ty D. Durden	Monetary donation of \$45.00 towards fossil stamp(s)
Fisler School	Yennie Harjono	Monetary donation of \$45.00 towards fossil stamp(s)
Fisler School	Cathy Choi	Monetary donation of \$150.00 towards fossil stamp(s)
Fisler School	CSEA #130	Monetary donation of \$450.00 towards fossil stamp(s)
Fisler School	Benchley Hill Deanna Rankin and Polly Barnes	Artwork and plants
Golden Hill	MCG Drywall, Inc.	Monetary donation of \$1,000.00 towards the Fine Arts program
Golden Hill	Golden Hill PTA	Monetary donation of \$7,048.80 towards Outdoor Science Camp

CONSENT ITEM

DATE: May 11, 2004
TO: Cameron M. McCune, Ed.D., District Superintendent
FROM: Kathleen Carroll, Director of Classified Personnel Services
SUBJECT: APPROVE CLASSIFIED TUITION REIMBURSEMENTS

Background: Costs incurred by classified employees due to class or workshop attendance are reimbursed pursuant to contract language. Reimbursement is approved for coursework that improves employee skills or is of benefit to the District.

Mireya Alvarez – Class taken through Chapman University to meet the “No Child Left Behind Act” requirements. Classroom Management for Paraprofessionals. Total amount payable \$160.00.

Rosemary Espinoza - Class taken through California State University, Fullerton to meet the “No Child Left Behind Act” requirements. Classroom Management for Paraprofessionals. Total amount payable \$155.00

Cleofe Ortega – Class taken through California State University, Fullerton to meet the “No Child Left Behind Act” requirements. Classroom Management for Paraprofessionals. Total amount payable \$155.00

Enriqueta Pereda – Classes taken through Chapman University to meet the “No Child Left Behind Act” requirements. Teaching Writing and Math for Paraprofessionals. Total amount payable \$320.00

Dora Romo - Classes taken through California State University, Fullerton to meet the “No Child Left Behind Act” requirements. Teaching Writing and Math for Paraprofessionals. Total amount payable \$310.00.

The Tuition Reimbursement Program offers an opportunity for professional growth to classified employees. Employees must request approval prior to program participation.

Acceptable proof of incurred costs and program completion are also required.

Funding: Employee reimbursements will be funded from the District's tuition reimbursement budget. \$15,500.00 is budgeted annually for such expenses.

Recommendation: Approve classified tuition reimbursements.

KC:ph

CONSENT ITEM

DATE: May 11, 2004
TO: Cameron M. McCune, Ed.D., District Superintendent
FROM: Patricia Godfrey, Ed.D., Assistant Superintendent
Business Services
SUBJECT: APPROVE REJECTION OF CLAIM NUMBER S 145368 DD

Background: A claim has been filed against the District. A student was injured during recess when struck by a thrown ball. The District's property and liability claims administrator, Carl Warren and Company, recommends rejection of this claim.

Funding: No impact.

Recommendation: Approve rejection of Claim Number S 145368 DD

PG/es

CONSENT ITEM

DATE: May 11, 2004

TO: Cameron M. McCune, Ed.D., District Superintendent

FROM: Patricia Godfrey, Ed.D., Assistant Superintendent
Business Services

PREPARED BY: Gary Drabek, Director of Maintenance, Operations and Facility Services

SUBJECT: RATIFY AGREEMENT WITH DATATEL WIRING PRODUCTS, INC. TO ADD
COMPONENTS AND WIRING TO THE CABLE TELEVISION SYSTEM AT
LAGUNA ROAD SCHOOL

Background: The Modernization contract at Laguna Road School did not include replacement of two-way cable television communication cabling. To maintain the previous standard of cable television access, additional cabling needed to be installed. The additional work was done by Datatel Wiring Products, Inc. under a separate agreement. The cost for this additional work is \$4,003.80. The agreement is available for review in the Superintendent's office.

Funding: Special Reserve Fund (40).

Recommendation: Ratify Agreement With Datatel Wiring Products, Inc. to add components and wiring to the cable television system at Laguna Road School.

PG:GD:mm

CONSENT ITEM

DATE: April 28, 2004

TO: Cameron M. McCune, Ed.D., District Superintendent

FROM: Patricia Godfrey, Ed.D., Assistant Superintendent
Business Services

PREPARED BY: Gary Drabek, Director of Maintenance, Operations and Facility Services

SUBJECT: APPROVE NOTICE OF COMPLETION FOR CATEGORY D
-MODERNIZATION 2003 GROUP 1 (MAPLE AND RICHMAN), FSD-02-03-
CC-3

Background: On March 26, 2003, the Board of Trustees approved the award of a contract for Category D – Modernization 2003 Group 1 (Maple and Richman), FSD-02-03-CC-3. The contract was subsequently awarded to USS Cal Builders. As this project is now substantially complete, staff recommends the Board authorize the filing of a Notice of Completion with the Orange County Clerk-Recorder’s Office. This Notice of Completion is available for review in the Superintendent’s office.

Funding: Not applicable.

Recommendation: Approve Notice of Completion for Category D – Modernization 2003 Group 1 (Maple and Richman), FSD-02-03-CC-3.

PG:GD:mm

CONSENT ITEM

DATE: May 11, 2004

TO: Cameron M. McCune, Ed.D., District Superintendent

FROM: Patricia Godfrey, Ed.D., Assistant Superintendent
Business Services

SUBJECT: APPROVE REJECTION OF CLAIM NUMBER S 145572 NW

Background: A claim has been filed against the District. A minor alleges personal injuries and damages. The District's property and liability claims administrator, Carl Warren and Company, recommends rejection of this claim.

Funding: No impact.

Recommendation: Approve rejection of Claim Number S 145572 NW

PG/es

CONSENT ITEM

DATE: May 11, 2004

TO: Cameron M. McCune, Ed.D., District Superintendent

FROM: Mark L. Douglas, Assistant Superintendent, Personnel Services

PREPARED BY: Lourene Happoldt, Director, Student Support Services

SUBJECT: APPROVE OUT OF STATE CONFERENCE ATTENDANCE OF SPEECH AND LANGUAGE PATHOLOGISTS TO "BILINGUAL THERAPIES SYMPOSIUM" IN LAS VEGAS, NEVADA, JULY 15-17, 2004

Background: This conference will be attended by our bilingual Speech and Language Therapists to afford them the latest research and techniques in the assessment and program development for speech and language disordered students. Federal and State law indicates that students that have a language other than English must be assessed in their primary language to determine if a speech and language disorder is present. These individuals will return to the District and provide in-service for the Speech and Language Pathologists as part of their ongoing staff development necessary to retain their State Licenses.

Funding: Total amount of this contract is \$900.00 to cover the cost of registration only.

Recommendation: Approve Out of State Conference attendance of Speech and Language Pathologists to "Bilingual Therapies Symposium" in Las Vegas, Nevada, July 15-17, 2004.

LH:ta

CONSENT ITEM

DATE: May 11, 2004

TO: Cameron McCune, Ed.D., District Superintendent

FROM: Linda Caillet, Ed.D., Assistant Superintendent
Educational Services

PREPARED BY: Susan Albano, Coordinator
Special Programs and English Language Learner Services

SUBJECT: APPROVE THE SUBMISSION OF INTENT TO PARTICIPATE IN
COMMUNITY-BASED ENGLISH TUTORING (CBET) FOR THE 2004-2005
SCHOOL YEAR

Background: Included in Education Codes 315 and 316, Proposition 227 provides for free or subsidized English language instruction to parents and other community members from limited-English proficient backgrounds. The Fullerton Joint Union High School District (FJUHSD) has provided these services for Fullerton School District through an agreement since 1999. FJUHSD currently provides these services at Maple, Pacific Drive and Woodcrest Schools.

The State Department of Education requires that all districts that plan to continue participation in Community Based English Tutoring (CBET) file an Intent to Participate with the State by May 28, 2004 and be approved by the governing Board of the District. The State allocates funds to districts based on the total number of English Language Learner students reported in the R-30 Language Census. A copy of the Intent to Participate is on file for review in the Superintendent's office.

Funding: Not applicable.

Recommendation: Approve the submission of Intent to Participate in Community-Based English Tutoring (CBET) for the 2004-2005 school year.

SA:nm

CONSENT ITEM

DATE: May 11, 2004

TO: Cameron McCune, Ed.D., District Superintendent

FROM: Linda Caillet, Ed.D., Assistant Superintendent
Educational Services

PREPARED BY: Susan Albano, Coordinator
Special Programs and English Language Learner Services

SUBJECT: APPROVE AGREEMENT WITH FULLERTON JOINT UNION HIGH SCHOOL DISTRICT (FJUHSD) FOR PROVISION OF COMMUNITY-BASED ENGLISH TUTORING (CBET) PROGRAM SERVICES FOR THE 2004-2005 SCHOOL YEAR

Background: As a result of Proposition 227 and included as part of Education Codes 315 and 316, and Title 5, California Code of Regulations Section 11305, is the provision to provide free or subsidized English language instruction to parents and other community members from limited-English proficient backgrounds.

The adult English language instruction may be provided by adult schools, public libraries with literacy programs, colleges, universities, community-based organizations and non-profit organizations. An agreement is in place with the adult school program of the Fullerton Joint Union High School District (FJUHSD) to provide these services for the current school year. It is the intent of the Fullerton School District (FSD) to extend the agreement for the 2004-2005 school year, contingent upon the District receiving funding from the State for this purpose. Following FSD's approval of the agreement, the Board of Trustees of the FJUHSD will have an opportunity to review the agreement for its approval. The agreement between the two Districts indicates that the program will continue to be implemented and administered by the FJUHSD. A copy of the agreement is available for review in the Superintendent's office.

Funding: Not applicable.

Recommendation: Approve agreement with Fullerton Joint Union High School District (FJUHSD) for provision of Community-Based English Tutoring (CBET) program services for the 2004-2005 school year.

SA:nm

CONSENT ITEM

DATE: May 11, 2004

TO: Cameron M. McCune, Ed.D., District Superintendent

FROM: Patricia Godfrey, Ed.D., Assistant Superintendent
Business Services

SUBJECT: APPROVE REJECTION OF CLAIM NUMBER S 145524 DD

Background: A claim has been filed against the District. A student was injured when colliding with another student while running for a ball. The District's property and liability claims administrator, Carl Warren and Company, recommends rejection of this claim.

Funding: No impact.

Recommendation: Approve rejection of Claim Number S 145524 DD.

PG/es

CONSENT ITEM

DATE: May 11, 2004

TO: Board of Trustees

FROM: Mark L. Douglas, Assistant Superintendent
Personnel Services

SUBJECT: ADOPT RESOLUTION #03/04-26 PROCLAIMING MAY 12, 2004 AS "DAY OF THE TEACHER" IN THE FULLERTON SCHOOL DISTRICT

Background: Each year the California Teachers Association and the National Educators Association collaborate in recognizing the contribution of teachers to public education by designating one day in May as the "Day of the Teacher".

School districts are encouraged to celebrate and recognize teachers on the designated day which, for the 2003-2004 school year, is Wednesday, May 12, 2004.

The impact of participating in a statewide effort for the "Day of the Teacher" enhances the celebration. The Board of Trustees initiates the District's recognition by adopting a resolution proclaiming May 12, 2004, as "Day of the Teacher" and presenting each school with a dedicated book for the school library.

Funding: Not applicable.

Recommendation: Adopt Resolution #03/04-26 proclaiming May 12, 2004 as "Day of the Teacher" in the Fullerton School District.

MD:cs

Attachment

FULLERTON SCHOOL DISTRICT
RESOLUTION #03/04-26
PROCLAIMING MAY 12, 2004 AS
“DAY OF THE TEACHER”

WHEREAS, teachers personify America’s belief that universal public education is a key to meeting the challenges of our changing world; and

WHEREAS, teachers strive to make every classroom an exciting, productive place to learn and grow; and

WHEREAS, teachers reach out to foster the well-being of each student, regardless of ability, social or economic background, race, ethnic origin, or religion; and

WHEREAS, teachers influence our lives long after our school days are only memories,

NOW, THEREFORE, the Fullerton School District Board of Trustees does hereby proclaim Wednesday, May 12, 2004, as “Day of the Teacher”.

We urge all citizens to observe this day by taking time to remember and salute the teachers who shaped our lives and continue to shape the future of our children, our community, and the community of nations.

Signed this 11th day of May, 2004, by:

Hilda Sugarman, President

Minard Duncan, Clerk

Ellen Ballard, Vice President

Kevin Bass, Member

Lynn Thornley, Member

CONSENT ITEM

DATE: May 11, 2004

TO: Board of Trustees

FROM: Mark L. Douglas, Assistant Superintendent
Personnel Services

SUBJECT: ADOPT RESOLUTION #03/04-27 PROCLAIMING MAY 16-22, 2004 AS
"CLASSIFIED EMPLOYEE WEEK" IN THE FULLERTON SCHOOL DISTRICT

Background: Each year the California School Employees Association designates one week as "Classified Employee Week" with the intent of honoring classified employees throughout the state at the same time. This year, "Classified Employee Week is May 16-22, 2004.

The Board of Trustees may pass a resolution which recognizes "Classified Employee Week" and honors all classified employees throughout the District.

Funding: Not applicable.

Recommendation: Adopt Resolution #03/04-27 proclaiming May 16-22, 2004, as "Classified Employee Week" in the Fullerton School District.

MD:cs

Attachment

FULLERTON SCHOOL DISTRICT
RESOLUTION #03/04-27
PROCLAIMING MAY 16-22, 2004 AS
CLASSIFIED EMPLOYEE WEEK

WHEREAS, Classified employees support America's belief that universal public education is a key to meeting the challenges of our changing world; and

WHEREAS, Classified employees strive to support every classroom to make it a productive place for teachers to teach children how to learn and grow; and

WHEREAS, Classified employees reach out to foster the well-being of each student, teacher, administrator, regardless of ability, social or economic background, race, ethnic, origin, or religion; and

WHEREAS, Classified employees help to keep teachers motivated by supporting and helping them in their daily routines; and

WHEREAS, Classified employees influence many lives by demonstrating the harmony they instill between teaching and the support thereof,

NOW, THEREFORE, the Fullerton School District Board of Trustees does hereby proclaim

SUNDAY, MAY 16, 2004 THROUGH SATURDAY, MAY 22, 2004 AS CLASSIFIED EMPLOYEE WEEK.

We urge all citizens to observe this week by taking time to remember and salute all classified employees who support the education of our children, our community, and the community of nations.

Signed this 11th day of May, 2004, by:

Hilda Sugarman, President

Minard Duncan, Clerk

Ellen Ballard, Vice President

Kevin Bass, Member

Lynn Thornley, Member

CONSENT ITEM

DATE: May 11, 2004

TO: Cameron M. McCune, Ed.D., District Superintendent

FROM: Patricia Godfrey, Ed.D., Assistant Superintendent
Business Services

PREPARED BY: Gary Drabek, Director of Maintenance, Operations and Facility Services

SUBJECT: APPROVE PARTICIPATION IN VAL VERDE UNIFIED SCHOOL DISTRICT
BID NUMBER 050467 FOR PURCHASE OF CARPET FOR ROBERT C.
FISLER SCHOOL

Background: During the planning stages of Robert C. Fisler School, the District determined that it would be cost efficient to purchase carpet directly from the manufacturer and provide it to the General Contractor for installation. This Owner Furnished Contractor Installed (OFICI) procedure allows the District to make large purchases of a common item using "Piggybackable" bids that have been awarded by other School Districts, thereby eliminating the premium charged for materials by the General Contractor. Public Contract Code Sections 20118 and 20652 allow this procedure so that materials may be purchased without going out to bid even when the total cost exceeds the bid limit. Fullerton School District uses Collins and Aikman carpeting as the District standard product. The Val Verde Bid Contract allows the Fullerton School District to purchase the standard Collins and Aikman carpeting at a price that is 35% below the shelf price. Additionally, the General Contractor would add a surcharge of up to 15%. The total cost for this purchase was \$65,304.43.

Funding: School Facilities Fund (35).

Recommendation: Approve participation in Val Verde Unified School District Bid Number 050467 for purchase of carpet for Robert C. Fisler School.

PG:GD:mm

CONSENT ITEM

District 22 – Fullerton School District and
District 48 – Community Facilities District No. 2001-1 (Robert C. Fisler School)

DATE: May 11, 2004
TO: Cameron M. McCune, Ed.D., District Superintendent
FROM: Patricia Godfrey, Ed.D., Assistant Superintendent
Business Services
PREPARED BY: Gary Drabek, Director of Maintenance, Operations and Facility
Services
SUBJECT: RATIFY CHANGE ORDER #3 FOR CATEGORY C – NEW SCHOOL
CONSTRUCTION (ROBERT C. FISLER SCHOOL), FSD-02-03-7

Background: On April 22, 2003, the Board of Trustees awarded the contract for Category C – New School Construction (Robert C. Fisler School), FSD-02-03-7, to KPRS Construction Services. This change order covers the following components of construction:

- Cost reduction due to revision in technology equipment per request of District I.T. Department
- Cost addition to provide gas service for science program
- Cost addition for sand bag placement to comply with State regulations to be back-charged to LSF II
- Cost addition to add additional masonry, electrical and plumbing components beyond original contracted scope of work
- Cost addition to install playground equipment and ground cover not in the original contracted scope of work
-

Change orders 1, 2 and 3 total \$86,430.66, or 1.01% of the original contract amount. The change order is available for review in the Superintendent's Office.

Original Construction Budget:	\$9,345,000.00
Construction Contract Amount:	\$8,520,000.00
Revised Contract Amount (Incl. C.O. #1 and 2):	\$8,576,328.00
Change Order #3 Amount:	\$30,102.66
Revised Contract Amount:	\$8,606,430.66

The Board Members are acting as, and on behalf of, the legislative body of the Fullerton School District (District 22) and Fullerton School District Community Facilities District No. 2001-1 (Robert C. Fisler School) (District 48).

Funding: General Obligation Bond Fund (22), Capital Facilities Fund (25), School Facilities Fund (35), Community Facilities District No. 2001-1 (Robert C. Fisler School) (District 48).

Recommendation: Ratify Change Order #3 For Category C – New School Construction (Robert C. Fislser School), FSD-02-03-7.

PG:GD:mm

CONSENT ITEM
District 40 – Van Daele

DATE: May 11, 2004
TO: Cameron M. McCune, Ed.D., District Superintendent
FROM: Patricia Godfrey, Ed.D., Assistant Superintendent
Business Services
PREPARED BY: Andrea Reynolds, Director of Fiscal Services
SUBJECT: APPROVE/RATIFY WARRANT NUMBERED 1013 IN THE AMOUNT OF \$1,930.00

Background: Board approval is requested for warrant numbered 1013 for the 2003/2004 school year. The total amount presented for approval is \$1,930.00. For Board information, the warrant listing is available in the Business Office for review. Where the vendor shown is Fullerton School District, this represents the CFD repaying the District for funds advanced while the districts were being set up in our financial system.

Board action is required per Board Policy 3000(b), Roles of Board of Trustees.

01	General Fund		\$1,930.00
		Total	<u>\$1,930.00</u>

Funding: Funding sources as reflected in the above listing.

Recommendation: Approve/ratify warrant numbered 1013 in the amount of \$1,930.00.

PG:AR:dlh

FULLERTON SCHOOL DISTRICT ACTIVITIES CALENDAR
May 12, 2004 – May 25, 2004

Wednesday, May 12

	Teacher Week
	Acacia Jog-a-Thon
	Orangethorpe Grade 4 Gold Rush Days
	Parks Track Meet (May 12-13, 19-20)
8:15 a.m.	Hermosa Drive PTA Board Meeting
9:00 a.m.	Sunset Lane New Parent Tour
12:00 p.m.	Sunset Lane Schoolwide Lunch
12:15 p.m.	Raymond Teacher Appreciation Luncheon
2:30 p.m. – 4:00 p.m.	FSD Teacher of the Year Celebration
5:00 p.m.	Laguna Road Open House (5:00 p.m. – dinner & OSS bake sale; 6:00 p.m. PTA meeting; 6:45 p.m. – classroom open)
5:00 p.m.	Golden Hill Open House
6:30 p.m.	Fern Drive Open House
6:30 p.m.	Ladera Vista Dinner Theatre (May 12-13)

Thursday, May 13

	Acacia Grade 5 Walk Through American Revolution (May 13-14)
12:45 p.m.	Raymond Grade 5 Pageant (12:45 p.m., 1:30 p.m. & 6:30 p.m.)
2:30 p.m.	Maple School Site Council Meeting
6:00 p.m.	Beechwood Open House (6:00 p.m. – dinner; 7:00 p.m. – 8:00 p.m. classroom visitation)
7:00 p.m.	Nicolas Band Concert

Friday, May 14

7:30 a.m.	Sunset Lane Student Council Meeting
5:30 p.m.	Valencia Park Open House (Chalk Art Festival)

Saturday, May 15

10:00 a.m. – 3:00 p.m.	Rolling Hills Pancake Breakfast
6:00 p.m.	Faces of Fullerton Event CSEA Banquet

Monday, May 17

	Classified Employee Week
	Raymond Science Fair Week
	Ladera Vista Book Fair/Science Fair (May 17-21)
2:45 p.m.	Hermosa Drive School Site Council Meeting
3:15 p.m.	Orangethorpe School Site Council Meeting
4:15 p.m.	Laguna Road at Fullerton City Student Award

FULLERTON SCHOOL DISTRICT ACTIVITIES CALENDAR
May 12, 2004 – May 25, 2004 (Continued)

Tuesday, May 18

9:00 a.m.	Ladera Vista Band Concert at Beechwood
3:45 p.m.	Rolling Hills School Site Council Meeting
6:30 p.m.	Richman Open House
7:00 p.m.	Nicolas Dance Concert
7:00 p.m.	Elementary Band Concert at Ladera Vista

Wednesday, May 19

	Golden Hill Kindergarten Literacy Evening
	Sunset Lane Jr. Olympics (May 19-21)
8:10 a.m.	Beechwood Flagpole Assembly
11:30 a.m.	Sunset Lane PTA Installation Luncheon
2:30 p.m.	Maple Retirement Event
6:00 p.m.	Raymond Open House/Concert on the Green
7:00 p.m.	Orangethorpe Academic Olympic Ceremony

Thursday, May 20

	Valencia Park Student Council Car Wash
	Woodcrest Family Reading Night
6:00 p.m.	Ladera Vista Open House (Science fair/book fair, band & choir at 6 p.m.; PTA at 6:45 p.m.; classroom visitation at 7:00 p.m.)
7:00 p.m.	Nicolas Open House
7:00 p.m.	Rolling Hills PTA Board Meeting

Friday, May 21

	Orangethorpe Carnival
11:30 a.m.	Ladera Vista PTSA Meeting
3:30 p.m. – 9:00 p.m.	California Distinguished School Awards Presentation (At Disneyland Hotel for Laguna Road and Acacia Schools)
4:00 p.m.	FSD Educational Foundation Putting Tournament (At Golfer's Paradise, 1600 N. Harbor Blvd., Fullerton)
4:00 p.m. – 7:00 p.m.	Fern Drive School Carnival

Monday, May 24

	Rolling Hills Grade 6 Play
	Sunset Lane Author Tea
3:00 p.m.	Ladera Vista School Site Council Meeting
6:30 p.m.	Beechwood Chorus Performance

Tuesday, May 25

	Laguna Road Grade 6 Outdoor Science School (May 25-28)
9:15 a.m. & 7:00 p.m.	Rolling Hills Grade 6 Play
5:30 p.m.	FSD Board of Trustees Meeting

Fullerton School District
Regular Meeting of the Board of Trustees
Tuesday, April 27, 2004
District Board Room, 1401 W. Valencia Drive, Fullerton, CA 92833
2:30 p.m.
Minutes

Call to Order and Pledge of Allegiance

President Hilda Sugarman called a Regular meeting of the Fullerton School District Board of Trustees to order at 2:35 p.m., and Gary Drabek led the Pledge of Allegiance to the flag.

Board Members present: Ellen Ballard, Kevin Bass, Minard Duncan, and Hilda Sugarman (Trustee Lynn Thornley absent)

Administration present: Dr. Cameron M. McCune, Dr. Linda Caillet, Dr. Patricia Godfrey, and Mr. Mark Douglas

Public Comments

There were no public comments at this time.

Recess to Closed Session

The Board recessed into Closed Session at 2:36 p.m. for Potential Litigation [Government Code section 54956.9(b)(1)] – Dr. Cameron M. McCune.

Report from Closed Session

The Board returned to Open Session at 4:15 p.m., and President Sugarman stated there was nothing to report from Closed Session. Mrs. Sugarman announced that Trustee Lynn Thornley is absent due to a death in her family.

Approve Consent Agenda and/or Request to Move An Item to Action

Moved by Kevin Bass, seconded by Ellen Ballard and carried unanimously to approve the consent items with the exception of 1p that will be addressed separately and 1y that is pulled from the agenda.

- 1a. Approve/ratify Assignment of Certificated Personnel Report as submitted.
- 1b. Approve/ratify purchase orders numbered 422B0285 through 422B0355, 422C0168 through 422C0186, 422D0149 through 422D0186, 422L0021, 422M0356 through 422M0396, 422R1396 through 422R1672, 422S0143 through 422S0185, 422T0071 through 422T0079, 422V0166 through 422V0190, 422X0470 through 422X0514, and 422Y0025.
- 1c. Approve/ratify Food Services purchase orders numbered 600790 through 600886 for 2003/2004.
- 1d. Approve/ratify warrants numbered 36782 through 37499 for the 2003/2004 school year in the amount of \$3,140,822.41.
- 1e. Approve/ratify Food Services warrants numbered 2633 through 2718 in the amount of \$387,765.90 for the 2003/2004 school year.
- 1f. Ratify Consulting Agreement with Executive Environmental to perform general environmental and industrial hygiene services on a task order basis for the Fullerton School District.

- 1g. Award contract to United Contractors Company, Inc. for Category E – 2004 Maintenance Upgrades: Wave 2, Group 1 (Pacific Drive School and Nicolas Junior High School), FSD-03-04-CC-4.
- 1h. Award Contract to DLS Builders for Category E – 2004 Maintenance Upgrades: Wave 2, Group 2 (Fern Drive School, Golden Hill School and Parks Junior High School), FSD-03-04-CC-5.
- 1i. Award Contract to DLS Builders for Category E – 2004 Maintenance Upgrades: Wave 3, Group 1 (Commonwealth School and Ladera Vista Junior High School), FSD-03-04-CC-7.
- 1j. Approve/ratify Student Teaching Agreement with Northern Arizona University.
- 1k. Approve/ratify Student Teaching Agreement with Chapman University.
- 1l. Approve Agreement with BPI Inspection for inspector and materials testing services for Category E: 2004 Modernizations.
- 1m. Approve classified tuition reimbursements.
- 1n. Approve use of the Glendale Unified School District Bid Number P-16-99/00 school furnishings, office furnishings and accessories from multiple awardees and find and determine that it is in the best interest of the District to purchase these items through the Glendale Unified School District piggybackable bid.
- 1o. Approve Agreement with Winzler & Kelly for hazardous material monitoring and materials testing services for 2004 Maintenance Upgrades.

This item was addressed separately.

- 1p. Ratify Change Order #2
Moved by Kevin Bass, seconded by Minard Duncan and carried unanimously to ratify Change Order #2 for Category D – Modernization 2003 Group 3 (Parks Junior High School), FSD 02-03-CC-5.
- 1q. Ratify Change Order #3 for Category D – Modernization 2003 Group 3 (Sunset Lane School), FSD 02-03-CC-5.
- 1r. Approve/ratify submission of California Technology Assistance Project (CTAP) Teacher Technology Grants.
- 1s. Ratify Agreement with Watson Agency, Inc. for security services at Parks Junior High School.
- 1t. Adopt Resolutions 03/04-B021 through 03/04-B031 authorizing budget transfers and recognizing unbudgeted revenue according to Education Code sections 42600 and 42602 for submission to the Orange County Superintendent of Schools.
- 1u. Approve Agreement to provide transportation for Arborland Montessori Children's Academy effective April 28, 2004 through April 27, 2005.
- 1v. Approve Agreement to provide transportation for Arborland Education and Youth Activity Center effective April 28, 2004 through April 27, 2005.

- 1w. Approve continued participation in the Beginning Teacher Support and Assessment (BTSA) Program Grant and approve Subcontract Agreement with La Habra City School District to receive BTSA funds.
- 1x. Authorize utilization of long-term care insurance offered by Metropolitan Life Insurance Company.

This item was pulled from the agenda.

- 1y. Approve Agreement with David Taussig & Associates to conduct a Facilities Needs Analysis for the Fullerton School District.
- 1z. Approve Independent Contractor Agreement with Mary Anne Raymond to provide PowerSchool scheduling training.
- 1aa. Approve Judy Lieb to attend the National Educational Computing Conference in New Orleans, Louisiana from June 19 to June 23, 2004 at a cost not to exceed \$1,260.00.
- 1bb. Accept gifts and authorize District staff to express the Board's appreciation to all donors.

Consent Items – District 40

The Board Members are acting as the legislative body of the Community Facilities District No. 2000-1 (Van Daele), identified as District 40, for accounting purposes.

- 2a. Approve/ratify purchase order number 440R0001.
- 2b. Approve/ratify warrant number 1012 in the amount of \$713.69.

Moved by Kevin Bass, seconded by Ellen Ballard and carried unanimously to approve items 2a and 2b.

Consent Items – District 48

The Board Members are acting as the legislative body of the Community Facilities District No. 2001-1 (Amerige Heights), identified as District 48, for accounting purposes.

- 3a. Adopt Resolution 03/04-B48-001 authorizing budget transfers and recognizing unbudgeted revenue according to Education Code sections 42600 and 42602 for submission to the Orange County Superintendent of Schools.
- 3b. Approve/ratify purchase order number 448R0001.
- 3c. Approve/ratify warrants numbered 1025 through 1030 in the amount of \$2,664,556.64.

