

**CITY OF BENICIA
BENICIA HUMAN SERVICES BOARD
FY 2013-2015 GRANT APPLICATION
TITLE PAGE**

PART A

1. **Project/Program Name: Special Friends**
2. **Amount of Funding Request: Annual: \$ 35,000** **Grant period (2 years): \$70,000**
3. **Organization Submitting Proposal: Benicia Unified School District**

Organization Data:

Name: Benicia Unified School District
 Address: 350 E. K St.
Benicia, Ca. 94510
 Phone: 707-747-8300
 Fax: 707-748-0164
 Fed. ID #: 30-0385724

Contact Person:

Name: Kelli Leiner
 Title: School Psychologist
 Phone: 707-748-2635
 Email: kleiner@beniciaunified.org
 Fax: 707-748-0164

4. **Year organization legally established: /850 State: California**

5. **Project or Program Category (check applicable categories and subcategories):**

<input type="checkbox"/> Safety Net	<input checked="" type="checkbox"/> Health & Wellbeing	<input type="checkbox"/> Other
<input type="checkbox"/> Rent	<input type="checkbox"/> Counseling	<input type="checkbox"/> Affordable Housing
<input type="checkbox"/> Food	<input type="checkbox"/> Suicide Prevention	<input type="checkbox"/> Job Skills
<input type="checkbox"/> Utilities	<input type="checkbox"/> Domestic Violence	<input type="checkbox"/> Literacy
<input type="checkbox"/> Transportation	<input type="checkbox"/> Child Abuse Prevention	<input type="checkbox"/> Parenting
<input type="checkbox"/> Childcare	<input type="checkbox"/> Substance Abuse	<input type="checkbox"/>
<input type="checkbox"/>	<input checked="" type="checkbox"/> Mental Health	<input type="checkbox"/>
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

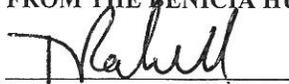
6. **Serving clients (check all that apply):**

<input type="checkbox"/> Children Under 5	<input checked="" type="checkbox"/> Youth (5-18)	<input type="checkbox"/> Adults (19 to 59)	<input type="checkbox"/> Seniors Over 60	<input type="checkbox"/> Family Unit
<input type="checkbox"/> Low-Income	<input type="checkbox"/> Disabled	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

7. **Anticipated Number of Unduplicated Benicia Residents to be Served: 80**

ORGANIZATION CERTIFICATION: I hereby certify that all information contained in this application and any attachments is true and accurate.

NO CITY EMPLOYEE SHALL BE A SIGNATORY ON BEHALF OF AN ORGANIZATION REQUESTING FUNDS FROM THE BENICIA HUMAN SERVICES BOARD.


 Authorizing Signature

Chief Business Official, BUSD
 Title

1/22/12
 Date

Typed name: Timothy Rahill

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Part B – BUDGET INFORMATION

- 8. Provide a budget for the project. (Expenses listed in this document should be consistent with the Project Description.) This budget is only for the project utilizing grant monies.**

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PROJECT EXPENSES	TOTAL PROJECT COST (A)	AMOUNT OF GRANT REQUEST (B)	APPLICANT'S COST (C)
DIRECT COSTS			
Personnel (Direct ¹)	\$ 50,526.72**	\$ 33,400.16	\$ 17,126.56
Benefits (Direct ¹)			
Personnel (Support ¹)	33,000	0	33,000
Benefits (Direct ¹)			
Contract Services			
Project-Supplies (play room art, toys, batteries, cleaning supplies)	2,000	1599.84	400.16
Data Collection	2,000	0	2,000
Project Equipment			
Transportation (e.g. gas costs, rental)	0		
Other Direct Costs			
SUBTOTAL	\$87,526.72	\$35,000	\$52,526.72
INDIRECT COSTS			
(Administrative ¹) Personnel (Teacher subs for conferences)	290	0	290
Benefits			
Space Rental			
Utilities			
Telephone			
Office Supplies			
Transportation (e.g. gas costs, rental)			
Other Indirect Costs			
SUBTOTAL	\$87,816.72	\$35,000	\$52,816.72
TOTAL COSTS	\$ 87,816.72	\$ 35,000	\$ 52,816.72

¹ Provide names, titles and total estimated annual salary. Attach additional sheets if necessary and summarize total here. (full salary detail attached)

**Proposal is for an increase in guidance assistant time of 8 hours weekly for an additional \$4,700.16 in personnel costs and \$599.84 in supplies.

Total Current Salaries: \$78,826.56

Total Proposed Salaries: \$83,526.72

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Column A = Total cost of the proposed project.

Column B = Amount you are requesting in this grant application.

Column C = The difference between Column A and Column B, or the costs of the project that are not included in this grant request, if any.

Part B – BUDGET INFORMATION – (continued)

9. APPLICANT SOURCES: Provide sources of other funds for the project. Total amount should correspond with Total C (previous page). Do not include your entire budget here (it should be attached).

Applicant Sources – Other Funding (be specific)		Amount or Value		Indicate if Cash or In-kind
Benicia Youth Action Coalition	\$	\$19,816.72		Cash
Benicia Unified School District		\$33,000		Cash
TOTAL	\$	\$52,816.72		

10. List any prior City of Benicia grants or loans awarded to your organization and the number of Benicia residents served with the funds.

Fiscal Year	Program		Amount		Benicians Served
2011-12	Special Friends	\$	29,700		141
2010-11	Special Friends	\$	35,000		134
2009-10					**
2008-09	Special Friends		35,000		156
2007-08	Special Friends		35,000		159
2006-07					
2005-06					
2004-05					
2003-04					
TOTALS		\$	0		0

**A new coordinator is in place and the records from the previous coordinator for this date were unable to be located.

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Part C - PROJECT / ORGANIZATION DISCUSSION (Please limit Part C to 5 pages.)

11. Brief Project Summary (Two to three sentences describing the grant proposal):

The Special Friends program through Benicia Unified is a proven model that serves at-risk children in Kindergarten through third grade by engaging them in a non-directive play setting supervised by a caring and supportive aide. This carefully trained and supervised aide maintains a specially equipped playroom and sees children over a 10 to 15 week period for visits that are 40 minutes in length. The goal of Special Friends is to serve children experiencing mild to moderate school adjustment problems by fostering a sense of belonging, creating enhanced resilience and allowing the child an environment where they can express themselves and solve problems through play-a child's natural medium. The Special Friends Program succeeds by hiring nurturing adults and providing on-going weekly supervision and training.

12. Describe organization's general purpose and activities:

Benicia Unified School District is the Local Education Agency responsible for providing free and appropriate education in a public school setting to children aged 5 to 18, grades Kindergarten through 12th in Benicia.

13. List all financial liabilities or pending legal action:

The school district bears financial responsibility for the organization and operation of all educational programs within the district. The district is unaware of any pending litigation.

14. Is your organization applying for other grants for fiscal years 2013-2015? If so, list the project, funding source(s), proposed budgets, and requested amount(s).

Benicia Unified School District will apply to continue to receive support for the Second Step small group and in-class services from the Benicia Youth Action Coalition in the amount of \$67,000. Because the funds received from Human Services Fund only cover a portion of the costs associated with Special Friends, some of the grant money received through BYAC will also cover Special Friends' expenditures (\$19,816.72). This current grant proposal is requesting an additional \$5,300 to increase services that were cut previously due to budget constraints. In addition, the Benicia Unified School District also provides \$50,000 total in funds to cover the cost of the school psychologist who coordinates both programs, \$33,000 of which is used to cover the time needed for Special Friends for a 40% School Psychologist (two days). While we previously received grant money through the Early Mental Health Initiative through the State of California Mental Health Department, this program recently dissolved in the summer of 2012, therefore we have no other plans to apply for other grants.

15. At what location will the proposed project take place and how long has the organization been at this location?

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The Special Friends program is held in specially designated playrooms at all four elementary schools in Benicia Unified, including Robert Semple Elementary (est. 1954), Mary Farmar Elementary (est. 1959), Joe Henderson Elementary (est. 1987), and Matthew Turner Elementary (est. 1993).

Part C - PROJECT / ORGANIZATION DISCUSSION (continued)

- 16. What are your proposed hours of operations for this project? Please indicate hours that actual services will be provided, and how this may or may not differ from the hours project staff will be available to respond to incoming calls, answer general questions, etc.?**

The Special Friends program begins approximately a month after summer vacation ends, allowing teachers to get a chance to know their students and determine which of their students would benefit. The program follows the Benicia Unified School District schedule, pausing during school holidays, and continues through the end of May. The Special Friends session takes place during the school day at a time when classroom instruction would be least affected (this is coordinated with each individual teacher). Instruction in the elementary schools in Benicia takes place from approximately 8:20 AM-3:00 PM.

The program coordinator is a school psychologist who begins work approximately two weeks before the beginning of the school year and continues two weeks after the last day of instruction. She is employed by the school district 3 ½ days per week total and is available to staff and parents from 8:00 AM-4:30 PM on those days. Nevertheless, the coordinator is always available for staff by phone, regardless of working hours. Additionally, there are four other school psychologists placed within the district who are familiar with the program and are available for consult should the coordinator not be available. At the end of the sessions, the program coordinator and guidance assistant offer to meet with each of the parents to discuss their child's progress while in the program and provide referral for continued service if needed.

- 17. Describe the project associated with this grant request. Include the goals to be achieved and the strategy that will be used to meet the goals. Be specific when discussing what will be achieved as a result of your program.**

Resiliency research consistently describes the presence of a nurturing, caring adult in a child's life as a primary protective factor. In fact, the recent Healthy Kids survey completed for the Benicia Unified School District indicated that only 39% of 7th graders in Benicia Unified reported caring relationships with an adult on campus and noted that "external assets...protects involvement in risk behaviors such as substance abuse and violence." The need is still very much there. Further the survey cited that "even among children growing up in overwhelmingly negative conditions, researchers have found that 70-80% of them have demonstrated healthy adjustment and achievement when schools are sensitive to them...and provide supportive activities." Special Friends is designed to provide this connection to a caring, nurturing adult, something many of our students lack.

In addition, the non-directive play experience allows the child to participate in a developmentally appropriate mode of communication: play. This provides them a safe environment in which to learn, problem solve and express themselves, an opportunity often not allotted to them in their daily lives

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or even in their classrooms where demands are focused primarily on academics. In fact, play is known by researchers to actually increase problem solving and academic skills!

According to Kenneth Ginsburg in the American Academy of Pediatrics, “undirected play allows children to learn how to work in groups, to share, to negotiate, to resolve conflicts, and to learn self-advocacy skills. When play is allowed to be child driven, children practice decision-making skills, move at their own pace, discover their own areas of interest, and ultimately engage fully in the passions they wish to pursue.” He notes further, “Children’s developmental trajectory is critically mediated by appropriate, affective relationships with loving and consistent caregivers as they relate to children through play” and “play is integral to the academic environment. It ensures that the school setting attends to the social and emotional development of children as well as their cognitive development. It has been shown to help children adjust to the school setting and even to enhance children’s learning readiness, learning behaviors, and problem-solving skills.”

Increasing numbers of children are considered ‘at-risk’ in our schools, many of them experiencing adjustment issues that, if left unaddressed can become much more intensive later on. Special Friends’ goal is to provide developmentally appropriate and cost effective prevention to at-risk students in Benicia through the use of non-directive play experiences and connections with a caring, nurturing adult. There are very few other resources providing social-emotional prevention in this community, particularly to early elementary students.

The program has several specific goals, including the following:

- Provide social-emotional prevention services to at-risk youth in elementary schools in Benicia.
- Help foster resiliency, positive self-concept and a sense of belonging in children in Benicia.
- Increase school adjustment in all participating students (measured).
- Provide weekly training (2 hours) to prepare staff to work effectively with students.
- Screen all kindergarten through third grade students to identify need.
- Collaborate with local mental health as well as school psychologists and Student Study Teams at the schools in referring students with needs beyond the scope of the program.
- Meet with all teachers in Kindergarten through third grade to identify students in need.
- Obtain informed parental consent to serve students.
- Serve at least 80 children per year.
- Provide follow-up parental contacts to all parents who are interested.
- Submit quarterly reports to BHSF.
- Obtain sufficient data to quantify student progress through the use of the Walker McConnell Survey.

18. Why is this project necessary for the citizens of Benicia? How will recipients benefit from your services?

With the steep decline in the economy, increase in homelessness and rise in violence and isolation in our communities, as well as increasing numbers of single parent homes and substance abuse (among other challenges), families, and especially children are facing mounting stressors but with continuously depleting resources. It would not be an overstatement to say that many of our families

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in Benicia are in crisis and as a result, we are observing a growing class of children with less parental guidance who continue to experience significant trauma and disruption very early on in their lives. Many of these children lack the social and coping skills to handle these life stressors, which makes for fertile ground for both victimization and aggression. The ability of these students to perform in an increasingly demanding academic environment given all they face further compounds these challenges.

For too long education and our society has existed on a 'putting out fires' method where enormous resources are allotted only towards those needs that are the most intense. As we know, this is a costly and less effective endeavor. It has been proven time and time again that an ounce of prevention is worth a pound of cure and this is where the tide of education is finally turning. Special Friends has been a mainstay in Benicia for almost 25 years and revolutionary in its approach in that prevention has always been its primary focus. In supporting our schools and students in this way, Special Friends helps promote resiliency so that our children participate in the community and their education as well-rounded and better adjusted individuals. Support of this program is promoting the overall well-being of our children and therefore, our families and community.

19. How will outreach be conducted?

At the beginning of each year, all elementary teachers are provided handouts describing the programs and providing any updates. They are also given a referral sheet to be filled out as well as teacher prompt sheets to be used when discussing services with parents that describe common FAQs presented by parents. All principals are also contacted at the beginning of the year by the coordinator to discuss any changes to the programs or orient new principals. Approximately a month after school has been in session, screenings will be conducted and the coordinator and staff will meet with every elementary teacher in the district for conferences to discuss the programs as well as their referrals. Additionally, information about the programs will be shared within the Parent Teacher group and staff meetings at each site. Information about the programs will be disseminated in school newsletters and brochures will be made available in the front office at every site. Special Friends staff will participate in at least one Farmer's Market.

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20. List the specific quantifiable goals of the project.

(Please state your goal in terms of number of individuals, families or groups served. For example, agency will provide X number of individuals counseling services per quarter.)

Report total services provided	Annual goal
# of students served	80
# of individual contacts	1200
#of students served per school site	20
# of 2 hour trainings per year	28

Discuss how your organization will collect, organize and disseminate this data.

Special Friends uses a reliable evaluation company, Duerr, for the Walker McConnell Survey (attached), which provides pre and post information on overall student adjustment that is quantifiable/measurable. In this way, we can demonstrate whether or not a student is benefitting from a service. This instrument is completed by the teacher before and after services have been delivered for all students based upon sub-skills, such as peer relations, behavior and overall adjustment. At the end of each year, we compile the results from this, which has consistently illustrated huge gains district-wide and at each school.

21. Is this project an existing program or activity provided by your organization? Please explain.

This project has been in existence in the Benicia Unified School District for almost 25 years.

22. Identify similar programs in the community and how yours will differ.

There are no known programs that focus on social-emotional prevention services for early elementary students in the schools, save for Second Step, which shares a coordinator with Special Friends.

23. Describe previous comparable projects or programs that your organization has undertaken that demonstrate successful administration and implementation.

In addition to Special Friends, Benicia Unified also implements Second Step small group and Second Step at large, both of which focus specifically on providing social skills curriculum in either a small group setting or delivery via science-based classroom instruction. Both of these programs have not only been highly regarded within the district, but also have measurable and quantifiable success with regard to outcomes as Special Friends has. In fact, Special Friends and Second Step work in tandem and under the same coordinator, providing referrals to each other, sharing student information as well as often training together.

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24. REQUIRED ATTACHMENTS: Verify and check off confirmation indicating that the following required items are attached to the original application.