Moved by Ellen Ballard, seconded by Minard Duncan and carried unanimously to approve items 3a, 3b, and 3c.

Facilities Workshop

Dr. Patricia Godfrey introduced Kelvin Okino of Bernards Bros. Construction who reviewed the Phase 1 Change Order Report Summary and the status of various projects. The report states that Change Orders for Phase 1 construction projects are currently at the 3.33% level. Gary Drabek reviewed the Facilities Improvement Program Phase 2 Considerations and noted that bids received to date are presently under budget with three bids to be received. Dr. Godfrey commented to the Board that if bids come in high, the Board will need to decide whether to go ahead and award them if they desire

the work to be completed this summer, as bids could possibly be even higher next summer. Dr. Fred Good of PJHM Architects reviewed the Measure CC Facilities Improvement Projects Summary of Site Specific Improvements that delineated projects completed, projects requested but not yet Board approved, Board approved improvements, and Board approved – on hold projects. Dr. Godfrey stated the Board will eventually need to prioritize the remaining items and District needs. Dr. Godfrey also discussed the Facility Security Assessment and the possibility of using Measure CC funds for upgrades with respect to fencing, lighting, and alarm systems at school sites.

Recess to Closed Session

The Board recessed into Closed Session at 4:57 p.m. for: •Conference with District's Chief Negotiator regarding FETA (Fullerton Elementary Teachers Association) and CSEA (California School Employees Association); District Representative – Mr. Mark Douglas [Government Code sections 54954.5(f), 54957.6]

•Public Employee Discipline, Dismissal, Release, and Personnel Matters [Government Code sections 54954.5(d), 54957]

•Potential Litigation [Government Code section 54956.9(b)(1)] – Dr. Cameron M. McCune

Report from Closed Session

The Board returned to Open Session at 5:34 p.m., and President Sugarman announced the Board unanimously ratified/approved a Compromise and Release Agreement dated April 15, 2004 between the Fullerton School District and the parents of a special education student (MIS ID#1995-00798) in the amount of \$17,000.00.

Introductions

President Sugarman and PTA President Carol Pankow presented certificates to Reflections Award of Merit Winners Christine Hur from Acacia School and Ashley Song from Golden Hill School.

Superintendent's Report

Dr. Cameron McCune reported: Acacia and Laguna Road Schools have again been honored as California Distinguished Schools, and Parks Junior High is being considered for National Blue Ribbon School; Assemblywoman Lynn Daucher presented certificates to students at the "Knights on the Pathways to Success" event that was recently held at Nicolas Junior High; attended the tribute to Rick Steinkoenig at Ladera Vista Junior High; Laguna Road teacher Kay Krausman received a \$5,000 award from Project Tomorrow; Board President Hilda Sugarman was honored at the All the Arts for All the Kids Foundation's "Give Your Heart To The Arts" luncheon on April 17; the Star Power Grant reception will be May 10 at 4:00 p.m. at Hunt Branch Library; the Fullerton School District Educational Foundation's Putting Tournament will be May 21 at 4:00 p.m. at Golfer's Paradise.

Information from the Board of Trustees

Trustee Duncan stated he has recently visited open house events and is very proud of the schools.

Trustee Ballard asked that principals encourage their staffs to attend the Putting Tournament fundraiser.

President Sugarman spoke about her recent visit to Henrico School District in Richmond, Virginia, where all students have laptops. Mrs. Sugarman also discussed the laptop programs beginning at Nicolas Junior High, Fisler School, and Hermosa Drive School.

Information from PTA, FETA, CSEA, FESMA

There was no information presented.

Public Comments

Kathy Dasney of the Fullerton Public Library discussed the "School Night at the Library" programs and the childrens' upcoming summer programs.

Information Items

The District Activities Calendar from April 28 through May 11, 2004 was presented.

Approve Minutes

Moved by Kevin Bass, seconded by Minard Duncan and carried unanimously to approve the minutes of the Regular meeting on March 23, 2004 and the Special meeting on April 16, 2004.

Action Items – District 22

4a. Approve Submission of Grant

Moved by Minard Duncan, seconded by Ellen Ballard and carried unanimously to approve submission to the California Department of Education (CDE) of the Comprehensive School Reform (CSR) Program Grant for Richman School.

4b. Ratify Independent Contractor Agreement

Moved by Ellen Ballard, seconded by Minard Duncan and carried unanimously to ratify Independent Contractor Agreement with Steve Regur to provide grant support to Richman School.

4c. Approve Fullerton School District 2003/2004 Retirement Incentive

Moved by Minard Duncan, seconded by Ellen Ballard and carried unanimously to approve Fullerton School District 2003/2004 Retirement Incentive for certificated Fullerton Elementary Teachers Association (FETA) members.

4d. Approve Recommendation to Implement K-8 School

Fullerton resident Marilyn Harris spoke to the Board regarding her concerns with how money is equitably spent in the schools, and she feels consideration should be given on how to improve test scores at the District's south side schools.

Moved by Ellen Ballard, seconded by Kevin Bass and carried unanimously to recommend that Beechwood School be approved to implement as a K-8 school. The phase-in would be K-7 for 2005/06 and K-8 for 2006/07. Commonwealth, Pacific Drive, Rolling Hills, Sunset Lane, and Golden Hill Schools are all still considering future implementation, but principals do not feel that they are ready at this time.

Administrative Reports – District 22

5a. Report of proposed Settlement Agreement between the Fullerton School District and the Fullerton Elementary Teachers Association (FETA) for 2003-2004 and required AB 1200 disclosures.

Mark Douglas and Andrea Reynolds presented the AB 1200 disclosures.

Board Member Request(s) for Information and/or Possible Future Agenda Items

There were no requests.

Adjournment

President Sugarman adjourned the Regular meeting on April 27, 2004 at 6:55 p.m.

Minard Duncan, Clerk, Board of Trustees

ACTION ITEM

DATE: May 11, 2004
TO: Board of Trustees
FROM: Cameron M. McCune, Ed.D.
Superintendent
SUBJECT: ADOPT RESOLUTION #03/04-24 CALLING FOR BOARD OF TRUSTEES
ELECTION TO BE HELD ON NOVEMBER 2, 2004

Background: In accordance with Education Code section 5340, a consolidated election is required in the Fullerton School District this year.

Terms of office for Board members Hilda Sugarman and Lynn Thornley will expire on December 3, 2004.

The Orange County Department of Education has requested that the Board of Trustees adopt a Resolution informing the Orange County Superintendent of Schools of the specifications of the election order for the forthcoming Biennial Governing Board Election to be held on November 2, 2004. The Fullerton School District Board of Trustees must serve the County Superintendent with the Resolution no later than June 23, 2004.

The cost of conducting consolidated elections will be prorated by the Registrar of Voters among the school districts/community college districts concerned. A portion of the cost of the election for 2004/2005 will be budgeted in the General Fund.

Funding: General Fund.

Recommendation: Adopt Resolution #03/04-24 calling for Board of Trustees election to be held on November 2, 2004.

CMM:ds
Attachment

FULLERTON SCHOOL DISTRICT
RESOLUTION #03/04-24
ORDER OF BIENNIAL TRUSTEE ELECTION AND
SPECIFICATIONS OF THE ELECTION ORDER

WHEREAS, the election of Governing Board members is ordered by law pursuant to section 5000 of the Education Code to fill the office of members whose terms expire on December 3, 2004, next succeeding the election,

NOW BE IT RESOLVED that pursuant to the authority of Education Code sections 5304 and 5322, the County Superintendent of Schools, Orange County, is hereby informed of the specifications of the election order for the forthcoming Biennial Governing Board election to be held on Tuesday, November 4, 2004.

The County Superintendent is further ordered to consolidate this election in accordance with Education Code sections 5340 and 5342.

Dated this 11th day of May, 2004.

Minard Duncan, Clerk
Board of Trustees

ACTION ITEM

DATE: May 11, 2004

TO: Board of Trustees

FROM: Mark L. Douglas, Assistant Superintendent
Personnel Services

SUBJECT: APPROVE SETTLEMENT AGREEMENT BETWEEN THE FULLERTON SCHOOL DISTRICT AND THE FULLERTON ELEMENTARY TEACHERS ASSOCIATION (FETA) FOR 2003-2004 AND REQUIRED AB 1200 DISCLOSURES

Background: Government Code Section 3547.5 requires that proposed settlements and their potential costs that have been reached with exclusive representatives and public employers be shared in a public meeting prior to signing the settlement. On April 27, 2004 this information was reported to the public. The financial report is referred to as the AB 1200 Report.

The settlement agreement and the AB 1200 are available in the Superintendent's office upon request.

Funding: Refer to the AB 1200 Report for general provisions. The Supplemental Incentive Retirement Plan is self funded and does not require financial report in this manner.

Recommendation: Approve Settlement Agreement between the Fullerton School District and the Fullerton Elementary Teachers Association (FETA) for 2003-2004 and required AB 1200 Disclosures.

MD:cs

ACTION ITEM

DATE: May 11, 2004

TO: Cameron M. McCune, Ed.D., District Superintendent

FROM: Mark L. Douglas, Assistant Superintendent
Personnel Services

SUBJECT: ADOPT DECLARATION OF NEED FOR FULLY QUALIFIED EDUCATORS
FOR THE 2004-2005 SCHOOL YEAR

Background: As of 1996, a "Declaration of Need for Fully Qualified Educators" must be completed and adopted yearly based on the anticipated need for the subsequent school year. This Declaration has to be Board adopted and submitted to the Commission on Teacher Credentialing before any credentials may be renewed.

For the first two years the Declaration was submitted during July in preparation for the start of the new school year. Since the new fingerprint clearance requirements went into effect, credentials have to be renewed approximately six months before the expiration date of the old credential so that the new credential is received before the previous one expires. Therefore, teachers are renewing credentials now for next year, and the Commission has notified us that these renewal requests will not be granted until the District's Declaration of Need is on file.

The Fullerton School District has the following general needs which may be met through the emergency credential and/or waiver process:

- Filling English language development and special education positions for which a specialist credential is required **in addition** to a basic teaching credential.
- Filling positions at the junior high which are hard to find, i.e., home economics, health, foreign language, science, math, english and band.
- Obtaining certification for those teachers, who, because of scheduling needs, teach one or two periods outside their credentialed area, i.e., five periods of English and one period of physical education.
- Filling positions with teachers from out of state or private schools to allow these educators additional time to complete California credentialing requirements.

The Board of Trustees is required to adopt the "Declaration of Need for Fully Qualified Educators" at a public meeting certifying that there may be an insufficient number of certificated persons who meet the District's specific employment criteria for identified positions. The completed Declaration is filed

with the Commission on Teacher Credentialing and permits the District to obtain short-term certifications as needed during the school year.

Copies of this document are available for review in the Superintendent's office upon request.

Funding: Not applicable.

Recommendation: Adopt Declaration of Need for Fully Qualified Educators for the 2004-2005 school year.

MD/dn

ACTION ITEM
District 22 – Fullerton School District

DATE: May 11, 2004

TO: Cameron McCune, Ed.D., District Superintendent

FROM: Patricia Godfrey, Ed.D., Assistant Superintendent
Business Services

PRESENTED BY: Andrea Reynolds, Director of Fiscal Services

PREPARED BY: Becky Silva, Accounting Supervisor

SUBJECT: ADOPT RESOLUTION 03/04-25 TO ISSUE 2005 TAX AND REVENUE
ANTICIPATION NOTES FOR THE FULLERTON SCHOOL DISTRICT

Background: Many cities, school districts and counties issue Tax and Revenue Anticipation Notes (“TRANS”) annually if a cash flow shortage is anticipated. As a low-cost, low-risk program, Tax and Revenue Anticipation Notes are a beneficial financial tool designed to alleviate cash flow deficiencies resulting from mismatched timing of receipts and expenditures during the fiscal year.

In order to meet anticipated cash flow demands of the District, the District will likely need to temporarily borrow sufficient funds to meet expenditure obligations during the 04/05 fiscal year. Early analysis estimates not more than \$5 million would be needed. The actual amount to borrow will be determined in early June.

Staff recommends participation in the SCLEA for the 2005 TRANS due to the cost effective nature of sharing costs among multiple agencies. Multiple agencies are participating in the SCLEA this year, and the expense of issuance will be distributed among all participating agencies. Interest earnings on these funds during the year will help to partially offset cost of issuance for 2005

Funding: General Fund (01).

Recommendation: Adopt Resolution 03/04-25 to issue 2005 Tax and Revenue Anticipation Notes for the Fullerton School District.

PG:AR:BS:dlh

RESOLUTION NO. 03/04-25

RESOLUTION OF FULLERTON SCHOOL DISTRICT AUTHORIZING THE BORROWING OF FUNDS FOR FISCAL YEAR 2004-05 AND THE ISSUANCE AND SALE OF ONE OR MORE SERIES OF 2004-05 TAX AND REVENUE ANTICIPATION NOTES THEREFORE IN AN AMOUNT NOT TO EXCEED \$5,000,000 AND PARTICIPATION IN THE SOUTH COAST LOCAL EDUCATION AGENCIES POOLED TAX AND REVENUE ANTICIPATION NOTE PROGRAM AND REQUESTING THE BOARD OF SUPERVISORS OF THE COUNTY TO ISSUE AND SELL SAID NOTES

WHEREAS, school districts, community college districts and county boards or departments of education are authorized by Sections 53850 to 53858, both inclusive, of the Government Code of the State of California (the "Act") (being Article 7.6, Chapter 4, Part 1, Division 2, Title 5 of the Government Code) to borrow money by the issuance of temporary notes;

WHEREAS, the Board of Trustees of the Fullerton School District (the "Board") has determined that the sum not to exceed Five Million Dollars (\$5,000,000) (the "Principal Amount"), which Principal Amount is to be confirmed and set in the Pricing Confirmation or Confirmations (as defined herein), is needed for the requirements of the Fullerton School District (the "District"), a public body corporate and politic situated in the County of Orange (the "County"), for any of the purposes of the District, as authorized by the Act, and that it is necessary that said Principal Amount be borrowed for such purpose at this time by the issuance of notes therefore in anticipation of the receipt of taxes, income, revenue, cash receipts and other moneys to be received or held by the District attributable to its fiscal year ending June 30, 2005 (the "Repayment Fiscal Year");

WHEREAS, the District hereby determines to borrow, for the purposes set forth above, the Principal Amount by the issuance of one or two series of Notes (as hereinafter defined);

WHEREAS, to the extent required by law, the District requests the Board of Supervisors of the County to borrow, on the District's behalf, the Principal Amount by the issuance of the Notes;

WHEREAS, pursuant to Section 53853 of the Act, if the Board of Supervisors of the County fails or refuses to authorize the issuance of the Notes within forty-five calendar days following receipt of this Resolution, the District may issue the Notes in its name in conjunction with a note or notes of another Issuer (as defined herein) pursuant to the terms stated herein;

WHEREAS, it appears, and this Board hereby finds and determines, that the Principal Amount, when added to the interest payable thereon, does not exceed eighty-five percent (85%) of the estimated amount of the uncollected taxes, income, revenue (including, but not limited to, revenue from the state and federal governments), cash receipts and other moneys of the District attributable to the Repayment Fiscal Year, and available for the payment of the aggregate principal amount of the Notes and the interest thereon;

WHEREAS, no money has heretofore been borrowed by or on behalf of the District through the issuance of tax anticipation notes or temporary notes in anticipation of the receipt of, or payable from or secured by, taxes, income, revenue, cash receipts or other moneys for the Repayment Fiscal Year;

WHEREAS, the District desires to authorize the issuance of the Notes, in one or two series, each to be marketed together with some or all of the notes issued by other school districts and the Department simultaneously therewith, through the issuance of a series of notes (the "Series A Notes") in not earlier than July 2004 and, as may be determined by an Authorized Officer (as defined herein), a subsequent issuance of notes (the "Series B Notes") prior to January 1, 2005;

WHEREAS, pursuant to Section 53856 of the Act, certain moneys which will be received by the District during and attributable to the Repayment Fiscal Year can be pledged for the payment of the principal of the Notes and the interest thereon (as hereinafter provided);

WHEREAS, the District has determined that it is in the best interests of the District to participate in the South Coast Local Education Agencies Pooled Tax and Revenue Anticipation Note Program (the "Program"), whereby participating school districts and the Orange County Department of Education (the "Department" and, collectively with the school districts, the "Issuers") will, on or more dates in the Repayment Fiscal Year, simultaneously issue tax and revenue anticipation notes;

WHEREAS, the District desires to have its Series A Note marketed together with some or all of the notes issued concurrently by other school districts, community college districts and the Department, if an Authorized Officer (as defined herein) determines that it is in the best interest of the District to participate in the Program and, in the event that a comparable Program exists at the time District issues its Series B Note, to have its Series B Note marketed together with some or all of the notes issued by other school districts and the Department then participating in such Program upon the determination by an Authorized Officer at that time that participation in such Program is in the best financial interests of the District, and further, the District may issue a Series A Note or a Series B Note, or both, depending upon whether an Authorized Officer determines that the timing of the District's participation in one or two Series is in the best financial interest of the District;

WHEREAS, Tamalpais Advisors, Inc. (the "Financial Advisor") will structure one or more pools of notes or series of note participations (referred to herein as the "Note Participations", the "Series" and/or the "Series of Note Participations") distinguished by (i) whether and what type(s) of Credit Instrument (as hereinafter defined) provides additional security for notes comprising each Series, and (ii) delivery dates, maturity dates, security provisions and possibly other features, all of which the District hereby authorizes the Financial Advisor to determine, the principal features of which are to be set forth in the respective Pricing Confirmation substantially in the form and substance set forth in Exhibit D hereto (the "Pricing Confirmation") and finalized upon the pricing of the Series A Notes and the Series B Notes, if any;

WHEREAS, the Program requires the Issuers participating in any particular Series to deposit their tax and revenue anticipation notes with a trustee, pursuant to a trust agreement with respect to such Series (each, the "Trust Agreement") between such Issuers in such Series and U.S. Bank National Association, as trustee (the "Trustee");

WHEREAS, the Trust Agreement provides, among other things, that for the benefit of Owners of Note Participations (each, a "Noteholder"), that the respective Issuer or Issuers shall provide notices of the occurrence of certain enumerated events, if deemed by the respective Issuer or Issuers to be material.

WHEREAS, the Program requires the Trustee, pursuant to the Trust Agreement, to execute and deliver the Note Participations evidencing and representing proportionate, undivided interests in the payments of principal of and interest on the tax and revenue anticipation notes issued by the Issuers comprising such Series;

WHEREAS, the District desires to have the Trustee execute and deliver (i) a Series of Note Participations which evidence and represent interests of the owners thereof in the Series A Note and the notes issued by other Issuers simultaneously therewith; and (ii) a Series of Note Participations which evidence and represent interests of the owners thereof in the Series B Note and such notes as may be issued by other participating Issuers simultaneously therewith, if the Authorized Officer determines at the time of sale of the Series A Note or the Series B Note, as the case may be, that participation in such Program is in the best financial interests of the District, or alternatively, that the Board of Supervisors of the County to borrow, on the District's behalf, the Principal Amount by the issuance of the Notes;

WHEREAS, as additional security for the owners of the Note Participations, all or a portion of the payments by all of the Issuers of their respective notes may or may not be secured either by an irrevocable letter (or letters) of credit or policy (or policies) of insurance or other credit instrument (or instruments) (collectively, the "Credit Instrument") issued by the credit provider or credit providers designated in the Trust Agreement, as finally executed (collectively, the "Credit Provider"), which may be issued pursuant to a credit agreement or agreements or commitment letter or letters designated in the Trust Agreement (collectively, the "Credit Agreement") between the Issuers and/or the Trustee and the respective Credit Provider;

WHEREAS, the net proceeds of the Notes may be invested under an investment agreement with an investment provider to be determined on the basis of a competitive bid initiated by the Department and set forth in the Pricing Confirmation;

WHEREAS, the Program requires that each participating Issuer approve the Trust Agreement and the alternative Credit Instruments, if any, in substantially the form presented to the Board, or if not presented, in a form which complies with such requirements and standards as may be determined by the Board with the final form of Trust Agreement, type of Credit Instrument and corresponding Credit Agreement determined and specified in the Pricing Confirmation;

WHEREAS, pursuant to the Program each participating Issuer will be responsible for its share of (a) the fees of the Trustee and the costs of issuing the applicable

Series of Note Participations, and (b) if applicable, the fees of the Credit Provider, the Issuer's allocable share of all Predefault Obligations and the Issuer's Reimbursement Obligations, if any (each as defined in the Trust Agreement);

WHEREAS, pursuant to the Program, the Notes and the Notes issued by other Issuers participating in the same Series (all as evidenced and represented by a Series of Note Participations) will be offered for public sale pursuant to procedures set forth herein and in the Official Notice of Sale substantially in the form and substance set forth in Exhibit C attached hereto (the "Official Notice of Sale") or, in the alternative, as provided herein, through negotiation with an underwriter pursuant to the terms and provisions of a purchase agreement, which shall be in substantially the same form as the purchase agreement presented to this meeting (the "Purchase Agreement"); and

WHEREAS, it is necessary to engage the services of certain professionals to assist the District in its participation in the Program;

NOW, THEREFORE, the Board hereby finds, determines, declares and resolves as follows:

Section 1. Recitals. All the above recitals are true and correct and this Board so finds and determines.

Section 2. Authorization of Issuance. This Board hereby determines to borrow, and, to the extent required by the Act, requests the Board of Supervisors of the County to borrow on behalf of the District, solely for the purpose of anticipating taxes, income, revenue, cash receipts and other moneys to be received or held by the District attributable to the Repayment Fiscal Year, and not pursuant to any common plan of financing of the District, by the issuance by the Board of Supervisors of the County, in the name of the District, of one or two series of its notes, in an aggregate Principal Amount under Sections 53850 et seq. of the Act, designated "Fullerton School District 2004-05 Tax and Revenue Anticipation Note, Series ___" (with an appropriate series designation to be specified) (as defined herein, the "Notes"), to be issued in the form of one fully registered note for each series at the principal amount thereof, to be dated the date of its delivery to the initial purchaser thereof, to mature (without option of prior redemption) not more than twelve months thereafter on a date indicated on the face thereof and set forth in the related Pricing Confirmation (the "Maturity Date"), and to bear interest, payable at maturity and computed upon the basis of a 360-day year consisting of twelve 30-day months, at a rate not to exceed ten percent (10%) per annum as determined at the time of the sale of the Series of Note Participations and indicated on the face of the Note of the related series of Notes (the "Note Rate"). If any Notes as evidenced and represented by the Series of Note Participations is not fully paid at maturity or if secured in whole or in part by a Credit Instrument with a draw or claim thereon not fully reimbursed on such date, it shall become a Defaulted Note (as defined in the Trust Agreement), and the unpaid portion thereof (or the portion thereof with respect to which a Credit Instrument applies for which reimbursement on a draw or claim has not been fully made) shall be deemed outstanding and shall continue to bear interest thereafter until paid at the Default Rate (as defined in the Trust Agreement). If the Note as evidenced and represented by the Series of Note Participations is unsecured in whole or in part and is not fully paid at maturity, the unpaid portion thereof (or the portion thereof to which no Credit Instrument

applies which is unpaid) shall be deemed outstanding and shall continue to bear interest thereafter until paid at the Default Rate. In each case set forth in the preceding two sentences the Default Rate (as defined in the Trust Agreement. In such case, the obligation of the District with respect to such Defaulted Note or Notes or unpaid Notes shall not be a debt or liability of the District prohibited by Article XVI, Section 18 of the California Constitution and the District shall not be liable thereon except to the extent of any available revenues attributable to Fiscal Year 2004-05, as provided in Section 8 hereof. The percentage of the Note as evidence and represented by the Series of Note Participations to which a Credit Instrument, if any, applies (the "Secured Percentage") shall be equal to the amount of the Credit Instrument divided by the aggregate amount of unpaid principal of and interest on notes (or portions thereof) of all Issuers of Notes comprising such Series of Note Participations, expressed as a percentage (but not greater than 100%) as of the maturity date. Both the principal of and interest on the Notes shall be payable in lawful money of the United States of America, but only upon surrender thereof, at the corporate trust office of the Trustee.

The Notes shall be issued in conjunction with the note or notes of one or more other Issuers as part of the Program and within the meaning of Section 53853 of the Act and likewise, the Series B Note shall be issued in conjunction with the note or notes of one or more other Issuers as part of the Program and within the meaning of Section 53853 of the Act, upon the determination of the Authorized Officer at the time of sale of the Series A Note or the Series B Note, as the case may be, that participation in such Program is in the best financial interests of the District.

Notwithstanding the foregoing, the issuance of the Series B Notes shall be subject to the following conditions:

(1) Receipt of confirmation from Moody's Investors Service and Standard & Poor's (each an "Agency") (if such respective rating agency rated the Series A Notes) that the issuance of the Series B Notes will not cause a reduction or withdrawal in such Agency's rating on the Series A Notes; and

(2) Receipt of an opinion of Bond Counsel to the effect that the interest on the Series B Notes is excludable from gross income for federal income tax purposes.

In the event (i) the Board of Supervisors of the County fails or refuses to authorize the issuance of the Notes within forty-five calendar days following receipt of this Resolution or (ii) the Act is amended to permit the issuance of the Notes by the District without requiring the District to first request the County to issue the Notes on its behalf, this Board hereby authorizes issuance of the Notes, in the District's name, pursuant to the terms stated in the preceding paragraph and the terms stated hereafter.

Section 3. Form of Notes. The Notes shall be issued in fully registered form without coupons and shall be substantially in the form and substance set forth in (i) Exhibit A, if issued by the Board of Supervisors of the County, or (ii) Exhibit B, if issued by the District, each as attached hereto and by reference incorporated herein, the blanks in said forms to be filled in with appropriate words and figures.

Section 4. Sale of Notes; Delegation. (a) The Notes shall be sold in one or two series as set forth herein pursuant to the procedures set forth in subsection (b) below, unless any one of the Superintendent, Assistant Superintendent, Business Services, Director of Fiscal Services, or President of the Board of Trustees, of the District as the case may be, or, in the absence of said officer, his or her duly appointed assistant (each, an "Authorized Officer") notifies the Representative, as hereinafter defined, that based upon advice of the Financial Advisor and the results of other comparable sales of short-term obligations, it is in the best interests of the District to sell its Notes pursuant to the procedures described in subsection (c) below, in which case those procedures shall be followed.

The District is hereby authorized and directed to cause a form of Notice of Intention to Sell Note Participations to be published once in connection with the Series A Notes and once in connection with the Series B Notes, at least fifteen days prior to each Sale Date, in The Bond Buyer, a financial publication reasonably expected to be disseminated among prospective bidders for the Note Participations. Such notice shall include the date, time and place of the sale and estimated amount of Note Participations of the particular Series to be sold.

(b) The offices of the Financial Advisor or Orrick, Herrington & Sutcliffe LLP ("Bond Counsel") is hereby fixed as the place, and the Superintendent, Deputy Superintendent, Assistant Superintendent, Business Services or the Director of Fiscal Services of the District or his or her designee (the "Representative"), in consultation with the Financial Advisor, shall fix a time with respect to each Series of Note Participations, not later than seven months from the date of adoption of this resolution (each, a "Sale Date"), at which bids will be received for the purchase of the respective Series of Note Participations, subject to the terms and conditions of the Official Notice of Sale with respect to the Series A Notes as set forth in Exhibit C attached hereto or otherwise pursuant to the Purchase Agreement.

The Financial Advisor and/or Bond Counsel are hereby authorized and directed to open the bids at the time and place specified in said Official Notice of Sale and to present the same to the Representative. The Financial Advisor and/or Bond Counsel are hereby authorized and directed to receive and record the receipt of all bids made pursuant to said Official Notice of Sale, to cause said bids to be examined for compliance with said Official Notice of Sale, to cause computations to be made as to which bidder has bid the lowest true interest cost to the Issuers of the applicable Series of Note Participations and to present such bids to the Representative, as provided in said Official Notice of Sale, along with a report as to the foregoing and any other matters deemed pertinent to the award of the Note Participations and proceedings for the issuance thereof.

The Representative is authorized to award the Note Participations under the terms and conditions stated in the Official Notice of Sale to the bidder with the best bid therefore determined in accordance with said Official Notice of Sale and in accordance with the Pricing Confirmation confirming the award of the Note Participations under the terms and conditions stated in the Official Notice of Sale including, without limitation, the interest rate and price, and the form of the Pricing Confirmation substantially in the form and substance set forth in Exhibit D attached hereto is hereby approved. The Authorized Officers are each hereby authorized and directed to execute and deliver the Pricing Confirmation in substantially said form, with such changes thereto as an Authorized Officer shall approve, such approval to be conclusively

evidenced by his or her execution and delivery thereof; provided, however, that the interest rate on the Notes shall not exceed ten percent (10%) per annum and the aggregate Principal Amount of the Series A Note and the Series B Note shall not exceed \$5,000,000.

The Series B Note shall be sold pursuant to the terms and provisions of an Official Notice of Sale substantially similar in scope and content to the Official Notice of Sale set forth in Exhibit C attached hereto (the "Series B Official Notice of Sale"), as part of the Program or separately, upon determination and written direction of the Authorized Officer. The Representative is hereby authorized and directed to execute and deliver the Series B Official Notice of Sale with such changes as the Representative shall approve, such approval to be conclusively evidenced by his or her execution and delivery thereof. The Authorized Officers are each hereby authorized and directed to execute and deliver the Pricing Confirmation, substantially in the form and substance set forth in Exhibit D attached hereto in connection with the sale of the Series B Note, with such changes thereto as an Authorized Officer shall approve, such approval to be conclusively evidenced by his or her execution and delivery thereof; provided, however, that the interest rate on the Notes shall not exceed ten percent (10%) per annum and the aggregate Principal Amount of the Series A Note and the Series B Note shall not exceed \$5,000,000.

The Representative and the Financial Advisor are further authorized to take such additional steps as may be required to effect the sale of the Notes and the Note Participations and the award of one or more investment agreements, if any, as solicited from qualified bidders by the Investment Broker retained by the Representative.

(c) If an Authorized Officer notifies the Representative that based upon advice of the Financial Advisor and the results of other comparable sales of short-term obligations, it is in the best interests of the District to negotiate the sale of its Series A Note, then such Note as evidenced and represented by the related Series of Note Participations shall be sold to one or more underwriters (collectively, the "Underwriter") pursuant to the terms and provisions of the Purchase Agreement and as provided in this subsection (c). The form of the Purchase Agreement presented to this meeting is hereby approved. The Authorized Officers are each hereby authorized and directed to execute and deliver the Pricing Confirmation evidencing sale of the Note Participations to such Underwriter and, if applicable, the Purchase Agreement, each in substantially said form, with such changes thereto as such Authorized Officer shall approve, such approval to be conclusively evidenced by his or her execution and delivery thereof; provided, however, that the interest rate on the Series A Note shall not exceed ten percent (10%) per annum, and that the District's pro rata share of underwriter's discount on the Series A Notes, if applicable, shall not exceed one percent (1.0%) of the Principal Amount of such Series, which itself shall not exceed the difference between \$5,000,000 and the principal amount of the Series B Note, if any. Delivery of an executed copy of the Pricing Confirmation by fax or telecopy shall be deemed effective execution and delivery for all purposes.

If an Authorized Officer notifies the Representative that based upon advice of the Financial Advisor and the results of other comparable sales of short-term obligations, it is in the best interests of the District to negotiate the sale of its Series B Note, then such Note as evidenced and represented by the related Series of Note Participations shall be sold pursuant to the terms and provisions of a purchase agreement substantially similar in scope and content to

the Purchase Agreement presented to this meeting (the "Series B Purchase Agreement") upon determination and written direction of the Authorized Officer. The Authorized Officers are each hereby authorized and directed to execute and deliver the Pricing Confirmation evidencing sale of the Note Participations to such Underwriter and, if applicable, the Series B Purchase Agreement, each in substantially said form, with such changes thereto as such Authorized Officer shall approve, such approval to be conclusively evidenced by his or her execution and delivery thereof; provided, however, that the interest rate on the Series B Note shall not exceed ten percent (10%) per annum, and that the District's pro rata share of underwriter's discount on the Series B Notes, if applicable, shall not exceed one percent (1.0%) of the Principal Amount of such Series, which itself shall not exceed the difference between \$5,000,000 and the principal amount of the Series A Note, if any. Delivery of an executed copy of the Pricing Confirmation by fax or telecopy shall be deemed effective execution and delivery for all purposes.

(d) If the Authorized Officer does not elect to participate in a Program to pool the Series B Note with notes of other Issuers, the Series B Note shall be sold competitively or to the Underwriter pursuant to the terms and provisions of a purchase agreement substantially similar in scope and content to the Purchase Agreement presented to this meeting, separately upon determination and written direction of the Authorized Officer. The County Officer is hereby authorized and directed to execute and deliver such Purchase Agreement with such changes as such County Officer shall approve, such approval to be conclusively evidenced by his or her execution and delivery thereof; provided, however, that the interest rate on the Series B Note shall not exceed ten percent (10%) per annum, and that the Underwriter's discount on the Series B Note, shall not exceed 1.0% of the amount of the Series B Note.

(e) The District reserves the right to cancel its participation in the South Coast Local Education Agencies Pooled Tax and Revenue Anticipation Note Program until one day prior to the date the respective Series of Note Participations shall be offered for sale; provided the District shall not cancel its participation in the South Coast Local Education Agencies Pooled Tax and Revenue Anticipation Note Program with respect to Series A Note or the Series B Note on or after the respective sale date thereof.

Section 5. Program Approval. The Notes shall be combined with notes of other Issuers into a Series as set forth in the Preliminary Official Statement, hereinafter mentioned, and shall be sold simultaneously with such other notes of that Series referred to in the related Pricing Confirmation, and shall be evidenced and represented by the Note Participations which shall evidence and represent proportionate, undivided interests in the Notes in the proportion that the face amount of the Notes bears to the total aggregate face amount of the Notes and the notes issued by other Issuers which the Series of Note Participations represent. Such Note Participations may be delivered in book-entry form.

The form of Trust Agreement presented to this meeting is hereby approved, and the Authorized Officer is hereby authorized and directed to execute and deliver the Trust Agreement together with a Credit Agreement consistent with the general terms of the Trust Agreement, if applicable (which Credit Agreement shall be identified in the Pricing Confirmation, in substantially one or more of said forms, with a substantially final form of Credit Agreement delivered to the Authorized Officer concurrent with the Pricing Confirmation), and an undertaking with respect to continuing disclosure (the "Continuing Disclosure Agreement")

as required by Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission (which undertaking may be set forth in the Trust Agreement), and each with such changes therein as said officer shall require or approve, such approval of this Board and such officer to be conclusively evidenced by the execution of the Trust Agreement, Continuing Disclosure Agreement, if applicable, and Pricing Confirmation, respectively. The Authorized Officer is hereby authorized and directed to comply with and carry out all of the provisions of the Trust Agreement with respect to continuing disclosure; provided however, that failure of the District to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default hereunder. Any Credit Agreement identified in the Pricing Confirmation but not at this time before the Board shall include reasonable and customary terms and provisions relating to fees, increased costs of the Credit Provider payable by the District, negative and affirmation covenants of the District and events of default.

The form of the Preliminary Official Statement presented to this meeting is hereby approved, and the Financial Advisor (and/or Underwriter, if any) is hereby authorized and directed to cause to be delivered in printed and/or electronic form to prospective bidders the Preliminary Official Statement and the Official Notice of Sale in connection with the offering and sale of the Note Participations.

The Authorized Officer is hereby authorized and directed to provide the Financial Advisor (and/or Underwriter, if any) with such information relating to the District as they shall reasonably request for inclusion in the Preliminary Official Statement. Upon inclusion of the information relating to the District in the Preliminary Official Statement, the Authorized Officer is hereby authorized and directed to provide certification deeming such Preliminary Official Statement as of its date final within the meaning of the Rule 15c2-12 of the Securities Exchange Act of 1934, as amended (the "Rule"), except for certain omissions permitted by the Rule; provided that no representation need be made as to the information contained in the Preliminary Official Statement relating to the other Issuers. If, at any time prior to the execution of the related Pricing Confirmation, any event occurs as a result of which the information contained in the Preliminary Official Statement relating to the District might include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the District shall promptly notify the Financial Advisor (and/or the Underwriter, if any).

The Trustee is authorized and directed to execute on behalf of the District Note Participations evidencing and representing interests of the owners thereof in the Notes pursuant to the terms and conditions set forth in the Trust Agreement, in the aggregate principal amount specified in the Trust Agreement, and substantially in the form and otherwise containing the provisions set forth in the form of the Note Participations contained in the Trust Agreement. When so executed, the Note Participations shall be delivered by the Trustee to the purchaser or purchasers thereof upon payment of the respective purchase price therefor, pursuant to the terms of the Trust Agreement. The District agrees to pay or cause to be paid, in addition to the amounts payable under the Notes, any fees or expenses of the Trustee pursuant to the Trust Agreement.

Subject to Section 8 hereof, the District hereby agrees that if the Note as evidenced and represented by the Series of Note Participations shall become a Defaulted Note,

the unpaid portion thereof or the portion to which a Credit Instrument applies for which no reimbursement on a draw or claim has been made shall be deemed outstanding and shall not be deemed to be paid until (i) the Credit Provider providing a Credit Instrument with respect to the Series of Note Participations, and therefore, if applicable, all or a portion of the District's Note, if any, has been reimbursed for any drawings or payments made under the Credit Instrument with respect to the Note, including interest accrued thereon, as provided therein and in the applicable Credit Agreement, and (ii) as and if provided in the Trust Agreement, the holders of the Series of the Note Participations which evidence and represent the Note are paid the full principal amount represented by the unsecured portion of the Note plus interest accrued thereon (calculated at the Default Rate) to the date of deposit of such aggregate required amount with the Trustee. For purposes of clause (ii) of the preceding sentence, holders of the Series of Note Participations will be deemed to have received such principal amount upon deposit of such moneys with the Trustee. The District agrees to pay or cause to be paid, in addition to the amounts payable under the Note, any fees or expenses of the Trustee and, to the extent permitted by law, if the District's Note as evidenced and represented by the Series of Note Participations is secured in whole or in part by a Credit Instrument, any Predefault Obligations and Reimbursement Obligations (to the extent not payable under the Note), (i) arising out of an "Event of Default" hereunder (or pursuant to Section 7 hereof) or (ii) arising out of any other event (other than an event arising solely as a result of or otherwise attributable to a default by any other Issuer). In the case described in (ii) above with respect to Predefault Obligations, the District shall owe only the percentage of such fees, expenses and Predefault Obligations equal to the ratio of the principal amount of its Note over the aggregate principal amounts of all notes, including the Note, of the Series of which the Note is a part, at the time of original issuance of such Series. Such additional amounts will be paid by the District within twenty five (25) days of receipt by the District of a bill therefor from the Trustee. Notes, any fees or expenses of the Trustee pursuant to the Trust Agreement.

Section 6. No Joint Obligation; Owners' Rights. The Notes shall be marketed and sold simultaneously with the notes of other Issuers and shall be aggregated and combined with notes of other Issuers participating in the Program into a Series of Note Participations evidencing and representing an interest in several, and not joint, obligations of each Issuer. The obligation of the District to Owners is a several and not a joint obligation and is strictly limited to the District's repayment obligation under this Resolution, the resolution of the County providing for the issuance of a series of the Notes, if applicable, and the Notes as evidenced and represented by such Series of Note Participations.

Owners of Note Participations, to the extent of their interest in the Notes, shall be treated as owners of the Notes and shall be entitled to all the rights and security thereof; including the right to enforce the obligations and covenants contained in this Resolution and the Notes. The District hereby recognizes the right of the Owners acting directly or through the Trustee to enforce the obligations and covenants contained in the Notes, this Resolution and the Trust Agreement. The District shall be directly obligated to each Owner for the principal and interest payments on the Notes evidenced and represented by the Note Participations without any right of counterclaim or offset arising out of any act or failure to act on the part of the Trustee.

The provisions of this Section 6 apply equally to the Series B Note, as if referred to herein, in the event that the Authorized Officer determines at the time of sale of the Series B

Note that participation in a similar Program to pool the Series B Note with the notes of other Issuers is in the best financial interests of the District.

Section 7. Disposition of Proceeds of Notes. The moneys received from the sale of each series of Notes allocable to the District's share of the costs of issuance (which shall include any issuance fees in connection with a Credit Instrument applicable to the Note, if any) shall be deposited in the related Costs of Issuance Fund held and invested by the Trustee under the Trust Agreement and expended on costs of issuance as provided in such Trust Agreement. The moneys received from the sale of each series of Notes (net of the District's share of the costs of issuance) shall be deposited in the District's Proceeds Subaccount within the Proceeds Fund with respect to such series of Notes hereby authorized to be created pursuant to, and held and invested by the Trustee under, the Trust Agreement for the District and said moneys may be used and expended by the District for any purpose for which it is authorized to expend funds upon requisition from the Proceeds Subaccount as specified in the Trust Agreement. Amounts in each Proceeds Subaccount, if any, are available for the payment of related series of Notes.

The Trustee will not create subaccounts within the Proceeds Fund, but will keep records to account separately for proceeds of the Note Participations allocable to the District's Notes on deposit in the Proceeds Fund which shall constitute the District's Proceeds Subaccount.

The provisions of this Section 7 apply equally to the Series B Note, as if referred to herein, in the event that the Authorized Officer determines at the time of sale of the Series B Note that participation in a similar Program to pool the Series B Note with the notes of other Issuers is in the best financial interests of the District.

If the Authorized Officer does not elect to participate in a Program to pool the Series B Note with notes of other Issuers, then proceeds of the sale of the Series B Note shall be deposited in a separate fund of the District hereby designated the "Series B 2004 Tax and Revenue Anticipation Note Proceeds Fund" (herein called the "Series B Proceeds Fund") which account shall be established with the Orange County Treasurer (the "County Treasurer") at the time of issuance of the Series B Note.

All moneys in the Series B Proceeds Fund shall be invested in the Orange County Treasurer's Money Market Commingled Investment Pool or, at the written direction of the District, in investments permitted and authorized for such funds, and the proceeds of such investments shall be retained in the Series B Proceeds Fund. Amounts in the Series B Proceeds Fund may be withdrawn and expended by the District for any purpose for which the District is authorized to expend funds from the General Fund of the District.

Section 8. Source of Payment. (a) The principal amount of the Notes, together with the interest thereon, shall be payable from taxes, income, revenue (including, but not limited to, revenue from the state and federal governments), cash receipts and other moneys which are received or held by the District and are attributable to the Repayment Fiscal Year and which are available for payment thereof, with each series of Notes of the District to be payable on a parity basis with the other. As security for the payment of the principal of and interest on the Notes, the District hereby pledges certain unrestricted revenues (as hereinafter provided, the "Pledged Revenues") which are received or held by the District and are attributable to the

Repayment Fiscal Year, and the principal of the Notes and the interest thereon shall constitute a first lien and charge thereon and shall be payable from the first moneys received by the District from such Pledged Revenues and, to the extent not so paid, shall be paid from any other taxes, income, revenue, cash receipts and other moneys of the District lawfully available therefore (all as provided for in Sections 53856 and 53857 of the Act), with payments to be made pro rata between each series of Notes of the District if more than one series are issued under this Resolution. The term "unrestricted revenues" shall mean all taxes, income, revenue (including, but not limited to, revenue from the state and federal governments), cash receipts, and other moneys, which are generally available for the payment of current expenses and other obligations of the District. The Noteholders, Owners and Credit Provider, if any, shall have a first lien and charge on such unrestricted revenues as herein provided which are received or held by the District and are attributable to the Repayment Fiscal Year. Notwithstanding the foregoing the terms "unrestricted revenue" and "Pledged Revenues" shall exclude moneys which, when received by the District, will be encumbered for a special purpose unless an equivalent amount of the proceeds of the Notes is set aside and used for said special purpose.

In order to effect the pledge referred to in the preceding paragraph, the District agrees to the establishment and maintenance of a Payment Account with respect to each series of its Notes (each with an appropriate series designation to be specified) as a special fund of the District (each a "Payment Account") by the Trustee under the Trust Agreement as the responsible agent to maintain such fund until the payment of the principal of the Notes and the interest thereon, and the District agrees to cause to be deposited (and the Representative shall request specific amounts from the District's funds on deposit with the County Treasurer for such purpose) directly therein, and pro rata if more than one series of Notes are issued under this Resolution, the first amounts received in the months specified in the related Pricing Confirmation as sequentially numbered Repayment Months (each individual month a "Repayment Month" and collectively "Repayment Months") (and any amounts received thereafter attributable to the Repayment Fiscal Year) until the amount on deposit in such Payment Accounts, taking into consideration anticipated investment earnings thereon to be received and deposited in the respective Payment Account on or before the Maturity Date (as set forth in a certificate from the Financial Advisor, or investment advisor, to the Trustee), is equal in the respective Repayment Months identified in the related Pricing Confirmation to the percentages of the principal and interest due on the Notes at maturity as specified in the related Pricing Confirmation. Amounts in the Payment Accounts are hereby pledged to the payment of the Notes.

The Authorized Officer is hereby authorized to approve the determination of the Repayment Months and percentages of the principal and interest due on the Notes at maturity required to be on deposit in the respective Payment Account in each Repayment Month, all as specified in the related Pricing Confirmation, by executing and delivering the related Pricing Confirmation, such execution and delivery to be conclusive evidence of approval by this Board and such Authorized Officer; provided, however, that the maximum number of Repayment Months shall be six and the amount of Pledged Revenues required to be deposited in any one Repayment Month shall not exceed forty percent (40%) of the principal and interest due on such series of Notes at maturity. In the event that on the last Business Day (as defined in the Trust Agreement) of each such Repayment Month, the District has not received sufficient unrestricted revenues to permit the deposit into the respective Payment Account of the full amount of Pledged Revenues to be deposited in the respective Payment Account from said unrestricted

revenues in said month, then the amount of any deficiency shall be satisfied and made up from any other moneys of the District lawfully available for the payment of the principal of the Notes and the interest thereon, as and when such other moneys are received or are otherwise legally available.

(b) Any moneys placed in the respective Payment Account shall be for the benefit of the owner of the Note and (to the extent provided in the Trust Agreement) the Credit Provider, if any, and owners of the related series of Notes. The moneys in the Payment Accounts shall be applied only for the purposes for which the respective Payment Account is created until the principal of the related series of Notes and all interest thereon are paid or until provision has been made for the payment of the principal of the Notes at maturity with interest to maturity (in accordance with the requirements for defeasance of the Note Participations as set forth in the Trust Agreement) and (to the extent provided in the Trust Agreement), and (to the extent provided in the Trust Agreement), if applicable, the payment of all Predefault Obligations and Reimbursement Obligations owing to the Credit Provider.

(c) On the Maturity Date of the Notes, the moneys in the respective Payment Account shall be transferred by the Trustee, to the extent necessary, to pay the principal of and interest on the related series of Notes or to reimburse the Credit Provider for payments made under or pursuant to the Credit Instrument. In the event that moneys in the respective Payment Account are insufficient to pay the principal of and interest on the related series of Notes in full on the Maturity Date, moneys in the respective Payment Account shall be applied in the following priority: first, to pay interest on the related series of Notes; second, to pay principal of the related series of Notes; third to reimburse the Credit Provider for payment of interest, if any, on the related series of Notes; fourth to reimburse the Credit Provider for payment of principal, if any, on the related series of Notes; and fifth to pay any Reimbursement Obligations of the District and any of the District's *pro rata* share of Predefault Obligations owing to the Credit Provider. Any moneys remaining in or accruing to the respective Payment Account after the principal of the related series of Notes and the interest thereon and any Predefault Obligations and Reimbursement Obligations, if applicable, have been paid, or provision for such payment has been made, shall be transferred by the Trustee to the District, subject to any other disposition required by the Trust Agreement. Nothing herein shall be deemed to relieve the District from its obligation to pay its Notes in full on the Maturity Date.

(d) Moneys in the Proceeds Subaccount related to a series of Notes and the respective Payment Account shall be invested by the Trustee pursuant to the Trust Agreement in investment agreement(s) and/or other Permitted Investments as described in and under the terms of the Trust Agreement and as designated in the related Pricing Confirmation. In the event the District designates an investment agreement or investment agreements as the investments, the District hereby directs the Trustee to invest such funds pursuant to the investment agreement or investment agreements (which shall be with a provider rated in one of the two highest long-term rating categories by the rating agency or agencies then rating the Note Participations, and acceptable to the Credit Provider, if any, and the particulars of which pertaining to interest rate and investment provider will be set forth in the related Pricing Confirmation) and authorizes the Trustee to enter into such investment agreement on behalf of the District. The District's funds shall be accounted for separately and the obligation of the provider of the investment agreement with respect to the District under the investment agreement shall be severable. Any such

investment by the Trustee shall be for the account and risk of the District and the District shall not be deemed to be relieved of any of its obligations with respect to the Notes, the Predefault Obligations or Reimbursement Obligations, if any, by reason of such investment of the moneys in its Proceeds Subaccount and respective Payment Account.

The District shall promptly file with the Trustee such financial reports at the times and in the forms required by the Trust Agreement.

Section 9. Execution of Notes. Any one of the Treasurer of the County, or, in the absence of said officer, his or her duly appointed assistant, the Chairperson of the Board of Supervisors of the County or the Auditor (or comparable financial officer) of the County shall be authorized to execute the Notes by manual or facsimile signature and the Clerk of the Board of Supervisors of the County or any Deputy Clerk shall be authorized to countersign the Notes by manual or facsimile signature and to affix the seal of the County to the Notes either manually or by facsimile impression thereof. In the event the Notes is issued by the District under the circumstances described in Section 2 hereof, any one of the Chair or President of the governing board of the District or any other member of such board shall be authorized to execute the Notes by manual or facsimile signature and the Secretary of the governing board of the District, the Superintendent of the District, any Authorized Officer or any duly appointed assistant thereto, shall be authorized to countersign the Notes by manual or facsimile signature. Said officers of the County or the District, as applicable, are hereby authorized to cause the blank spaces of the Notes to be filled in as may be appropriate pursuant to the related Pricing Confirmation. Said officers are hereby authorized and directed to cause the Trustee, as registrar and authenticating agent, to accept delivery of the Notes pursuant to the terms and conditions of the related Purchase Agreement, if applicable, and Trust Agreement. In case any officer whose signature shall appear on any Notes shall cease to be such officer before the delivery of such Notes, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

Section 10. Representations and Covenants.

The District hereby makes the following representations and covenants, which shall be reconfirmed prior to delivery of the Notes:

(A) The District is a political subdivision duly organized and existing under and by virtue of the laws of the State of California and has all necessary power and authority to (i) adopt this Resolution and enter into and perform its obligations under the Purchase Agreement and the Trust Agreement, (ii) authorize the County to issue the Notes on its behalf and, if applicable, (iii) issue the Notes.

(B) (i) Upon the issuance of each series of the Notes, the District will have taken all action required to be taken by it to authorize the issuance and delivery of the Notes and the performance of its obligations thereunder, (ii) the District has full legal right, power and authority to request the County to issue and deliver the Notes on behalf of the District and to perform its obligations as provided herein and therein and, if applicable, (iii) the District has full legal right, power and authority to issue and deliver the Notes.

(C) The issuance of each series of the Notes, the adoption of this Resolution and the execution and delivery of the Trust Agreement, the Pricing Confirmation, the District Certificate (as defined herein) and the Purchase Agreement, if any, and compliance with the provisions hereof and thereof, will not conflict with or violate any law, administrative regulation, court decree, resolution, charter, by-laws or other agreement to which the District is subject or by which it is bound.

(D) Except as may be required under blue sky or other securities law of any state, there is no consent, approval, authorization or other order of, or filing with, or certification by, any regulatory authority having jurisdiction over the District required for the issuance and sale of the Notes or the consummation by the District of the other transactions contemplated by this Resolution except those the District shall obtain or perform prior to or upon the issuance of each series of the Notes.

(E) The District has (or will have prior to the issuance of each series the Notes) duly, regularly and properly adopted a preliminary budget for the Repayment Fiscal Year setting forth expected revenues and expenditures and has complied with all statutory and regulatory requirements with respect to the adoption of such budget. The District hereby covenants that it will (i) duly, regularly and properly prepare and adopt its final budget for the Repayment Fiscal Year, (ii) if requested, provide to the Credit Provider, if any, the Financial Advisor and the Underwriter, promptly upon adoption, copies of such final budget and of any subsequent revisions, modifications or amendments thereto and (iii) comply with all applicable law pertaining to its budget.

(F) The sum of the principal amount of the District's Notes plus the interest payable thereon, on the date of its issuance, will not exceed fifty percent (50%) of the estimated amounts of the District's uncollected taxes, income, revenue (including, but not limited to, revenue from the state and federal governments), cash receipts, and other moneys to be received by the District for the general fund of the District attributable to the Repayment Fiscal Year all of which will be legally available to pay principal of and interest on the Notes.

(G) The County has experienced an ad valorem property tax collection rate of not less than eighty-five percent (85%) of the average aggregate amount of ad valorem property taxes levied within the District in each of the last five fiscal years for which information is available, and the District, as of the date of adoption of this Resolution and on the date of issuance of each series of the Notes, reasonably expects the County to collect at least eighty-five percent (85%) of such amount for the Repayment Fiscal Year.

(H) The District (i) has not defaulted within the past twenty (20) years, and is not currently in default, on any debt obligation and (ii), to the best knowledge of the District, has never defaulted on any debt obligation.

(I) The District's most recent audited financial statements present fairly the financial condition of the District as of the date thereof and the results of operation for the period covered thereby. Except as has been disclosed in the Preliminary Official Statement, there has been no material change in the financial condition of the District since the date of such audited financial statements and no condition exists that will in the reasonable opinion of the

District materially impair its ability to perform its obligations under this Resolution and the Notes. The District agrees to furnish to the Financial Advisor, the Underwriter and the Trustee promptly, from time to time, such information regarding the operations, financial condition and property of the District as such party may reasonably request.

(J) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, arbitrator, governmental or other board, body or official, pending or, to the best knowledge of the District, threatened against or affecting the District questioning the validity of any proceeding taken or to be taken by the District in connection with the Notes, the Trust Agreement, the Pricing Confirmation, the District Certificate (as defined herein), the Purchase Agreement, if any, or this Resolution, or seeking to prohibit, restrain or enjoin the execution, delivery or performance by the District of any of the foregoing, or wherein an unfavorable decision, ruling or finding would have a materially adverse effect on the District's financial condition or results of operations or on the ability of the District to conduct its activities as presently conducted or as proposed or contemplated to be conducted, or would materially adversely affect the validity or enforceability of, or the authority or ability of the District to perform its obligations under, the Notes, the Trust Agreement, the Credit Agreement, if any, or this Resolution.

(K) The District will not directly or indirectly amend, supplement, repeal, or waive any portion of this Resolution in any way that would materially adversely affect the interests of the Noteholders or Note Participation Owners.

(L) Upon issuance of each series of the Notes, the Notes, the Trust Agreement and this Resolution will constitute legal, valid and binding agreements of the District, enforceable in accordance with their respective terms, except as such enforceability may be limited by bankruptcy or other laws affecting creditors' rights, the application of equitable principles if equitable remedies are sought, the exercise of judicial discretion in appropriate cases and the limitations on legal remedies against school districts and county boards or departments of education, as applicable, in the State of California.

(M) It is hereby covenanted and warranted by the District that all representations and recitals contained in this Resolution are true and correct, and that the District and its appropriate officials have duly taken, or will take, all proceedings necessary to be taken by them, if any, for the levy, receipt, collection and enforcement of the Pledged Revenues in accordance with law for carrying out the provisions of this Resolution and the Notes.

(N) The District shall not incur any indebtedness secured by a pledge of its unrestricted revenues unless such pledge is subordinate in all respects to the pledge of unrestricted revenues hereunder.

(O) So long as the Credit Provider is not in default under the Credit Instrument, the District hereby agrees to pay its pro rata share of all Predefault Obligations and all Reimbursement Obligations attributable to the District in accordance with provisions of the applicable Credit Agreement, if any, and/or Trust Agreement, as applicable. The District shall pay such amounts promptly upon receipt of notice from the Credit Provider that such amounts are due to it by instructing the Trustee to pay such amounts to the Credit Provider on the

District's behalf by remitting to the Credit Provider moneys held by the Trustee for the District and then available for such purpose under the Trust Agreement. If such moneys held by the Trustee are insufficient to pay the District's pro rata share of such Predefault Obligations and all Reimbursement Obligations attributable to the District (if any), the District shall pay the amount of the deficiency to the Trustee for remittance to the Credit Provider.

(P) As of the date of adoption of this Resolution, the District does not have a negative or qualified certification applicable to Fiscal Year 2003-04 within the meaning of Section 42133 of the Education Code of the State of California. The District covenants that it will deliver a written notice to the Financial Advisor, the Underwriter, if any, the Credit Provider, if any, and Bond Counsel if it receives a qualified or negative certification applicable to Fiscal Year 2003-04 or Fiscal Year 2004-05 prior to the issuance of a series of the Notes.

(Q) The District funded its Reserve for Economic Uncertainties for Fiscal Year 2003-04 in at least the minimum amount recommended, and will fund its Reserve for Economic Uncertainties for Fiscal Year 2004-05 in at least the minimum amount recommended by the State Superintendent of Public Instruction as interpreted by the County Department of Education.

(R) The District has a positive general fund balance as of the date of adoption of this Resolution, and the Board anticipates that the District will maintain an overall positive general fund balance at the end of the Repayment Fiscal Year.

Section 11. Tax Covenants. (a) The District will not take any action or fail to take any action if such action or failure to take such action would adversely affect the exclusion from gross income of the interest payable on the Notes under Section 103 of the Internal Revenue Code of 1986 (the "Code"). Without limiting the generality of the foregoing, the District will not make any use of the proceeds of the Notes or any other funds of the District which would cause the Notes to be an "arbitrage bond" within the meaning of Section 148 of the Code, a "private activity bond" within the meaning of Section 141(a) of the Code, or an obligation the interest on which is subject to federal income taxation because it is "federally guaranteed" as provided in Section 149(b) of the Code. The District, with respect to the proceeds of the Notes, will comply with all requirements of such sections of the Code and all regulations of the United States Department of the Treasury issued or applicable thereunder, including without limitation, as set forth in the provisions of a certificate of the District (the "District Certificate") regarding certain tax provisions, to the extent that such requirements are, at the time, applicable and in effect.

(b) The District hereby represents either (i) that the District is a "Small Issuer" and that the aggregate face amount of all tax-exempt obligations (including any tax-exempt leases, but excluding private activity bonds), issued and to be issued by the District during calendar year 2004, including the Notes, is not reasonably expected to exceed \$5,000,000, provided such amount may be increased by the lesser of \$10,000,000 or the aggregate face amount of such tax-exempt obligations attributable to financing the construction (as defined in Section 148(f)(C)(iv) of the Code) of public school facilities, or (ii) that the District is a "Large Issuer" and acknowledges that in the event the District does not expend the gross proceeds of the Notes on or before the day that is six months after the date of issuance of the respective series of

the Notes so as to satisfy the requirements of Section 148(f)(4)(B) of the Code, the Notes will be subject to the rebate requirement under Section 148(f) of the Code and, notwithstanding, the District covenants that it will take all legally permissible steps necessary to ensure that all of the gross proceeds of the Notes will be expended no later than the day that is six months after the date of issuance of the respective series of the Notes so as to satisfy the requirements of Section 148(f)(4)(B) of the Code, with the acknowledgement that the District may exclude its working capital reserve (as defined in the District Certificate executed in connection with the delivery of the Notes) in accordance therewith.