Attachment Confirmation	Item No.	Item Description
()	1.	IRS Letter of Tax Exempt Status
()	2.	Organization's total budget for the current year
()	3.	Copy of most recent audit or financial statement
()	4.	Names and addresses of Board of Directors
()	5.	List of paid principal staff and positions
()	6.	Job descriptions for principal staff and personnel <u>to be paid partially or in full with grant funding</u>
()	7.	Copy of resolution or board meeting minutes indicating organization's support of the project application.
()	8.	If a partnership, then of letters of commitment from each organization indicating degree of participation and a budget showing each organization's financial responsibility are required.

Thank You!

Special Friends Total Budget:

2012-2013 School Year

The first page of the budget is our total budget consisting of both Special Friends and Second Step. It was important to include this as Special Friends is also funded by Benicia Unified and Benicia Youth Action Coalition. The amounts covered by The Human Services Fund only going towards Special Friends are detailed in both our grant application as well as the second page of this budget.

Kelli Leiner

From: bkwymster@gmail.com on behalf of Jerry Pollard [jdpollard10@gmail.com]
Sent: Wednesday, January 23, 2013 5:05 PM
To: Kelli Leiner
Subject: Re: FW: Letter of Commitment-BYAC for 2nd Step/Special Friends

Kelli,

Regarding your need for a letter of commitment from the Benicia Youth Action Coalition, I can confirm that the BYAC has committed to fund Special Friends/Second Step for the year 2012-2013 in the amount of \$67,000. These programs are funded through the BYAC grant from Solano County.

Please let me know if you need any further documentation.

Jerry Pollard
Chairman
Benicia Youth Action Coalition

On Fri, Jan 18, 2013 at 5:10 PM, Gary Wing <GWing@beniciaunified.org> wrote:

Gary Wing
Governing Board Trustee
Benicia Unified School District

From: Kelli Leiner
Sent: Friday, January 18, 2013 14:25
To: Gary Wing
Subject: Letter of Commitment-BYAC for 2nd Step/Special Friends

Hi Gary,

Hi there! I'm writing because I need a 'letter of commitment' indicating that BYAC has granted \$67,000 to Special Friends/Second Step for the 2012-2013 school year. I don't know if such a thing exists but I realized that in my application for a continuing grant from Human Services that they want proof of commitment of funds for Special friends and any 'joint' ventures, which would be Second Step. This year everything was verbal between Patti and the district, but it sounds like Human Services needs something formally declaring this. Do you mind looking into this and letting me know if there is such a thing and if not, whether it can be created? I really appreciate your help. Thanks!

Kelli Leiner
School Psychologist-Liberty High
Coordinator-Special Friends/Second Step
Benicia Unified School District
748-2635

Benicia Unified School District
Board Member Contacts and Meeting Minutes

Benicia Unified School District Board Members

2012-2013 School Year

All board members' work addresses may be listed as:

Benicia Unified School District

350 E. K St.

Benicia, Ca. 94510

Board Members:

Andre Stewart, Trustee —email stew@beniciaunified.org

Rosie Switzer, President —email rswitzer@beniciaunified.org

Gary Wing, Trustee - email gwing@beniciaunified.org

Dana Dean, Trustee - email ddean@beniciaunified.org

Steve Messina, Clerk —email smessina@beniciaunified.org



BENICIA UNIFIED SCHOOL DISTRICT
GOVERNING BOARD
BENICIA UNIFIED SCHOOL DISTRICT BOARD ROOM
BENICIA, CA. 94510

CALL TO ORDER:

President Switzer called the regular meeting to order on Thursday, December 13, 2012 at 6:10 p.m.

ROLL CALL:

Present:

Gary Wing, Trustee
Steve Messina, Clerk
Rosie Switzer, President

Janice Adams, Superintendent
Dr. Michael Gardner, Assistant Superintendent, Human Resources
Tim Rahill, Chief Business Official

Maddy Williams, BHS Student Representative
Adrian Coleman, BHS Student Representative
Manuela Alzate, Liberty High Student Representative
Patrick Hurley, Liberty High Student Representative

Absent:

Andre Stewart, Trustee
Dana Dean, Trustee
Dr. Karen Dubrule, Curriculum Director

PUBLIC COMMENT ON CLOSED SESSION ITEMS:

CLOSED SESSION:

Following the roll call, President Switzer adjourned the meeting to Closed Session at 6:11p.m.

- a) Public Employment / Action / Appointment/ Discipline/ Dismissal/ Release:
- a) Individual Student Disciplinary Matter(s)/ Student Need(s):
- b) Conference with Labor Negotiators:
- c) Conference with Real Property Negotiations:

OPEN SESSION:

At the conclusion of Closed Session, President Switzercalled the meeting to order in Open Session at7:04p.m.President Switzer reported that the Board upheld the recommendation of the committee regard student matter #0811 and #0710.

PLEDGE OF ALLEGIANCE:

Manuela Alzate, Liberty High Student Representatived the Pledge of Allegiance.

APPROVAL OF AGENDA:

It was motioned by Trustee Wing, seconded by TrusteeMessina, to approve the Agenda as amended, pulling the December 6th Minutes from the Consent Calendar and the Parent Project Report. The motion was carried by the following vote:

Board Members:

AYES: Wing, Messina and President Switzer

NOES:

ABSENT: Stewart, Dean

HIGHLIGHT:

None at this time

REPORTS(No Action Required)

a) Superintendent Report:

Janice Adams,Superintendent, reported on three of our schools receiving \$1,000 grants from Wells Fargo. She also reported on strangers on campuses who were apparently there to steal from the classrooms.

Ms. Adams requested a moment of silence for the passing of one of our former employees; Ms. LaureneRisberg.

b) Student Report:

Adrian Coleman, BHS Representative, reported on the following activities: hot chocolate from Link Crew, holiday dress up day tomorrow, and candy cane give aways.

Maddy Williams, BHS Representative, reported on the following activities: the can food drive and contest with American Canyon High and the fact that BHS won, and some cute tableware that Leadership made for a senior dinner.

Patrick Hurley, Liberty High Student Representative, reported on the following activities:Student of the Month and the Wells Fargo Grant.

Manuela Alzate, Liberty High Student Representative, reported on the following activities: the first basketball game on the 13th, and the luncheon on the 18th for the students and district office staff. Also, finals are next week.

The Superintendent and Board President then took a moment to honor Patrick Hurley for his service as he is returning to the High School.

c) Parent Project:

Pulled

ANNUAL ORGANIZATIONAL MEETING OF THE GOVERNING BOARD

- A. Election of President–Rosie Switzer**
- B. Election of Clerk–Gary Wing**
- C. Approval of the Calendar of Board Meetings for 2013**

It was motioned by Trustee Messina, seconded by Trustee Wing, to approve the President, the Clerk and Calendar as presented. The motion was carried by the following vote:

Board Members:

AYES: Wing, Messina and President Switzer

NOES:

ABSENT: Stewart, Dean

ABSTAIN:

D. Approval of the Following Appointments

1. Board Representative to Solano County School Boards Association- Trustee Stewart
2. District/ City Liaison Committee – Trustee Dean and President Switzer
3. Benicia Youth Action Coalition – Trustee Wing and alternate Trustee Stewart
4. District/BHS Facilities Committee – Trustees Wing and Messina
5. Valero Community Advisory- Trustee Wing
6. Board Policy Committee – Trustee Messina and President Switzer
7. Benicia Community Sustainability Commission –President Switzer
8. District Curriculum Council- President Switzer

COMMENTS FROM MEMBERS OF THE PUBLIC:

NON-ACTION ITEMS:

CONSENT CALENDAR – ACTION ITEMS:

Superintendent

- a) Minutes for the Meetings of:
 1. Regular Meeting December 6, 2012
- b) Acceptance of Gifts to the District - None
- c) Approval of Overnight/Out of State Field Trips - None

Human Resources

- d) Approval of the Personnel Action List

Special Services

- e) Approval of Support for the Early Mental Health Program: Second Step/Special Friends

It was motioned by Trustee Wing, seconded by Trustee to approve the Consent Calendar pulling item a) 1.. The motion carried by the following vote:

Board Members:

AYES: Wing, Messina and President Switzer

Minutes of the Regular
Governing Board Meeting,
December 13, 2012

NOES:
ABSENT: Stewart, Dean
ABSTAIN:

NON-CONSENT ACTION ITEMS:

Curriculum and Instruction

- a) Consideration and Approval of the Single Plan for Student Achievement for Benicia High School and Benicia Middle School

Dr. Karen Dubrule, Director of Curriculum and Instruction asked the Governing Board to discuss and approve the Single Plan for Student Achievement for Benicia High School and Benicia Middle School.

PUBLIC COMMENT

It was motioned by Trustee Messina, seconded by Trustee Wing to approve the Single Plan for Student Achievement for Benicia High School and Benicia Middle School. The motion carried by the following vote:

Board Members:

AYES: Wing, Messina and President Switzer

NOES:

ABSENT: Stewart, Dean

ABSTAIN:

Business Office

- b) Action to Review and File the Independent Auditor's Report for the Year Ended June 30, 2012

Tim Rahill, Chief Business Official, asked the Governing Board to review and take action to file the Independent Auditor's Report for the year ended June 30, 2012.

PUBLIC COMMENT

It was motioned by Trustee Messina, seconded by Trustee Wing to file the Independent Auditor's Report for Year Ended June 30, 2012, as presented. The motion carried by the following vote:

Board Members:

AYES: Wing, Messina and President Switzer

NOES:

ABSENT: Stewart, Dean

ABSTAIN:

- c) Consideration and Approval of the New Financial /Human Resources System for BUSD

Tim Rahill, Chief Business Official, asked the Governing Board to consider and approve the new financial/human resources system for BUSD.

PUBLIC COMMENT

It was motioned by Trustee Messina, seconded by Trustee Wing to approve the New Financial /Human Resources System for BUSD as presented. The motion carried by the following vote:

Board Members:

AYES: Wing, Messina and President Switzer

NOES:

ABSENT: Stewart, Dean

ABSTAIN:

d) Discussion and Approval of the First Interim Financial Report for 2012-13
Tim Rahill, Chief Business Official, will ask the governing board to discuss and approve the First Interim Financial Report for 2012-13.

PUBLIC COMMENT

It was motioned by Trustee Wing, seconded by Trustee Messina to approve the First Interim Financial Report for 2012-13 as presented. The motion carried by the following vote:

Board Members:

AYES: Wing, Messina and President Switzer

NOES:

ABSENT: Stewart, Dean

ABSTAIN:

INFORMATION ITEMS: (No Action Required)

Board Reports –Trustee Wing

Future Planning – None

ADJOURNMENT:

The meeting was adjourned at 8:30p.m.

RESPECTFULLY SUBMITTED:

Clerk

Secretary

**Current Staff/Principal Positions, Salaries,
Placements and Job Descriptions**

Current Salaries for 2012-2013

Debbie Habegger, Guidance Assistant: 23 hours/wkX36 weeksX16.32/hr=\$13,512.96

Joan Burnett, Guidance Assistant: 12 hours/wkX36 weeksX16.32/hr=\$7,050.24

Anne Mang, Guidance Assistant: 19 hours/wkX36 weeksX16.32/hr=\$11,162.88

Stefanie Sierras, Guidance Assistant: 12 hours/wkX36 weeksX16.32/hr=\$7,050.24

Mel Paterno, Guidance Assistant: 12 hours/wkX36 weeksX16.32/hr=\$7,050.24

Kelli Leiner, School Psychologist: Total annual salary: \$55,962.20, @ 2 days/wk, annual salary: \$33,000

Total Current Salaries: \$78,826.56

Total Proposed Salary: \$83,526.72

**Proposal is for an increase in guidance assistant time of 8 hours weekly for an additional \$4,700.16 in personnel costs.

BENICIA UNIFIED SCHOOL DISTRICT

ELEMENTARY GUIDANCE ASSISTANT (INDIVIDUAL)

DEFINITION

Under supervision, to assist children who are at-risk of school adjustment issues; to individually support children through non-directive activities in a well equipped activity room; attend weekly supervision and training that support skill development and understanding of the needs of those student's who have been identified with school adjustment concerns; to provide student and program record keeping and clerical support; and to perform related work as required.

CLASS CHARACTERISTICS

Positions assigned to this class work under the direct supervision of a credentialed school psychologist. Incumbents have as a primary and continuing assignment the support and encouragement of, the children they are assigned to support, and the performance of routine program and student related clerical work. Incumbents of this class spend the majority of their assigned time working with students who have identified school adjustment issues, one on one, in an activity room setting. During a continuing process of on-the-job training, incumbents gain increased independence in planning their work with individual students and groups within the frameworks established by the school psychologist. Incumbents may be assigned to specialized learning programs and may learn the characteristics of the program through on-the-job training and workshop attendance; however, the entrance requirements of all positions in this class are highly similar, except where personality may be a factor in the final selection. Positions in this class are differentiated from Instructional Assistant positions in that incumbents of this class work specifically, one on one with students with identified school adjustment issues.

EXAMPLES OF DUTIES

The tasks listed in this section are representative of duties assigned to positions in this class. This list is not intended to be an exhaustive list of all the tasks assigned to positions in the class, and it is not expected that all of the tasks listed are necessarily assigned to all positions in the class.

Provide student progress information to the school psychologist, and as authorized, to parents;

Provide routine clerical support to teachers while the teachers are filling out program forms, including setting up and maintaining student and other files; retrieving information from CUM folders for each student in preparing selection or evaluation forms.

Prepare and assist with art projects; conceptualize and prepare and decorate activity rooms.

Maintain an accepting environment, discipline, restrain or remove students from activity room when behavior becomes disruptive, uncontrollable or harmful to the child or others; report all of these events to your supervisor immediately; listen and note what students share; adhere to child abuse reporting procedures.

Constantly support the strengthening of children's self-esteem, self-image and morale with lots of encouragement, independence and self-confidence outside the classroom.

Assist in maintaining an appropriate instructional environment by organizing materials, cleaning up work areas after activities, putting materials away after use, cleaning sink after projects; clean desk and table tops; pack materials for storage during off track periods; unpack materials and prepare classroom for student use.

Serve on assigned committees and teams; participate in disaster preparedness drills; participate in District mandated training and retraining programs.

Perform related work as required.

QUALIFICATIONS

Knowledge of:

Practical learning patterns and behavior.

Basic concepts of child development and of the respective behavior characteristics.

General needs and behavior of students with school adjustment issues.

Correct English usage, spelling, grammar, and punctuation.

Reading and writing in English and phonics and basic reading principles.

Number concepts and general arithmetic.

Operation of standard office equipment.

Basic record-keeping techniques.

Appropriate safety precautions and procedures.

Ability to:

Communicate in English with students and encourage them to participate in activities.
Encourage and motivate children with varying abilities.
Learn and adapt to new procedures and conditions.
Recognize hazards to safety.
Learn laws, rules, practices, and procedures related to public education and related to the program to which assigned.
Perform routine clerical work.
Maintain accurate records.
Supervise students in classrooms, on field trips, and out-of-doors.
Understand and carry out oral and written instructions.
Establish and maintain effective relationships with those contacted in the course of work.

EDUCATION AND EXPERIENCE

Must meet No Child Left Behind requirements: AA degree, 48 semester units or rigorous testing

Any combination of training, education and experience which demonstrates possession of the knowledge and abilities stated above, and the ability to perform the duties of the position. A typical qualifying entrance background is experience working with children in a learning environment. College level education in child development, learning theory, and areas related to the District curriculum is desirable.

PHYSICAL ABILITIES AND WORKING CONDITIONS OF EMPLOYMENT

The Physical Abilities and Other Conditions of Employment listed in this section are representative of, but are not intended to provide an exhaustive list of Physical Abilities and Other Conditions of Employment which may be required of positions in this class. Benicia Unified School District encourages persons with disabilities who are interested in employment in this class and need reasonable accommodation of those disabilities to contact the Personnel Department for further information.

Vision: (which may be corrected) to read normal print; to read a computer screen.

Hearing: (which may be corrected) to hear sounds which warn of potential danger; to hear speech in a classroom setting.

Smell: to distinguish strong odors such as those associated with fire.

Speech: able to be understood in face-to-face communications; to speak with a level of proficiency and volume to be understood in a classroom; to be able to speak for prolonged periods of time.