(c) Notwithstanding any other provision of this Resolution to the contrary, upon the District's failure to observe, or refusal to comply with, the covenants contained in this Section 11, no one other than the holders or former holders of the Notes, the Owners or the Trustee on their behalf shall be entitled to exercise any right or remedy under this Resolution on the basis of the District's failure to observe, or refusal to comply with, such covenants.

(d) The covenants contained in this Section 11 shall survive the payment of the Notes.

Section 12. Events of Default and Remedies.

If any of the following events occur, it is hereby defined as and declared to be and to constitute an "Event of Default":

(a) Failure by the District to make or cause to be made the deposits to the respective Payment Account or any other payment required to be paid hereunder on or before the date on which such deposit or other payment is due and payable;

(b) Failure by the District to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Resolution, for a period of thirty (30) days after written notice, specifying such failure and requesting that it be remedied, is given to the District by the Trustee, or the Credit Provider, if applicable, unless the Trustee and the Credit Provider shall agree in writing to an extension of such time prior to its expiration;

(c) Any warranty, representation or other statement by or on behalf of the District contained in this Resolution, the Pricing Confirmation, the District Certificate, the Purchase Agreement, if any, or in any certificate, requisition or any Financial Report or Deficiency Report delivered by the District or in any instrument furnished in compliance with or in reference to this Resolution or the Purchase Agreement or in connection with the Notes, is false or misleading in any material respect;

(d) A petition is filed against the District under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect and is not dismissed within 30 days after such filing, but the Trustee shall have the right to

intervene in the proceedings prior to the expiration of such 30 days to protect its and the Owners' interests;

(e) The District files a petition in voluntary bankruptcy or seeking relief under any provision of any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution or liquidation law of any jurisdiction, whether now or hereafter in effect, or consents to the filing of any petition against it under such law;

(f) The District admits insolvency or bankruptcy or is generally not paying its debts as such debts become due, or becomes insolvent or bankrupt or makes an assignment for the benefit of creditors, or a custodian (including without limitation a receiver, liquidation or trustee) of the District or any of its property is appointed by court order or takes possession thereof and such order remains in effect or such possession continues for more than 30 days, but the Trustee shall have the right to intervene in the proceedings prior to the expiration of such 30 days to protect its and the Owners' interests;

(g) An "Event of Default" under the terms of the resolution, if any, of the County providing for the issuance of the Notes.

Whenever any Event of Default referred to in this Section 12 shall have happened and be continuing, the Trustee shall, in addition to any other remedies provided herein or by law or under the Trust Agreement, have the right, at its option without any further demand or notice, to take one or any combination of the following remedial steps:

(a) Without declaring the Notes to be immediately due and payable, require the District to pay to the Trustee, for deposit into the respective Payment Account of the District in the Note Participation Payment Fund under the Trust Agreement, an amount equal to the principal of the Notes and interest thereon to maturity, plus all other amounts due hereunder, and upon notice to the District the same shall become immediately due and payable by the District without further notice or demand; and

(b) Take whatever other action at law or in equity (except for acceleration of payment on the Notes) which may appear necessary or desirable to collect the amounts then due and thereafter to become due hereunder or to enforce any other of its rights hereunder.

Notwithstanding the foregoing, if the District's Note is secured in whole or in part by a Credit Instrument, as long as the Credit Provider has not failed to comply with its payment obligations under the Credit Instrument, the Credit Provider shall have the right to direct the remedies upon any Event of Default hereunder so long as such action will not materially adversely affect the rights of any Owner, and the Credit Provider's prior consent shall be required to any remedial action proposed to be taken by the Trustee hereunder, except that nothing contained herein shall affect or impair the right of action of any Owner of a Note

Participation to institute suit directly against the District to enforce payment of the obligations evidenced and represented by such Owner's Note Participation.

If the Credit Provider is not reimbursed on the Maturity Date for the drawing or payment, as applicable, used to pay principal of and interest on the Note due to a default in payment on the Note by the District, as provided in Section 5.03 of the Trust Agreement, or if any portion of the principal of or interest on the Notes remains unpaid after the Maturity Date, the Note or Notes shall be a Defaulted Note, the unpaid portion thereof or the portion to which a Credit Instrument applies for which no reimbursement on a draw or claim has been made shall be deemed outstanding and shall bear interest at the Default Rate until the District's obligation on the Defaulted Note is paid in full or payment is duly provided for, all subject to Section 8 hereof.

Section 13. Trustee. The Trustee is hereby appointed as paying agent, registrar and authenticating agent for the Notes. The District hereby directs and authorizes the payment by the Trustee of the interest on and principal of the Notes when such become due and payable, from the respective Payment Account held by the Trustee in the name of the District in the manner set forth herein. The District hereby covenants to deposit funds in such account at the time and in the amount specified herein to provide sufficient moneys to pay the principal of and interest on the Notes on the day on which it matures. Payment of the Notes shall be in accordance with the terms of the Notes and this Resolution.

The District hereby agrees to maintain as paying agent, registrar and authenticating agent of the Notes, the Trustee under the Trust Agreement.

Section 14. Approval of Actions. The aforementioned officers of the County or the District, as applicable, are hereby authorized and directed to execute the Notes and cause the Trustee to authenticate and accept delivery of the Notes, pursuant to the terms and conditions of this Resolution and the Trust Agreement. All actions heretofore taken by the officers and agents of the County, the District or this Board with respect to the sale and issuance of the Notes and participation in the Program are hereby approved, confirmed and ratified and the officers and agents of the County and the officers of the District are hereby authorized and directed, for and in the name and on behalf of the District, to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Notes in accordance with, and related transactions contemplated by, this Resolution. The officers of the District referred to above in Section 4 hereof, and the officers of the County referred to above in Section 9 hereof, are hereby designated as "Authorized District Representatives" under the Trust Agreement.

Section 15. Credit Enhancement and Other Actions. The Representative is authorized and directed, for the benefit and in the name of the Program and the District, to purchase municipal bond insurance or other credit enhancement at market rates with respect to each or either Series of the Notes and/or all or part of the Note Participations, if the Representative determines with the advice of the Financial Advisor and Bond Counsel that it will be advantageous to the respective Issuers to purchase such insurance or other credit enhancement. The Representative and the Financial Advisor are further authorized to take such additional steps as may be required to effect the purchase of municipal bond insurance or other

credit enhancement which may be issued pursuant to a credit agreement or agreements or commitment letter or letters (collectively, the "Credit Agreement") between the respective Issuers and/or the Trustee and the respective credit provider and the award of such municipal bond insurance or other credit enhancement, if any, as solicited from qualified providers, which shall be identified and approved in the related Pricing Confirmation. As provided in Section 4 hereof, an Authorized Officer is authorized and directed to execute and deliver the related Pricing Confirmation confirming that the interest rate and price and other terms of the sale of the respective series of Notes are acceptable to the District, and the Authorized Officer is hereby further authorized and directed to execute and deliver such other documents or certificates required to be executed and delivered thereunder or to consummate the transaction contemplated hereby or thereby, for and in the name and on behalf of the District, such approval by this Board and such Authorized Officer to be conclusively evidenced by such execution and delivery.

Subject to Section 8 hereof, the District hereby agrees that if the Note or Notes as evidenced and represented by the Series of Note Participations shall become a Defaulted Note or Notes, the unpaid portion thereof or the portion to which a credit instrument applies for which no reimbursement on a draw or claim has been made shall be deemed outstanding and shall not be deemed to be paid until (i) the credit provider providing a credit instrument with respect to the Series of Note Participations, and therefore, if applicable, all or a portion of the District's Notes, if any, has been reimbursed for any drawings or payments made under the credit instrument with respect to the Notes, including interest accrued thereon, as provided therein and in the applicable Credit Agreement, and (ii) as and if provided in the Trust Agreement, the holders of the Series of the Note Participations which evidence and represent the Notes are paid the full principal amount represented by the unsecured portion of the Notes plus interest accrued thereon (calculated at the Default Rate) to the date of deposit of such aggregate required amount with the Trustee. For purposes of clause (ii) of the preceding sentence, holders of the Series of Note Participations will be deemed to have received such principal amount upon deposit of such moneys with the Trustee.

Section 16. Proceedings Constitute Contract. The provisions of the Notes and of this Resolution shall constitute a contract between the District and the registered owner of the Notes and such provisions shall be enforceable by mandamus or any other appropriate suit, action or proceeding at law or in equity in any court of competent jurisdiction, and shall be irreparable.

Section 17. Limited Liability. Notwithstanding anything to the contrary contained herein or in the Notes or in any other document mentioned herein, the District shall not have any liability hereunder or by reason hereof or in connection with the transactions contemplated hereby except to the extent payable from moneys available therefore as set forth in Section 8 hereof and the County is not liable for payment of the Notes or any other obligation of the District hereunder.

Section 18. Submittal of Resolution to County. To the extent required by law, the Secretary of the governing board of the District is hereby directed to submit one certified copy each of this Resolution to the Clerk of the Board of Supervisors of the County, to the Treasurer of the County and to the County Superintendent of Schools.

Section 19. Appointment of Bond Counsel. The law firm of Orrick, Herrington & Sutcliffe LLP, Los Angeles, California is hereby appointed Bond Counsel for the District and the Program.

Section 20. Appointment of Disclosure Counsel. The law firm of Hawkins, Delafield & Wood, Los Angeles, California is hereby appointed Disclosure Counsel for the Series and the Program.

Section 21. Appointment of Financial Advisor. Tamalpais Advisors, Inc., Sausalito, California is hereby appointed Financial Advisor for the Series and the Program.

Section 22. Severability. In the event any provision of this Resolution shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 23. Effective Date. This Resolution shall take effect from and after its date of adoption.

EXHIBIT A

FORM OF NOTE

FULLERTON SCHOOL DISTRICT

COUNTY OF ORANGE, CALIFORNIA

2004-05 TAX AND REVENUE ANTICIPATION NOTE, SERIES [A/B]*/

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issue</u>
<u>First Repayment Month</u>	<u>Second Repayment Month</u>	<u>Third Repayment Month</u>
40% (Total of principal and interest due on Note at maturity)	30% (Total of principal and interest due on Note at maturity)	30% (Total of principal and interest due on Note at maturity)**/

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

FOR VALUE RECEIVED, the Fullerton School District (the "District"), located in the County of Orange, California (the "County"), acknowledges itself indebted to and promises to pay to the registered owner identified above, or registered assigns, on the maturity date set forth above, the principal sum specified above in lawful money of the United States of America, together with interest thereon at the rate of interest specified above (the "Note Rate"). Principal of and interest on this Note are payable in such coin or currency of the United States as at the time of payment is legal tender for payment of private and public debts, such principal and interest to be paid upon surrender hereof at the principal corporate trust office of U.S. Bank National Association in Los Angeles, California, or its successor in trust (the "Trustee"). Interest shall be calculated on the basis of a 360-day year, consisting of twelve 30-day months, in like lawful money from the date hereof until the maturity date specified above and, if funds are not provided for payment at maturity, thereafter on the basis of a 360-day year for actual days elapsed until payment in full of said principal sum. Both the principal of and interest on this

*/ If more than one Series is issued under the Program in the Repayment Fiscal Year.

**/ Number of Repayment Months and percentages to be determined in Pricing Confirmation (as defined in the Resolution).

Note shall be payable only to the registered owner hereof upon surrender of this Note as the same shall fall due; provided, however, no interest shall be payable for any period after maturity during which the holder hereof fails to properly present this Note for payment. If the District fails to pay this Note when due, this Note shall become a Defaulted Note (as defined and with the consequences set forth in the Resolution).

It is hereby certified, recited and declared that this Note (the "Note") represents the authorized issue of the Notes in the aggregate principal amount made, executed and given pursuant to and by authority of certain resolutions of the governing boards of the District and the County duly passed and adopted heretofore, under and by authority of Article 7.6 (commencing with Section 53850) of Chapter 4, Part 1, Division 2, Title 5 of the California Government Code (collectively, the "Resolution"), to all of the provisions and limitations of which the owner of this Note, by acceptance hereof, assents and agrees.

The principal of the Notes, together with the interest thereon, shall be payable from taxes, income, revenue, cash receipts and other moneys which are received by the District for the general fund of the District and are attributable to the Fiscal Year ending June 30, 2005 (the "Repayment Fiscal Year"). As security for the payment of the principal of and interest on the Notes, the District has pledged the first amounts of unrestricted revenues of the District received in the sequentially numbered Repayment Months set forth on the face hereof (and any amounts received thereafter attributable to the Repayment Fiscal Year) until the amount on deposit in the Payment Fund (as defined in the Resolution) in each such month, taking into consideration anticipated earnings thereon to be received by the maturity date, is equal to the corresponding percentages of principal of and interest due on the Notes at maturity set forth on the face hereof (such pledged amounts being hereinafter called the "Pledged Revenues"), and the principal of the Notes and the interest thereon shall constitute a first lien and charge thereon and shall be payable from the Pledged Revenues, and to the extent not so paid shall be paid from any other moneys of the District lawfully available therefore as set forth in the Resolution. The County is not liable for payment of this Note. The full faith and credit of the District is not pledged to the payment of the principal or interest on this Note.

The County, the District and the Trustee may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and the County, the District and the Trustee shall not be affected by any notice to the contrary.

It is hereby certified that all of the conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of this Note do exist, have happened and have been performed in due time, form and manner as required by the Constitution and statutes of the State of California and that the amount of this Note, together with all other indebtedness of the District, does not exceed any limit prescribed by the Constitution or statutes of the State of California.

IN WITNESS WHEREOF, the Board of Supervisors of the County has caused this Note to be executed by the manual or facsimile signature of a duly authorized officer of the County and countersigned by the manual or facsimile signature of its duly authorized officer.

COUNTY OF ORANGE

By _____
Title:

Countersigned

By _____
Title:

EXHIBIT B

FORM OF NOTE

FULLERTON SCHOOL DISTRICT

COUNTY OF ORANGE, CALIFORNIA

2004-05 TAX AND REVENUE ANTICIPATION NOTE, SERIES [A/B]*/

<u>Interest Rate</u>	<u>Maturity Date</u>	Date of Original Issue
First Repayment Month	Second Repayment Month	Third Repayment Month
40% (Total of principal and interest due on Note at maturity)	30% (Total of principal and interest due on Note at maturity)	30% (Total of principal and interest due on Note at maturity)**/

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT:

FOR VALUE RECEIVED, the Fullerton School District (the "District"), located in the County of Orange, California (the "County"), acknowledges itself indebted to and promises to pay to the registered owner identified above, or registered assigns, on the maturity date set forth above, the principal sum specified above in lawful money of the United States of America, together with interest thereon at the rate of interest specified above (the "Note Rate"). Principal of and interest on this Note are payable in such coin or currency of the United States as at the time of payment is legal tender for payment of private and public debts, such principal and interest to be paid upon surrender hereof at the principal corporate trust office of U.S. Bank National Association in Los Angeles, California, or its successor in trust (the "Trustee"). Interest shall be calculated on the basis of a 360-day year, consisting of twelve 30-day months, in like lawful money from the date hereof until the maturity date specified above and, if funds are not provided for payment at maturity, thereafter on the basis of a 360-day year for actual days elapsed until payment in full of said principal sum. Both the principal of and interest on this Note shall be payable only to the registered owner hereof upon surrender of this Note as the same shall fall due; provided, however, no interest shall be payable for any period after maturity during which the holder hereof fails to properly present this Note for payment. If the District

*/ If more than one Series is issued under the Program in the Repayment Fiscal Year.

**/ Number of Repayment Months and percentages to be determined in Pricing Confirmation (as defined in the Resolution).

fails to pay this Note when due, this Note shall become a Defaulted Note (as defined and with the consequences set forth in the Resolution).

It is hereby certified, recited and declared that this Note (the "Note") represents the authorized issue of the Notes in the aggregate principal amount made, executed and given pursuant to and by authority of a resolution of the governing board of the District duly passed and adopted heretofore, under and by authority of Article 7.6 (commencing with Section 53850) of Chapter 4, Part 1, Division 2, Title 5 of the California Government Code (the "Resolution"), to all of the provisions and limitations of which the owner of this Note, by acceptance hereof, assents and agrees.

The principal of the Notes, together with the interest thereon, shall be payable from taxes, income, revenue, cash receipts and other moneys which are received by the District for the general fund of the District and are attributable to the Fiscal Year ending June 30, 2005 (the "Repayment Fiscal Year"). As security for the payment of the principal of and interest on the Notes, the District has pledged the first amounts of unrestricted revenues of the District received in the sequentially numbered Repayment Months set forth on the face hereof (and any amounts received thereafter attributable to the Repayment Fiscal Year) until the amount on deposit in the Payment Fund (as defined in the Resolution) in each such month, taking into consideration anticipated earnings thereon to be received by the maturity date, is equal to the corresponding percentages of principal of and interest due on the Notes at maturity set forth on the face hereof (such pledged amounts being hereinafter called the "Pledged Revenues"), and the principal of the Notes and the interest thereon shall constitute a first lien and charge thereon and shall be payable from the Pledged Revenues, and to the extent not so paid shall be paid from any other moneys of the District lawfully available therefore as set forth in the Resolution. The County is not liable for payment of this Note. The full faith and credit of the District is not pledged to the payment of the principal or interest on this Note.

The District and the Trustee may deem and treat the registered owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and the District and the Trustee shall not be affected by any notice to the contrary.

It is hereby certified that all of the conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of this Note do exist, have happened and have been performed in due time, form and manner as required by the Constitution and statutes of the State of California and that the amount of this Note, together with all other indebtedness of the District, does not exceed any limit prescribed by the Constitution or statutes of the State of California.

IN WITNESS WHEREOF, the governing board of the District has caused this Note to be executed by the manual or facsimile signature of a duly authorized officer of the District and countersigned by the manual or facsimile signature of its duly authorized officer as of the date of authentication set forth below.

FULLERTON SCHOOL DISTRICT

By _____
Title:

Countersigned

By _____
Title:

EXHIBIT C

The Official Notice of Sale and Bid Form shall be in substantially the following form with such changes, additions and completions as the Representative may approve with the advice of Bond Counsel and/or the Financial Advisor:

OFFICIAL NOTICE OF SALE
AND
BID FORM

\$5,000,000/**

**SOUTH COAST LOCAL EDUCATION AGENCIES
POOLED TAX AND REVENUE ANTICIPATION NOTE PROGRAM
NOTE PARTICIPATIONS, SERIES 2004 [A/B]**

DATE OF SALE

_____, 2004

10:00 A.M., LOCAL TIME

BIDS TO BE RECEIVED VIA BIDCOMP/PARITY
AND/OR AT THE OFFICES OF
VIA FACSIMILE
TAMALPAIS ADVISORS, INC.
3030 BRIDGEWAY, SUITE 340
SAUSALITO, CALIFORNIA 94965

(415) 331-4473 (Telephone)

(415) 331-4479 (Fax)

** Preliminary - subject to change.

OFFICIAL NOTICE OF SALE AND BID FORM
\$5,000,000
SOUTH COAST LOCAL EDUCATION AGENCIES
POOLED TAX AND REVENUE ANTICIPATION NOTE PROGRAM
NOTE PARTICIPATIONS, SERIES 2004 [A/B]

NOTICE IS HEREBY GIVEN that faxed or electronic bids via Parity will be received by the Orange County Department of Education and certain California school districts located in Orange County, California (collectively, the "Districts"), for the purchase of \$5,000,000* amount of the above-captioned Note Participations (the "Note Participations"), evidencing interests in Notes (the "Notes") authorized to be issued under the provisions of resolutions of the Districts (the "Resolutions") and pursuant to a Trust Agreement (the "Trust Agreement") by and among the Districts and U.S. Bank National Association, as trustee (the "Trustee"), at the place and up to the time specified below:

TIME:

10:00 a.m. Pacific time on ___ day, _____, 2004, or at such other time or date as shall be established by the Orange County Department of Education and communicated through The Bond Buyer Wire (the "News Service") not less than twenty-four (24) hours prior to the time bids are to be received. If no legal bid or bids are received for the Note Participations on _____, 2004 or if the sale date is postponed (or if no bids are received or the sale date is postponed at such other time or on such other date as is communicated by the News Service), bids will be received at the time and place designated by the News Service. Notice of the new sale date and time, if any, will be given through the News Service not later than twenty-four (24) hours prior to the new time bids are to be received.

As an accommodation to bidders, telephonic or fax notice of the postponement of the sale date or change in the principal amount will be given to any bidder requesting such notice by request directed to the Districts' Financial Advisor, Tamalpais Advisors, Inc., 3030 Bridgeway, Suite 340, Sausalito, California 94965, Attention: Jean Buckley, telephone (415) 331-4473; fax (415) 331-4479. Failure of any bidder to receive such News Service, telephonic or fax notice shall not affect the legality of the sale.

PLACE:

Tamalpais Advisors, Inc.
3030 Bridgeway, Suite 340
Sausalito, California 94965
Attention: Jean Buckley

MAIL BIDS:

Mailed bids should be addressed to:
Orange County Department of Education
c/o Tamalpais Advisors, Inc.
3030 Bridgeway, Suite 340
Sausalito, California 94965
Attention: Jean Buckley

FACSIMILE BIDS:

Bidders may telefax their proposal up to the time for receipt of proposals set forth above. Telefaxed proposals must be on the official Bid Form and received prior to the time of sale. Telefaxes should be transmitted to the attention of Jean Buckley at (415) 331-4479. The Districts will not accept responsibility for inaccurate bids submitted through telefax, including garbled transmissions, or the inability of the bidder to access the telefax number prior to the indicated sale time. See "Warnings Regarding Facsimile Bids" below.

ELECTRONIC BIDS:

Solely as an accommodation to bidders, the Districts will accept bids in electronic form solely through Thomson Financial's Parity System ("Parity"). Each bidder submitting an electronic bid understands and agrees by doing so that it is solely responsible for all arrangements with Parity, that the Districts neither endorse nor explicitly encourage the use of Parity and that Parity is not acting as an agent of the Districts. Instructions and forms for submitting electronic bids must be obtained from Parity, and the Districts assume no responsibility for ensuring or verifying bidder compliance with Parity's procedures. The Districts shall be entitled to assume that any bid received via Parity has been made by a duly authorized agent of the bidder.

All bids must be clearly marked "Proposal for Purchase of the South Coast Local Education Agencies, Pooled Tax Revenue Anticipation Note Program, Note Participations, Series 2004 [A/B]."

This notice will be submitted to Thomson Financial for posting at the i-dealprospectus.com website and in the Parity bid delivery system. In the event Thomson's summary of the terms of sale of the Note Participations disagrees with this Official Notice of Sale in any particulars, the terms of this Official Notice of Sale shall control (unless notice of an amendment hereto is given as described above).

**THE NOTE PARTICIPATIONS HEREBY OFFERED FOR SALE
ARE GENERALLY DESCRIBED AS FOLLOWS:**

TERMS OF THE NOTES: The terms of issuance, principal and interest repayment, redemption, security, tax exemption and all other information regarding the Note Participations, the Notes and the Districts are given in the Preliminary Official Statement for the Note Participations, dated May __, 2004 (the "Preliminary Official Statement"), which each bidder must have

obtained and reviewed prior to bidding for the Note Participations. This Official Notice of Sale contains certain information for quick reference only, is not a summary of the issue and governs only the terms of the sale of, bidding for and closing procedures with respect to the Note Participations. Bidders must read the entire Preliminary Official Statement to obtain information essential to the making of an informed decision to bid.

ISSUE: \$5,000,000* aggregate principal amount, consisting of fully registered Note Participations in denominations of \$5,000 or any integral multiple thereof, all dated July 1, 2004, and comprising all of the Note Participations authorized to be issued pursuant to the Trust Agreement.

INTEREST RATE: THE INTEREST RATE ON THE NOTES (AND PAYABLE WITH RESPECT TO THE CORRESPONDING NOTE PARTICIPATIONS) SHALL BE FIXED BY TAMALPAIS ADVISORS, INC. ("THE FINANCIAL ADVISOR") AND SHALL BE COMMUNICATED THROUGH THE NEWS SERVICE NOT LESS THAN TWENTY-FOUR (24) HOURS PRIOR TO THE TIME BIDS ARE TO BE RECEIVED. Any premium must be paid in immediately available funds as part of the purchase price. Interest on the Note Participations shall be computed on the basis of a 360-day year of twelve 30-day months.

MATURITY: The Note Participations will be dated the date of issuance thereof, which is expected to be July 1, 2004 and will mature on June 30, 2005.

REDEMPTION: The Note Participations are not subject to redemption prior to maturity.

INTEREST RATE: Cannot exceed 10%.

PAYMENT: The principal of and interest on the Note Participations are payable in lawful money of the United States of America upon the surrender thereof at maturity at the corporate trust office of U.S. Bank National Association, in Los Angeles, California.

REGISTRATION: The Note Participations will be issued only in fully registered book-entry form, registered in the name of "Cede & Co.," as nominee of The Depository Trust Company, New York, New York. See the discussion of "Book-Entry System" in the Preliminary Official Statement.

PURPOSE: The Note Participations are being issued for the purpose of providing operating cash for the Districts prior to the receipt of anticipated property tax revenues and other revenues.

SECURITY: The Note Participations evidence and represent a proportionate and undivided interest in debt service payments on the Notes to be made by the Districts. Each District has pledged certain Unrestricted Revenues (as defined in the Preliminary Official Statement) for the payment of the principal of and interest on its Note, but no District has any obligation to pay the principal of or interest on the Note of any other District. The Notes are general obligations of the respective Districts, and to the extent the Notes are not paid from revenues pledged for the payment of the Notes, the Notes shall be paid with interest thereon from any other moneys of the Districts lawfully available therefor. Payments by a District of the principal of and interest on its Note shall fully discharge the obligation of such District to the Owners (as set forth in the

Preliminary Official Statement) of the Note Participations, notwithstanding nonpayment by one or more other Districts.

The obligation of each District is a several and not a joint obligation and is strictly limited to such District's repayment obligation under the applicable Resolution and Note.

See the discussion of "Sources of Payment for the Note Participations" in the Preliminary Official Statement.

TRUSTEE: U.S. Bank National Association, Los Angeles, California, has been appointed trustee for the payment of principal and interest and for the registration of the Note Participations, and holds in trust the funds and accounts established pursuant to the Trust Agreement.

TAX EXEMPT STATUS: In the opinion of Orrick, Herrington & Sutcliffe LLP, Bond Counsel ("Bond Counsel"), based upon an analysis of existing laws, regulations, rulings and court decisions and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, interest on the Notes represented by the Note Participations is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. In the further opinion of Bond Counsel, interest on the Notes represented by the Note Participations is not a specific preference item for purposes of the federal individual or corporate alternative minimum taxes, although Bond Counsel observes that such interest is included in adjusted current earnings in calculating federal corporate alternative minimum taxable income. Bond Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the accrual or receipt of interest represented by, the Note Participations. See the discussion of "Tax Matters" in the Preliminary Official Statement hereinafter mentioned.

CONTINUING DISCLOSURE: In order to assist bidders in complying with Rule 15c2-12(b)(5) promulgated under the Securities Exchange Act of 1934 (the "Rule"), the Districts have covenanted in the Trust Agreement for the benefit of Owners of Note Participations to provide notices of the occurrence of certain enumerated events, if deemed by the Districts to be material. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the Final Official Statement.

LEGAL OPINION -- BOND COUNSEL: Copies of the legal opinion of Orrick, Herrington & Sutcliffe LLP, of Los Angeles, California, approving certain matters related to the Note Participations, will be furnished to the successful bidder without charge.

LEGAL OPINION -- DISCLOSURE COUNSEL: The accepted bidder or bidders will receive a disclosure opinion from Hawkins Delafield & Wood, Los Angeles, California regarding the Official Statement. A copy of the proposed form of disclosure opinion can be obtained upon request from the Districts' Financial Advisor.

TERMS OF SALE

FORM OF BID -- NO DISCOUNT: Bids may be for all or part of the Note Participations hereby offered for sale, in increments of \$20,000,000 of the aggregate principal amount. Each

bid shall specify the interest rate (which cannot exceed 10%), the purchase price offered for the Note Participations, which shall not be less than par, plus premium, if any, as specified by the bidder. THE INTEREST RATE ON THE NOTES (AND PAYABLE WITH RESPECT TO THE NOTE PARTICIPATIONS) SHALL BE FIXED BY THE FINANCIAL ADVISOR AND SHALL BE COMMUNICATED THROUGH THE NEWS SERVICE NOT LESS THAN TWENTY-FOUR (24) HOURS PRIOR TO THE TIME BIDS ARE TO BE RECEIVED. BIDDERS SHALL NOT SPECIFY THE INTEREST RATE TO BE PAID WITH RESPECT TO THE NOTE PARTICIPATIONS. Under no circumstances shall there be more than one interest rate for the Note Participations. Bidders may submit more than one bid. Each bid shall be unconditional. In the case of mailed bids, each separate bid, together with the bidder's separate good faith check described herein, must be on the official Bid Form enclosed in a separate sealed envelope addressed to the Orange County Department of Education c/o Tamalpais Advisors, Inc., 3030 Bridgeway, Suite 340, Sausalito, California 94965, Attention: Jean Buckley, with the envelope and bid clearly marked "Proposal for Purchase of the South Coast Local Education Agencies, Pooled Tax and Revenue Anticipation Note Program, Note Participations, Series 2004 [A/B]." Each bid must be in accordance with the terms and conditions set forth in this Official Notice of Sale and Bid Form.

FACSIMILE BIDS: Bidders may telefax their proposal up to the time for receipt of proposals set forth above. Telefaxed proposals must be on the official Bid Form and received prior to the time of sale. Telefaxes should be transmitted to the attention of Jean Buckley at (415) 331-4447. The Districts will not accept responsibility for inaccurate bids submitted through telefax, including garbled transmissions, or the inability of the bidder to access the telefax number prior to the indicated sale time. See "Warnings Regarding Facsimile Bids" below.

ELECTRONIC BIDS: Solely as an accommodation to bidders, the Districts will accept bids in electronic form solely through Parity. Each bidder submitting an electronic bid understands and agrees by doing so that it is solely responsible for all arrangements with Parity, that the Districts neither endorse nor explicitly encourage the use of Parity, and that Parity is not acting as an agent of the Districts. Instructions and forms for submitting electronic bids must be obtained from Parity, and the Districts assume no responsibility for ensuring or verifying bidder compliance with Parity's procedures. The Districts shall be entitled to assume that any bid received via Parity has been made by a duly authorized agent of the bidder. The Districts will through their Financial Advisor make their best effort to accommodate electronic bids; however none of the Districts, the Districts' Financial Advisor or Bond Counsel will assume any responsibility for proper functioning of the Parity System, for any error contained in any bid submitted electronically, or for failure of any bid to be transmitted, received or opened at the official time for receipt of bids. The official time for receipt of bids will be determined by the Districts at the place of bid opening, and the Districts shall not be required to accept the time kept by Parity as the official time. The Districts assume no responsibility for informing any bidder prior to the deadline for receiving bids that its bid is incomplete or not received.

BEST BID OR BIDS: Unless all bids are rejected by the Orange County Department of Education, as representative (the "Representative"), the Note Participations will be awarded to the successful bidder or bidders on the basis of the best bid or bids until the sum of offers to purchase the Note Participations is equal to \$5,000,000*. Therefore, a bidder may be awarded Note Participations in an amount which is less than that requested by such bidder. The best bid or

bids will be determined by deducting the amount of the premium bid, if any, from the total amount of interest which would be required to be paid with respect to each \$20,000,000 incremental amount of Note Participations (or lesser final amount) from July 1, 2004 to their maturity date at the interest rate fixed by the Financial Advisor, and the award will be made on the basis of lowest true interest cost.

WARNINGS REGARDING FACSIMILE BIDS: Bids submitted by facsimile transmission are deemed late and will not be evaluated unless, at precisely the time indicated above for submission of bids, the entire bid form has been fully ejected from the receiving facsimile machine at the place of the bid opening, and the interest rate, total purchase price, and name and signature of the bidder are clearly readable by that time. None of the Districts, the Districts' Financial Advisor or Bond Counsel will accept responsibility for, and the bidder expressly assumes the risk of, any incomplete, illegible or untimely bid submitted by such bidder by facsimile transmission, including by reason of mechanical failure, engaged telephone or telecommunications lines at the place of bid opening or any other cause for rejection arising out of any bidder's election to deliver its bid by means other than hand delivery. No attempt will be made prior to the deadline for opening bids to inform any bidder that its bid was incomplete, illegible or not received.

RIGHT OF REJECTION: The Representative reserves the right, in its discretion, to reject any and all bids and to waive any irregularity or informality in any bid.

PROMPT AWARD: The Representative will take action awarding the Note Participations or rejecting all bids not later than forty-eight (48) hours after the expiration of the time herein prescribed for the receipt of proposals, unless such time of award is waived by the successful bidder. Notice of award will be given promptly to the successful bidder.

REOFFERING PRICE: As soon as practicable, but not later than 48-hours after the sale of the Note Participations, each successful bidder must notify the Financial Advisor of the reoffering price or yield of their respective Note Participations and, not later than seven (7) days prior to delivery of the Note Participations, must deliver to the Districts, c/o Tamalpais Advisors, Inc., Attention: Jean Buckley, a certificate setting forth the initial reoffering prices and concessions for the Note Participations to the public. Such certificate shall set forth the initial bona fide offering prices to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which a substantial amount (at least 10%) of the Note Participations awarded to the successful bidder was sold or was expected to be sold.

DELIVERY AND PAYMENT: Delivery of the Note Participations will be made to the purchaser thereof, or at the purchaser's direction, as soon as the Note Participations can be prepared, which it is estimated will be within thirty (30) days from the date of sale. Payment for the Note Participations must be made in immediately available funds.

RIGHT OF CANCELLATION: The successful bidder shall have the right, at its option, to cancel its bid proposal, as accepted, if the Districts shall fail to tender the Note Participations for delivery within sixty (60) days from the date of sale thereof, and in such event the successful bidder shall be entitled to the return of the deposit accompanying its bid.

STATEMENT OF TRUE INTEREST COST: Each bidder is requested, but not required, to state in its bid proposal the true interest cost to the Districts of each bid submitted, which shall be considered as informative only and not binding on either the bidder or the Districts.

SECURITY AND DEPOSIT: A good faith deposit ("Deposit") in the form of a certified or cashier's check or a Financial Surety Bond in the amount of \$500,000, payable to the order of the Orange County Department of Education, is required for each bid to be considered. If a Financial Surety Bond is used, it must be from an insurance company licensed to issue such a bond in the State of California, and such bond must be submitted to the Districts (in care of the Financial Advisor) prior to the opening of the bids. The Financial Surety Bond must identify each bidder whose Deposit is guaranteed by such Financial Surety Bond. Each individual bidder must provide a Deposit in the amount of \$500,000 that will be due if such bidder is successful; however, an individual bidder will not be required to submit a separate Deposit for each bid in the event such bidder submits multiple bids for the Notes Participations. If all or a portion of the Note Participations are awarded to a bidder utilizing a Financial Surety Bond, then that bidder is required to submit its Deposit to the Representative in the form of a cashier's check (or wire transfer such amount as instructed by the Districts or by the Financial Advisor) not later than 3:30 P.M. (Pacific Time) on the next business day following the award of the Note Participations. If the payment is by wire, please provide routing instruction to Wells Fargo Bank, ABA# 121000248, Account No.: 495-0025122, for the Credit of Orange County Department of Education. If such Deposit is not received by that time, the Financial Surety Bond may be drawn by the Districts to satisfy the Deposit requirement. No interest on the Deposit(s) will accrue to the bidder(s). The Deposit(s) will be applied to the purchase price of the Note Participations. In the event the bidder(s) fail to honor its/their accepted bid(s), the Deposit(s) will be retained by the Districts.

If a check is utilized as the Deposit, the check must accompany each accepted proposal and such check may be cashed after the award of the Note Participations and applied to the purchase price or, if such proposal is accepted but not performed, unless such failure of performance is caused by any act or omission of the Districts, will be retained by the Districts and be applied by the Districts in partial satisfaction of whatever actual damages the Districts may suffer by reason on the successful bidder's failure to perform hereunder in accordance with the terms of the sale. In such instances, should the Districts actual damages be determined to be less than said amount, thirty (30) days after such determination by a court having jurisdiction thereof becomes final, the balance of said amount will be returned to the successful bidder without interest. Should the successful bidder(s) fail to perform hereunder, the Districts may also recover all costs relating thereto, including a reasonable amount for attorney's fees. The check accompanying each unaccepted proposal will be returned promptly. For the bids submitted by facsimile transmission, the Deposit must be received by the Representative no later than the time indicated above for the submission of bids. The submission of the Deposit may proceed the submission of the bid.

CUSIP NUMBERS: It is anticipated that CUSIP numbers will be printed on the Note Participations, but neither the failure to print such numbers on any Note Participation nor any error with respect thereto shall constitute cause for a failure or refusal by the purchaser thereof to accept delivery of and pay for the Note Participations in accordance with the terms of the purchase contract. All expense of printing CUSIP numbers on the Note Participations shall be

paid by the Districts, but the CUSIP Service Bureau charge for the assignment of said numbers shall be paid by the purchaser.

NO LITIGATION: There is no litigation pending concerning the validity of the Note Participations or the Notes, and the Districts will furnish to the successful bidder no-litigation certificates certifying to the foregoing as of and at the time of the delivery of the Note Participations.

CALIFORNIA DEBT AND INVESTMENT ADVISORY COMMISSION FEE: Bidders are reminded of California Government Code Section 8856, which provides that the purchaser of said Note Participations will be charged the California Debt Advisory Commission fee. The fee per individual District is \$150; thus, the total fee for the [] Districts comprising the Note Program will be \$ _____.

RESALE IN OTHER STATES: The successful bidder or bidders will assume responsibility for taking any action necessary to qualify the Note Participations for offer and sale in jurisdictions other than California, and for complying with the laws of all jurisdictions on resale of the Note Participations, and shall indemnify and hold harmless the Districts and their officials and employees from any loss or damage resulting from any failure to comply with any such law.

OFFICIAL STATEMENT: The Districts have prepared a Preliminary Official Statement relating to the Note Participations, which for purposes of the Rule, the Districts deem to be final as of its date (except for certain final pricing, rating and related information, as permitted by the Rule), a copy of which will be furnished upon request to the Financial Advisor, Tamalpais Advisors, Inc., 3030 Bridgeway, Suite 340, Sausalito, California 94965, Attention: Jean Buckley, telephone (415) 331-4473; fax (415) 331-4447. Within seven business days after the award of the bid, the successful bidder(s) will be furnished with twenty-five (25) copies of the final official statement per \$20,000,000 principal amount of Note Participations awarded, without charge, for distribution in connection with the resale of the Note Participations. Additional copies may be obtained at the expense of the successful bidder(s).

Each District undertakes that for a period of twenty-five (25) days following the end of the "underwriting period" (as defined in the Rule) it will (i) apprise the successful bidder(s) of all material developments, if any, occurring with respect to the Districts after delivery of the Note Participations to the successful bidder(s) and (ii), if requested by the successful bidder(s), prepare a supplement to the final Official Statement in respect of any material event. The Districts will presume that, unless notified otherwise in writing by the bidder(s), the end of the underwriting period will occur on the date of delivery of the Note Participations.

By making a bid for the Note Participations, the successful bidder(s) agree(s) (i) to disseminate to all members of the underwriting syndicate, if any, copies of the final Official Statement, including any supplements prepared by the Districts, (2) to promptly file a copy of the final Official Statement, including any supplements prepared by the Districts, with a Nationally Recognized Municipal Securities Information Repository and (3) to take any and all other actions necessary to comply with applicable Securities and Exchange Commission rules and Municipal Securities Rulemaking Board rules governing the offering, sale and delivery of the Note Participations to the ultimate purchasers.

CONTINUING DISCLOSURE: In order to assist bidders in complying with the Rule, the Districts have covenanted in the Trust Agreement for the benefit of Owners of Note Participations to provide notices of the occurrence of certain enumerated events, if deemed by the Districts to be material. A description of this undertaking is set forth in the Preliminary Official Statement and will also be set forth in the final Official Statement.

DISTRICT CERTIFICATES: Each District will provide to each purchaser of the Note Participations certificates, signed by an officer of said District, confirming to the purchaser, that to the best of the knowledge of said officer, the Official Statement, as of the date of sale of the Note Participations and as of the date of delivery thereof, insofar as each pertains to such District did not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading.

RIGHT TO MODIFY OR AMEND: The Orange County Department of Education, as representative of the Districts, reserves the right to modify or amend this Official Notice of Sale and Bid Form, including, but not limited to the right to adjust and change the aggregate principal amount of Note Participations being offered; however, such notifications or amendments shall be made not later than twenty-four (24) hours prior to the bid opening and communicated through the News Service and by facsimile transmission to any qualified bidder timely requesting such notice.

Dated: _____, 2004.

Orange County Department of Education

By _____
Wendy Benkert, Ed.D.
Assistant Superintendent, Business Services

BID FORM

**PROPOSAL FOR THE PURCHASE OF
SOUTH COAST LOCAL EDUCATION AGENCIES
POOLED TAX AND REVENUE ANTICIPATION NOTE PROGRAM
NOTE PARTICIPATIONS, SERIES 2004 [A/B]**

_____, 2004

Wendy Benkert, Ed.D.
Assistant Superintendent, Business Services
Orange County Department of Education
c/o Tamalpais Advisors, Inc.
3030 Bridgeway, Suite 340
Sausalito, California 94965
Attention: Jean Buckley

Pursuant to the Official Notice of Sale, dated May ___, 2004, and in accordance with all terms and conditions of your Official Notice of Sale for the sale of the South Coast Local Education Agencies, Pooled Tax and Revenue Anticipation Note Program, Note Participations, Series 2004 [A/B] (the "Note Participations"), we offer to purchase the Note Participations, to be dated the date of issuance thereof (July ___, 2004), to mature on June 30, 2005 and to bear interest at the rate of ___% in the principal amount(s) set forth below (as a whole in the amount of \$_____,000,000 or in part in increments of \$20,000,000), as follows:

Principal Amount	Premium
\$ _____	\$ _____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

This proposal is made subject to all the terms and conditions of the Official Notice of Sale dated May ___, 2004, all of which terms and conditions are made a part hereof as though set forth in full in this proposal. We understand that under no circumstances shall there be more than one interest rate for the Note Participations.

This proposal is subject to acceptance within forty-eight (48) hours after the expiration of the time for the receipt of proposals, as provided pursuant to said Official Notice of Sale.

Check One:

There is enclosed herewith a certified or cashier's check for \$500,000 payable to the order of the Orange County Department of Education, as Representative; or

We have obtained a Financial Surety Bond in the amount of \$500,000 payable to the Orange County Department of Education, as Representative.

Our calculation, made as provided in the Official Notice of Sale, but not constituting any part of this proposal, of the true interest cost with respect to each \$20,000,000 increment of Note Participations on which we bid is as follows:

Total Interest	\$ _____
Less Premium	(_____)
True Interest Cost	\$ _____

We understand that bids will be awarded in increments of \$20,000,000 up to the aggregate principal amount of the Note Participations, with the remainder to be awarded out of the next \$20,000,000 bid so that all \$ _____* of Note Participations are awarded. Therefore, we may be awarded Note Participations in an amount which is less than that requested by us.

We represent that we have full and complete authority to submit this bid on behalf of our bidding syndicate and that the undersigned will serve as the lead manager for the group if the Note Participations are awarded pursuant to this bid.

Respectfully submitted,

(Firm)

(Authorized Signature)

Address:

Telephone #: _____

Telecopy #: _____

If this proposal is not accepted, the good faith check should be returned to the following:

Name: _____
Address: _____

Following is a list of the members of our account on whose behalf this bid is made:

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

EXHIBIT D

**SOUTH COAST LOCAL EDUCATION AGENCIES
POOLED TAX AND REVENUE ANTICIPATION NOTE PROGRAM
NOTE PARTICIPATIONS, SERIES 2004 [A/B]**

PRICING CONFIRMATION

Fullerton School District (the "Participant")

Principal Amount of Note: \$ _____
Interest Rate (Note Rate): _____ %
Maturity Date: _____, 2005
Purchase Date: _____, 2004
Closing Date: July __, 2004
Purchase Price: \$ _____
 Portion Deposited to Proceeds Subaccount: \$ _____
 Portion Deposited to Costs of Issuance Fund: \$ _____

Investment Agreement Provider: _____
Interest Rate payable on funds invested under Investment Agreement: _____ %

Repayment Months: [PROPOSED; SUBJECT TO CHANGE]

First Repayment Month:	February	Percentage of total principal and interest due on Note at maturity	40%
Second Repayment Month:	April	Percentage of total principal and interest due on Note at maturity	30%
Third Repayment Month:	May	Percentage of total principal and interest due on Note at maturity	30%

In addition to the foregoing, the undersigned further certifies that the Bid Forms submitted by _____, _____, and _____, as further memorialized by this Pricing Confirmation, are agreed to and accepted as of this Purchase Date as set forth above by an Authorized Officer of the Participant.

FULLERTON SCHOOL DISTRICT

By: _____ [SPECIMEN COPY]
 Authorized Officer

SECRETARY'S CERTIFICATE

I, _____, Secretary of the of the Fullerton School District, hereby certify as follows:

The foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the duly and regularly held at the regular meeting place thereof on the 11th day of May, 2004, of which meeting all of the members of said had due notice and at which a majority thereof were present; and at said meeting said resolution was adopted by the following vote:

AYES:

NOES:

ABSENT:

An agenda of said meeting was posted at least 72 hours before said meeting at 1401 W. Valencia Drive, Fullerton, California, a location freely accessible to members of the public, and a brief general description of said resolution appeared on said agenda.

I have carefully compared the same with the original minutes of said meeting on file and of record in my office; the foregoing resolution is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; and said resolution has not been amended, modified or rescinded since the date of its adoption, and the same is now in full force and effect.

Dated: May 11, 2004

Secretary of the Board of Trustees of the Fullerton
School District

NOTICE OF INTENTION TO SELL \$ _____ *
SOUTH COAST LOCAL EDUCATION AGENCIES
POOLED TAX AND REVENUE ANTICIPATION NOTE PROGRAM
NOTE PARTICIPATIONS, SERIES 2004A

NOTICE IS HEREBY GIVEN that the Orange County Department of Education (the "County Department of Education") and certain school districts within Orange County, California (collectively, the "Participants"), intend to receive faxed or electronic bids via Parity for the sale of \$ _____ * principal amount of the above-captioned Note Participations designated "South Coast Local Education Agencies Pooled Tax and Revenue Anticipation Note Program Note Participations, Series 2004A" (the "Note Participations") at 10:00 a.m., California time on

_____ day, _____, 2004

The Participants reserve the right to cancel, postpone or reschedule the sale of the Note Participations upon notice given through The Bond Buyer Wire (the "News Service") not less than twenty-four (24) hours prior to the time bids are to be received as specified in the Official Notice of Sale of the Note Participations. As an accommodation to bidders, telephone or fax notice of any postponement of the sale date and of the new sale date or change in the principal amount will be given to any bidder requesting such notice from the Participants' Financial Advisor, Tamalpais Advisors, Inc., 3030 Bridgeway, Suite 340, Sausalito, California 94965, Attention: Jean Buckley, telephone (415) 331-4473. Failure of any bidder to receive such News Service, telephone or fax notice shall not affect the legality of the sale.

NOTICE IS HEREBY FURTHER GIVEN that the Note Participations will be offered for public sale subject to all of the terms and conditions of the Official Notice of Sale of the Note Participations, and copies electronic and/or printed copies of the Official Notice of Sale and of a Preliminary Official Statement relating to the Note Participations will be furnished upon request to Tamalpais Advisors, Inc., 3030 Bridgeway, Suite 340, Sausalito, California 94965, Attention: Jean Buckley, telephone (415) 331-4473; facsimile (415) 331-4479.

Dated: _____, 2004

/s/ Wendy Benkert, Ed.D.
Assistant Superintendent
Orange County Department of Education

* Preliminary, subject to change.

PURCHASE AGREEMENT

This PURCHASE AGREEMENT (the "Purchase Agreement"), dated as of the purchase date (the "Purchase Date") specified in Exhibit A attached hereto and made a part hereof, entered into by and between the signatory school district or the county board of education designated in Exhibit A, each a political subdivision of the State of California (the "Participant"), and _____ (the "Underwriter"), for the sale and delivery of the principal amount specified in Exhibit A of the Participant's 2004-05 Tax and Revenue Anticipation Note, Series [A/B] (the "Note") to be issued in conjunction with the notes of other Issuers (hereinafter defined) participating in the South Coast Local Education Agencies Pooled Tax and Revenue Anticipation Note Program pursuant to which such notes will be pooled in a Series designated in Exhibit A and note participations (the "Note Participations") evidencing such series will be executed and delivered to the Underwriter;

WITNESSETH:

WHEREAS, school districts and county boards of education are authorized by Sections 53850 to 53858, both inclusive, of the Government Code of the State of California (the "Act") (being Article 7.6, Chapter 4, Part 1, Division 2, Title 5 of the Government Code) to borrow money by the issuance of notes;

WHEREAS, the governing board of the Participant has heretofore adopted its resolution finding that the Participant needs to borrow funds in Fiscal Year 2004-05 in the principal amount set forth in Exhibit A and that it is necessary that said sum be borrowed at this time by the issuance of a note therefor in anticipation of the receipt of taxes, income, revenue, cash receipts and other moneys to be received by the Participant during or attributable to Fiscal Year 2004-05;

WHEREAS, the Participant has determined that it is in the best interests of the Participant to participate in the South Coast Local Education Agencies Pooled Tax and Revenue Anticipation Note Program (the "Program"), whereby participating school districts, community college districts and the county board of education (the "Issuers") will simultaneously issue tax and revenue anticipation promissory notes;

WHEREAS, the Program requires the Issuers to deposit their tax and revenue anticipation notes with U.S. Bank National Association, as trustee (the "Trustee") and requires the Trustee to accept deposit of such Notes, all pursuant to a trust agreement between the Issuers and the Trustee (the "Trust Agreement");

WHEREAS, the Program requires the Trustee to execute and deliver the Note Participations in series evidencing proportionate undivided interests in payments of principal of and interest on the tax and revenue anticipation notes issued by the Issuers comprising the same series of Note Participations;

WHEREAS, pursuant to the Program the Underwriter will purchase the notes, including the Note, as evidenced and represented by the Note Participations;

WHEREAS, in order to participate in the Program, the Participant has agreed to be responsible for its share of the fees of the Trustee and the costs of issuing the Note Participations which anticipated fees and costs of issuance will be deducted from the purchase price set forth in Exhibit A and which unanticipated fees will be billed to the Participant as the same arise;

WHEREAS, pursuant to the Program, the Underwriter is submitting this offer to purchase the Note, as evidenced and represented by the Note Participations, pursuant to this Purchase Agreement;

NOW, THEREFORE, the parties hereto agree as follows:

Section 1. Obligation to Purchase. Upon the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the Participant in accordance herewith and pursuant to the Trust Agreement, and the Participant hereby agrees to sell to the Underwriter, the Note, as evidenced and represented by the Note Participations, as described herein and in the Resolution, by virtue of deposit of the notes with the Trustee pursuant to the Trust Agreement and the Program.

Section 2. Purchase Price. The purchase price of the Note, as evidenced and represented by the Note Participations, shall be the purchase price set forth in the pricing confirmation attached hereto as Exhibit A (the "Pricing Confirmation"). The Note shall bear interest at an interest rate per annum set forth in the Pricing Confirmation, which is hereby agreed to by and between the Underwriter and the duly authorized officer of the Participant executing this Purchase Agreement on behalf of the Participant.

Section 3. Delivery of and Payment for the Note. The delivery of the Note (the "Closing") shall take place at 9:00 a.m., California time, on the closing date set forth in the Pricing Confirmation or at such other time or date as may be mutually agreeable to the Participant and the Underwriter, at the Los Angeles offices of Orrick, Herrington & Sutcliffe LLP or such other place as the Participant and the Underwriter shall mutually agree upon. At the Closing, the Participant shall cause the Note to be deposited with the Trustee and shall cause the Trustee to accept deposit of the Note and to deliver the Note Participations to the Underwriter in definitive form, duly executed and authenticated, together with the other documents hereinafter mentioned, and the proceeds of the purchase price of the Note set forth in the Pricing Confirmation shall be deposited in same day funds by the Trustee in an amount indicated in the Pricing Confirmation as the "Deposit to Proceeds Subaccount" in the Proceeds Subaccount of the Participant held under the Trust Agreement and the remainder in the Costs of Issuance Fund held thereunder. If the Underwriter shall so request at least five business days prior to the Closing Date, the Note Participations shall be pre-executed and delivered in definitive form to The Depository Trust Company, New York, New York, at least 24 hours prior to the Closing. The Participant's Note and the Note Participations shall be made available to the Underwriter for inspection and packaging at least 24 hours prior to Closing.

The Participant agrees to cause to be delivered to the Underwriter as many copies of the final Official Statement dated as of the Purchase Date (the "Official Statement") as the Underwriter shall reasonably request as necessary to comply with paragraph (b)(4) of Rule

15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the "Rule") and with Rule G-32 and all other rules of the Municipal Securities Rulemaking Board. The Participant hereby covenants and agrees that, within seven (7) business days from the date hereof, or upon reasonable written notice from the Underwriters within sufficient time to accompany any confirmation requesting payment from any customers of the Underwriters, the Participant shall cause a final printed form of the Official Statement to be delivered to the Underwriters in sufficient quantity to comply with the Rule and the applicable rules of the Municipal Securities Rulemaking Board. The Participant shall also deliver to the Underwriters a sufficient number of copies of the Official Statement to enable the Underwriters to distribute a single copy of the Official Statement to any potential customer of any of the Underwriters requesting an Official Statement. The Participant shall deliver such copies to the Underwriters no later than seven business days after the execution of this Purchase Agreement. The Underwriters covenant to file the Official Statement with a nationally recognized municipal securities information repository ("NRMSIR") on a timely basis.

The Participant agrees to cause to be delivered the Official Statement within seven business days after the Purchase Date. If, at any time prior to 25 days after the initial delivery of the Note Participations, any event occurs as a result of which information relating to the Participant included in the Official Statement or the Preliminary Official Statement, contains an untrue statement of a material fact or omits to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the Participant shall promptly notify the Underwriter thereof, and if, in the opinion of the Underwriter, such event requires the preparation and publication of a supplement or amendment to the Official Statement, the Participant will cooperate with the Underwriter in the preparation of an amendment or supplement to the Official Statement in a form and in a manner approved by the Underwriter, and all reasonable expenses thereby incurred will be paid for by the Participant.

Section 4. The Note. The Note shall be issued in registered form, without coupons in the full principal amount set forth in Exhibit A.

Section 5. Representations and Warranties of the Participant. The Participant represents and warrants to the Underwriter that:

(a) All representations and warranties set forth in the Resolution are true and correct on the date hereof and are made for the benefit of the Underwriter as if set forth herein.

(b) The information relating to the Participant included in the Official Statement does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements therein in light of the circumstance under which they were made not misleading.

(c) A copy of the Resolution has been delivered to the Underwriter, and the Resolution will not be amended or repealed without the consent of the Underwriter, which consent will not be unreasonably withheld.

Section 6. Conditions Precedent to the Closing. Conditions precedent to the Closing are as follows:

- (a) The execution and delivery of the Note consistent with the Resolution.
- (b) A legal opinion addressed to the Participant, dated the date of Closing, of Orrick, Herrington & Sutcliffe LLP ("Bond Counsel") with respect to the validity and tax-exempt status of the Note.
- (c) A legal opinion addressed to the Participant, dated the date of Closing of Hawkins, Delafield & Wood ("Disclosure Counsel"), in form and substance satisfactory to the Participant, to the effect that, subject to such exclusions as are acceptable to the Participant, as of its date, the Official Statement (except for any financial and statistical information and the information relating to The Depository Trust Company, New York, New York, and its book-entry system contained in the Official Statement, as to which no opinion need be expressed) did not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.
- (d) A legal opinion, dated the date of Closing of counsel to the Participant, with respect to the due authorization, execution and delivery of the Note, in form and substance acceptable to Bond Counsel.
- (e) At the Underwriter's election, at or prior to the Closing, evidence shall be delivered that the Note Participations shall have been rated "MIG-1" by Moody's Investors Service, and that the rating is in full force and effect as of the date of the Closing.
- (f) An investment agreement with a provider rated in one of the two highest long-term rating categories by Moody's Investors Service or Standard & Poor's Ratings Services, which provides for the investment of moneys held by the Trustee in each of the Proceeds Fund, the Note Participation Payment Fund and the Cost of Issuance Fund created under the Trust Agreement at a rate not less than the rate specified in the Pricing Confirmation paid at maturity.
- (g) The execution and delivery by the Participant of a tax certificate acceptable to Bond Counsel.
- (h) The execution and delivery of the Note Participations by the Trustee, pursuant to the Trust Agreement.
- (i) The Municipal Bond Insurance Policy or other Credit Instrument, if any, together with such opinions and certificates regarding the same, as may be required by Bond Counsel and the Underwriter.
- (j) Such other certificates, instruments or opinions as Bond Counsel may deem necessary or desirable to evidence the due authorization, execution and delivery of documents pertaining to this transaction and the legal, valid and binding nature thereof, as well as compliance of all parties with the terms and conditions thereof.
- (k) Such other certificates, instruments or opinions as the Underwriter may reasonably request.

Section 7. Events Permitting the Underwriter to Terminate. The Underwriter may terminate its obligation to purchase the Note as evidenced and represented by the Note Participations at any time before the Closing if any of the following occurs:

(a) Any legislative, executive or regulatory action (including the introduction of legislation) or any court decision which, in the judgment of the Underwriter, casts sufficient doubt on the legality of or the tax-exempt status of interest on obligations such as the Note so as to materially impair the marketability or to materially reduce the market price of such obligations;

(b) Any action by the Securities and Exchange Commission or a court which would require registration of the Note, the Note Participations or any instrument securing the Note under the Securities Act of 1933, as amended, in connection with the public offering thereof, or qualification of the Resolution or the Trust Agreement under the Trust Indenture Act of 1939, as amended; or

(c) Any restriction on trading in securities, or any banking moratorium, or the inception or escalation of any war or major military hostilities which, in the judgment of the Underwriter, substantially impairs the ability of the Underwriter to market the Note Participations.

The Underwriter shall not be responsible for the payment of any fees, costs or expenses of the issuance, offering and sale of the Participant's Note and Note Participations except for California Debt and Investment Advisory Commission fees and for its own internal costs. The fees, costs and expenses that are categorized in the "Costs of Issuance" definition in the Trust Agreement shall be paid from the Costs of Issuance Fund. The Participant shall pay any additional costs attributable to it as set forth in the Resolution other than the fees, costs and expenses so payable from the Costs of Issuance Fund.

Section 8. Limited Liability. Notwithstanding anything to the contrary contained herein or in the Notes, the Note Participations or in any other document mentioned herein, the Participant shall not have any liability hereunder or by reason hereof or in connection herewith or with the transactions contemplated hereby except to the extent payable from moneys available therefor as set forth in Section 8 of the Resolution of the Participant.

Section 9. Notices. Any notices to be given to the Underwriter under the Purchase Agreement shall be given in writing to _____, _____, _____, New York, New York _____, Attn: Short-Term Manager. Any notices to be given to the Participant shall be given in writing to the address specified in Exhibit A.