Upper Body Mobility: use hands and fingers to feel, grasp, and manipulate small objects; manipulate fingers, twist and bend at wrist and elbow; extend arms to reach outward and upward; use hands and arms to lift objects; twist and bend at torso; turn, raise, and lower head.

Lower Body Mobility: to walk on even and uneven surfaces; bend at waist; stoop; stand for prolonged periods of 50 minutes; climb stairs; and step over objects.

Strength: to lift and/or carry objects which weigh as much as 10 pounds on a regular basis; to push/pull objects which weigh as much as 50 pounds on an occasional basis. Some positions may require regular lifting and physical support of children who may weigh more than 50 pounds.

Environmental Requirements: encounter constant work interruptions; work cooperatively with others; work independently; work inside; work around dirt/dust.

Mental Requirements: read, write, understand, interpret and apply information at a 12th grade proficiency level; math skills at a 12th grade proficiency level; judgement and the ability to process information quickly; learn quickly and follow verbal procedures and standards; give verbal instruction; copying; coordinating; demonstrating.

Benicia Unified School District
2012-2013 Classified Positions and Range Placement ♦ CSEA Chapter 1096

Position Title	Range Placement	Work Days per year *
Administrative Support:		
Senior Administrative Assistant	44	260
Vocational Specialist	42	194
Administrative Assistant	40	260
Secondary School Office Manager (BHS)	40	225
Secondary School Office Manager (BMS)	40	219
School Office Manager (Elementary)	40	216
School Office Manager (Liberty High School)	40	216
Maintenance & Operations Department Office Manager	40	260
School Nurse Assistant	36	194
Career Resource Technician	34	194
School Office Technician	34	198-225
School Office Specialist	33	204
School Office Assistant	30	214
Fiscal:		
Accounting Technician	40	260
Accounting Specialist (BHS)	34	194
Library: (10% Stipend with Library Science Certificate)		
Library Media Manager, High School	40	194
Library Media Technician, Middle School	34	194
Library Media Technician, Elementary School	32	194
Instructional Support:		
Behavior Assistant	45	194
Sign Language Interpreter - Autism	43	194
Head Permit Teacher	41	194
Permit Teacher (CDU)	40	253
Permit Teacher	40	194
Instructional Associate	36	194
Computer Resource Technician	36	194
Senior Vocational Specialist	34	194
Special Education Assistant - Emotionally Disturbed	34	194
I.C.E./ Campus Supervisor / School Office Assistant	32	194
Special Education Assistant	31	194
Special Education Assistant - CBI Program	31	194
Special Purpose Aide	31	194
* Elementary Guidance Assistant - Individual	29	194
Elementary Guidance Assistant - Group	29	194
Junior Vocational Specialist	29	194
Campus Supervisor	27	194
Instructional Assistant	27	194
Child Development Assistant (CDU)	27	253
Child Development Assistant	27	194
Student Supervision Aide	20	194
Food Service:		
Cafeteria Manager	30	216
Production Lead	29	195
Senior Food Service Assistant	27	195
Food Service Assistant	25	195

* Work days includes paid Holidays

2012-2013 CLASSIFIED SALARY SCHEDULE

Chapter 1096

1096HRL

This schedule used for all employees who work less than 12 months

Step >	1	2	3	4	5	6
Range 20	10.27	10.77	11.31	11.88	12.47	13.10
Range 25	11.60	12.18	12.79	13.44	14.10	14.81
Range 27	12.18	12.79	13.44	14.10	14.81	15.54
Range 28	12.48	13.10	13.75	14.43	15.16	15.92
Range 29	12.79	13.44	14.10	14.81	15.54	16.32
Range 30	13.10	13.75	14.44	15.17	15.92	16.71
Range 31	13.44	14.10	14.81	15.54	16.32	17.15
Range 32	13.75	14.44	15.17	15.92	16.71	17.55
Range 33	14.10	14.81	15.54	16.32	17.15	17.99
Range 34	14.44	15.17	15.92	16.71	17.55	18.43
Range 35	14.81	15.54	16.32	17.15	17.99	18.90
Range 36	15.17	15.92	16.71	17.55	18.43	19.36
Range 37	15.54	16.32	17.15	17.99	18.90	19.84
Range 38	15.92	16.71	17.55	18.43	19.36	20.32
Range 39	16.32	17.15	17.99	18.90	19.84	20.83
Range 40	16.71	17.55	18.43	19.36	20.32	21.35
Range 41	17.15	17.99	18.90	19.84	20.83	21.87
Range 42	17.55	18.43	19.36	20.32	21.35	22.40
Range 43	17.99	18.90	19.84	20.83	21.87	22.97
Range 44	18.43	19.36	20.32	21.35	22.40	23.53
Range 45	18.90	19.84	20.83	21.87	22.97	24.11
Range 56	24.80	26.03	27.32	28.69	30.14	31.63

* Hourly

1096MON

This schedule used for all employees who work 12 months, 8 hours per day. Part time will be prorated

Step >	1	2	3	4	5	6
Range 20	1,780	1,867	1,961	2,060	2,162	2,271
Range 25	2,010	2,111	2,217	2,329	2,444	2,567
Range 27	2,111	2,217	2,329	2,444	2,567	2,694
Range 28	2,164	2,271	2,384	2,502	2,628	2,760
Range 29	2,217	2,329	2,444	2,567	2,694	2,829
Range 30	2,271	2,384	2,503	2,629	2,760	2,897
Range 31	2,329	2,444	2,567	2,694	2,829	2,972
Range 32	2,384	2,503	2,629	2,760	2,897	3,042
Range 33	2,444	2,567	2,694	2,829	2,972	3,118
Range 34	2,503	2,629	2,760	2,897	3,042	3,195
Range 35	2,567	2,694	2,829	2,972	3,118	3,276
Range 36	2,629	2,760	2,897	3,042	3,195	3,355
Range 37	2,694	2,829	2,972	3,118	3,276	3,439
Range 38	2,760	2,897	3,042	3,195	3,355	3,522
Range 39	2,829	2,972	3,118	3,276	3,439	3,610
Range 40	2,897	3,042	3,195	3,355	3,522	3,700
Range 41	2,972	3,118	3,276	3,439	3,610	3,791
Range 42	3,042	3,195	3,355	3,522	3,700	3,882
Range 43	3,118	3,276	3,439	3,610	3,791	3,981
Range 44	3,195	3,355	3,522	3,700	3,882	4,078
Range 45	3,276	3,439	3,610	3,791	3,981	4,179
Range 56	4,299	4,512	4,736	4,973	5,225	5,482

Hiring 2012-2013			
Employee	Position	Hours/Week	Location
Debi Habegger	Elementary Guidance Assistant -Individual	17	Henderson
Debi Habegger	Elementary Guidance Assistant -Individual	4	Farmer
Mel Paterno	Elementary Guidance Assistant -Individual	10	Farmer
Anne Mang	Elementary Guidance Assistant -Individual	17	Turner
Joan Burnett	Elementary Guidance Assistant -Individual	10	Semple
Stefanie Sierras	Elementary Guidance Assistant -Individual	7	Semple
Stefanie Sierras	Elementary Guidance Assistant -Individual	3	Farmer
	Total Individual at schools=	68	
	With 2 hours Weekly training per staff	78	

SF Placements 2012-2013

<u>Farmar</u>	<u># hours</u>	<u>Henderson</u>	<u># hours</u>	<u>Sample</u>	<u># hours</u>	<u>Turner</u>	<u># hours</u>
Mel	10	Debi	17	Joan	10	Anne	17
Stefanie	3			Stefanie	7		
Debi	4						
Total SF Farmar	17	Total SF Henderson	17	Total SF Sample	17	Total SF Turner	17

Benicia Unified School District

Position Title: School Psychologist

Directly Responsible to: Director of Special Services. While working in the schools the immediate responsibility is to the building principal.

General Description: The psychologist, through consultation, counseling and testing of recognized principles of learning and behavior to assist in the solution of school-related problems, and to facilitate the learning and development of individual children.

Credential: Valid California Pupil Personnel Services: School Psychologist.

Duties and Responsibilities: The school psychologist will provide services to the following groups:

1) Children

Psycho educational assessment and diagnosis of specific learning and behavioral disabilities, including but not limited to case study, evaluation, recommendations for remediation or placement, and periodic re-evaluation of such children.

Psychological group counseling and individual counseling to be provided as needed.

2) Teachers

Regular class teachers - Consultation with teachers to help them in the recognition of individual differences among children, and to broaden their understanding of principles of learning and development. Specific assistance in the development and implementation of classroom methods and procedures designed to facilitate pupil learning and to overcome learning and behavior disorders.

Special Education Teachers - Consultation with special education teachers in a similar manner as general education teachers. Additionally, assist these teachers in evaluation of student needs and growth to provide information useful for their own evaluation of their programs.

3) Parents

Consult with parents as necessary to assist them in their understanding of the process of learning, adjustment and growth. Interprets case findings, and make recommendations which are applicable to the individual child.

Duties and Responsibilities: **4) Community Agencies**

Consultation with agencies, both public and private, regarding individual pupils who are being served by such agencies, or in need of referral to them.

5) Pupil Personnel Service Workers

Consult with other school psychologists and counselors, and coordinate the services of referred children.

6) School Administrators

Consultation with school administrators concerning appropriate learning environments and objectives for children.

Planning of developmental and remedial programs for pupils in general and special school programs, and the development, when appropriate, of educational experimentation and evaluation.

Assume responsibility for coordinating special education programs as designated by supervisors. Provide evaluation of special education programs as required.

7) Other duties relevant to area of expertise as directed.

Work Year: 200 Days

Management Salary Schedule: Class 2

Benicia Unified School District
2012-13 Notice of Employment

SSN#
EIN#

LEINER, KELLI I
BENICIA, CA 94510

Gender: FEMALE
Birth Date:
Hire Date: 7/1/2012
Longevity Date: 7/1/2012
TB Exp Date: 8/15/2015

(707) 315-8346

Employee Status: PROBATIONARY-1ST YEAR	<u>Units on File</u>	<u>Advanced Degree</u>
Bargaining Unit: CERT MGT		
Work Location: SPECIAL EDUCATION		

Comments:

Position # 1MGTPSY008 - PSYCHOLOGIST

Calendar: MGC200	Start Date: 7/1/2012
Days per Year: 200 140	End Date:
Hours per day: 5.60	
FTE: .70	
Salary Schedule: MGC200	Base Salary: \$55,962.20
Range: 2	Shift: \$.00
Step: 5	Longevity: \$.00
STRS: 01 - MEMBER STRS	Additional Earnings: \$.00
PERS: 06 - NON MEMBER PERS	<small>(May Include: Cash in Lieu, Cash Match and Classified Stipends)</small>
	Other Earnings: \$.00
	<small>(May Include: Vacation and Advanced Degree Stipends)</small>
Start: July	Total Earnings: \$55,962.20
DNP: 1	
Sick Leave: 61.60 hours	
Benefits @ 70.00	
Vacation Code:	
Paid Holidays:	
Longevity %: 0 %	


Authorized Signature

7-1-2012
Date

Please note: Be sure to check the salary information carefully, and bring to our attention any suspected errors. The school district is required by law to collect any overpayment which results from incorrect salary placement.

BENICIA UNIFIED SCHOOL DISTRICT

2012-2013 Calendar

July 2012					(0) (0) <0> [0]
Mon	Tue	Wed	Thur	Fri	
2	3	4 Holiday	5	6	
9	10	11	12	13	
16	17	18	19	20	
23	24	25	26	27	
30	31				

August 2012					(0) (0) <0> [0]
Mon	Tue	Wed	Thur	Fri	
		1	2	3	
6	7	8	9	10	
13	14	15	16 Board Mtg	17	
20 TWD#1	21 TWD#2	22 First Day	23	24	
27	28	29	30	31	

September 2012					(0) (0) <0> [0]
Mon	Tue	Wed	Thur	Fri	
3 Holiday	4	5	6 Board Mtg	7	
10	11	12	13	14	
17	18	19	20 Board Mtg	21	
24	25	26	27	28	

October 2012					(0) (0) <0> [0]
Mon	Tue	Wed	Thur	Fri	
1	2	3	4 Board Mtg	5	
8	9	10	11	12	
15	16	17	18 Board Mtg	19	
22	23	24	25	26	
29	30	31			

November 2012					(0) (0) <0> [0]
Mon	Tue	Wed	Thur	Fri	
			1	2	
5	6	7	8 Board Mtg	9	
12 Holiday	*13*	*14*	*15*	16	
19	20	21	22 Board Mtg	23	
26	27	28	29 Holiday	30 Holiday	

December 2012					(0) (0) <0> [0]
Mon	Tue	Wed	Thur	Fri	
3	4	5	6 Board Mtg	7	
10	11	12	13 Board Mtg	14	
17	18	19	20 End 1st Sem	21	
24 Holiday	25 Holiday	26 Holiday	27	28	
31 Holiday					

January 2013					(0) (0) <0> [0]
Mon	Tue	Wed	Thur	Fri	
	1 Holiday	2	3	4	
7	8	9	10	11	
14	15	16	17	18	
21 Holiday	22	23	24	25	
28	29	30	31		

February 2013					(0) (0) <0> [0]
Mon	Tue	Wed	Thur	Fri	
				1	
4	5	6	7	8	
11 Holiday	12	13	14	15	
18 Holiday	19	20	21	22	
25	26	27	28		

March 2013					(0) (0) <0> [0]
Mon	Tue	Wed	Thur	Fri	
				1	
4	5	6	7	8	
11	12	13	14	15	
18	19	20	21	22	
25	26	27	28	29 Holiday	

April 2013					(0) (0) <0> [0]
Mon	Tue	Wed	Thur	Fri	
1	2	3	4	5	
8	9	10	11	12	
15	16	17	18	19	
22	23	24	25	26	
29	30				

May 2013					(0) (0) <0> [0]
Mon	Tue	Wed	Thur	Fri	
		1	2	3	
6	7	8	9	10	
13	14	15	16	17	
20	21	22	23	24	
27 Holiday	28	29	30	31	

June 2013					(0) (0) <0> [0]
Mon	Tue	Wed	Thur	Fri	
3	4	5	**6** Last Day	7	
10	11	12	13	14	
17	18	19	20	21	
24	25	26	27	28	

- July**
4 Independence Day (Holiday)
- August**
14 Elem Back to School Fair
15-17 BHS Registration
16 Board Meeting
17 New Employee Orientation
17 & 20 BMS Registration
20 LHS registration
20-21 Teacher Work Days
22 First Day of School
30 Elem Back to School Night
- September**
3 Labor Day (Holiday)
5 LHS Back to School Night
6 BHS Back to School Night
6 Board Meeting
13 BMS Back to school Night
20 Board Meeting
- October**
4 Board Meeting
18 Board Meeting
19 BMS/BHS/LHS - End 1st Qtr

- November**
1 Board Meeting
12 Veteran's Day (Holiday)
13-15 Elem conferences - min days
15 Board Meeting
16 Elem - End 1st Trimester
19-21 Thanksgiving Break
22-23 Thanksgiving (Holiday)
- December**
6 Board Meeting
13 Board Meeting
20 End - 1st Semester
21-31 Winter Break
24-26,31 Winter Break (Holiday)
- January**
1 Winter Break (Holiday)
1-4 Winter Break
21 MLK Birthday (Holiday)
- February**
11 Lincoln's Birthday (Holiday)
18 Presidents Day (Holiday)

- March**
6 LHS Open House
Star Writing Test
8 Elem - End 2nd Trimester
15 BMS/BHS/LHS - End 3rd Qtr
27 BHS Open House
29 Spring (Holiday)
- April**
1-5 Spring Break
Start STATE Testing window
11 BMS Open House
- May**
End STATE Testing window
16 Elem Open House
27 Memorial Day (Holiday)
- June**
6 BMS 8th Grade Promotion
6 LHS Graduation
7 Last Day of School
8 BHS Graduation (Saturday)

- # = Elem & BMS Planning Days (36)
* # * = Elementary ONLY Minimum days (3)
** # ** = Elementary & BMS Minimum day (1)
HSPT = BHS Planning days (16)
Holiday = Classified Holiday
- () = Student days
{ } = Teacher days
< > = 180 day Classified employee days
[] = 260 day Classified Employee days

- 180 Student days
182 Teacher days
1 New Employee Orientation
15 Classified Holidays

- SHADED = Non Student Day
SHADED = Non Student Day
SHADED = Non Student Day

Data for 2011-2012
Special Friends Participants

Student Growth for Special Friends

2011-2012 School Year

Benicia Unified School District

Benicia Unified School District and the City of Benicia agreed to work cooperatively to offer Special Friends program to all elementary schools within the district. The scope with the Benicia Human Services Fund outlined that at least 80 students would receive this service for a minimum of 1200 contact hours total. In the 2011-2012 school year, one hundred forty one (141) children were served for a total of one thousand seven hundred and five (1705) individual sessions at 40 minutes per session. The breakdown of children served in each school follows:

School	Children Served	Number of 40 Min. Contacts
Turner	30	370
Henderson	35	437
Farmer	36	441
Semple	40	457
Total	141	1705

The majority of children were selected via teacher referral (although parent referrals are also honored and encouraged). Prior to being seen and soon after the sessions ended, the child's teacher filled out a comprehensive survey, The Walker McConnell Scale (WMS) on each child participating in the program. The WMS is a 43 item scale from Duerr Evaluation that assesses overall school competence and adjustment (attached), taking into account such factors as ability to get along with peers, classroom behavior (including focus, attention and work completion), emotional regulation, and academic skills. Both the WMS pre and post surveys calculate a student's overall adjustment based on teacher feedback and the results are thereby calculated to produce a percentile score reflecting this adjustment. This allows us to quantify our impact. In years past, this has consistently demonstrated that children who participate in the Special Friends program make notable gains in their adjustment based on comparing the pre and post WMS results. The 2011-2012 results were no exception.