Section 10. No Assignment. The Purchase Agreement has been made by the Participant and the Underwriter, and no person other than the Participant named in Exhibit A and the Underwriter or their successors or assigns shall acquire or have any right under or by virtue of the Purchase Agreement. All of the representations, warranties and agreements contained in the Purchase Agreement shall survive the delivery of and payment by the Underwriter for the Note as evidenced and represented by the Note Participations and any termination of the Purchase Agreement.

Section 11. Applicable Law. The Purchase Agreement shall be interpreted, governed and enforced in accordance with the laws of the State of California.

Section 12. Effectiveness. The Purchase Agreement shall become effective upon the execution hereof and execution by the Participant of the Pricing Confirmation, and the Purchase Agreement shall be valid and enforceable from and after the time of such effectiveness.

Section 13. Severability. In the event any provision of the Purchase Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 14. Execution in Counterparts. The Purchase Agreement may be executed and entered into in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the Underwriter has executed this Purchase Agreement below and the Participant has executed this Purchase Agreement by executing the Pricing Confirmation, in each case as of the Purchase Date set forth in Exhibit A attached hereto.

_____, as Underwriter

By: _____
Title

EXHIBIT A

**SOUTH COAST LOCAL EDUCATION AGENCIES
POOLED TAX AND REVENUE ANTICIPATION NOTE PROGRAM
NOTE PARTICIPATIONS, SERIES 2004[A/B]**

PRICING CONFIRMATION

«District_Name» (the "Participant")

Principal Amount of Note: \$ _____
Interest Rate (Note Rate): _____ %
Maturity Date: June __, 2005
Purchase Date: June __, 2004
Closing Date: July __, 2004
Purchase Price (including costs of issuance): \$ _____
Deposit to Proceeds Subaccount (net costs of issuance): \$ _____
Deposit to Costs of Issuance Fund: \$ _____

Investment Agreement Provider: _____
Interest Rate payable on funds invested under Investment Agreement: _____ %

Repayment Months: [PROPOSED; SUBJECT TO CHANGE]

First Repayment Month:	January	Percentage of total principal and interest due on Note at maturity	40%
Second Repayment Month:	April	Percentage of total principal and interest due on Note at maturity	30%
Third Repayment Month:	May	Percentage of total principal and interest due on Note at maturity	30%

In addition to the foregoing, the undersigned further certifies that the Bid Forms submitted by _____, _____, and _____, as further memorialized by this Pricing Confirmation, are agreed to and accepted as of this Purchase Date as set forth above by an Authorized Officer of the Participant.

«DISTRICT_NAME»

By: _____ [SPECIMEN COPY]
Authorized Officer

TRUST AGREEMENT

by and between

U.S. BANK NATIONAL ASSOCIATION, as Trustee

and

**THE ORANGE COUNTY DEPARTMENT OF EDUCATION and
CERTAIN CALIFORNIA SCHOOL DISTRICTS**

NAMED HEREIN

**SOUTH COAST LOCAL EDUCATION AGENCIES
POOLED TAX AND REVENUE ANTICIPATION NOTE PROGRAM
NOTE PARTICIPATIONS
SERIES 2004A**

Dated as of July 1, 2004

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TRUST AGREEMENT

This Trust Agreement (the "Trust Agreement"), dated as of July 1, 2004, by and between U.S. Bank National Association, a national banking association duly organized and existing under and by virtue of the laws of the United States of America (the "Trustee") and the school districts and county board of education named in Schedule I hereto (the "Districts");

WITNESSETH:

WHEREAS, the Districts have determined to simultaneously issue their Tax and Revenue Anticipation Notes, all having the same maturity date and in the respective principal amounts set forth in Schedule I hereto (individually, a "Note" and collectively, the "Notes") and to deposit the Notes with the Trustee and participate in the South Coast Local Education Agencies Pooled Tax and Revenue Anticipation Note Program (the "Program"); and

WHEREAS, each District is a participant in the Program; and

WHEREAS, each District participating in the Program desires to have its Note marketed together with the Notes issued by the other Districts participating in the Program in order to achieve a lower net interest cost and lower costs associated with issuing its Note; and

WHEREAS, each District has designated the Trustee to act as its trustee with respect to the funds received by the District from the sale of its Note and with respect to the moneys paid by the District in satisfaction of its Note; and

WHEREAS, each District participating in the Program has executed a pricing confirmation, confirming the sale to the Purchaser (as defined herein) of its Note and the Note Participations (described herein) which evidence and represent proportionate and undivided interests in its Note and the Notes issued simultaneously by the other Districts participating in the Program and constituting part of the same Series of Note Participations; and

WHEREAS, each District participating in such Series has authorized and directed the Trustee to execute and deliver on its behalf pursuant to the terms of the Trust Agreement, the Note Participations; and

WHEREAS, the Trustee, pursuant hereto accepts the deposits of the Notes by the Districts; and

WHEREAS, in consideration of such deposits and the execution and entering into of the Trust Agreement, the Trustee has agreed to execute and deliver note participations, as more fully described herein (the "Note Participations") in an aggregate principal amount equal to the aggregate principal amount of the Notes, each evidencing and representing a proportionate, undivided interest in the Notes; and

WHEREAS, the issuance of the Notes and the approval of the execution and delivery of the Trust Agreement and the Note Participations have been in all respects duly and validly authorized by the governing boards of the Districts pursuant to resolutions duly adopted (collectively, the "Note Resolutions"); and

WHEREAS, the Note Participations and the form of assignment to be endorsed thereon are to be substantially in the form set forth in Exhibit A, with necessary or appropriate variations, omissions and insertions, as permitted or required hereby, and the text of such Note Participation shown as appearing on the back of such Note Participation may be inserted on the front thereof in place of the paragraph referring to such text; and

WHEREAS, the Trustee has accepted the trust created by this Trust Agreement and in evidence thereof has joined in the execution hereof; and

WHEREAS, all acts, conditions and things required by law to exist, to have happened and to have been performed precedent to and in connection with the execution and entering into of the Trust Agreement and the delivery of the Note Participations do exist, have happened and have been performed in regular and due time, form and manner as required by law, and the parties hereto are now duly authorized to execute and enter into the Trust Agreement;

NOW, THEREFORE, IN CONSIDERATION OF THE PREMISES AND OF THE MUTUAL AGREEMENTS AND COVENANTS CONTAINED HEREIN AND FOR OTHER VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED, THE PARTIES HERETO DO HEREBY AGREE AS FOLLOWS:

ARTICLE I

DEFINITIONS; EQUAL SECURITY

Section 1.01. Definitions. Unless the context otherwise requires, the terms defined in this Section shall for all purposes hereof and of any amendment hereof or supplement hereto and of the Note Participations and of any certificate, opinion, request or other document mentioned herein or therein have the meanings defined herein, the following definitions to be equally applicable to both the singular and plural forms of any of the terms defined herein:

“Authorized District Representative” means the President or Secretary of the governing board of a District or Superintendent of a District or such other Authorized Officers of a District designated in Section 4 of the respective District Note Resolution, the Superintendent or Assistant Superintendent, Business Services of the Orange County Department of Education, or his or her designee, or any other person at the time designated to act on behalf of such District by written certificate furnished to the Trustee, containing the specimen signature of such person and signed on behalf of such District by the President or the Secretary of the governing board of a District or Superintendent of such District.

“Business Day” means any day except Saturday, Sunday or any day on which banks located in the city in which the designated corporate trust office of the Trustee is located, or in the City of Los Angeles, California are required or authorized to remain closed.

“Certificate” or “Request” with respect to a District means an instrument in writing signed on behalf of such District by the Authorized District Representative.

“Code” means the Internal Revenue Code of 1986 and the regulations issued or applicable thereunder.

“Costs of Issuance” means all items of expense directly or indirectly payable by or reimbursable to a District and related to the authorization, execution and delivery of the Notes and the related sale of the Note Participations, including, but not limited to, the costs of preparation and reproduction of documents, filing and recording fees, fees and charges of the Trustee and its counsel, legal fees and charges, fees and disbursements of consultants and professionals, fees and charges for preparation, execution and safekeeping of the Note Participations and any other costs, charges or fees in connection with the original execution and delivery of the Note Participations and the issuance of the Notes.

“Costs of Issuance Fund” means the fund by that name established pursuant to Section 3.02.

“Defaulted Note” means a Note, any of the principal of or interest on which is not paid on the Maturity Date.

“Districts” means the California school districts and the Orange County Department of Education listed in Schedule I hereto and, where appropriate, the counties electing to be the issuers of the Notes for the districts that are not fiscally accountable, and in each case their successors and assigns.

“Interest Fund” means the fund by that name established in Section 3.02.

“Interest Payment Date” means the date on which interest evidenced and represented by the Note Participations becomes due and payable, being the Maturity Date.

“Maturity Date” means the date on which the principal and interest on each Note becomes due and payable, being June 30, 2005.

“Money Market Educational Investment Pool” means the Money Market Educational Investment Pool administered by the Orange County Treasurer for the deposit of school district and community college district funds.

“Note Participation Payment Fund” means the fund by that name established in Section 3.02.

“Note Participations” means the \$ _____ South Coast Local Education Agencies Pooled Tax and Revenue Anticipation Note Program, Note Participations, Series 2004A authorized hereby and at any time Outstanding hereunder that are executed and delivered by the Trustee under and pursuant to Article II.

“Notes” means the tax and revenue anticipation promissory notes designated as “2004-05 Tax And Revenue Anticipation Note, Series A” issued by the Districts in the respective aggregate principal amounts all as described in Schedule I hereto.

“Note Rate” means the rate of interest payable on the Note at maturity.

“Note Resolutions” means the respective resolutions adopted by the governing boards of the Districts and, where applicable (and if a respective county elected to do so), in the case of school districts, community college districts and county boards of education that are not fiscally accountable, the respective resolutions adopted by the county boards of supervisors, in each case authorizing the issuance of the Notes and approving the execution and delivery of this Trust Agreement and the Note Participations.

“Opinion of Counsel” means a written opinion of counsel of recognized national standing in the field of law relating to municipal bonds, appointed by a majority of the Districts.

“Outstanding,” when used as of any particular time with reference to Note Participations, means (subject to the provisions of Section 9.02) all Note Participations except —

- (1) Note Participations cancelled by the Trustee or surrendered to the Trustee for cancellation;
- (2) Note Participations paid or deemed to have been paid within the meaning of Section 10.01; and
- (3) Note Participations in lieu of or in exchange or substitution for which other Note Participations shall have been executed and delivered by the Trustee hereunder.

“Owner” means the registered owner of any Outstanding Note Participation.

“Payment Accounts” means the subaccounts created in the Note Participation Payment Fund under Section 3.02.

“Permitted Investments” means any of the following to the extent then permitted by law:

- (1) United States of America Treasury bills, notes, bonds or certificates of indebtedness, or obligations for which the full faith and credit of the United States of America are pledged for the payment of interest and principal;
- (2) Any obligations which are then legal investments for moneys of the Districts under the laws of the State of California; provided, that if such investments are not fully insured by the Federal Deposit Insurance Corporation, such investments shall be, or shall be issued by entities the debt securities of which are, rated in the highest short-term or one of the two highest long-term rating categories by Moody’s Investors Service and Standard & Poor’s Ratings Services, including any fund for which the Trustee, or any of its affiliates provides management, advisory, or sponsorship service;
- (3) Units of a money-market fund portfolio composed solely of obligations guaranteed by the full faith and credit of the United States of America rated in one of the two highest rating categories by Moody’s Investors Service and Standard & Poor’s Ratings Services, including any funds for which the Trustee, or any of its affiliates, provides management, advisory or sponsorship services;

(4) An investment agreement with a financial entity whose senior debt, or claims paying ability (or senior debt or claims paying ability of the financial entity's guarantor) is rated in one of the two highest long-term rating categories by Moody's Investors Service and Standard & Poor's Ratings Services or whose commercial paper rating is in the highest rating category of each such rating agencies or is collateralized by investments listed in subsection (1) hereof as required by Standard & Poor's Ratings Services and Moody's Investors Service to be rated in one of the two highest rating categories;

(5) The Orange County Treasurer's Money Market Educational Investment Pool or the Orange County Treasurer's Money Market Commingled Investment Pool or similar pooled investment fund then maintained by the County Treasurer; or

(6) Any other investment rated in one of the two highest rating categories by Moody's Investors Service and Standard & Poor's Ratings Services approved by a majority of the Districts.

"Pricing Confirmation" means each Pricing Confirmation executed by the Districts on _____, 2004 with respect to the Program.

"Principal Fund" means the fund by that name established in Section 3.02.

"Principal Office of the Trustee" means the corporate trust office of the Trustee, which, for the Trustee initially appointed hereunder, is located in Los Angeles, California, *provided* that for transfer, exchange, registration, surrender and payment of Notes and Note Participations, it means the corporate trust office of U.S. Bank National Association in St. Paul, Minnesota.

"Principal Payment Date" means the date on which principal evidenced and represented by the Note Participations becomes due and payable, being the Maturity Date.

"Proceeds Fund" means the fund by that name established in Section 3.02.

"Proceeds Subaccounts" means the Proceeds Subaccounts created in the Proceeds Fund under Section 3.03(b).

"Program" means the South Coast Local Education Agencies Pooled Tax and Revenue Anticipation Note Program pursuant to which the Note Participations are executed and delivered to assist Districts in financing cash flow deficits.

"Purchaser" or "Purchasers" means _____, as purchaser(s) of the Note Participations evidencing and representing interests in the Notes.

"Representation Letter" means the Letter of Representations from the Districts to Trustee, or any successor securities depository for any Note Participations, in which the Trustee makes certain representations with respect to issues of its securities for deposit by DTC or such successor depository.

“Series of Notes” means the respective tax and revenue anticipation notes in one or more series issued under and in connection with the Program.

“Trust Agreement” means this Trust Agreement executed and entered into as of July 1, 2004, by and between the Trustee and the Districts, as originally executed and entered into and as it may from time to time be amended or supplemented in accordance herewith.

“Trustee” means U.S. Bank National Association, a national banking association duly organized and existing under and by virtue of the laws of the United States of America, at its principal corporate trust office in Los Angeles, California, or any other bank or trust company at its principal corporate trust office which may at any time be substituted in its place as Trustee as provided in Section 8.02.

Section 1.01. Equal Security. In consideration of the acceptance of the Note Participations by the Owners, the Trust Agreement shall be deemed to be and shall constitute a contract among the Trustee, the Districts and the Owners to secure the full and final payment of the interest and principal evidenced and represented by the Note Participations subject to the agreements, conditions, covenants and terms contained herein; and all agreements, conditions, covenants and terms contained herein required to be observed or performed by or on behalf of the Trustee shall be for the equal and proportionate benefit, protection and security of all Owners without distinction, preference or priority as to benefit, protection or security of any Note Participations over any other Note Participations by reason of the number or date thereof or the time of execution or delivery thereof or otherwise for any cause whatsoever.

ARTICLE II

CONDITIONS AND TERMS OF NOTE PARTICIPATIONS

Section 2.01. Preparation of Note Participations. The Trustee is hereby authorized and directed to execute the Note Participations in the aggregate principal amount of _____ Dollars (\$ _____) evidencing and representing the aggregate principal amount of the Notes and each evidencing and representing a proportionate, undivided interest in the Notes. The Note Participations shall be initially delivered in the form of one Note Participation and shall be registered in the name of “Cede & Co.,” as nominee of The Depository Trust Company. The Districts hereby authorize the Trustee to execute the Note Participations and to deliver the Note Participations through the FAST System with the Depository Trust Company.

Each District participating in the Program is the issuer of its Note which, when combined with the Notes of other Districts participating in the Program and the same Series, shall be evidenced by the Note Participations which evidence and represent a proportionate and undivided interest in the Note of each District, such that each District participating in the Program is severally, and not jointly, liable on each such Note Participation in the proportion that the face amount of such District’s Note bears to the total aggregate face amount of the Notes issued by all Districts participating in the Program and the same Series. Each District participating in the Program has, pursuant to its Note Resolution, authorized and directed the Trustee on behalf of that District to prepare and execute the Note Participations which evidence

and represent proportionate and undivided interests in its Note and the Notes issued by other Districts participating in the Program and the same Series and to deliver such Note Participations to the Purchaser upon payment of the purchase price thereof, pursuant to the terms of the Trust Agreement.

Section 2.02. Denominations, Medium, Method and Place of Payment and Dating of Note Participations. The Note Participations shall be executed in the form of fully registered Note Participations in denominations of five thousand dollars (\$5,000) or any integral multiple thereof. The interest and principal evidenced and represented by the Note Participations shall be payable in lawful money of the United States of America. The Trustee may treat the Owner of any Note Participation as the absolute owner of such Note Participation for all purposes, whether or not such Note Participation shall be overdue, and the Trustee shall not be affected by any knowledge or notice to the contrary; and payment of the interest and principal evidenced and represented by such Note Participation shall be made only to such Owner as above provided, which payments shall be valid and effectual to satisfy and discharge the liability evidenced and represented by such Note Participation to the extent of the sum or sums so paid. All Note Participations paid pursuant to the provisions of this Section shall be cancelled and destroyed by the Trustee and shall not be redelivered and a certificate of destruction shall be delivered to the Purchaser.

The Note Participations shall be dated the date of initial execution and delivery thereof and shall evidence and represent principal of the Notes and interest accrued thereon from the date of initial execution of the Notes and execution and delivery of the Note Participations hereunder.

Section 2.03. Payment Dates of Note Participations. The Note Participations shall have the Principal Payment Date of June 30, 2005 and shall evidence and represent proportionate, undivided interests in the aggregate principal of the Notes in the amount of \$ _____, with interest thereon at the rate of _____% per annum.

The interest evidenced and represented by the Note Participations shall become due and payable on the Interest Payment Date, and shall be in sum the interest payments becoming due and payable on the Notes on the Interest Payment Date. The interest payable on the Notes and evidenced and represented by the Note Participations shall be computed on the basis of a 360-day year of twelve 30-day months.

The principal evidenced and represented by the Note Participations shall become due and payable on the Principal Payment Date, without option of prepayment and shall be in sum the principal becoming due and payable on the Notes on the Principal Payment Date.

Section 2.04. Form of Note Participations. The Note Participations and the form of assignment to appear thereon shall be in substantially the forms in Exhibit A hereto, respectively, with appropriate or necessary insertions, omissions and variations as permitted or required thereby or hereby. The Note Participations may be executed in typewritten, lithographed or printed form.

Section 2.05. Execution of Note Participations. The Note Participations shall be executed by the manual signature of an authorized officer of the Trustee.

Section 2.06. Transfer and Exchange of Note Participations. All Note Participations are transferable or exchangeable by the Owner thereof, in person or by his attorney duly authorized in writing, at the Principal Office of the Trustee in the books required to be kept by the Trustee pursuant to the provisions of Section 2.07, upon surrender of such Note Participations accompanied by delivery of a duly executed written instrument of transfer or exchange in a form acceptable to the Trustee. Whenever any Note Participation or Note Participations shall be surrendered for transfer or exchange, the Trustee shall execute and deliver a new Note Participation or Note Participations of authorized denominations representing the same aggregate principal amount, except that the Trustee shall require the payment by any Owner requesting such transfer or exchange of any tax or other governmental charge required to be paid with respect to such transfer or exchange. All Note Participations surrendered pursuant to the provisions of this Section shall be cancelled by the Trustee and shall not be redelivered.

Section 2.07. Note Participation Registration Books. The Trustee will keep at its Principal Office sufficient books for the registration of the ownership, transfer or exchange of the Note Participations, which books shall be available for inspection by the Districts or any Owner or his agent duly authorized in writing at reasonable hours and under reasonable conditions during regular business hours; and upon presentation for such purpose the Trustee shall, under such reasonable regulations as it may prescribe, register the ownership, transfer or exchange of the Note Participations in such books as hereinabove provided. The ownership of any Note Participations may be proved by the books required to be kept by the Trustee pursuant to the provisions of this Section.

Section 2.08. Temporary Note Participations. The Note Participations may be initially delivered in temporary form exchangeable for definitive Note Participations when ready for delivery, which temporary Note Participations shall be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Trustee, shall be in fully registered form and shall contain such reference to any of the provisions hereof as may be appropriate. Every temporary Note Participation shall be executed and delivered by the Trustee upon the same conditions and terms and in substantially the same manner as definitive Note Participations. If the Trustee executes and delivers temporary Note Participations, it will prepare and execute definitive Note Participations without delay, and in that case, upon demand of the Owner of any temporary Note Participations, such definitive Note Participations shall be exchanged without cost to such Owner for temporary Note Participations at the Principal Office of the Trustee upon surrender of such temporary Note Participations, and until so exchanged such temporary Note Participations shall be entitled to the same benefit, protection and security hereunder as the definitive Note Participations executed and delivered hereunder. All temporary Note Participations surrendered pursuant to the provisions of this Section shall be cancelled by the Trustee and shall not be redelivered.

Section 2.09. Note Participations Mutilated, Destroyed, Lost or Stolen. If any Note Participation shall become mutilated, the Trustee shall execute and deliver a new Note Participation of like tenor in exchange and substitution for the Note Participation so mutilated, but only upon surrender to the Trustee of the Note Participation so mutilated, and every

mutilated Note Participation so surrendered to the Trustee shall be cancelled by it. If any Note Participation shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee, and if such evidence is satisfactory to the Trustee and indemnity satisfactory to the Trustee shall be given, the Trustee shall execute and deliver a new Note Participation of like tenor and Principal Payment Date in lieu of and in substitution for the destroyed, lost or stolen Note Participation. The Trustee may require payment of a sum not exceeding the actual cost of preparing each new Note Participation executed and delivered by it under this Section and of the expenses which may be incurred by it under this Section. Any replacement Note Participation executed and delivered under the provisions of this Section in lieu of and in substitution for any mutilated, destroyed, lost or stolen Note Participation shall be equally and proportionately entitled to the benefit, protection and security hereof with all other Note Participations executed and delivered hereunder; and the Trustee shall not be required to treat both the original Note Participation and any replacement Note Participation as being Outstanding for the purpose of determining the principal amount of Note Participations which may be executed and delivered hereunder or for the purpose of determining any percentage of Note Participations Outstanding hereunder, but both the original and the replacement Note Participation shall be treated as one and the same. Notwithstanding any other provisions of this Section, rather than executing and delivering a new Note Participation for a mutilated, destroyed, lost or stolen Note Participation the Principal Payment Date of which has occurred or is about to occur, the Trustee may make payment of the principal evidenced and represented by such mutilated, destroyed, lost or stolen Note Participation directly to the Owner thereof under such regulations as the Trustee may prescribe.

Section 2.10. Special Covenants as to Book-Entry Only System.

(a) Except as otherwise provided in subsections (b) and (c) of this Section 2.10, the Note Participations initially executed and delivered hereunder shall be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), or such other nominee as DTC may request. Payment of the principal and interest represented by each Note Participation registered in the name of Cede & Co. shall be made to the account, in the manner and at the address indicated in or pursuant to the Representation Letter delivered to DTC by the Trustee.

(b) The Note Participations executed and delivered hereunder shall be in the form of a single fully registered certificate for each maturity within each Series. Upon initial execution of the Note Participations, the ownership of all such Note Participations shall be registered in the registration records maintained by the Trustee pursuant to Section 2.07 in the name of Cede & Co., as nominee of DTC, or such other nominee as DTC may request. The Trustee, the Districts and any paying agent may treat DTC (or its nominee) as the sole and exclusive owner of the Note Participations registered in its name for the purposes of payment of the principal and interest represented by such Note Participations, giving any notice permitted or required to be given to an Owner under this Trust Agreement, registering the transfer of Note Participations, obtaining any consent or other action to be taken by the Owners and for all other purposes whatsoever; and neither the Trustee nor the Districts shall be affected by any notice to the contrary. Neither the Trustee nor the Districts shall have any responsibility or obligation to any Participant (which shall mean, for purposes of this Section 2.10, securities brokers and dealers, banks, trust companies, clearing corporations and other entities, some of whom directly

or indirectly own DTC), any person claiming a beneficial ownership interest in the Note Participations under or through DTC or any Participant, or any other person which is not shown on the registration records as being an Owner, with respect to (i) the accuracy of any records maintained by DTC or any Participant, (ii) the payment by DTC or any Participant of any amount in respect of the principal or interest represented by such Note Participations, (iii) any notice which is permitted or required to be given to the Owners under this Trust Agreement, or (iv) any consent given or other action taken by DTC as Owner. The Trustee shall pay all principal of and interest represented by the Note Participations only at the times, to the accounts, at the addresses and otherwise in accordance with the Representation Letter. Upon delivery by DTC to the Trustee of written notice to the effect that DTC has determined to substitute a new nominee in place of its then existing nominee, the Note Participations will be transferable to such new nominee in accordance with subsection (f) of this Section 2.10.

(c) In the event that 20% of the Districts determine that it is in the best interests of the Districts or the beneficial owners of the Note Participations that they be able to obtain certificates, the Trustee shall, upon the written instruction of 20% of the Districts, so notify DTC, whereupon DTC shall notify the Participants of the availability through DTC of certificates. In such event, the Note Participations will be transferable in accordance with subsection (f) of this Section 2.10. DTC may determine to discontinue providing its services with respect to any Series of Note Participations at any time by giving written notice of such discontinuance to the Districts and the Trustee and discharging its responsibilities with respect thereto under applicable law. In such event, such Note Participations will be transferable in accordance with subsection (f) of this Section 2.10. Whenever DTC requests the Districts or the Trustee to do so, the Trustee and the Districts will cooperate with DTC in taking appropriate action after reasonable notice to arrange for another securities depository to maintain custody of all Note Participations then Outstanding. In such event, such Note Participations will be transferable to such securities depository in accordance with subsection (f) of this Section 2.10, and thereafter, all reference in this Trust Agreement to DTC or its nominee shall be deemed to refer to such successor securities depository and its nominee, as appropriate.

(d) Notwithstanding any other provision of this Trust Agreement to the contrary, so long as all Note Participations Outstanding are registered in the name of any nominee of DTC, all payments with respect to the principal and interest represented by each such Note Participation and all notices with respect to each such Note Participation shall be made and given, respectively, to DTC as provided in the Representation Letter.

(e) The Trustee is hereby authorized and requested to execute and deliver the Representation Letter and, in connection with any successor nominee for DTC and any successor depository, enter into comparable arrangements, and shall have the same rights with respect to its actions thereunder as it has with respect to its actions under this Trust Agreement.

(f) In the event that any transfer or exchange of Note Participations is under subsection (b) or (c) of this Section 2.10, such transfer or exchange shall be accomplished upon receipt by the Trustee from the registered owner thereof of the Note Participations to be transferred or exchanged and appropriate instruments of transfer to the permitted transferee, all in accordance with the applicable provisions of Section 2.06. In the event Note Participations are executed and delivered to holders other than Cede & Co., its successor as nominee for DTC

as holder of all the Note Participations, another securities depository as holder of all the Note Participations, or the nominee of such successor securities depository, the provisions of Sections 2.02, 2.03 and 2.06 shall also apply to, among other things, the registration, exchange and transfer of the Note Participations and the method of payment of principal, and interest represented by the Note Participations.

ARTICLE III

PROCEEDS OF NOTE PARTICIPATIONS

Section 3.01. Delivery of Note Participations. The Trustee is hereby authorized to execute and deliver the Note Participations to the Purchaser upon receipt of a written request of the Districts, the Notes and the proceeds of sale of the Note Participations.

Section 3.02. Establishment of Funds and Deposit of Proceeds of Note Participations. The Trustee hereby agrees to establish and maintain hereunder, in trust, the Costs of Issuance Fund, the Proceeds Fund and the Proceeds Subaccounts therein, the Note Participation Payment Fund and the Payment Accounts therein, one of which shall be established for each District, the Interest Fund and the Principal Fund. The proceeds received from the sale of the Note Participations are to be deposited in the following funds in the following amounts:

Costs of Issuance Fund	\$
Proceeds Fund	\$

[It is hereby acknowledged that an additional \$500,000 of proceeds attributable to the Good Faith Deposit is currently on deposit with the Districts.]

Section 3.03. Use of Money in the Costs of Issuance Fund and the Proceeds Fund; Additional Deposits to Proceeds Fund.

(a) The moneys in the Costs of Issuance Fund shall be used and withdrawn by the Trustee to pay the Costs of Issuance upon receipt of (i) a Request of the General Counsel to the Districts, which shall be sequentially numbered, stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against said fund and (ii) an original invoice or invoices or evidence of payment of an invoice when such requisition is in reimbursement thereof. On October 1, 2004 or on such earlier date upon Request of the General Counsel, amounts, if any, remaining in the Costs of Issuance Fund (and not required to pay identified Costs of Issuance (as identified in writing to the Trustee by the Representative), including any additional fees or expenses of the Trustee, shall be transferred to each Authorized District Representative, or to the Assistant Superintendent, Business Services of the Orange County Department of Education, or his or her designee, or any other person at the time designated to act on behalf of such District by written certificate furnished to the Trustee for the account of each District *pro rata* in accordance with each Note's principal amount, subject to adjustment for excess costs of issuance attributable to any particular District.

(b) All money in the Proceeds Fund shall be held by the Trustee in trust. Funds in the Proceeds Fund shall be credited to subaccounts of that Fund (the "Proceeds Subaccounts"), one of which shall be established for each District, initially in amounts set forth in Schedule II, attached hereto and made a part hereof, and thereafter *pro rata* in accordance with the principal amount of the Note issued by each District. As specified in the Pricing Confirmation delivered to the Trustee by each District, immediately upon receipt, moneys in or attributable to the Proceeds Subaccount of each District shall be disbursed to each respective District, in care of the Orange County Department of Education, for deposit to the credit of the District in the [If Applicable: Money Market Educational Investment Pool] to be used for any purpose for which the District is authorized to expend moneys. The Trustee shall have no further responsibility for such moneys disbursed in accordance with the provisions of this Section.