District-wide, 80% of students who participated in the Special Friends program showed gains and on average there was a 68% increase in overall percentile ranking. The attached graph demonstrates this progress district-wide as well as by individual school. The increases are different from school-to-school and this is felt not to be a reflection of differing quality of service, but other factors in student's lives that cannot be controlled. Our services unfortunately do not exist in a vacuum, so for those students who do have more challenges, especially in schools with

greater need and in families with fewer resources, there will be competing factors that might limit the full benefit. Nevertheless, despite this, every school, regardless of these factors showed overall growth in the students who participated.

Remarkably, 91% of students who received Special Friends at Turner showed growth and the average percentile increased by 98%. 89% of students who received Special Friends at Henderson showed improvement in overall school functioning with an average increase of 45% in percentile rankings. 74% of students receiving Special Friends at Farmar showed growth, with an average increase in percentile of 87%. 69% of students at Semple showed an increase as well, with a 43% average increase in percentile ranking.

Additionally, at the end of a student's sessions, parents are also provided a survey where they report on their observations regarding the impact services have made on their child. The following illustrates how parents responded to questions for services delivered in the 2011-2012 school year:

Parent Survey 2011-2012 School year

1. Has your child looked forward to time in the program and seemed to enjoy it?

Yes: 96%	Don't Know: 4%	No: 0%
----------	----------------	--------

2. Were services clearly explained:

- a. By your child's teacher?

Yes: 86%	No: 14%
----------	---------

- b. In our brochure?

Yes: 90%	No: 10%
----------	---------

- c. By the permission letter you signed?

Yes: 94%	No: 6%
----------	--------

3. How satisfied were you with the services your child received from this program?

Very Satisfied: 73%	Satisfied: 26%	Not Satisfied: 1%
---------------------	----------------	-------------------

4. Have you seen positive changes in your child while in the program?

Yes: 86%	No: 1%	Don't Know: 1%	No answer: 12%
----------	--------	----------------	----------------

5. Would you recommend this program to a friend whose child could benefit from the program?

Definitely Yes: 75%	Probably Yes: 18%	Probably No: 1%
Definitely No: 0%	No Answer: 6%	

According to these surveys, parents overwhelmingly were satisfied with the services and concurrently witnessed positive changes in their children. Most parents would consider recommending the services to other parents. In addition, comments from parents often describe significant positive changes in their child, including, "She's getting much more comfortable at school" and "we see more confidence in our daughter this year." They also consistently report about the strong bond their child has with the guidance assistant and how much enjoyment their child derives from meeting in this setting.

In conclusion, there is an enormous impact measured from the services that Special Friends provides which can be demonstrated both quantitatively as well as qualitatively. Teachers consistently observe that students who participate in the program on average demonstrate greater overall school competence and adjustment at the finale of services. Likewise, parents overwhelmingly reported seeing positive changes in their child during the time of service and were consistently satisfied with the program. Special Friends has continued to demonstrate the efficacy of the work we are doing for almost 25 years and we are appreciative that the Human Services Fund has allowed this to continue and in doing so, has provided the children and families of Benicia with a much-needed service.

Respectfully Submitted,

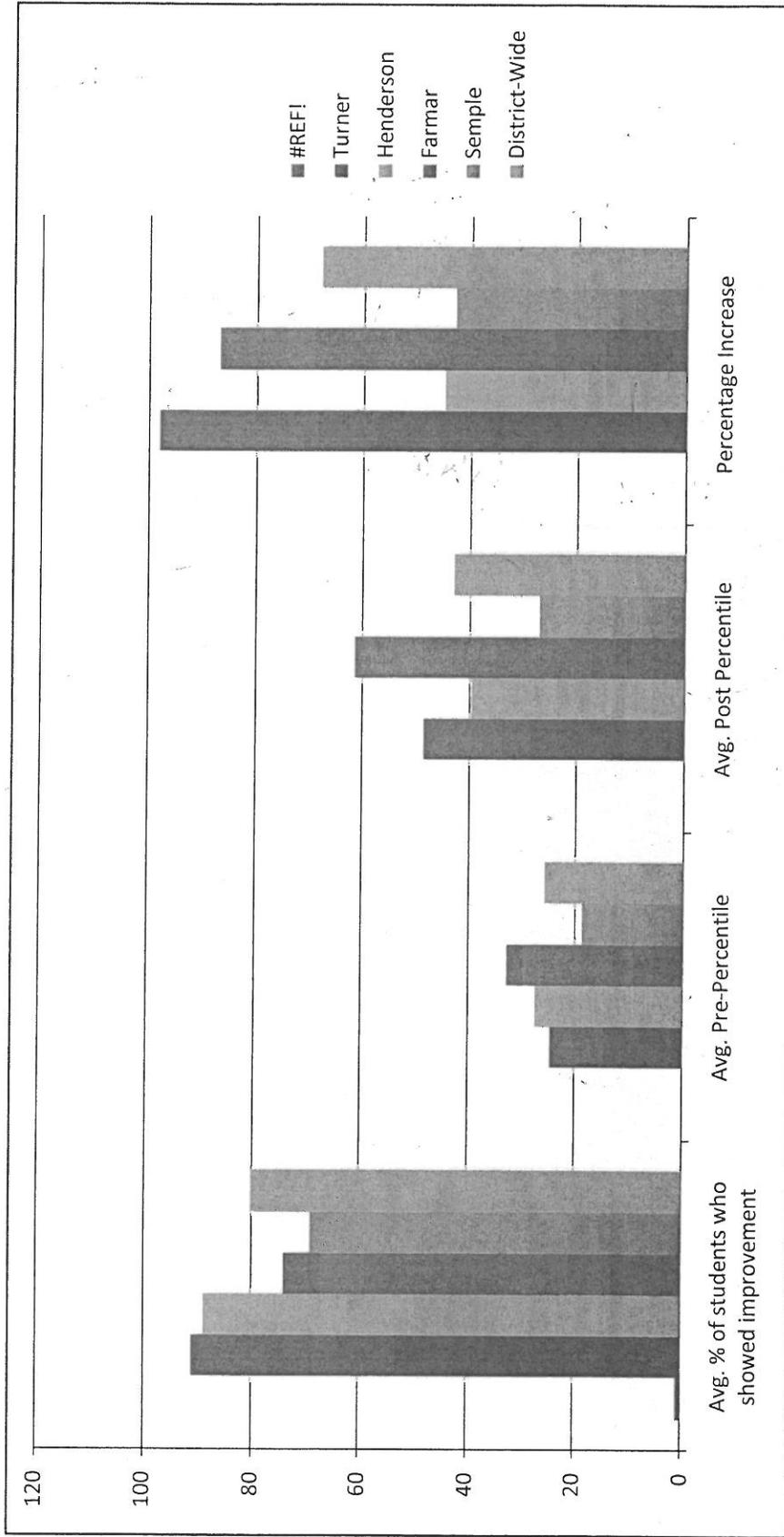


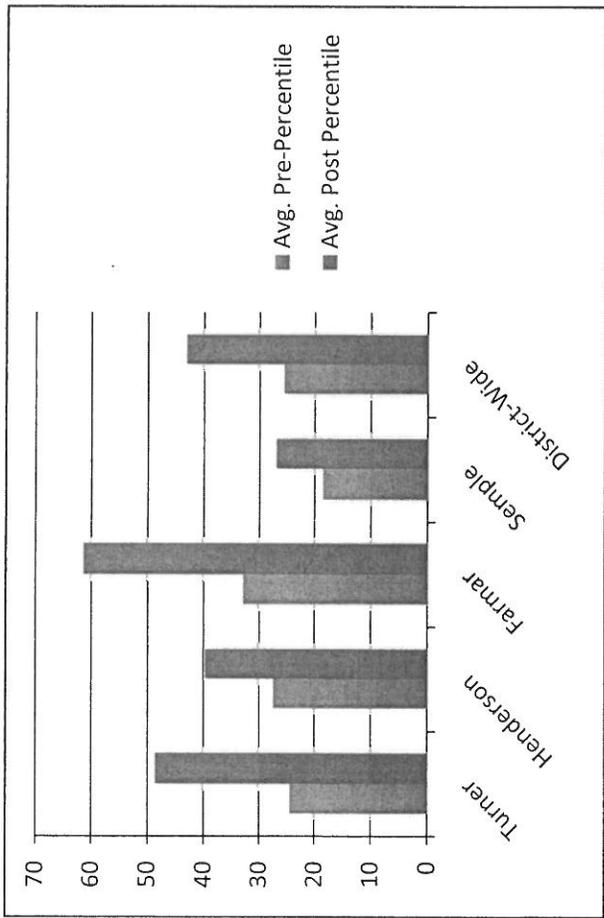
Kelli Leiner

School Psychologist

Program Coordinator

Location	Avg. % of students who showed improvement	Avg. Pre-Percentile	Avg. Post Percentile	Percentage Increase
Turner	91	24.5	48.7	98
Henderson	89	27.4	39.8	45
Farmer	74	32.8	61.5	87
Sample	69	18.7	26.9	43
District-Wide	80	25.6	43.1	68





Description of the Walker Assessment Scale

Walker Assessment Scale

Subscale 1–Teacher-preferred Social Behaviors

Subscale 1, called the Teacher-preferred Social Behavior Subscale, consists of 5 items and is designed to measure social behaviors of students that are highly valued or preferred by teachers during non-instructional interactions with other students. Items in this subscale reflect levels of social maturity in peer settings, including sensitivity, empathy, cooperation, and self-control. Items in this subscale are presented on the following page.

- Compromises with peers when situation calls for it.
- Responds to teasing or name calling by ignoring, changing the subject, or some other constructive means.
- Accepts constructive criticism from peers without becoming angry.
- Appropriately copes with aggression from others (e.g., tries to avoid a fight, walks away, seeks assistance, defends self).
- Can accept not getting her/his own way.

Subscale 2–Peer-preferred Social Behaviors

Subscale 2, called the Peer-preferred Social Behavior Subscale, consists of 7 items that measure social behaviors that are highly valued by peers in terms of peer dynamics and social relations in free play settings. The behavior content of items in this subscale reflects level of interaction with peers, helpfulness, ability to make friends, leadership, perceptiveness, communication, and sharing with others. Items in this subscale are presented below.

- Other children seek child out to involve her/him in activities.
- Shares laughter with peers.
- Plays or talks with peers for extended periods of time.
- Initiates conversation(s) with peers in informal situations.
- Interacts with a number of different peers.
- Keeps conversation with peers going.
- Invites peers to play or share activities.

Subscale 3–Classroom Adjustment Behaviors

Subscale 3, called the Classroom Adjustment Behavior Subscale, consists of 7 items that measure adaptive social-behavioral competencies highly valued by teachers in classroom instructional contexts. The content of this subscale reflects student competencies which teachers feel are necessary for the effective management of instructional environments, such as student study habits, listening skills, participation, responsiveness, and quality of work. Items in this subscale are presented below.

- Uses free time appropriately.
- Has good work habits (e.g., is organized, makes efficient use of class time, etc.).
- Listens carefully to teacher instructions and directions for assignments.
- Displays independent study skills (e.g., can work adequately with minimum teacher support).
- Attends to assigned tasks.
- Does seatwork assignments as directed.
- Produces work of acceptable quality given her/his skill level.

WALKER-McCONNELL SCALE (WMS)

DO NOT STAPLE

Student ID#					
0	0	0	0	0	0
1	1	1	1	1	1
2	2	2	2	2	2
3	3	3	3	3	3
4	4	4	4	4	4
5	5	5	5	5	5
6	6	6	6	6	6
7	7	7	7	7	7
8	8	8	8	8	8
9	9	9	9	9	9

Student Name (OPTIONAL) _____

Teacher Name _____ Date _____

School Name _____ District Name _____

This WMS was done at...	
<input type="radio"/>	Start of Services
<input type="radio"/>	Service Transition
<input type="radio"/>	End of Services

Instructions
<p>Please read each item below carefully and rate the student's behavioral status in relation to it. If you have not observed the student displaying a particular skill or behavioral competency defined by an item, your answer would be 1, indicating "Never." If you are unsure, use your best estimate to rate the particular skill or behavior. If the student exhibits the skill at a high rate of occurrence, your answer would be 5, indicating "Frequently." If the student's frequency is in between these two extremes, your answer would be a 2, 3, or 4, depending on your observations. DO NOT LEAVE ANY ITEM BLANK. RECORD YOUR ANSWER BY FILLING IN THE BUBBLE OVER THE NUMBER THAT CORRESPONDS TO YOUR ANSWER.</p>

ITEM	Please answer all items.				Rating Scale				
	Never	Sometimes	Frequently		1	2	3	4	5
1. Other children seek child out to involve her/him in activities.	1	2	3	4	5				
2. Changes activities with peers to permit continued interaction.	1	2	3	4	5				
3. Uses free time appropriately.	1	2	3	4	5				
4. Shares laughter with peers.	1	2	3	4	5				
5. Shows sympathy for others.	1	2	3	4	5				
6. Makes friends easily with other children.	1	2	3	4	5				
7. Has good work habits (e.g., is organized, makes efficient use of class time, etc.).	1	2	3	4	5				
8. Asks questions that request information about someone or something.	1	2	3	4	5				
9. Compromises with peers when situation calls for it.	1	2	3	4	5				
10. Responds to teasing or name calling by ignoring, changing the subject, or some other constructive means.	1	2	3	4	5				
11. Spends recess and free time interacting with peers.	1	2	3	4	5				
12. Accepts constructive criticism from peers without becoming angry.	1	2	3	4	5				
13. Plays or talks with peers for extended periods of time.	1	2	3	4	5				
14. Voluntarily provides assistance to peers who require it.	1	2	3	4	5				
15. Assumes leadership role in peer activities.	1	2	3	4	5				
16. Is sensitive to the needs of others.	1	2	3	4	5				
17. Initiates conversation(s) with peers in informal situations.	1	2	3	4	5				
18. Expresses anger appropriately (e.g., reacts to situation without becoming violent or destructive).	1	2	3	4	5				
19. Listens carefully to teacher instructions and directions for assignments.	1	2	3	4	5				
20. Answers or attempts to answer a question when called on by the teacher.	1	2	3	4	5				
21. Displays independent study skills (e.g., can work adequately with minimum teacher support).	1	2	3	4	5				
22. Appropriately copes with aggression from others (e.g., tries to avoid a fight, walks away, seeks assistance, defends self).	1	2	3	4	5				
23. Responds to conventional behavioral management techniques (e.g., praise, reprimands, timeouts).	1	2	3	4	5				
24. Cooperates with peers in group activities or situations.	1	2	3	4	5				
25. Interacts with a number of different peers.	1	2	3	4	5				
26. Uses physical contact with peers appropriately.	1	2	3	4	5				
27. Responds to requests promptly.	1	2	3	4	5				
28. Listens while others are speaking (e.g., as in circle or sharing time).	1	2	3	4	5				
29. Controls temper.	1	2	3	4	5				
30. Compliments others regarding personal attributes (e.g., appearance, special skills, etc.).	1	2	3	4	5				
31. Can accept not getting her/his own way.	1	2	3	4	5				
32. Is socially perceptive (e.g., "reads" social situations accurately).	1	2	3	4	5				
33. Attends to assigned tasks.	1	2	3	4	5				
34. Plays games and activities at recess skillfully.	1	2	3	4	5				
35. Keeps conversation with peers going.	1	2	3	4	5				
36. Finds another way to play when requests to join others are refused.	1	2	3	4	5				
37. Is considerate of the feelings of others.	1	2	3	4	5				
38. Maintains eye contact when speaking or being spoken to.	1	2	3	4	5				
39. Gains peers' attention in an appropriate manner.	1	2	3	4	5				
40. Accepts suggestions and assistance from peers.	1	2	3	4	5				
41. Invites peers to play or share activities.	1	2	3	4	5				
42. Does seatwork assignments as directed.	1	2	3	4	5				
43. Produces work of acceptable quality given her/his skill level.	1	2	3	4	5				

PARTICIPANT DATA INSTRUMENT (PDI)

DO NOT STAPLE

District Name

School Name

Child Aide Name

SBMHP Name

Teacher Name

Student Name (Optional)

PART I: PARTICIPANT INFORMATION SECTION

To be completed by child aide with input from teacher prior to completion of services.