Upon written instruction from any Authorized District Representative, or from the Authorized District Representative of the Orange County Department of Education on behalf of any District, to the extent that the Trustee holds moneys and/or securities in a District's Proceeds Subaccount, there shall be transferred to such District's Payment Account in the Note Participation Payment Fund from such Proceeds Subaccount in any Repayment Month of such District designated on the face of such District's Note, the amount stated in such instruction, but not more than an amount equal to the percentages of the principal and interest due on such District's Note at maturity for the corresponding Repayment Month designated on the face of such District's Note. Any amounts remaining in a Proceeds Subaccount after the amounts transferred hereunder to the Note Participation Payment Fund have been transferred, less the amount of all outstanding Predefault Obligations and Reimbursement Obligations of or allocable to such District, shall be returned to the respective District on or after the Principal Payment Date.

(c) At the option of any District, prior to the Principal Payment Date any District may transfer to the Trustee for deposit and credit to such District's Proceeds Subaccount any funds of the District; *provided* the amount of such transfer, which when added to the amount then on deposit in such District's Proceeds Subaccount, is less than or equal to the amount of Note Participation proceeds initially credited to such District's Proceeds Subaccount, and the Districts shall provide the Trustee written notice of the amount of such transfer prior to making of such transfer to the Trustee.

ARTICLE IV

TRUSTEE'S DUTIES REGARDING NOTES

Section 4.01. Return of Paid Notes. Each Note, when paid in full shall be cancelled by the Trustee and returned to the Authorized District Representative of the Orange County Department of Education who shall forward the cancelled Note to the District that issued such Note.

ARTICLE V

NOTE PAYMENTS

Section 5.01. Deposit of Notes. The Notes, as evidenced and represented by the Note Participations, are hereby irrevocably deposited with and pledged and transferred to the Trustee, who is the registered owner of each Note for the benefit of the Owners of the Note Participations and the payments on the Notes shall be used for the punctual payment of the interest and principal evidenced and represented by the Note Participations, and the Notes shall not be used for any other purpose while any of the Note Participations remain Outstanding. This deposit, transfer and pledge shall constitute a first and exclusive lien on the principal and interest payments of the Notes for the foregoing purpose in accordance with the terms hereof. The Trustee hereby accepts the deposit of the Notes.

All principal and interest payments on the Notes shall be paid directly by the Districts to the Trustee. All principal and interest payments on the Notes received by the Trustee shall be held in trust by the Trustee under the terms hereof and shall be deposited by it, as and when received, in the appropriate Payment Account within the Note Participation Payment Fund, which fund the Trustee hereby agrees to maintain so long as any Note Participations are Outstanding, and all money in such fund shall be held in trust by the Trustee for the benefit of the District submitting such money until deposited in the funds specified in Section 5.02, whereupon such money shall be held in trust in such funds by the Trustee for the benefit and security of the Owners to the extent provided herein, and invested by the Trustee in accordance with each District's Pricing Confirmation and any subsequent written instruction to invest delivered in accordance with this Trust Agreement. Pursuant to each District's Note Resolution, each District is required to deposit amounts with the Trustee in the months identified as such District's Repayment Months (as defined in such District's Note Resolution and indicated on the face of such District's Note) until the amount on deposit in such District's Payment Account is equal to the percentages of the principal and interest due on such District's Note required in each Repayment Month as indicated on the face of such District's Note. If any District fails to make the required deposits, the Trustee shall as soon as practical (but in any event within five Business Days) notify such District and Moody's Investors Service of such failure. If the Trustee receives Note repayments from a District in excess of the amounts required to pay the principal of and interest due on such District's Note on the Principal Payment Date, such excess amounts shall remain in the appropriate District's Payment Account in the Note Participation Payment Fund and shall be transferred to such District following payment of the amount of Note Participations evidencing and representing such District's Note. The Districts, to the extent they have any interest in such fund, hereby pledge, transfer, assign and grant a lien on and a security interest in the Note Participation Payment Fund to the Trustee for the benefit of the Owners.

Section 5.02. Deposit of Money in the Note Participation Payment Fund. The Trustee shall deposit the money contained in the Note Participation Payment Fund at the following respective times in the following respective funds in the manner hereinafter provided, each of which funds the Trustee hereby agrees to maintain so long as any Note Participations are Outstanding, and the money in each of such funds shall be disbursed only for the purposes and uses hereinafter authorized (subject to Section 5.03):

(a) Interest Fund. The Trustee, on the Interest Payment Date, shall deposit in the Interest Fund that amount of money representing the interest becoming due and payable on the Notes on such Interest Payment Date. All money in the Interest Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the interest evidenced and represented by the Note Participations on the Interest Payment Date.

(b) Principal Fund. The Trustee, on the Principal Payment Date, shall deposit in the Principal Fund that amount of money representing the principal becoming due and payable on the Notes on such Principal Payment Date. All moneys in the Principal Fund shall be used and withdrawn by the Trustee solely for the purpose of paying the principal evidenced and represented by the Note Participations on the Principal Payment Date.

To the extent moneys in a District's Payment Account are insufficient to pay all of the principal of and interest on such District's Note at maturity, the money in such District's Payment Account shall be applied in the priority set forth in Section 8(C) of the District's Note Resolution.

Moneys in any District's Payment Account shall not be used in any manner (directly or indirectly) to make up any deficiency in any other District's Payment Account.

ARTICLE VI

COVENANTS

Section 6.01. Compliance with Trust Agreement. The Trustee will not execute or deliver any Note Participations in any manner other than in accordance with the provisions hereof; and the Districts will not suffer or permit any default to occur hereunder, but will faithfully observe and perform all the agreements, conditions, covenants and terms contained herein required to be observed and performed by them.

Section 6.02. Amendment of Notes. The Districts and the Trustee will not amend or permit the amendment of the Notes without (a)(1) a determination that such amendment does not materially adversely affect the interest of the Owners or (2) the written consents of the Owners of a majority in aggregate principal amount of the Note Participations then Outstanding, and (b) an Opinion of Counsel to the effect that such amendment will not cause interest on the Notes to be included in gross income for federal income tax purposes; *provided* that, no such amendment shall reduce the rate of interest or amount of principal or extend the time of payment thereof with respect to any Note.

Section 6.03. Observance of Laws and Regulations. The Districts will faithfully observe and perform all lawful and valid obligations or regulations now or hereafter imposed on them by contract, or prescribed by any state or national law, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of each and every franchise, right or privilege now owned or hereafter acquired by them, including their right to exist and carry on their respective businesses, to the end that such observance or performance is material to the transactions contemplated hereby.

Section 6.04. Tax Covenants. (a) Each District will not take any action or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of the interest payable on the District's Note, as evidenced and represented by the Note Participations, under Section 103 of the Code. Each District will not directly or indirectly use or permit the use of any proceeds of the Note Participations or the obligations which they evidence and represent or any other funds held hereunder or take or omit to take any action that would cause the Note Participations or the obligation which they represent to be "private activity bonds" within the meaning of Section 141(a) of the Code or obligations which are "federally guaranteed" within the meaning of Section 149(b) of the Code.

(b) Each District will not directly or indirectly use or permit the use of any proceeds of the Note Participations or the obligations which they represent or any other funds held hereunder or take or omit to take any action that would cause the Note Participations or the obligations which they evidence and represent to be "arbitrage bonds" within the meaning of Section 148 of the Code. To that end, each District has covenanted to comply with all requirements of Section 148 of the Code to the extent applicable to each Series of Notes. In the event that at any time any District is of the opinion (which opinion may be based on an Opinion of Counsel), that for purposes of this Section 6.04(b) it is necessary to restrict or to limit the yield on the investment of any moneys held by the Trustee under the Trust Agreement with respect to such District, such District shall so instruct the Trustee in writing, and the Trustee shall take such action as may be necessary in accordance with such instructions.

Section 6.05. Liens. So long as any Note Participations are Outstanding, or any Predefault Obligation or Reimbursement Obligation is outstanding, the Districts will not create or suffer to be created any pledge of or lien on the Notes other than the pledge and lien hereof.

Section 6.06. Accounting Records and Statements. The Trustee shall keep proper books of record and account in accordance with industry standards in which complete and correct entries shall be made of all transactions made by the Trustee relating to the receipt, investment, disbursement, allocation and application of all funds received by the Trustee hereunder. Such records shall specify the account or fund to which each investment (or portion thereof) held by the Trustee is to be allocated and shall set forth, in the case of each investment: (a) its purchase price; (b) identifying information, including par amount, coupon rate, and payment dates; (c) the amount received at maturity or its sale price, as the case may be; (d) the amounts and dates of any payments made with respect thereto; and (e) such documentation as is required to be obtained as evidence to establish that all investments have been purchased in arms' length transactions with no amounts paid to reduce the yield on the investments.

Such records shall be open to inspection by any District at any reasonable time during regular business hours on reasonable notice. Not later than the Principal Payment Date and upon retirement of all Note Participations, the Trustee will furnish to the Districts and to any Owner who may so request (at the expense of such Owner) a complete statement covering the receipts, deposits and disbursements of the funds hereunder.

Section 6.07. Recordation and Filing. The Districts will file, record, register, renew, refile and rerecord all such documents, including financing statements (or continuation statements in connection therewith), as may be required by law in order to maintain at all times a

security interest in the Notes under and pursuant to the Trust Agreement, all in such manner, at such times and in such places as may be required in order to fully perfect, preserve and protect the benefit, protection and security of the Owners and the rights of the Trustee hereunder, and the Districts will do whatever else may be necessary or be reasonably required in order to perfect and continue the pledge of and lien on the Notes as provided herein.

Section 6.08. Further Assurances. Whenever and so often as requested to do so by the Trustee or any Owner, the Districts will promptly execute and deliver, or cause to be executed and delivered, all such other and further assurances, documents or instruments and promptly do or cause to be done all such other and further things as may be necessary or reasonably required in order to further and more fully vest in the Trustee and the Owners the benefit, protection and security conferred, or intended to be conferred, upon them hereby.

ARTICLE VII

DEFAULT AND LIMITATIONS OF LIABILITY

Section 7.01. Action on Default. If any default in the payment of principal of or interest on a Note of either Series of Notes or any other “Event of Default” defined in a Note Resolution shall occur and be continuing, or if any default shall be made by a District in the performance or observance of any other of the covenants, agreements or conditions on its part herein contained and such default shall have continued for a period of thirty (30) days after written notice thereof shall have been given to such District by the Trustee or the Owners of not less than a majority in aggregate principal amount evidenced and represented by the Note Participations at the time Outstanding, then such default shall constitute an “Event of Default” hereunder, and in each and every such case during the continuance of such Event of Default the Trustee or the Owners of not less than a majority in aggregate principal amount evidenced and represented by the Note Participations at the time Outstanding shall be entitled, upon notice in writing to such District, but subject to the provisions of Section 7.05, to exercise the remedies provided to the owner of the Note then in default or under the Note Resolution pursuant to which it was issued; *provided*, that nothing contained herein shall affect or impair the right of action of any Owner to institute suit directly against the District to enforce payment of the obligation evidenced and represented by such Owner’s Note Participation.

The Owners of Note Participations, for purposes of this Trust Agreement and the Note Resolution of each District, to the extent of their interest, shall be treated as owners of the Notes and shall be entitled to all rights and security of the owners of Notes pursuant to each Note and Note Resolution and this Trust Agreement, and shall be treated for all purposes as owners of the Notes. Each District recognizes the rights of the Owners of the Note Participations, acting directly or through the Trustee, to enforce the obligations and covenants contained in its Note, its Note Resolution and this Trust Agreement; *provided* that in no event shall a District be liable for any obligations, covenants or damages except those which arise out of its Note and its Note Resolution, and, in particular, no District shall be liable for any obligations, liabilities, acts or omissions of any other District.

Section 7.02. Other Remedies of the Trustee. The Trustee shall have the right

(a) by mandamus or other action or proceeding or suit at law or in equity to enforce its rights hereunder against any District or any trustee, member, officer or employee thereof, and to compel such District or any such trustee, member, officer or employee thereof to observe or perform its or his duties under applicable law and the agreements, conditions, covenants and terms contained herein, or in the applicable Note and Note Resolution, required to be observed or performed by it or him;

(b) by suit in equity to enjoin any acts or things which are unlawful or violate the rights of the Trustee; or

(c) by suit in equity upon the happening of any default hereunder to require any District and any trustee, member, officer and employee to account as the trustee of any express trust.

Section 7.03. Non-Waiver. A waiver by the Trustee of any default hereunder or breach of any obligation hereunder shall not affect any subsequent default hereunder or any subsequent breach of an obligation hereunder or impair any rights or remedies on any such subsequent default hereunder or on any such subsequent breach of an obligation hereunder. No delay or omission by the Trustee to exercise any right or remedy accruing upon any default hereunder shall impair any such right or remedy or shall be construed to be a waiver of any such default hereunder or an acquiescence therein, and every right or remedy conferred upon the Trustee by applicable law or by this article may be enforced and exercised from time to time and as often as shall be deemed expedient by the Trustee.

If any action, proceeding or suit to enforce any right or to exercise any remedy is abandoned or determined adversely to the Trustee or the Districts, the Trustee and the Districts shall be restored to their former positions, rights and remedies as if such action, proceeding or suit had not been brought or taken.

Section 7.04. Application of Funds. All moneys received by the Trustee pursuant to any right given or action taken under the provisions of this Article VII shall be deposited into the segregated Payment Account of the Note Participation Payment Fund relating to the defaulting District's Note and be applied by the Trustee after payment of all amounts due and payable under Section 8.03 hereof in the following order upon presentation of the several Note Participations, and the stamping thereon of the payment if only partially paid, or upon the surrender thereof if fully paid; *provided* that the Trustee shall obtain and follow the instructions contained in an Opinion of Counsel and rebate or set aside for rebate from the specified funds held hereunder any amount pursuant to such instructions required to be paid to the United States of America under the Code:

First, Costs and Expenses: to the payment of the costs and expenses of the Trustee and of the Owners in declaring such Event of Default, including reasonable compensation to its or their agents, attorneys and counsel;

Second, Interest: to the payment to the persons entitled thereto of all payments of interest evidenced and represented by the Note Participations then due in the order of the due

date of such payments, and, if the amount available shall not be sufficient to pay in full any payment or payments coming due on the same date, then to the payment thereof ratably, according to the amounts due thereon, to the persons entitled thereto, without any discrimination or preference;

Third, Principal: to the payment to the persons entitled thereto of the unpaid principal evidenced and represented by any Note Participations which shall have become due, in the order of their due dates, with interest on the overdue principal and interest represented by the Note Participations at a rate equal to the Note Rate and, if the amount available shall not be sufficient to pay in full all the amounts due with respect to the Note Participations on any date, together with such interest, then to the payment thereof ratably, according to the amounts of principal due on such date to the persons entitled thereto, without any discrimination or preference.

Section 7.05. Remedies Not Exclusive. No remedy conferred herein upon or reserved herein to the Trustee is intended to be exclusive and all remedies shall be cumulative and each remedy shall be in addition to every other remedy given hereunder or now or hereafter existing under applicable law or equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by any other applicable law.

Section 7.06. Exercise of Remedies. Upon the exercise by any Owner of its right of action to institute suit directly against a District to enforce payment of the obligation evidenced and represented by such Owner's Note Participation, any moneys recovered by such action shall be deposited with the Trustee and applied as provided in Section 7.04 and in this Section 7.06.

In the event that, notwithstanding the foregoing, any payment or distribution of any character shall be received by the Trustee or any Owner in contravention of any of the terms hereof such payment or distribution or security shall be received in trust for the benefit of, and shall be paid over or delivered and transferred to the Note Participation Owners, in accordance with this Trust Agreement. In the event of the failure of the Trustee or any Owner to endorse or assign any such payment, each is hereby irrevocably authorized to endorse or assign the same.

Section 7.07. No Liability by the Districts to the Owners. Except for the payment when due of the principal of and interest on the Notes (which shall be payable only from moneys available therefor as set forth in Section 8 of the Note Resolutions) and the observance and performance of the other agreements, conditions, covenants and terms contained in the Notes and the Note Resolutions, the Districts shall not have any obligation or liability to the Owners with respect to the Trust Agreement or the preparation, execution, delivery, transfer, exchange or cancellation of the Note Participations or the receipt, deposit or disbursement of the principal of and interest on the Notes by the Trustee, or with respect to the performance by the Trustee of any obligation contained herein required to be performed by it.

Section 7.08. No Liability by the Trustee to the Owners. Except as expressly provided herein, the Trustee shall not have any obligation or liability to the Owners with respect to the payment when due of the Notes by the Districts, or with respect to the observance or

performance by the Districts of the other agreements, conditions, covenants and terms contained in the Notes and the Note Resolutions.

ARTICLE VIII

THE TRUSTEE

Section 8.01. Employment and Duties of the Trustee. The Districts hereby appoint and employ the Trustee to receive, deposit and disburse the payments on the Notes as provided herein, to prepare, execute, deliver, transfer, exchange and cancel the Note Participations as provided herein, to pay the interest and principal evidenced and represented by the Note Participations to the Owners thereof as provided herein and to perform the other obligations contained herein; all in the manner provided herein and subject to the conditions and terms hereof. By executing and delivering this Trust Agreement, the Trustee undertakes to perform such obligations (and only such obligations) as are specifically set forth herein, and no implied covenants or obligations shall be read herein against the Trustee.

Section 8.02. Removal and Resignation of the Trustee. A majority of Districts not then in default under their respective Note Resolutions may at any time remove the Trustee initially a party hereto and any successor thereto by giving written notice of such removal to the Trustee and all of the Districts and by giving notice by first-class mail of such removal to all Owners of Note Participations and the Trustee initially a party hereto and any successor thereto may at any time resign by giving written notice of such resignation to the Districts and by giving notice by mail of such resignation to all Owners of Note Participations. Upon giving any such notice of removal or upon receiving any such notice of removal or resignation, a majority of Districts shall promptly appoint a successor Trustee by an instrument in writing; *provided*, that in the event a majority of Districts do not appoint a successor Trustee within sixty (60) days following the giving of any such notice of removal or the receipt of any such notice of resignation, the removed or resigning Trustee may petition any appropriate court having jurisdiction to appoint a successor Trustee. Any successor Trustee shall be a bank or trust company doing business and having a principal corporate trust office either in Los Angeles or San Francisco, California, having a combined capital (exclusive of borrowed capital) and surplus of at least five hundred million dollars (\$500,000,000) and subject to supervision or examination by state or national authorities. If such bank or trust company publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining authority above referred to, then for the purposes of this Section the combined capital and surplus of such bank or trust company shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

Any removal or resignation of a Trustee and appointment of a successor Trustee shall become effective only upon the written acceptance of the appointment by the successor Trustee.

Section 8.03. Compensation of the Trustee. The Districts, solely from amounts held in the Costs of Issuance Fund or paid by the Districts specifically for such purpose, shall from time to time, subject to any agreement then in effect with the Trustee, pay the Trustee compensation for its services and reimburse the Trustee for all its advances and expenditures

hereunder, including, but not limited to, advances to and fees and expenses of accountants, agents, appraisers, consultants, counsel or other experts employed by it in the observance and performance of its rights and obligations hereunder; *provided*, that the Trustee shall not have any lien for such compensation or reimbursement against any money held by it in any of the funds established hereunder, although the Trustee may take whatever legal actions are available to it directly against the Districts to recover such compensation or reimbursement.

Section 8.04. Protection of the Trustee. The Trustee shall be protected and shall incur no liability in acting or proceeding in good faith upon any affidavit, bond, certificate, consent, notice, request, requisition, resolution, statement, telegram, voucher, waiver or other paper or document which it shall in good faith believe to be genuine and to have been adopted, executed or delivered by the proper party or pursuant to any of the provisions hereof, and the Trustee shall be under no duty to make any investigation or inquiry as to any statements contained or matters referred to in any such instrument, but may accept and rely upon the same as conclusive evidence of the truth and accuracy of such statements. The Trustee may consult with counsel, who may be counsel to the Districts, with regard to legal questions arising hereunder, and the opinion of such counsel shall be full and complete authorization and protection in respect to any action taken or suffered by it hereunder in good faith in accordance therewith.

The Trustee shall not be responsible for the sufficiency of the payments on the Notes, or of the assignment made to it of all rights to receive the payments on the Notes and shall not be deemed to have knowledge of any Event of Default unless and until it shall have actual knowledge thereof or have received written notice thereof at the Principal Trust Office of the Trustee. The Trustee shall not be accountable for the use or application by the Districts, or any other party, of any funds which the Trustee properly releases to the Districts or which the Districts may otherwise receive from time to time. The Trustee makes no representation concerning, and has no responsibility for, the validity, genuineness, sufficiency, or performance by parties other than the Trustee of this Trust Agreement, any Note Participation, any Note, any Note Resolution or of any other paper or document, or for taking any action on them (except as specifically and expressly stated for the Trustee in this Trust Agreement), or with respect to any obligation of the Districts.

Whenever in the observance or performance of its rights and obligations hereunder or under the Note Participations the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter (unless other evidence in respect thereof be herein specifically prescribed) may be deemed to be conclusively proved and established by a Certificate of the Purchaser, and such certificate shall be full warrant to the Trustee for any action taken or suffered under the provisions hereof upon the faith thereof, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as to it may seem reasonable.

The Trustee may buy, sell, own, hold and deal in any of the Note Participations and may join in any action which any Owner may be entitled to take with like effect as if it were not a party hereto. The Trustee, either as principal or agent, may also engage in or be interested in any financial or other transaction with the Districts, and may act as agent, depository or trustee

for any committee or body of Owners or of owners of obligations of the Districts as freely as if it were not the Trustee hereunder.

The Trustee shall not be answerable for the exercise of any of its rights hereunder or for the performance of any of its obligations hereunder or for anything whatsoever in connection with the funds established hereunder, except only for its own willful misconduct or negligence.

No provision hereof shall require the Trustee to expend or risk its own funds or otherwise incur any financial or other liability or risk in the performance of any of its obligations hereunder, or in the exercise of any of its rights hereunder, if repayment of such funds or adequate indemnity against such risk or liability is not assured to it, and before taking any action hereunder the Trustee may require that indemnity satisfactory to it be furnished for all expenses to which it may be put and to protect it from all liability thereunder.

The Districts will indemnify the Trustee for any liability incurred by the Trustee as a result of the Trustee executing the Representation Letter on behalf of the Districts.

The Districts agree to indemnify and hold the Trustee, its officers, directors, employees and agents harmless from and against any loss, liability, cost, expense or claim whatsoever which it may incur without negligence or willful misconduct on the Trustee's part, arising out of the acceptance of the duties of the Trustee hereunder and the administration thereof or in the exercise or performance of its powers and duties hereunder, including without limitation those of its attorneys, including the costs and expenses of defending against any claim of liability. Such indemnity should survive the termination and discharge of this Trust Agreement.

The Trustee shall have no responsibility with respect to any information statement, recital or the content of any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Notes and Note Participations.

The Trustee shall not be liable with respect to any action taken or not taken by it at the direction of the Owners of a majority in aggregate principal amount of the Note Participations outstanding relating to the exercise of any right or remedy available to the Trustee or the exercise of any trust or power conferred upon the Trustee hereunder.

The Trustee has executed the Note Participations solely in its capacity as Trustee under this Trust Agreement and is not liable thereon in its individual or personal capacity and all payments to be made thereon by the Trustee shall be made solely from funds held by the Trustee under this Trust Agreement.

Section 8.05. Notices to Moody's Investors Service. The Trustee shall notify Moody's Investors Service, in writing, upon occurrence of any of the following events: (i) any amendment, supplement or other change to the Trust Agreement from the form originally executed and entered into as of July 1, 2004; and (ii) any amendment, supplement or other change to any Note Resolution (that the Trustee is aware of); *provided, however*, that the Trustee shall incur no liability for failure to so notify.

ARTICLE IX

AMENDMENT OF OR SUPPLEMENT TO THE TRUST AGREEMENT

Section 9.01. Amendment or Supplement of Trust Agreement. The Trust Agreement and the rights and obligations of the Owners and the Trustee hereunder may be amended or supplemented at any time by an amendment hereof or supplement hereto which shall become binding when the written consents of the Owners of a majority in aggregate principal amount of the Note Participations then Outstanding, exclusive of Note Participations disqualified as provided in Section 9.02, are filed with the Trustee. No such amendment or supplement shall (1) reduce the rate of interest evidenced and represented by any Note Participation or extend the Interest Payment Date or reduce the amount of principal evidenced and represented by any Note Participation or extend the Principal Payment Date thereof without the prior written consent of the Owner of the Note Participation so affected, or (2) reduce the percentage of Owners whose consent is required by the terms of this Trust Agreement for the execution of certain amendments hereof or supplements hereto, or (3) modify any of the rights or obligations of the Trustee without its prior written consent thereto.

The Trust Agreement and the rights and obligations of the Owners and the Trustee hereunder may also be amended or supplemented at any time by an amendment hereof or supplement hereto which shall become binding upon execution without the written consents of any Owners in order to make any modifications or changes necessary or appropriate in the Opinion of Counsel to preserve or protect the exclusion from gross income of interest on the Notes for federal income tax purposes, or, but only to the extent that such amendment shall not materially adversely affect the interests of the Owners, for any purpose including, without limitation, one or more of the following purposes

(a) to add to the agreements, conditions, covenants and terms contained herein required to be observed or performed by the Districts other agreements, conditions, covenants and terms thereafter to be observed or performed by the Districts, or to surrender any right reserved herein to or conferred herein on the Districts;

(b) to make such provisions for the purpose of curing any ambiguity or of correcting, curing or supplementing any defective provision contained herein or in regard to questions arising hereunder which any District may deem desirable or necessary; or

(c) to modify, amend or supplement this Trust Agreement or any supplement hereto in such manner as to permit the qualification hereof and thereof under the Trust Indenture Act of 1939 or any similar federal statute hereafter in effect or to permit the qualification of the Note Participations for sale under the securities laws of the United States of America or of any of the states of the United States of America and, if so determined by twenty percent of the Districts or otherwise in accordance with an Opinion of Counsel, to add to this Trust Agreement or any supplement hereto such other terms, conditions and provisions as may be permitted by said Trust Indenture Act of 1939 or similar federal statute.

Section 9.02. Disqualified Note Participations. Note Participations held for the account of the Districts (but excluding Note Participations held in any pension or retirement fund of the Districts) shall not be deemed Outstanding for the purpose of any consent or other action or any calculation of Outstanding Note Participations provided herein, and shall not be entitled to consent to or take any other action provided herein, and the Trustee may adopt appropriate regulations to require each Owner, before his consent provided for herein shall be deemed effective, to reveal if the Note Participations as to which such consent is given are disqualified as provided in this Section.

Section 9.03. Procedure for Amendment with Written Consent of the Owners. The Trust Agreement may be amended by supplemental agreement as provided in this Section 9.03 in the event the consent of the Owners is required pursuant to Section 9.01 hereof. A description of the proposed amendment, together with a request to the Owners for their consent thereto, shall be mailed by the Trustee to each Owner of a Note Participation at his address as set forth in the Note Participation registration books maintained pursuant to Section 2.07 hereof, but failure to receive copies of such description and request so mailed shall not affect the validity of the supplemental agreement when assented to as in this Section provided. Nothing herein shall be deemed to require the mailing of the supplemental agreement itself to the Owners.

Such supplemental agreement shall not become effective unless there shall be filed with the Trustee the written consent of the Owners of at least a majority in aggregate principal amount of the Note Participations then Outstanding (exclusive of Note Participations disqualified as provided in Section 9.02 hereof) and notices shall have been mailed as hereinafter in this Section provided. Each such consent shall be effective only if accompanied by proof of ownership of the Note Participations for which such consent is given, which proof shall be acceptable to the Trustee. Any such consent shall be binding upon the Owner of the Note Participation giving such consent and on any subsequent Owner (whether or not such subsequent Owner has notice thereof) unless such consent is revoked in writing by the Owner giving such consent or a subsequent Owner by filing such revocation with the Trustee prior to the date when the Trustee has received the required percentage of consents of the Owners of the Note Participations and acknowledged the same to the Districts.

After the Owners of the required percentage of Note Participations shall have filed their consents to such supplemental agreement, the Trustee shall acknowledge to the Districts the effectiveness of the agreement and shall mail a notice to the Owners of the Note Participations in the manner hereinbefore provided in this Section for the mailing of such description, stating in substance that such supplemental agreement has been consented to by the Owners of the required percentage of Note Participations and is effective as provided in this Section (but failure to mail copies of said notice shall not affect the validity of such supplemental agreement or consents thereto). A record, consisting of the papers required by this Section to be filed with the Trustee, shall be proof of the matters therein stated until the contrary is proved.

Section 9.04. Endorsement or Replacement of Note Participations after Amendment or Supplement. After the effective date of any action taken as hereinabove provided, the Trustee may determine that the Note Participations may bear a notation by endorsement in form approved by the Trustee as to such action, and in that case upon demand of

the Owner of any Outstanding Note Participation and presentation of the Note Participation for such purpose at the office of the Trustee a suitable notation as to such action shall be made on such Note Participation. If the Trustee shall so determine, new Note Participations so modified as in the opinion of the Trustee shall be necessary to conform to such action shall be prepared, and in that case upon demand of the Owner of any Outstanding Note Participations such new Note Participations shall be exchanged without cost to each Owner for Note Participations then Outstanding at the office of the Trustee upon surrender of such Outstanding Note Participations. All Note Participations surrendered to the Trustee pursuant to the provisions of this Section shall be cancelled by the Trustee and shall not be redelivered.

Section 9.05. Amendment or Supplement by Mutual Consent. The provisions of this article shall not prevent any Owner from accepting any amendment or supplement as to the particular Note Participations owned by him; *provided*, that due notation thereof is made on such Note Participations. No amendment or supplement of a Note Participation shall be made without prior compliance with the provisions of this Article IX pertaining to amendment or supplement of this Trust Agreement.