Student ID#	Grade	Gender	Ethnicity	Since Starting Kindergarten	Does this student currently receive any of the following school-based services?	
	<input type="radio"/> K <input type="radio"/> 1st <input type="radio"/> 2nd <input type="radio"/> 3rd <input type="radio"/> Other	<input type="radio"/> Male <input type="radio"/> Female	<input type="radio"/> Am. Indian/Alaskan <input type="radio"/> Asian <input type="radio"/> African American <input type="radio"/> Filipino <input type="radio"/> Hispanic <input type="radio"/> Pacific Islander <input type="radio"/> White <input type="radio"/> Other	<input type="radio"/> 0 <input type="radio"/> 1 <input type="radio"/> 2 <input type="radio"/> 3	<input type="radio"/> Yes <input type="radio"/> No	<input type="radio"/> Counseling <input type="radio"/> ELL/ELD <input type="radio"/> Healthy Start <input type="radio"/> Migrant Education <input type="radio"/> On-Going Health Services <input type="radio"/> Remedial Services <input type="radio"/> Resource Specialist <input type="radio"/> SARB <input type="radio"/> Special Day Class <input type="radio"/> Speech/Language <input type="radio"/> SST/SAT <input type="radio"/> Title I <input type="radio"/> Other
0 0 0 0 0 0 1 1 1 1 1 1 2 2 2 2 2 2 3 3 3 3 3 3 4 4 4 4 4 4 5 5 5 5 5 5 6 6 6 6 6 6 7 7 7 7 7 7 8 8 8 8 8 8 9 9 9 9 9 9	Is student currently in out-of-home placement? <input type="radio"/> Yes <input type="radio"/> No					

PART II: SERVICE PARTICIPATION SECTION

To be completed by child aide and school-based mental health professional at end of services.

Has student received EMHI-funded individual and/or group services in the past? <input type="radio"/> No previous direct service(s) <input type="radio"/> Yes, same direct service(s) See Below <input type="radio"/> Yes, different direct service(s) See Below <input type="radio"/> Don't know	Has student received indirect EMHI service(s) in the past? <input type="radio"/> No previous indirect service(s) <input type="radio"/> Yes, <i>See two questions below</i> <input type="radio"/> Don't know
<i>If yes above, fill in the type(s) of past direct service(s) the student received.</i> <input type="radio"/> Individual <input type="radio"/> Group	<i>If yes above, fill in the type(s) of past indirect service(s) the student received.</i> <input type="radio"/> Classroom <input type="radio"/> Parent <input type="radio"/> Family <input type="radio"/> Other
	<i>If yes above, did the student receive indirect service(s) this cycle?</i> <input type="radio"/> Yes, same service <input type="radio"/> Yes, different service <input type="radio"/> No indirect service this cycle

DIRECT SERVICES ONLY

Date of First Direct Service	Date of Last Direct Service	Individual Sessions	Group Sessions
0 0 0 0 1 1 1 1 2 2 2 2 3 3 3 3 4 4 4 4 5 5 5 5 6 6 6 6 7 7 7 7 8 8 8 8 9 9 9 9	0 0 0 0 1 1 1 1 2 2 2 2 3 3 3 3 4 4 4 4 5 5 5 5 6 6 6 6 7 7 7 7 8 8 8 8 9 9 9 9	<input type="radio"/> 15 <input type="radio"/> 20 <input type="radio"/> 25 <input type="radio"/> 30 <input type="radio"/> 35 <input type="radio"/> 40 <input type="radio"/> 45 <input type="radio"/> 50 <input type="radio"/> 55 <input type="radio"/> 60	<input type="radio"/> 15 <input type="radio"/> 20 <input type="radio"/> 25 <input type="radio"/> 30 <input type="radio"/> 35 <input type="radio"/> 40 <input type="radio"/> 45 <input type="radio"/> 50 <input type="radio"/> 55 <input type="radio"/> 60 <input type="radio"/> STARS <input type="radio"/> Other
		<input type="radio"/> 2 <input type="radio"/> 3-4 <input type="radio"/> 5+	

If the student did not complete 8 or more sessions of individual and/or group sessions, why? (mark only one)

- | | | |
|--|---|--|
| <input type="radio"/> End of the cycle or year | <input type="radio"/> Parent withdrew child | <input type="radio"/> Referred to other services |
| <input type="radio"/> Service was designed for fewer than 8 sessions | <input type="radio"/> Transferred schools | <input type="radio"/> Other |

Letters in Support

November 27, 2012

To Whom It May Concern,

My name is Trudy Weant and I am a first grade teacher at Robert Semple Elementary School in Benicia. For many years I have referred students to the Special Friends programs; first at Mills where I taught for nineteen years, and now at Robert Semple since 2005. We have so many children that are starved for the type of attention they get from Joan's and Stefanie's programs. They feel special, important, and most of all worthy of the time and attention they receive from the program. It helps build their confidence.

Self- esteem is not easily repaired once a child has been emotionally and/or physically scarred. Seeing their school, classroom, teachers, support staff, and the Special Friends angels as a safe place with safe and caring adults is very important to our children.

While I realize that the high risk children cannot be a part of the program, I am thankful that there is a program to help the children who can benefit from the Special Friends Program. My Students are excited when they are escorted to the playroom and I have experienced positive results for the children involved.

I sincerely feel that the program should receive the needed grants in order to continue this valuable intervention for our kids. The need is even greater now that single parents are working outside the home; two parent families are also overwhelmed; kids are coming to school hungry because everyone is in such a rush to get out the door and breakfast and homework is overlooked.

Please seriously consider renewing the local grants that make this important program possible.

Sincerely,

A handwritten signature in black ink, appearing to read "Trudy Weant". The signature is written in a cursive style with a large, sweeping flourish at the end.

Trudy Weant

First grade teacher

Robert Semple Elementary

To Whom It May Concern:

First of all, I would like to say Thank You to Ms. Stefanie & Special Friends, we are blessed to have this program at our school.

I have two daughters who both have attended the "Special Friends" program at Robert Semple. This is a wonderful program and it has benefitted them in many ways. It provided them one-on-one interaction with a caring person who listened to them as they created artwork as an expression of their feelings & thoughts. That's not how they would explain it-usually they would come home after school-so excited & tell me with huge smiles, about their fun times, showing me what they made with Ms. Stefanie. My older daughter is in Middle School now and says she will never forget the time & extra care she was given at Special Friends. My little one is in 3rd grade and whenever she talks about Ms. Stefanie, her whole face lights up, she loves Ms. Stefanie and how kind she was to her-she holds those memories in a special place in her heart.

I highly recommend the school maintain Special Friends. It has always been there for us during our time of need and I hope it will be there for other families.

Sincerely,

Eliza S. Best

1277 Grove Circle

Benicia, CA 94510

(707) 745-7082

December 7, 2012

To whom it may concern,

This is a letter of support, for the Special Friends Program.

Our family has suffered multiple losses over the past few years. The stress that grief has caused, has affected my children greatly.

In particular, my daughter would cry every morning before school. She did not want to leave me, and did not want to go to school. I had considered home schooling, but wasn't sure if this was the best for her or not. So I spoke with her teacher. Her teacher recommended we try Special Friends. So I agreed.

My daughter was accepted into the program. Suddenly, the tears stopped, and her confidence levels went up. She wasn't afraid to leave me to go to school, and now, actually looks forward to going to school and doesn't like to miss it on days she has to stay home sick.

Every time she goes to Special Friends, it's the first thing she talks about when she gets in the car, she tells me all about the time she shared with her "special friend" and I see the joy in her eyes, and it brings me so much joy. I truly feel supported in our grief, and it helps us to move forward through the pain with support.

I give most of the credit to the Special Friends program, and to the teachers too who know it's a resource for children like mine. I am so thankful for the program and hope it continues to be a resource for many years to come.

Respectfully,
Kristin Arcilla

Research in Support of Play

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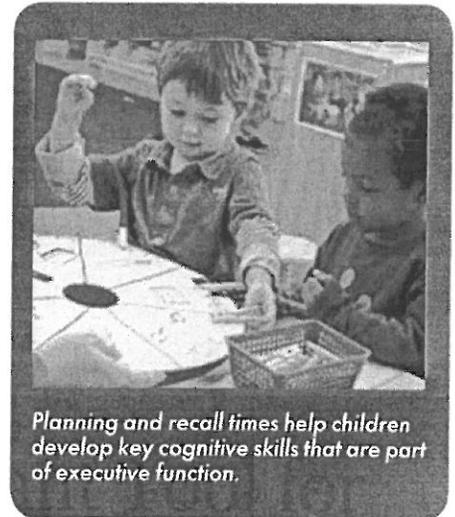
Play: An Important Tool for Cognitive Development

BY SHANNON LOCKHART, HIGHSCOPE SENIOR EARLY CHILDHOOD SPECIALIST

Take a look at the play of Gabrielle, a three-year-old who has a plan to play with magnetic tiles:

At planning time, Gabrielle says, "I'm going to play with the doggies and Magnatiles in the toy area. I'm making a tall elevator." At work time, Gabrielle builds with the magnetic tiles while playing with the small toy dogs, as she planned. She stacks the tiles on top of one another in a tower-like form—her "elevator"—then places some dogs in it. The elevator then falls over. She repeats this several times but the elevator continues to fall over. Gabrielle then arranges the magnetic tiles into squares, connecting them to form a row. Gabrielle says to Shannon, her teacher, "I'm making doghouses because the elevator keeps falling down." Shannon says, "I was wondering what you were building, because you planned to make a tall elevator going up vertically, and now you are using them to make doghouses in a long horizontal row. You solved the problem by changing the way you were building." Gabrielle uses pretend talk while moving the dogs around. At one point she says, "Mommy, Mommy, we are hungry" and opens one of the doghouses and moves the dog inside where a bigger dog is placed. Gabrielle says, "Mommy says the food's not ready, so go play."

While moving the dogs around, Gabrielle says to herself out loud, "We have to find something to do until the food is ready." Gabrielle says to Shannon, "Let's pretend we are going to the park." Shannon agrees and says, "I'm going to slide down the slide three times and then jump off the climber." As Shannon pretends to do this with one of the dogs, Gabrielle watches then copies her and says, "My dog jumped higher than yours." She then says, "Mommy says we have to go home now. We need to move our dogs over there so they can eat." The pretend play continues.



Planning and recall times help children develop key cognitive skills that are part of executive function.

Play: An Important Tool for Cognitive Development, continued



Pretend play is particularly conducive to the development of self-talk, or children's internal language about what they are doing and what they will do next.

At recall time, Gabrielle is using a scarf to hide some objects she played with. When it is her turn to recall, she gives clues about what is under the scarf. She shows the group a couple of magnetic tiles and dogs. Shannon asks her what she did with these materials during work time. Gabrielle talks about the problem with the falling "elevator" and then recounts the story about the doggies.

Early childhood educators often make the point that "children learn through play." But what does this statement really mean? In the scenario described above, what exactly is Gabriella learning as she plays? She is planning what she is going to do, carrying out her plan, and then recalling what she did (in the HighScope Curriculum, this is known as the plan-do-review process). But did we realize that she is developing key cognitive functions such as working memory, self-regulation (e.g., being aware of and controlling her feelings and actions), internal language or "self-talk," and the ability to organize, focus, plan, strategize, prioritize, initiate, and perform other skills that determine later success in school? Indeed she is, and these cognitive skills are all part of what we call executive function — the cognitive abilities that control and regulate other behavior. Play helps young children develop these abilities. Unfortunately, due to the demands for accountability in public schools and pressure to accelerate young children's academic learning, time for play is either being eliminated or limited, and play is much less often child-initiated or free from constraints.

In this article, we will review the legitimacy and validity of child-initiated play in young children's lives, and we will address the basics of executive function so that we can become more intentional in our planning of, and support for, children's play.

The Importance of Play

Stuart Brown, Founder of the National Institute for Play, has said that "play is anything that spontaneously is done for its own sake...*appears* purposeless, produces pleasure and joy, leads one to the next stage of mastery" (as cited in Tippett, July 2008; italics added). Edward Miller and Joan Almon describe play as "activities that are freely chosen and directed by children and arise from intrinsic motivation" (2009, p. 15). Jeannine Ouellette refers to play as "activity that is unencumbered by adult direction, and does not depend on manufactured items or rules imposed by someone other than the kids themselves" (Ouellette, 2007, para. 13). When children play, they are actively engaged in activities they have freely chosen; that is, they are self-directed and motivated from within.

Kenneth Ginsburg, stating the position of the American Academy of Pediatrics, says that "play is essential to development because it contributes to the cognitive, physical, social, and emotional well-being of children and youth" (Ginsburg, January 2007, p. 182). Play is so important to children's development that the United Nations High Commission for Human Rights (1989) recognizes it as a basic right of every child.

PUBLISHER CREDITS

HighScope Extensions is a practical resource for early childhood teachers, trainers, administrators, and child care providers. It contains useful information on the HighScope Curriculum and on HighScope's training network.

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Play: An Important Tool for Cognitive Development, continued

What Is Executive Function?

Executive function (EF) is a term used to describe a set of mental processes that are central to helping us organize and order our actions and behaviors (Packer, 2009). It refers to the cognitive abilities that control and regulate other behaviors, and therefore enable goal-directed behavior. These include the ability to initiate and stop actions, assess and change behavior when needed, anticipate outcomes, and plan future behavior (Zelazo, Muller, Frye, & Marcovitch, 2003). Executive function thus involves both concrete behaviors and the ability to form abstract concepts. We use executive function when we perform such activities as planning, organizing, strategizing, delaying impulses, and paying attention to and remembering details. Children with high levels of self-regulation and executive functioning do better in school, both in academic areas such as literacy and mathematics, and also in social adjustment (Bodrova & Leong, 2007). "Poor executive function is associated with high dropout rates, drug use, and crime...[whereas] good executive function is a better predictor of success in school than a child's IQ" (Spiegel, 2008). These cognitive functions are beginning to be developed long before children enter formal schooling. In fact, the years between three and five are especially important in the development of executive function because of changes in brain development during this period, particularly in the frontal cortex, which is responsible for regulating and expressing emotion (Shore, 2003). Engagement in play is thus a major contributor to physical and mental development.

The many books and articles written on the subject list a wide range of cognitive, emotional, interpersonal, and creative benefits (refer to the sidebar on p. 4 for some highlights).

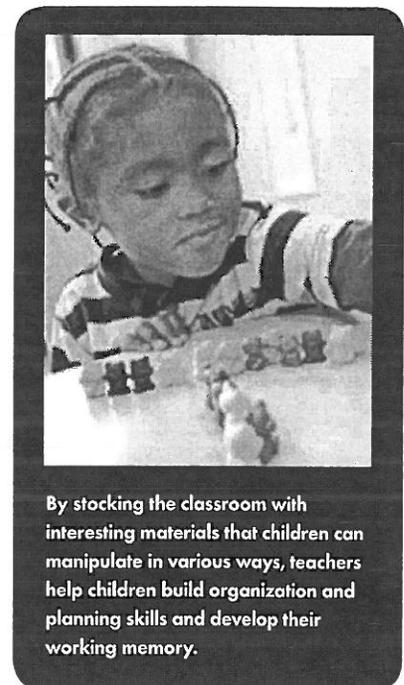
Many experts agree that play provides the foundation for learning and later academic success. For example, research demonstrates the importance of child-initiated play (as opposed to play defined and directed by adults) in the development of language and literacy skills. When children determine the direction and content of their own play, they have many opportunities to hear and practice language. This type of language-rich play directly influences future development of higher mental functions (Bodrova & Leong, 2007). When children are allowed to initiate their own play, they are then able to express those choices in words and to interact and converse freely with other children and adults. The International Association for the Evaluation of Educational Achievement (IEA) Preprimary Project, a cross-national longitudinal study, found that children's language performance at age seven was significantly higher when teachers had allowed children to choose their own activities at age four (Montie, Xiang, & Schweinhart, 2007).

Developmental psychologists identify four types of child-initiated play: *exploratory play* (discovering the properties of materials and tools, not to make something, but for the pleasure of doing it); *constructive play* (making things); *dramatic play* (acting out "make believe" or pretend situations and assuming various roles); and for older children, *games with rules*.

Gabrielle was engaging in the first three types of play, but especially in dramatic (make-believe) play. When children spend time in make-believe play, they use self-directed talk and develop other features of the critical cognitive skills of executive function (Spiegel, 2008). We will look at how child-initiated play in general, and make-believe play in particular, help to develop executive function.

Components of Executive Function

Although researchers have not completely agreed on the elements of executive function, Chris Dendy (2008) outlines five general components based on Russell Barkley and Tom Brown's work on attention deficit disorders. These components are presented below, with the plan-do-review sequence described in Gabrielle's play at the beginning of this article serving to illustrate the connection between play and executive function.



By stocking the classroom with interesting materials that children can manipulate in various ways, teachers help children build organization and planning skills and develop their working memory.

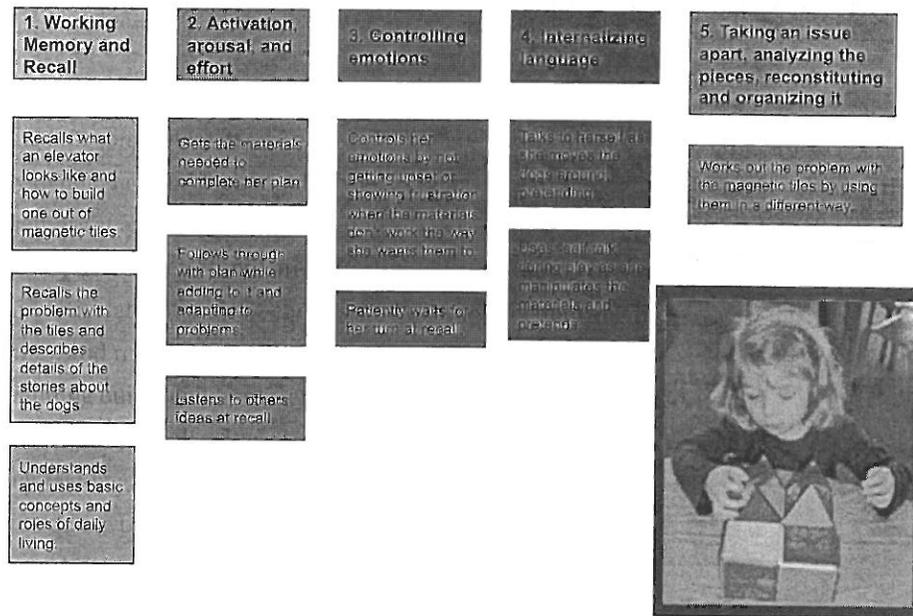
The Importance of Play

In its position statement on developmentally appropriate practice, the National Association for the Education of Young Children (NAEYC) states, "Research shows that child-guided, teacher-supported play benefits children in many ways. When children play, they engage in many important tasks, such as developing and practicing newly acquired skills, using language, taking turns, making friends, and regulating emotions and behavior according to the demands of the situation. This is why play needs to be a significant part of the young child's day" (Copple & Bredekamp, 2009, p. 328).

Working Memory and Recall

The first component of executive function is working memory and recall, which is the ability to hold facts in one's mind as well as being able to access them from one's long-term memory at any point in time (Dendy, 2008). In the HighScope preschool daily routine, planning and recall times are opportunities for children to tap into their working memory and articulate their ideas, choices, and decisions about what they want to do (planning time), and remember and reflect on their work-time actions and experiences (recall time). Planning builds children's self-confidence and self-control while leading to more concentrated, complex play. Recall time exercises children's capacities to form and talk about mental images, helps them build their memory skills, and expands their awareness of time outside the present. As presented in the diagram below, Gabrielle is exhibiting these functions during her planning and recall.

Components of Executive Function in Gabrielle's Play



Activation, Arousal, and Effort

The second component includes *activation* (getting started), *arousal* (paying attention), and *effort* (finishing work). On a larger scale, this would apply to the whole plan-do-review process. However, work time is the part of the day when children use these functions the most because children are following through with their plans by getting the appropriate materials, carrying through with their intentions while adapting to and solving any

Child-Driven Play

When children pursue play under their own impulse and initiative, they

- Practice decision-making skills
- Discover their own interests
- Engage fully in what they want to pursue
- Develop creative problem-solving skills
- Practice skills in resolving conflicts
- Develop self-regulation
- Develop trust, empathy, and social skills
- Develop language and communication skills
- Use their creativity and imagination
- Develop skills for critical thinking and leadership
- Analyze and reflect on their experiences
- Reduce stress in their everyday lives

problems that arise, and then completing the task. During work time, these functions are used over and over again as children make new plans and follow through with them. As presented in the diagram on p. 4, Gabrielle sticks with her plan throughout work time, is highly engaged with pretend play, and solves problems and carries through with her intentions until cleanup time. It is important to recognize that it takes purposeful play for these cognitive functions to fully develop. Because their play is self-directed — and therefore meaningful and purposeful to them — children are highly motivated to maintain their engagement. Children who aimlessly wander around during free play are not exhibiting the highest levels of complex play and strategizing needed to use and develop these higher-level thinking skills. Likewise, when children’s play activities are directed by adults, initiation (activation) is taken out of their hands, interest (arousal) is diminished, and actions (effort) may be aimed at pleasing others rather than thinking about and learning from their own experiences.

Controlling Emotions

The third component of executive function is *controlling emotions*, that is, the ability to tolerate frustration and to think before acting or speaking. This is part of self-regulation. Children with developed self-regulation are more able to control their emotions and behaviors, resist impulses, and exert self-discipline (Bodrova & Leong, 2007). Children who participate in a consistent, reliable problem-solving approach (e.g., HighScope’s six steps to resolving conflicts; Evans, 2002) learn to express strong emotions in nonhurtful ways; appreciate their own views as well as the views of others; listen and discuss the details of problems; recognize that when there is a problem, there are lots of possibilities for solutions; and deliberate, negotiate, and collaborate with others while staying calm when confronted with a conflict or a problem. When the magnetic tiles continued to fall down, Gabrielle could have had an emotional “melt down” or shown strong frustration by kicking at the tiles and walking away. However, due to her self-regulation skills, she stuck with the task and solved the problem by building with the tiles another way. There is evidence that some children who spend a significant amount of time using video games and watching violent media programming imitate what they see, thinking these are acceptable behaviors, and do not know how to self-regulate when frustrated. These children may get angry, even at the game itself (Anderson & Bushman, 2001).

Internalizing Language

The fourth component is *internalizing language* — using “self talk” — to control one’s behavior and direct future actions. As adults, we internally talk to ourselves throughout the day (e.g., to master problems, control emotions, and plan) — we just remind ourselves

Where Has Play Gone?

Many of us remember when we could go outside and play until the street lights came on or, in more inclement weather, when we played make-believe games with a friend in our bedroom or build things out of items we found lying around the house. Sadly, a daily time for children to freely choose what they want to do, whether indoors or outdoors, is in jeopardy. More and more, outdoor play is perceived as being too dangerous for children, so children are cooped up in their homes (Metrocom International, 2007). Both at home and at school, children are bombarded by television, DVD and computer games, violent toys that inhibit imaginative play, extracurricular activities, and academic pressure. Needless to say, little time is being allocated to creative play.

Among the greatest threats to children's creative play are television, video and DVD games, and computers. When children are mindlessly watching a screen, they are not engaging all of their senses. According to the Alliance for Childhood, children spend four-and-a-half hours per day involved in these activities (July 2009). Following a study connecting television watching with attention problems, the American Academy of Pediatrics (AAP, 2001) has recommended that young children – especially those under three who are in the formative years of brain development – have no exposure to television, as a preventative measure against attention problems and subsequent risk of attention deficit-hyperactivity disorder (ADHD) (Christakis, Zimmerman, DiGiuseppe, & McCarty, 2004). Yet studies cited by AAP and the White House Task Force on Childhood Obesity (2010) show 43% of children under age two watch television daily, and 90% of children aged 4 to 6 use screen media an average of two hours per day.

A position statement by the National Association for the Education of Young Children (NAEYC), asserts that "research demonstrates that watching violent programs is related to less imaginative play and more imitative play in which the child simply mimics the aggressive acts observed on television" (The National Institute of Mental Health, 1982, as cited in NAEYC, 1994, p. 2). Furthermore, the majority of toys that children play with tend to be violent and expensive toys based on media programs and which encourage children to reenact the aggressive behaviors they see on television, in commercials, or in movies. As children spend more time with media and items that promote violence, the less time they are engaged in activities that help them process violence. "Thus, as the need to work through violence increases, children's ability to work it through can be seriously impaired" (Levin, 2007, p. 3).

Another major threat to play is pressure to introduce academics. In *Crisis in The Kindergarten* (Miller & Almon, 2009), the authors argue that children are spending the majority of their day in literacy and math instruction and in standardized testing and test preparation, leaving less than 30 minutes (and sometimes no time at all) in play or choice time. The same restrictions and pressures are being placed on preschoolers. Research shows that the knowledge gained through this type of "cramming" and early pressure to learn ABCs and 123s fades by fourth grade (Miller & Almon, 2009).



When adults are intentional in their interactions with children, validating their emotions and helping them find solutions to problems, children are better able to manage their own feelings and behaviors.

not to talk back! With young children, private speech is key to these functions because it helps the children direct their own actions; for example, what to do with their hands, bodies, and voices, which in turn is part of developing self-regulation. Make-believe play in particular is most helpful for the development of private speech. Alix Spiegel quotes Laura Berk: “This type of self-regulating language...has been shown in many studies to be predictive of executive function” (Berk as cited in Spiegel, 2008). Returning to the opening scenario, as Gabrielle plays with the dogs, she uses private speech (internal dialogue) as she directs the pretend play. Children who spend the majority of their time in teacher-directed activities or watching television or computer screens — that is, listening to others talk — miss out on opportunities to develop self-regulation through internal dialogue and thought.

Complex Problem Solving

The fifth component of executive function is *complex problem solving* — taking an issue apart, analyzing the pieces, and reconstituting and reorganizing it into new ideas. During work time and small-group time, children are faced with many challenging problems as part of carrying out their plans and completing tasks. Part of problem solving with young children is helping them recognize that there is a problem and then involving them in the process of finding a solution. When children are engaged and adults avoid jumping in and solving problems for them, the children learn to rely on their own ideas and decision-making skills and to see themselves as confident problem solvers. For Gabrielle, through many experiences with magnetic tiles and solving problems, she needed no assistance in solving the problem and coming up with a new idea to continue her plans. Children who lack the experiences in play, and who spend most of their time in adult-organized activities, lack the creativity that it takes to solve problems mentally.

• • •

In summary, we as educators are entrusted with the responsibility of fully engaging children’s minds and bodies in the way they learn best. By understanding the importance of play, how it helps to develop key cognitive functions, and what these functions are, we can become more effective in protecting purposeful play and more intentional in our interactions with children during their play. In this issue’s “Classroom Hints” article, we will discuss strategies that assist in the development of execution function in young children. However, most important, we must remember that play is simply about having fun!

[Click here for entire newsletter](#)

IRS Letter of Tax Exempt Status



Department of the Treasury
Internal Revenue Service

P.O. Box 2508
Cincinnati OH 45201

In reply refer to: 0248219434
Nov. 22, 2010 LTR 4076C E0
30-0385724 000000 00

00016620
BODC: TE

BENICIA UNIFIED SCHOOL DISTRICT
5100 BUSINESS CENTER DR
FAIRFIELD CA 94534-1658



015344

Federal Identification Number: 30-0385724
Person to Contact: Ms. Benson
Toll Free Telephone Number: 1-877-829-5500

Dear Taxpayer:

This responds to your request for information about your federal tax status. Our records do not specify your federal tax status. However, the following general information about the tax treatment of state and local governments and affiliated organizations may be of interest to you.

GOVERNMENTAL UNITS

Governmental units, such as States and their political subdivisions, are not generally subject to federal income tax. Political subdivisions of a State are entities with one or more of the sovereign powers of the State such as the power to tax. Typically they include counties or municipalities and their agencies or departments. Charitable contributions to governmental units are tax-deductible under section 170(c)(1) of the Internal Revenue Code if made for a public purpose.

ENTITIES MEETING THE REQUIREMENTS OF SECTION 115(1)

An entity that is not a governmental unit but that performs an essential government function may not be subject to federal income tax, pursuant to Code section 115(1). The income of such entities is excluded from the definition of gross income as long as the income (1) is derived from a public utility or the exercise of an essential government function, and (2) accrues to a State, a political subdivision of a State, or the District of Columbia. Contributions made to entities whose income is excluded income under section 115 may not be tax deductible to contributors.

TAX-EXEMPT CHARITABLE ORGANIZATIONS

An organization affiliated with a State, county, or municipal government may qualify for exemption from federal income tax under section 501(c)(3) of the Code, if (1) it is not an integral part of the government, and (2) it does not have governmental powers inconsistent with exemption (such as the power to tax or to exercise enforcement or regulatory powers). Note that entities may meet the requirements of both sections 501(c)(3) and 115 under certain circumstances. See Revenue Procedure 2003-12, 2003-1 C.B. 316.

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Nov. 22, 2010 LTR 4076C E0
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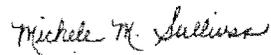
BENICIA UNIFIED SCHOOL DISTRICT
5100 BUSINESS CENTER DR
FAIRFIELD CA 94534-1658

Most entities must file a Form 1023, Application for Recognition of Exemption Under Section 501(c)(3) of the Internal Revenue Code, to request a determination that the organization is exempt from federal income tax under 501(c)(3) of the Code and that charitable contributions are tax deductible to contributors under section 170(c)(2). In addition, private foundations and other persons sometimes want assurance that their grants or contributions are made to a governmental unit or a public charity. Generally, grantors and contributors may rely on the status of governmental units based on State or local law. Form 1023 and Publication 4220, Applying for 501(c)(3) Tax-Exempt Status, are available online at www.irs.gov/eo.

We hope this general information will be of assistance to you. This letter, however, does not determine that you have any particular tax status. If you are unsure of your status as a governmental unit or state institution whose income is excluded under section 115(1) you may seek a private letter ruling by following the procedures specified in Revenue Procedure 2007-1, 2007-1 I.R.B. 1 (updated annually).