ARTICLE X

DEFEASANCE

Section 10.01. Discharge of Note Participations and Trust Agreement.

(a) If the Trustee shall pay or cause to be paid or there shall otherwise be paid to the Owners of all Outstanding Note Participations the interest and principal evidenced and represented thereby at the times and in the manner provided herein and therein, then such Owners shall cease to be entitled to the pledge of and lien on the Notes and any interest in the funds held hereunder as provided herein, and all agreements and covenants of the Districts to such Owners hereunder and under the Note Resolution shall thereupon cease, terminate and become void and shall be discharged and satisfied.

(b) Any Outstanding Note Participations shall on their Principal Payment Date be deemed to have been paid within the meaning of and with the effect expressed in subsection (a) of this Section if there shall be on deposit with the Trustee moneys which are sufficient to pay the interest and principal evidenced and represented by such Note Participations payable on and prior to their Principal Payment Date.

(c) Any Outstanding Note Participations shall prior to their Principal Payment Date be deemed to have been paid within the meaning of and with the effect expressed in subsection (a) of this Section if there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient or United States Treasury bills, notes, bonds or certificates of indebtedness, or obligations for which the full faith and credit of the United States of America are pledged for the payment of interest and principal, and which are not subject to redemption except by the holder thereof prior to maturity (including any such securities issued or held in book-entry form on the books of the Department of the Treasury of the United States of America), the interest on and principal of which when paid will provide money which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient, in the

opinion of an independent certified public accountant delivered to the Trustee, to pay when due the interest evidenced and represented by such Note Participations on and prior to their Principal Payment Date and the principal evidenced and represented by such Note Participations.

(d) After the payment of the interest and principal evidenced and represented by all Outstanding Note Participations as provided in this Section, at the Request of any District, the Trustee shall execute and deliver to the Districts all such instruments as Districts may deem necessary or desirable to evidence the discharge and satisfaction of this Trust Agreement, and the Trustee, after payment of all fees and expenses of the Trustee, shall pay over or deliver to the Districts all money or deposits or investments held by it pursuant hereto which are not required for the payment of the interest and principal evidenced and represented by such Note Participations.

Section 10.02. Unclaimed Money. Anything contained herein to the contrary notwithstanding, any money held by the Trustee in trust for the payment and discharge of the interest or principal evidenced and represented by any Note Participations which remains unclaimed for two (2) years after the date when the payments evidenced and represented by such Note Participations have become payable, if such money was held by the Trustee on such date, or for two (2) years after the date of deposit of such money if deposited with the Trustee after the date when the interest and principal evidenced and represented by such Note Participations have become payable, shall be repaid by the Trustee to the Districts as their interests appear as their absolute property free from trust, and the Trustee shall thereupon be released and discharged with respect thereto and the Owners shall look only to the Districts for the payment of the interest and principal evidenced and represented by such Note Participations; *provided*, that before being required to make any such payment to the Districts, the Trustee may, as a charge on such funds, give notice by mail to all Owners of Note Participations that such money remains unclaimed and that after a date named in such notice, which date shall not be less than sixty (60) days after the date of giving such notice, the balance of such money then unclaimed will be returned to the Districts.

ARTICLE XI

CONTINUING DISCLOSURE AGREEMENT

Section 11.01. Continuing Disclosure Agreement. Article XI of this Trust Agreement constitutes a continuing disclosure undertaking (the "Disclosure Agreement"), which is entered into by the Districts and the Trustee for the benefit of the Owners and beneficial owners of the Note Participations and in order to assist the Purchaser(s) in complying with Rule 15c2-12(b)(5) under the Securities Exchange Act of 1934.

Section 11.02. Definitions. In addition to the definitions set forth in Article I, which apply to any capitalized term used in this Article XI unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Disclosure Representative" shall mean the Authorized District Representative of each of the Districts or his or her designee, or such other officer or employee as any District shall designate in writing to the Dissemination Agent and the Trustee from time to time.

“Dissemination Agent” shall mean the Trustee, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Districts and which has filed with the Trustee a written acceptance of such designation.

“Listed Events” shall mean any of the events listed in Section 11.03 hereof.

“National Repository” shall mean any Nationally Recognized Municipal Securities Information Repository for purposes of the Rule. As of the date hereof, the National Repositories approved by the Securities and Exchange Commission are identified at <http://www.sec.gov/info/municipal/nrmsir.htm>.

“Repository” shall mean each National Repository and each State Repository.

“Rule” shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State Repository” shall mean any public or private repository or entity designated by the State of California as a state repository for the purpose of the Rule and recognized as such by the Securities and Exchange Commission. As of the date hereof, there is no State Repository.

Section 11.03. Reporting of Significant Events.

(a) Pursuant to this Section each District shall give, or cause to be given, notice of the occurrence of any of the following events, to the extent applicable, with respect to its Note and the Note Participations, if material:

1. Principal and interest payment delinquencies;
2. Nonpayment related defaults;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions or events affecting the tax-exempt status of the Notes;
7. Modifications to rights of Noteholders;
8. Bond calls;
9. Defeasances;

10. Release, substitution or sale of property securing repayment of the Notes;
and

11. Rating changes.

(b) The Trustee shall, within three (3) Business Days of obtaining actual knowledge of the occurrence of any of the Listed Events or as soon as reasonably practicable thereafter, without making any determination as to materiality, contact the applicable Disclosure Representative or Representatives, inform such person of the event, and request that the applicable District or Districts promptly notify the Dissemination Agent in writing whether or not to report the event pursuant to subsection (f) of this Section. For purposes of this Article XI, "actual knowledge" of such Listed Events shall mean knowledge by an officer of the Trustee at the Principal Office of the Trustee with regular responsibility for matters related to this Trust Agreement and Note Participations.

(c) Whenever any District obtains knowledge of the occurrence of a Listed Event, whether because of a notice from the Trustee pursuant to subsection (b) or otherwise, such District shall as soon as possible determine if such event would be material under applicable federal securities laws.

(d) If any District has determined that knowledge of the occurrence of a Listed Event would be material under applicable federal securities laws, such District shall promptly notify the Dissemination Agent in writing. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (f).

(e) If in response to a request under subsection (b), the applicable District determines that the Listed Event would not be material under applicable federal securities laws, such District shall so notify the Dissemination Agent in writing and instruct the Dissemination Agent not to report the occurrence pursuant to subsection (f).

(f) If the Dissemination Agent has been instructed by any District to report the occurrence of a Listed Event, the Dissemination Agent shall file a notice of such occurrence with the Municipal Securities Rulemaking Board and each Repository. Notwithstanding the foregoing, notice of Listed Events described in clauses (a) 4 and 5 shall not be given under this subsection any earlier than the notice (if any) of the underlying event is given to Owners of affected Note Participations pursuant to this Trust Agreement unless otherwise directed by the Districts in writing.

Section 11.04. Termination of Reporting Obligation. Each of the District's, the Trustee's and the Dissemination Agent's obligations under this Article XI shall terminate upon the defeasance or payment in full of all of the Notes and the Note Participations.

Section 11.05. Dissemination Agent. The Districts may, from time to time, appoint or engage a Dissemination Agent to assist them in carrying out their respective obligations under this Article XI, and may discharge any such Agent, with or without appointing a successor Dissemination Agent. The initial Dissemination Agent shall be U.S. Bank National Association. The Dissemination Agent may resign at any time by providing at least thirty (30) days written notice to the Districts and the Trustee.

Section 11.06. Amendment; Waiver. Notwithstanding any other provision of this Article XI, the Districts and the Dissemination Agent and the Trustee may amend this Article XI (and the Trustee and the Dissemination Agent shall agree to any amendment so requested by the Districts, *provided* neither the Trustee or Dissemination Agent shall be obligated to enter into an amendment increasing or modifying its duties or obligations hereunder), and any provision of this Article XI may be waived, *provided* the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of Section 11.03(a) it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of any of the Districts or type of business conducted thereby;

(b) the undertakings herein, as proposed to be amended or waived, would, in the opinion of nationally recognized bond counsel or counsel expert in federal securities laws addressed to the Districts and the Trustee, have complied with the requirements of the Rule at the time of the primary offering of the Note Participations, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances;

(c) the proposed amendment or waiver either (i) is approved by the Owners in the manner provided in the Trust Agreement for amendments to the Trust Agreement with the consent of Owners, or (ii) does not, in the opinion of the nationally recognized bond counsel or counsel expert in federal securities laws addressed to the Districts and the Trustee, materially impair the interests of Owners or beneficial owners of the Note Participations; and

(d) the Districts shall have delivered copies of such opinions and amendment to each Repository.

Section 11.07. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Districts from disseminating any other information, using the means of dissemination set forth in this Article XI or any other means of communication, or notice of occurrence of a Listed Event, in addition to that which is required by this Article XI. If the Districts choose to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this Article XI, the Districts shall have no obligation hereunder to update such information or include it in any future notice of occurrence of a Listed Event.

Section 11.08. Default. In the event of a failure of the Districts or the Trustee to comply with any provision of this Article XI, the Trustee shall at the written request of any Purchaser or the Owners or beneficial owners of at least 25% aggregate principal amount of Outstanding Note Participations, but only to the extent indemnified to its satisfaction from any liability or expenses, including without limitation fees and expenses of its attorneys, or any Owner or beneficial owner of a Note Participation may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Districts or Trustee, as the case may be, to comply with its obligations under this Article XI. A

default under this Article XI shall not be deemed an “Event of Default” under Section 7.01 hereof or under any Note Resolution, and the sole remedy under this Article XI in the event of any failure of the Districts or the Trustee to comply with this Article XI shall be an action to compel performance.

Section 11.09. Duties, Immunities and Liabilities of Trustee and Dissemination Agent. The Dissemination Agent (if other than the Trustee or the Trustee in its capacity as Dissemination Agent) shall have only such duties as are specifically set forth in this Article XI, and the Districts agree to indemnify and save the Dissemination Agent and the Trustee, their officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur arising out of or in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys fees) of defending against any claim of liability, but excluding liabilities due to the Dissemination Agent’s or Trustee’s negligence or willful misconduct. The Dissemination Agent shall be paid compensation by the Districts for its services provided hereunder in accordance with its schedule of fees as agreed to between the Dissemination Agent and the Districts from time to time and all expenses, legal fees and advances made or incurred by the Dissemination Agent in the performance of its duties hereunder. The Dissemination Agent shall have no duty or obligation to review any information provided to it by the Districts hereunder and shall not be deemed to be acting in any fiduciary capacity for the Districts, Owners or any other party. The obligations of the Districts under this Section shall survive resignation or removal of the Dissemination Agent or Trustee and payment of the Notes and the Note Participations.

Section 11.10. Beneficiaries. This Article XI shall inure solely to the benefit of the Districts, the Trustee, the Dissemination Agent, the Participating Underwriters and the Owners and beneficial owners, from time to time of the Note Participations, and shall create no rights in any other person or entity.

ARTICLE XII

MISCELLANEOUS

Section 12.01. Benefits of the Trust Agreement Limited to Parties. Nothing contained herein, expressed or implied, is intended to give to any person other than the Districts, the Trustee, the Dissemination Agent and the Owners any claim, remedy or right under or pursuant hereto, and any agreement, condition, covenant or term contained herein required to be observed or performed by or on behalf of the Districts shall be for the sole and exclusive benefit of the Trustee and the Owners and their successors.

Section 12.02. Successor Deemed Included in All References to Predecessor. Whenever either the Districts, the Dissemination Agent, or the Trustee or any officer thereof is named or referred to herein, such reference shall be deemed to include the successor to the powers, duties and functions that are presently vested in the Districts or the Trustee or such officer, and all agreements, conditions, covenants and terms contained herein required to be observed or performed by or on behalf of the Districts or the Trustee or any officer thereof shall bind and inure to the benefit of the respective successors thereof whether so expressed or not.

Section 12.03. Execution of Documents by Owners. Any declaration, request or other instrument which is permitted or required herein to be executed by Owners may be in one or more instruments of similar tenor and may be executed by Owners in person or by their attorneys appointed in writing. The fact and date of the execution by any Owner or such Owner's attorney of any declaration, request or other instrument or of any writing appointing such attorney may be proved by the certificate of any notary public or other officer authorized to take acknowledgments of deeds to be recorded in the state or territory in which he purports to act that the person signing such declaration, request or other instrument or writing acknowledged to him the execution thereof, or by an affidavit of a witness of such execution duly sworn to before such notary public or other officer, or by such other proof as the Trustee may accept which it may deem sufficient.

Any declaration, request or other instrument in writing of the Owner of any Note Participation shall bind all future Owners of such Note Participation with respect to anything done or suffered to be done by the Districts or the Trustee in good faith and in accordance therewith.

Section 12.04. Waiver of Personal Liability. No trustee, member, officer or employee of the Districts shall be individually or personally liable for the payment of the interest or principal evidenced and represented by the Note Participations, but nothing contained herein shall relieve any trustee, member, officer or employee of the Districts from the performance of any official duty provided by any applicable provisions of law or by the Notes or a respective Note Resolution.

Section 12.05. Acquisition of Note Participations by Districts. All Note Participations acquired by the Districts, whether by purchase or gift or otherwise, shall be surrendered to the Trustee for cancellation and the principal amount thereof shall be credited towards the principal amount of such District's Note and the interest thereon.

Section 12.06. Content of Certificates. Every Certificate of the Districts with respect to compliance with any agreement, condition, covenant or term contained herein shall include: (a) a statement that the person or persons executing such certificate have read such agreement, condition, covenant or term and the definitions herein relating thereto; (b) a brief statement as to the nature and scope of the examination or investigation upon which the statements contained in such certificate are based; (c) a statement that, in the opinion of the signers, they have made or caused to be made such examination or investigation as is necessary to enable them to express an informed opinion as to whether or not such agreement, condition, covenant or term has been complied with; and (d) a statement as to whether, in the opinion of the signers, such agreement, condition, covenant or term has been complied with.

Any Certificate of the Districts may be based, insofar as it relates to legal matters, upon an Opinion of Counsel unless the person or persons executing such certificate know that the Opinion of Counsel with respect to the matters upon which his or their certificate may be based, as aforesaid, is erroneous, or in the exercise of reasonable care should have known that the same was erroneous. Any Opinion of Counsel may be based, insofar as it relates to factual matters and information with respect to which is in the possession of the Districts, upon a representation by an officer or officers of the Districts unless the counsel executing such Opinion

of Counsel knows that the representation with respect to the matters upon which his opinion may be based, as aforesaid, is erroneous, or in the exercise of reasonable care should have known that the same was erroneous.

Section 12.07. Notice by Mail. Any notice required to be given hereunder by mail to any Owners of Note Participations shall be given by mailing a copy of such notice, first class postage prepaid, to the Owners of such Note Participations at their addresses appearing in the books required to be kept by the Trustee pursuant to the provisions of Section 2.07 not less than thirty (30) days nor more than sixty (60) days following the action or prior to the event concerning which notice thereof is required to be given; *provided*, that receipt of any such notice shall not be a condition precedent to the effectiveness of such notice and failure to receive any such notice shall not affect the validity of the proceedings taken in connection with the action or the event concerning which such notice was given.

Section 12.08. Funds. Any fund required to be established and maintained herein by the Trustee may be established and maintained in the accounting records of the Trustee either as an account or a fund, and may, for the purpose of such accounting records, any audits thereof and any reports or statements with respect thereto, be treated either as an account or a fund; but all such records with respect to all such funds shall at all times be maintained in accordance with industry practice and with due regard for the instructions, if any, delivered to the Trustee pursuant to Section 6.04(b) and for the protection of the security of the Note Participations and the rights of the Owners.

Section 12.09. Investments. Any money held by the Trustee in the Note Participation Payment Fund and the Proceeds Fund shall, to the fullest extent practicable (subject to instruction otherwise the respective Districts), be invested solely upon the Request of any District, shall be invested with respect to the corresponding Proceeds Subaccount or Payment Account, as directed by the respective District in any of the Permitted Investments pursuant to an instruction to the Trustee (as certified by the directing party) which will, as nearly as practicable, mature on or before the dates on which such money is anticipated to be needed for disbursement hereunder. The amounts held in the several Payment Accounts and Proceeds Subaccounts will be accounted for separately for the respective Districts. The Trustee may act as principal or agent in the acquisition or disposition of any such deposit or investment and may at its sole discretion, for the purpose of any such deposit or investment commingle any of the money held by it hereunder. The Trustee shall not be liable or responsible for any loss suffered in connection with any such deposit or investment made by it under the terms of and in accordance with this Section. The Trustee may present for redemption or sell any such deposit or investment whenever it shall be necessary in order to provide money to meet any payment of the money so deposited or invested, and the Trustee shall not be liable or responsible for any losses resulting from any such deposit or investment presented for redemption or sold. Any interest or profits on such deposits and investments received by the Trustee shall be credited to the fund or account from which such investment was made.

Moneys held by the Trustee in the Costs of Issuance Fund, Principal Fund and the Interest Fund shall be invested in Permitted Investments as directed by the Superintendent or Assistant Superintendent, Business Services of the Orange County Department of Education, or his or her designee, in writing.

The Districts acknowledge that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Districts the right to receive brokerage confirmations of security transactions as they occur, the Districts specifically waive receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Districts periodic cash transaction statements which include detail for all investment transactions made by the Trustee hereunder.

The Trustee or any of its affiliates may act as agent, sponsor or advisor in connection with any investment made by the Trustee hereunder.

Section 12.10. Article and Section Headings, Gender and References. The headings or titles of the several articles and sections hereof and the table of contents appended hereto shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof, and words of any gender shall be deemed and construed to include all genders. All references herein to "Articles," "Sections" and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof; and the words "hereby," "herein," "hereof," "hereto," "herewith," "hereunder" and other words of similar import refer to the Trust Agreement as a whole and not to any particular article, section, subdivision or clause thereof.

Section 12.11. Partial Invalidity. If any one or more of the agreements, conditions, covenants or terms contained herein required to be observed or performed by or on the part of the Districts or the Trustee shall be contrary to law, then such agreement or agreements, such condition or conditions, such covenant or covenants or such term or terms shall be null and void and shall be deemed separable from the remaining agreements, conditions, covenants and terms hereof and shall in no way affect the validity hereof or of the Note Participations, and the Owners shall retain all the benefit, protection and security afforded to them hereunder and under all provisions of applicable law. The Districts and the Trustee hereby declare that they would have executed and entered into the Trust Agreement and each and every other article, section, paragraph, subdivision, sentence, clause and phrase hereof and would have authorized the execution and delivery of the Note Participations pursuant hereto irrespective of the fact that any one or more of the articles, sections, paragraphs, subdivisions, sentences, clauses or phrases hereof or the application thereof to any person or circumstance may be held to be unconstitutional, unenforceable or invalid.

Section 12.12. California Law. The Trust Agreement shall be construed and governed in accordance with the laws of the State of California.

Section 12.13. Notices. All written notices to be given hereunder shall be given by mail to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other parties in writing from time to time, namely:

If to the Trustee: U.S. Bank National Association
550 South Hope Street, 5th Floor
Los Angeles, CA 90071
Reference: South Coast Pooled TRAN Series 2004A
Attention: Julie Hommel

If to the Districts: To the individual addresses set forth in Schedule I hereto.

If to the Purchaser:

Section 12.14. Effective Date. The Trust Agreement shall become effective upon its execution and delivery.

Section 12.15. Execution in Counterparts. The Trust Agreement may be executed and entered into in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, each of the Districts named in Schedule I hereto have caused this Trust Agreement to be signed in their names by their respective Authorized Officer pursuant to their respective Note Resolution, or by such other person as has been designated by their respective governing boards, and U.S. Bank National Association, as Trustee, to evidence its acceptance of the trust hereby created, has caused the Trust Agreement to be signed in the name of the Trustee by an authorized officer of the Trustee, all as of the day and year first above written.

U.S. BANK NATIONAL ASSOCIATION, as
Trustee and Dissemination Agent

By: _____
Authorized Signatory

[NAME OF DISTRICT]

By: _____
Title:

EXHIBIT A

[FORM OF NOTE PARTICIPATION]

UNITED STATES OF AMERICA
STATE OF CALIFORNIA

No. 1

\$ _____
SOUTH COAST LOCAL EDUCATION AGENCIES
POOLED TAX AND REVENUE ANTICIPATION NOTE PROGRAM
NOTE PARTICIPATION, SERIES 2004A

Evidencing and Representing a Proportionate
Undivided Interest of the Owner Hereof
in Notes issued by
The Orange County Department of Education and
Certain California School Districts

<u>Interest Rate</u>	<u>Principal Payment Date</u>	<u>Date of Initial Delivery</u>	<u>CUSIP</u>
_____ %	June 30, 2005	July 1, 2004	_____

REGISTERED OWNER: Cede & Co.

PRINCIPAL SUM: One Hundred Thirty Six Million Three Hundred Seventy-Five
Thousand Dollars

THIS IS TO CERTIFY that the registered owner set forth above of this South Coast Local Education Agencies Pooled Tax and Revenue Anticipation Note Program, Note Participations Series 2004A (the "Note Participation"), is the owner of a proportionate undivided interest in the rights to receive the principal and interest payments on the Notes (as that term is defined in the Trust Agreement hereinafter mentioned) issued by certain California school districts (the "Districts") all of which rights are evidenced and represented by this Note Participation. Such Notes have been deposited by the Districts with U.S. Bank National Association, a national banking association duly organized and existing under and by virtue of the laws of the United States of America, at its principal corporate trust office in St. Paul, Minnesota, as trustee (together with any successor thereto in accordance with the Trust Agreement, the "Trustee").

The registered owner of this Note Participation is entitled to receive, subject to the terms of the Notes, on the Principal Payment Date (the "Principal Payment Date") set forth above, upon surrender of this Note Participation on such Principal Payment Date at said office of the Trustee, the principal sum set forth above, representing the registered owner's proportionate share of the principal payments on the Notes becoming due and payable on such Principal Payment Date and such registered owner's proportionate share of the interest payments on the Notes accruing from the date of initial issuance of the Notes and becoming due and payable on such Principal Payment Date. Such proportionate share of interest is determined by the multiplication of the aforesaid principal sum by the interest rate per annum set forth above

determined on the basis of a 360-day year consisting of twelve 30-day months. All such amounts are payable in lawful money of the United States of America.

This Note Participation is one of the duly authorized certificates of participation entitled "South Coast Local Education Agencies Pooled Tax and Revenue Anticipation Note Program, Note Participations, Series 2004A" aggregating \$_____ (the "Note Participations") which have been executed by the Trustee under and pursuant to the terms of a Trust Agreement (the "Trust Agreement") dated as of July 1, 2004 by and between the Trustee and the school districts. Copies of the Trust Agreement are on file at said office of the Trustee, and reference is hereby made to the Trust Agreement and to any and all amendments thereof and supplements thereto for a description of the agreements, conditions, covenants and terms securing the Note Participations, for the nature, extent and manner of enforcement of such agreements, conditions, covenants and terms, for the rights and remedies of the registered owners of the Note Participations with respect thereto, for the terms under which the Trust Agreement and the Notes can be amended, and for the other agreements, conditions, covenants and terms upon which the Note Participations are executed and delivered thereunder, all to which the owner hereof assents and agrees by acceptance hereof.

The Note Participations are authorized to be executed and delivered in the form of fully registered Note Participations in denominations of five thousand dollars (\$5,000) or any integral multiple thereof.

This Note Participation is transferable or exchangeable by the registered owner hereof, in person or by his attorney duly authorized in writing, at said office of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Trust Agreement, and upon surrender of this Note Participation for cancellation accompanied by delivery of a duly executed written instrument of transfer or exchange, a new Note Participation or Note Participations of authorized denominations equal to the principal amount hereof will be executed and delivered by the Trustee to the registered owner hereof in exchange or transfer herefor.

The Trustee may treat the registered owner hereof as the absolute owner hereof for all purposes, whether or not this Note Participation shall be overdue, and the Trustee shall not be affected by any knowledge or notice to the contrary; and payment of the interest and principal evidenced and represented by this Note Participation shall be made only to such registered owner as above provided, which payments shall be valid and effectual to satisfy and discharge the liability evidenced and represented by this Note Participation to the extent of the sum or sums so paid.

The Note Participations each evidence and represent a proportionate undivided interest in the Notes and enjoy the benefits of a security interest in the money held in certain funds established pursuant to the Trust Agreement, subject to the provisions of the Trust Agreement permitting the disbursement thereof for or to the purposes and on the conditions and terms set forth therein.

The Notes are issued pursuant to Sections 53850 to 53858, both inclusive, of the Government Code of the State of California (herein called the "Act") (being Article 7.6, Chapter

4, Part 1, Division 2, Title 5 of the Government Code) by the Districts in anticipation of the receipt of taxes, income, revenue, cash receipts and other moneys to be received by the District attributable to Fiscal Year 2004-05, a portion of which revenues are pledged for repayment of the Notes.

The Trustee has no obligation or liability to the registered owners of the Note Participations for the payment of the interest or principal evidenced and represented by the Note Participations; but rather the Trustee's sole obligation is to administer, for the benefit of the Districts and the registered owners of the Note Participations, the various funds and other duties established under the Trust Agreement.

The Owner hereby has a proportionate undivided ownership interest in each of the following Notes, each dated the Date of Initial Delivery, maturing on the Principal Payment Date and bearing interest at the Interest Rate per annum and payable on the Principal Payment Date, all as specified on the face of this Note Participation.

Unless this Note Participation is presented by an authorized representative of The Depository Trust Company, a New York corporation ("DTC"), to Trustee or its agent for the registration of transfer, exchange, or payment, and any Note Participation executed is registered in the name of Cede & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to Cede & Co. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, Cede & Co., has an interest herein.

District

Principal Amount

Total

\$ _____

The Trustee is executing this Note Participation solely in its capacity as Trustee under the Trust Agreement and is not liable thereon in its individual or personal capacity.

IN WITNESS WHEREOF, this Note Participation has been dated the date of initial delivery hereof, and has been executed by the manual signature of an authorized officer of the Trustee on the following date:

Date:

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By: _____
Authorized Officer

[FORM OF ASSIGNMENT]

For value received, the undersigned do(es) hereby sell, assign and transfer unto _____ whose tax identification number is _____ the within Note Participation and do(es) hereby irrevocably constitute(s) and appoint(s) _____ attorney to transfer such Note Participation on the register of the Trustee, with full power of substitution in the premises.

Dated: _____

SIGNATURE GUARANTEED BY:

Note: The signature(s) to this Assignment must correspond with the name(s) as written on the face of the within Note Participation in every particular, without alteration or enlargement or any change whatsoever, and the signature(s) must be guaranteed by an eligible guarantor institution.

EXHIBIT B

[FORM REQUISITION FROM PROCEEDS ACCOUNT]

To: U.S. Bank National Association, as Trustee

From: Fullerton School District

Date: _____

Re: 2004-05 South Coast Local Education Agencies Pooled Tax and Revenue Anticipation Note Program (the "Program")

Requisition No. ____

The undersigned, on behalf of the Fullerton School District, (the "District"), hereby requests payment, from the Proceeds Subaccount of the District pursuant to the Program, the amount of \$_____ [by wire/check (circle one)] for purposes for which the District is authorized to expend moneys. If the payment is by wire, please fill in the following information:

Name of Bank: Wells Fargo Bank

ABA#: 121000248

Account No.: 495-0025122

For the Credit of: Orange County Department of Education

The undersigned hereby certifies as follows:

1. The amount requisitioned hereby is for a purpose for which the District is authorized to expend funds from the general fund of the District.
2. Other funds of the District are not readily available for expenditure for such purposes.
3. The information contained herein is true and correct as of the date of this Requisition.
4. The representations of the District set forth in Section 10 of the Resolution of the District, providing for the borrowing of funds for Fiscal Year 2004-05 and the issuance and sale of a 2004-05 Tax and Revenue Anticipation Note therefor and authorizing participation in the Program (the "Resolution") are true and correct in all material respects as though made on and as of this date except to the extent that such representations relate to an earlier date.

5. As of the date hereof, no event has occurred and is continuing which constitutes an Event of Default under the Resolution or would constitute an Event of Default but for the requirement that notice be given, or time elapse, or both.

Authorized District
Representative

SCHEDULE I
PARTICIPATING SCHOOL DISTRICTS

<u>Districts</u>	<u>Principal Amount of Note</u>
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	
Total	<hr style="width: 100%; border: 0.5px solid black;"/> \$ <hr style="width: 100%; border: 0.5px solid black;"/>

SCHEDULE I
PARTICIPATING SCHOOL DISTRICTS

SCHEDULE II
 PROCEEDS SUBACCOUNT AMOUNTS

	Districts	Good Faith Deposit *	Proceeds Subaccount Deposit †	Total Proceeds
1.				
2.				
3.				
4.				
5.				
6.				
7.				
8.				
9.				
10.				
	Total			

* On deposit with the Representative for the account of the Districts.

† [If Applicable: Amount to be transferred to each District (in care of the Orange County Department of Education) for deposit to the credit of the District in the Orange County Treasurer's Money Market Educational Investment Pool] as specified in Section 3.03 hereof and in the Pricing Confirmations.

ADMINISTRATIVE REPORT

DATE: May 11, 2004

TO: Board of Trustees

FROM: Cameron M. McCune, Ed.D., Superintendent

PREPARED BY: Kathy Ikola
Administrative Intern, Public Relations & Community Liaison

SUBJECT: DISASTER MITIGATION ACT OF 2000

Background: On October 30, 2000, the Disaster Mitigation Act of 2000 (DMA 2000) was signed into law, amending the provisions of the Robert T. Stafford Disaster Relief Act of 1988. Kevin Hobby, Fullerton School District Risk Management Consultant, and Kathy Ikola will present information to the Board of Trustees regarding this new legislation and its requirements.

Funding: Not applicable.

Recommendation: Not applicable.

CMM:ki