If you have any questions, please call us at the telephone number shown in the heading of this letter.

Sincerely yours,



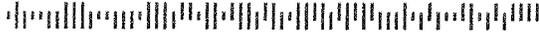
Michele M. Sullivan, Oper. Mgr.
Accounts Management Operations I



Department of the Treasury
Internal Revenue Service

P.O. Box 2508
Cincinnati OH 45201

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015344

CUT OUT AND RETURN THE VOUCHER AT THE BOTTOM OF THIS PAGE IF YOU ARE MAKING A PAYMENT,
EVEN IF YOU ALSO HAVE AN INQUIRY.



The IRS address must appear in the window.

Use for payments

BODCD-TE

0248219434

Letter Number: LTR4076C
Letter Date : 2010-11-22
Tax Period : 000000



300385724

INTERNAL REVENUE SERVICE
P.O. Box 2508
Cincinnati OH 45201

BENICIA UNIFIED SCHOOL DISTRICT
5100 BUSINESS CENTER DR
FAIRFIELD CA 94534-1658



300385724 DK BENI 00 2 000000 670 000000000000

**Current Audit for Benicia Unified School
District**

BENICIA UNIFIED SCHOOL DISTRICT

COUNTY OF SOLANO
BENICIA, CALIFORNIA

FINANCIAL STATEMENTS
WITH
INDEPENDENT AUDITOR'S REPORT

FOR THE YEAR ENDED JUNE 30, 2011

BENICIA UNIFIED SCHOOL DISTRICT

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BENICIA UNIFIED SCHOOL DISTRICT

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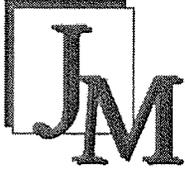
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BENICIA UNIFIED SCHOOL DISTRICT

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James Marta & Company
Certified Public Accountants

Accounting Auditing Tax and Consulting

INDEPENDENT AUDITOR'S REPORT

Board of Trustees
Benicia Unified School District
Benicia, California

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Benicia Unified School District (the "District"), as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Benicia Unified School District as of June 30, 2011, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 8, 2011 on our consideration of the Benicia Unified School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's Discussion and Analysis, the Statements of Revenues, Expenditures and Change in Fund Balances – Budget and Actual – General Fund and Cafeteria Fund and the Status of Funding Progress are not a required part of the basic financial statements, but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Benicia Unified School District's basic financial statements. The accompanying supplementary information as listed in the table of contents, including the Schedule of Expenditures of Federal Awards, which is required by U.S. Office of Management and Budget Circular A-133, *Audits of State, Local Governments and Non-Profit Organizations*, are presented for purposes of additional analysis and are not a required part of the basic financial statements of the District. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

James Marta & Company

James Marta & Company
Certified Public Accountants
December 8, 2011

MANAGEMENT'S DISCUSSION AND ANALYSIS

BENICIA UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2011

This section of Benicia Unified School District's annual financial report presents our discussion and analysis of the District's financial performance during the fiscal year that ended on June 30, 2011. Please read it in conjunction with the Independent Auditor's Report presented on pages 1 and 2, and the District's financial statements, which immediately follow this section.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements. The Statement of Net Assets and Statement of Activities, presented on pages 13 and 14, provide information about the activities of the District as a whole and present a longer-term view of the District's finances. The fund financial statements for governmental activities, presented on pages 15 through 20, provide information about how District services were financed in the short-term, and how much remains for future spending. Fund financial statements also report the District's operations in more detail than the government-wide statements by providing information about the District's most significant funds. The remaining statements provide financial information about activities for which the District acts solely as a trustee or agent for the benefit of those outside the District.

FINANCIAL HIGHLIGHTS

- The District's overall financial status declined over the course of the year, as total net assets decreased 19%. The decline was due primarily to the current year recognition of \$3,701,910 of interest expense on long-term debt. (This comment refers to the government-wide statements, which include the combined financial activities of all governmental funds.)
- On the Statement of Activities, total current year expenses, which include the interest expense mentioned above, exceeded total current year revenues by \$1,602,425. (This comment refers to the government-wide Statement of Activities, which includes the combined revenues and expenses of all governmental funds.)
- Total capital assets, net of depreciation, decreased \$2,222,516, due to the current year addition of \$644,265 of new capital assets, and the current year recognition of \$3,008,278 of depreciation expense.
- Total long-term liabilities increased \$904,229, due primarily to the \$1,055,700 current year increase in the District's recorded obligation for other post employment benefits.
- Average daily attendance (ADA), exclusive of adult ADA, increased from 4,790 ADA in fiscal year 2009-10, up to 4,793 ADA in fiscal year 2010-11, an increase of less than a fraction of 1%.
- The District's General Fund had a net increase in fund balance of \$1,691,813, during fiscal year 2010-11.
- As of June 30, 2011, The District maintains sufficient reserves for a district its size. It meets the state required minimum reserve for economic uncertainty of 3% of General Fund expenditures, transfers out, and other uses (total outgo). During fiscal year 2010-11, General Fund expenditures and other financing uses totaled \$33,167,792. At June 30, 2011, the District has available reserves of \$2,700,000 in the General Fund, which represents a reserve of 8%.

BENICIA UNIFIED SCHOOL DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2011

THE FINANCIAL REPORT

The full annual financial report consists of three separate parts, including the basic financial statements, supplementary information, and management's discussion and analysis. The three sections together provide a comprehensive overview of the District. The basic financial statements are comprised of two kinds of statements that present financial information from different perspectives, district-wide and funds.

- District-wide financial statements, which comprise the first two statements, provide both short-term and long-term information about the District's overall financial position.
- Individual parts of the District, which are reported as fund financial statements comprise the remaining statements.
 - Basic services funding is described in the governmental funds statements. These statements include short-term financing and identify the balance remaining for future spending.
 - Short and long-term financial information about the activities of the District that operate like businesses are provided in the proprietary fund statements.
 - Financial relationships, for which the District acts as an agent or trustee for the benefit of others to whom the resources belong, are presented in the fiduciary funds statements.

Notes to the financials, which are included in the financial statements, provide more detailed data and explain some of the information in the statements. The required supplementary information provides further explanations and provides additional support for the financial statements. A comparison of the District's budget for the year is included.

Reporting the District as a Whole

The District as a whole is reported in the District-wide statements and uses accounting methods similar to those used by companies in the private sector. All of the District's assets and liabilities are included in the Statement of Net Assets. The Statement of Activities reports all of the current year's revenues and expenses regardless of when cash is received or paid. The District's financial health or position (net assets) can be measured by the difference between the District's assets and liabilities.

- Increases or decreases in the net assets of the District over time are indicators of whether its financial position is improving or deteriorating, respectively.
- Additional non-financial factors such as the condition of school buildings and other facilities, and changes in the property tax base of the District need to be considered in assessing the overall health of the District.

BENICIA UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2011

In the Statement of Net Assets and the Statement of Activities, we divide the District into two kinds of activities:

Governmental Activities:

The basic services provided by the District, such as regular, adult education, administration, and transportation are included here, and are primarily financed by property taxes and state formula aid. Non-basic services, such as child nutrition are included here, but are financed by a combination of local cafeteria sales and state and federal program revenues.

Business-type Activities:

The District does not provide any services that should be included in this category.

Reporting the District's Most Significant Funds

The District's fund-based financial statements provide detailed information about the District's most significant funds. Some funds are required to be established by State law and bond covenants. However, the District establishes many other funds as needed to control and manage money for specific purposes.

Governmental Funds:

The major governmental funds of Benicia Unified School District are the General Fund, Cafeteria Fund and Bond Interest and Redemption Fund. Governmental fund reporting focuses on how money flows into and out of the funds and the balances that remain at the end of the year. A modified accrual basis of accounting measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's operations and services. Governmental fund information helps to determine the level of financial resources available in the near future to finance the District's programs.

Proprietary Funds:

Services for which the District charges a fee are generally reported in proprietary funds on a full accrual basis. These include both Enterprise funds and Internal Service funds. Enterprise funds are considered business-type activities and are also reported under a full accrual method. This is the same basis as business-type activities; therefore no reconciling entries are required. Internal service funds are reported with the Governmental Funds. The District has no funds of this type.

Fiduciary Funds:

The District is the trustee, or fiduciary, for its foundation and student activity funds. All of the District's fiduciary activities are reported in separate Fiduciary Statements. We exclude these activities from the District's other financial statements because the District cannot use these assets to finance their operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

BENICIA UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2011

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

GOVERNMENTAL ACTIVITIES

The District's net assets decreased from \$8,295,339 at June 30, 2010, down to \$6,692,914 at June 30, 2011, a decrease of 19%.

Comparative Statement of Net Assets		
	Governmental Activities	
	2010	2011
<u>Assets</u>		
Current	\$ 13,447,796	\$ 15,091,237
Capital Assets, net	57,170,785	54,948,269
Total Assets	70,618,581	70,039,506
<u>Liabilities</u>		
Current	5,428,714	4,582,246
Long-Term	56,894,528	58,764,346
Total Liabilities	62,323,242	63,346,592
Total Net Assets	\$ 8,295,339	\$ 6,692,914

BENICIA UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2011

Total District's total current year expenses exceeded total current year revenues by \$1,602,425. (Included in total current year expenses is \$3,701,910 of interest expense on long-term debt.

Comparative Statement of Changes in Net Assets		
	Governmental Activities	
	2010	2011
<u>Program Revenues</u>		
Charges for Services	\$ 1,020,724	\$ 995,142
Operating Grants & Contributions	5,332,856	5,806,113
Capital Grants & Contributions	12,146	-
<u>General Revenues</u>		
Taxes Levied	14,647,730	14,936,680
Federal & State Aid	16,630,996	18,064,465
Interest & Investment Earnings	77,318	99,627
Miscellaneous	609,913	582,564
Total Revenues	38,331,683	40,484,591
<u>Expenses</u>		
Instruction	25,774,135	25,397,090
Instruction-Related Services	4,020,447	3,296,870
Pupil Services	2,842,513	2,893,147
General Administration	3,863,093	2,603,845
Plant Services	3,634,414	3,327,998
Ancillary Services	183,977	122,027
Interest on Long-Term Debt	2,991,277	3,701,910
Other Outgo	620,245	744,129
Total Expenses	43,930,101	42,087,016
Change in Net Assets	\$ (5,598,418)	\$ (1,602,425)

BENICIA UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2011

<u>Comparative Schedule of Costs of Services</u>				
	<u>Total Cost of Services</u>		<u>Net Cost of Services</u>	
	2010	2011	2010	2011
Instruction	\$ 25,774,135	25,397,090	\$ 22,800,190	\$ 21,664,260
Instruction-Related Services	4,020,447	3,296,870	3,621,108	3,083,571
Pupil Services	2,842,513	2,893,147	1,350,710	1,355,460
General Administration	3,863,093	2,603,845	3,569,016	2,413,278
Plant Services	3,634,414	3,327,998	3,591,847	3,154,692
Ancillary Services	183,977	122,027	169,070	121,814
Interest on Long-Term Debt	2,991,277	3,701,910	2,991,277	3,701,910
Other Outgo	620,245	744,129	(528,843)	(209,224)
Totals	\$ 43,930,101	\$ 42,087,016	\$ 37,564,375	\$ 35,285,761

Table includes financial data of the combined governmental funds

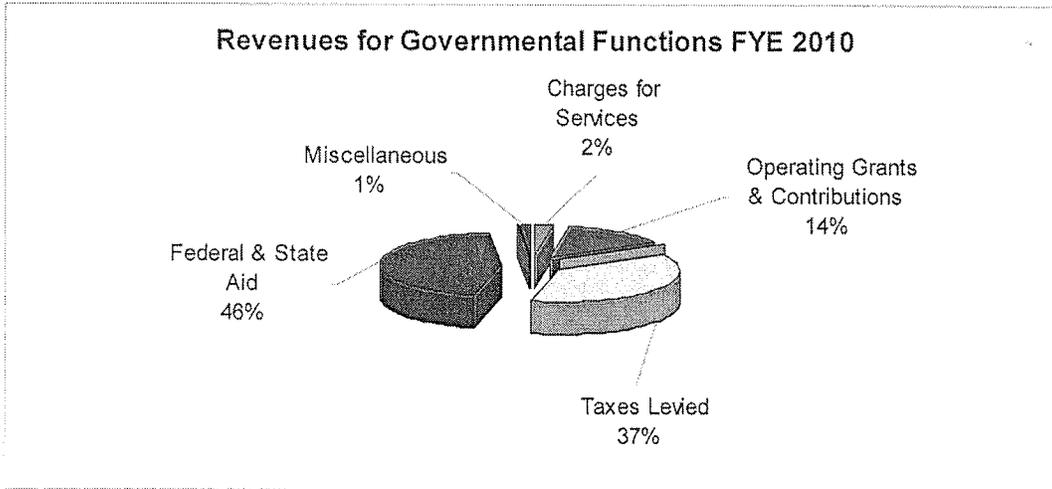
The table above presents the cost of major District activities. The table also shows each activity's net cost (total cost less fees generated by the activities and intergovernmental aid provided for specific programs). The \$35,285,761 net cost shows the financial burden that was placed on the District's general revenues for providing the services listed above.

Program revenues financed 14% of the total cost of providing the services listed above, while the remaining 86% was financed by the general revenues of the District.

<u>Summary of Revenues For Governmental Functions</u>				
	<u>FYE 2010</u>	<u>Percent of</u>	<u>FYE 2011</u>	<u>Percent of</u>
	Amount	Total	Amount	Total
<u>Program Revenues</u>				
Charges for Services	\$ 1,020,724	2.66%	\$ 995,142	2.46%
Operating Grants & Contributions	5,332,856		\$ 5,806,113	
Capital Grants & Contributions	12,146	0.03%	-	0.00%
<u>General Revenues</u>				
Taxes Levied	14,647,730	38.21%	14,936,680	36.89%
Federal & State Aid	16,630,996	43.39%	18,064,465	44.62%
Interest & Investment Earnings	77,318	0.20%	99,627	0.25%
Miscellaneous	609,913	1.59%	582,564	1.44%
Total Revenues	\$ 38,331,683	86.09%	\$ 40,484,591	85.66%

**BENICIA UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS**

JUNE 30, 2011



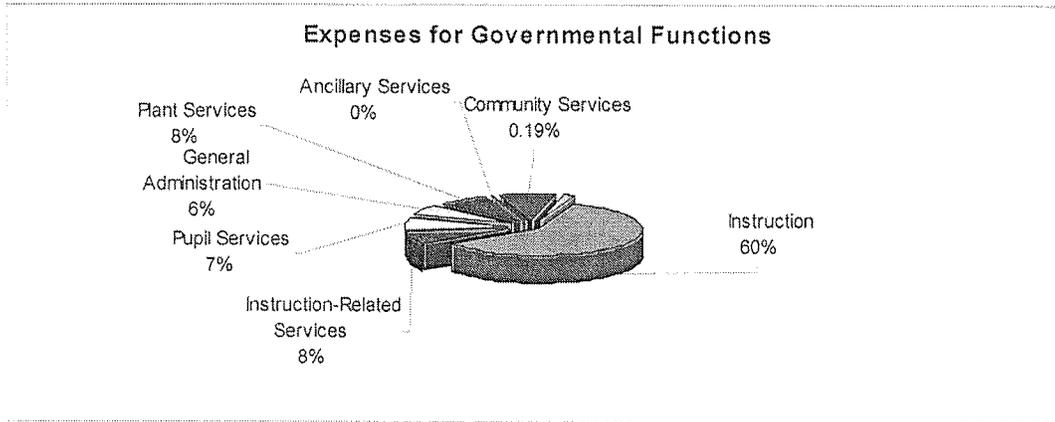
Schedule of Expenses For Governmental Functions

<u>Expenses</u>	<u>FYE 2010 Amount</u>	<u>Percent of Total</u>	<u>FYE 2011 Amount</u>	<u>Percent of Total</u>
Instruction	\$ 25,774,135	58.67%	\$ 25,397,090	60.34%
Instruction-Related Services	4,020,447	9.15%	3,296,870	7.83%
Pupil Services	2,842,513	6.47%	2,893,147	6.87%
General Administration	3,863,093	8.79%	2,603,845	6.19%
Plant Services	3,634,414	8.27%	3,327,998	7.91%
Ancillary Services	183,977	0.42%	122,027	0.29%
Interest on Long-Term Debt	2,991,277	6.81%	3,701,910	8.80%
Other Outgo	620,245	1.41%	744,129	1.77%
Total Expenses	\$ 43,930,101	100.00%	\$ 42,087,016	100.00%

Table includes financial data of the combined governmental funds

BENICIA UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2011



Comparative Schedule of Capital Assets

	Governmental Activities	
	2010	2011
Land	\$ 5,932,768	\$ 5,932,768
Sites and Improvements	8,855,572	8,973,395
Buildings and Improvements	87,434,279	88,006,545
Furniture and Equipment	1,322,393	1,587,292
Work-in-Progress	379,143	68,217
Subtotals	103,924,155	104,568,217
Less: Accumulated Depreciation	(46,753,370)	(49,619,948)
Capital Assets, net	<u>\$ 57,170,785</u>	<u>\$ 54,948,269</u>

Total capital assets, net of depreciation, decreased \$2,222,516, due to the current year addition of \$664,265 of new capital assets, and the current year recognition of \$3,008,278 of depreciation expense.

BENICIA UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2011

Comparative Schedule of Long Term Liabilities		
	Governmental Activities	
	2010	2011
Compensated Absences	\$ 172,111	\$ 97,707
General Obligation Bonds	57,562,138	57,306,544
Capital Leases	379,143	557,670
OPEB Liability	2,189,415	3,245,115
Totals	\$ 60,302,807	\$ 61,207,036

Total long-term liabilities increased \$904,229, due primarily to the \$1,055,700 current year increase in the District's recorded obligation for other post employment benefits.

The general obligation bonds are financed by the local taxpayers and represent 94% of the District's total long-term liabilities. The District has satisfied all debt service requirements for each of its debts and continues to maintain an excellent credit rating on all of its debt issues.

The notes to the financial statements are an integral part of the financial presentation and contain more detailed information as to interest, principal, retirement amounts, and future debt retirement dates.

FINANCIAL ANALYSIS OF DISTRICT'S FUNDS

Comparative Schedule of Fund Balances			
	Fund Balances June 30, 2010	Fund Balances June 30, 2011	Increase (Decrease)
General	\$ 6,599,184	\$ 8,290,997	\$ 1,691,813
Bond Interest & Redemption	2,785,798	3,065,864	280,066
Child Development	103,541	(25,176)	(128,717)
Deferred Maintenance	849,982	827,153	(22,829)
Cafeteria	405,477	195,571	(209,906)
Adult Education	-	9,866	9,866
County School Facilities	533,191	539,580	6,389
Capital Facilities	299,703	325,693	25,990
Totals	\$ 11,576,876	\$ 13,229,548	\$ 1,652,672

The fund balance of the General Fund increased \$1,691,813, while the combined fund balances of all other governmental funds decreased \$39,141.

BENICIA UNIFIED SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2011

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared in accordance with California law and is based on the modified accrual basis of accounting. Over the course of the year, the District revises its budget based on updated financial information. The original budget, approved at the end of June for July 1, is based on May Revised figures and updated 45 days after the State approves its final budget. In addition, the District revises its budget at First and Second Interim. The original budget presented on page 52 includes only new revenues for 2010-11. During the budget revision process the District accounts for prior year restricted ending balances by budgeting to use the carryover.

ECONOMIC FACTORS BEARING ON THE DISTRICT'S FUTURE

Student enrollment and average daily attendance (ADA) are primary factors in the computation of most funding formulas for public schools in the State of California. Based on the October 2011 enrollment counts, it is anticipated that the District's ADA will decrease by about 45 ADA from the prior fiscal year. Since revenue limit funding is generally based on the ADA of the current fiscal year or the prior fiscal year, whichever is more beneficial, the District's 2010-11 revenue limit funding will be based on no less than the fiscal year 2010-11 P-2 ADA.

Due to the unprecedented nature of the current State and Federal fiscal crisis, the amount of funding that will be available to the District remains uncertain. As a result, management will need to plan carefully and prudently to provide the resources to meet student needs over the next several years. The District has an excellent track record in meeting this challenge in what has proven to be a cycle of lean years and prosperous years for education finances.

Despite these fiscal challenges, Benicia Unified School District continues to provide an outstanding educational program for all students. BUSD is consistently the highest achieving district in Solano County with annual API scores of over 800 for the District. The District has a highly qualified staff that is dedicated to the success of all students. The elimination of achievement gap is one of the highest priorities of the District. The District has implemented programs to provide interventions before, during, and afterschool and continued to develop engaging programs for students. The District has introduced a new student information system that provides on-line attendance and grading and allows for increased communication with parents. The District Board is committed to energy efficiency and environmentally friendly practices and has instituted recycling at all sites. In addition, the District is currently investigating the use of solar energy in the future.

The Board, Superintendent and staff are committed to supporting the needs of students, staff and the community.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, parents, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions regarding this report or need additional financial information, contact the Chief Business Official, Benicia Unified School District, 350 East K Street, Benicia, California 94510.

BASIC FINANCIAL STATEMENTS

BENICIA UNIFIED SCHOOL DISTRICT

STATEMENT OF NET ASSETS

JUNE 30, 2011

	<u>Governmental Activities</u>
ASSETS	
Cash and cash equivalents	\$ 8,893,944
Receivables	5,817,873
Prepaid expenses	279,514
Store Inventory	99,906
Capital assets, net of accumulated depreciation	<u>54,948,269</u>
Total Assets	<u>70,039,506</u>
LIABILITIES	
Accounts payable and other current liabilities	1,914,189
Deferred revenue	225,367
Long-term liabilities:	
Due within one year	2,442,690
Due in more than one year	<u>58,764,346</u>
Total Liabilities	<u>63,346,592</u>
NET ASSETS	
Invested in capital assets, net of related debt	149,919
Restricted	3,391,557
Unrestricted	<u>3,151,438</u>
Total Net Assets	<u>\$ 6,692,914</u>

See accompanying notes to the basic financial statements.

BENICIA UNIFIED SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Expenses</u>	<u>Program Revenues</u>		<u>Governmental Activities</u>	<u>Net (Expense) Revenues and Changes in Net Assets</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>		
Governmental Activities					
Instruction	\$ 25,397,090	\$ 92,051	\$ 3,640,779	\$ (21,664,260)	
Instruction - related services:					
Supervision of instruction	265,639	7,580	133,555	(124,504)	
Instructional library, media and technology	451,355	7,547	27,592	(416,216)	
School site administration	2,579,876	39	36,986	(2,542,851)	
Pupil Services:					
Home-to-school transportation	255,661	-	127,589	(128,072)	
Food services	1,116,272	680,136	425,399	(10,737)	
All other pupil services	1,521,214	3,234	301,329	(1,216,651)	
General administration:					
Centralized data processing	118,919	290	1,059	(117,570)	
All other general administration	2,484,926	29,376	159,842	(2,295,708)	
Plant services	3,327,998	529	172,777	(3,154,692)	
Ancillary services	122,027	46	167	(121,814)	
Interest on long-term debt	3,701,910	-	-	(3,701,910)	
Other outgo	744,129	174,314	779,039	209,224	
Total governmental activities	<u>\$ 42,087,016</u>	<u>\$ 995,142</u>	<u>\$ 5,806,113</u>	<u>\$ (35,285,761)</u>	
General Revenues					
Taxes and subventions:					
Taxes levied for general purposes				10,883,921	
Taxes levied for debt service				4,052,759	
Federal and state aid not restricted to specific purposes				18,064,465	
Interest and investment earnings				99,627	
Miscellaneous				582,564	
Total general revenues				<u>33,683,336</u>	
Change in net assets				(1,602,425)	
Net Assets, July 1, 2010				8,295,339	
Net Assets, June 30, 2011				<u>\$ 6,692,914</u>	

See accompanying notes to the basic financial statements.

BENICIA UNIFIED SCHOOL DISTRICT

BALANCE SHEET

GOVERNMENTAL FUNDS

JUNE 30, 2011

	<u>General Fund</u>	<u>Cafeteria Fund</u>	<u>Bond Interest & Redemption Fund</u>	<u>All Non-Major Funds</u>	<u>Totals</u>
ASSETS					
Cash	\$ 3,758,339	\$ 343,651	\$ 3,065,864	\$ 1,726,090	\$ 8,893,944
Accounts receivable	5,664,746	53,864	-	99,263	5,817,873
Due from other funds	149,723	-	-	-	149,723
Stores Inventory	-	99,906	-	-	99,906
Total Assets	<u>\$ 9,572,808</u>	<u>\$ 497,421</u>	<u>\$ 3,065,864</u>	<u>\$ 1,825,353</u>	<u>\$ 14,961,446</u>
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 1,281,811	\$ 261,345	\$ -	\$ 39,019	\$ 1,582,175
Due to other funds	-	40,505	-	109,218	149,723
Total Liabilities	<u>1,281,811</u>	<u>301,850</u>	<u>-</u>	<u>148,237</u>	<u>1,731,898</u>
Fund balances					
Nonspendable	10,000	99,906	0	-	109,906
Restricted	-	-	3,065,864	865,273	3,931,137
Committed	-	95,665	-	837,019	932,684
Assigned	3,620,661	-	-	-	3,620,661
Unassigned	4,660,336	-	-	(25,176)	4,635,160
Total Fund Balances	<u>8,290,997</u>	<u>195,571</u>	<u>3,065,864</u>	<u>1,677,116</u>	<u>13,229,548</u>
Total liabilities and fund balances	<u>\$ 9,572,808</u>	<u>\$ 497,421</u>	<u>\$ 3,065,864</u>	<u>\$ 1,825,353</u>	<u>\$ 14,961,446</u>

See accompanying notes to the basic financial statements.

BENICIA UNIFIED SCHOOL DISTRICT

**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET ASSETS**

JUNE 30, 2011

Total fund balances - governmental funds \$ 13,229,548

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

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

Capital assets at historical cost:	\$ 104,568,217	
Accumulated depreciation:	<u>(49,619,948)</u>	
Net:		54,948,269

Unamortized costs: In governmental funds, debt issue costs are recognized as expenditures in the period they are incurred. In the government-wide statements, debt issue costs are amortized over the life of the debt. Unamortized debt issue costs included in prepaid expense on the statement of net assets are:

279,514

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

(332,014)

Deferred recognition of earned but unavailable revenues: In governmental funds, revenue is recognized only to the extent that it is "available," meaning it will be collected soon enough after the end of the period to finance expenditures of that period. Receivables for revenues that are earned but unavailable are deferred until the period in which the revenues become available. In the government-wide statements, revenue is recognized when earned, regardless of availability. The amount of unavailable revenues that were deferred as a liability in governmental funds, but are recognized in the government-wide statements is:

(225,367)

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

General obligation bonds payable	\$ 57,306,544	
Other post-employment benefits	3,245,115	
Compensated absences payable	97,707	
Capital leases payable	<u>557,670</u>	
		<u>(61,207,036)</u>

Total net assets, governmental activities: \$ 6,692,914

See accompanying notes to the basic financial statements.

BENICIA UNIFIED SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

JUNE 30, 2011

	General Fund	Cafeteria Fund	Bond Interest & Redemption Fund	All Non-Major Funds	Totals
REVENUES					
Revenue limit sources:					
State apportionment	\$ 14,310,562	\$ -	\$ -	\$ -	\$ 14,310,562
Local sources	10,884,031	-	-	-	10,884,031
Total revenue limit	25,194,593	-	-	-	25,194,593
Federal revenue	2,969,235	358,639	-	21,539	3,349,413
Other state revenues	4,185,112	28,177	33,038	239,929	4,486,256
Other local revenues	2,449,308	697,706	4,031,107	231,134	7,409,255
Total revenues	34,798,248	1,084,522	4,064,145	492,602	40,439,517
EXPENDITURES					
Certificated salaries	18,496,120	-	-	22,457	18,518,577
Classified salaries	4,934,512	394,371	-	289,701	5,618,584
Employee benefits	5,771,422	113,220	-	76,731	5,961,373
Books and supplies	881,813	471,925	-	31,988	1,385,726
Services and other operating expenditures	2,409,499	10,769	-	67,856	2,488,124
Capital outlay	97,823	264,143	-	102,813	464,779
Other outgo	565,603	-	-	-	565,603
Debt service expenditures	-	-	3,784,079	-	3,784,079
Total expenditures	33,156,792	1,254,428	3,784,079	591,546	38,786,845
Excess(deficiency) of revenues over expenditures	1,641,456	(169,906)	280,066	(98,944)	1,652,672
OTHER FINANCING SOURCES (USES)					
Operating transfers in	61,357	-	-	11,000	72,357
Operating transfers out	(11,000)	(40,000)	-	(21,357)	(72,357)
Total other financing sources (uses)	50,357	(40,000)	-	(10,357)	-
Net change in fund balances	1,691,813	(209,906)	280,066	(109,301)	1,652,672
Fund balances, July 1, 2010	6,599,184	405,477	2,785,798	1,786,417	11,576,876
Fund balances, June 30, 2011	<u>\$ 8,290,997</u>	<u>\$ 195,571</u>	<u>\$ 3,065,864</u>	<u>\$ 1,677,116</u>	<u>\$ 13,229,548</u>

See accompanying notes to the basic financial statements.

BENICIA UNIFIED SCHOOL DISTRICT

**RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES**

JUNE 30, 2011

Total net change in fund balances - governmental funds		\$ 1,652,672
Amounts reported for governmental activities in the statement of activities are different because:		
Capital outlay: In governmental funds, the costs of capital assets are reported as expenditures in the period when the assets are acquired. In the statement of activities, costs of capital assets are allocated over their estimated useful lives as depreciation expense. The difference between capital outlay expenditures and depreciation expense for the period is:		
Expenditures for capital outlay:	\$ 664,265	
Depreciation expense:	<u>(3,008,278)</u>	(2,344,013)
Debt service: In governmental funds, repayments of long-term debt are reported as expenditures. In the government-wide statements, repayments of long-term debt are reported as reductions of liabilities. Expenditures for repayment of the principal portion of long-term debt were:		1,992,938
In governmental funds, proceeds from debt are recognized as Other Financing Sources. In the government-wide statements, proceeds from debt are reported as increases to liabilities. Amounts recognized in governmental funds as proceeds from debt, net of issue premium or discount were:		(178,527)
Unmatured interest on long-term debt: In governmental funds, interest on long-term debt is recognized in the period that it becomes due. In the government-wide statement of activities, it is recognized in the period that it is incurred. Unmatured interest owing at the end of the period, less matured interest paid during the period but owing from the prior period was:		(117,522)
Accreted interest on capital appreciation bonds is not recognized as an expenditure in the governmental fund financial statements until paid. In the statement of activities, accreted interest is recognized as an expense as the capital appreciation bonds accrete in value. The net amount of accreted interest recognized in the current year was:		(1,737,344)
Gain on disposal of capital assets: In governmental funds, the entire proceeds from disposal of capital assets are reported as revenue. In the statement of activities, only the resulting gain or loss is reported. The difference between the proceeds from disposal of capital assets and the resulting gain is:		121,497
Bond premiums are recognized as income in the period they are received in governmental funds. In the government-wide statements, premiums are amortized over the life of the debt. The amount amortized was:		45,073
Debt issue costs are recognized in governmental funds as expenditures in the period they are incurred. In the government-wide statements, issue costs are amortized over the life of the debt. The amount amortized was:		(55,903)
In governmental funds, postemployment benefits other than pensions (OPEB) costs are recognized when employer contributions are made. In the statement of activities, OPEB costs are recognized on the accrual basis. This year, the difference between OPEB costs and actual employer contributions was:		(1,055,700)
Compensated absences: In governmental funds, compensated absences are measured by the amounts paid during the period. In the statement of activities, compensated absences are measure by the amounts earned. The difference between compensated absences paid and compensated absences earned was:		<u>74,404</u>
Total change in net assets - governmental activities		<u>\$ (1,602,425)</u>

See accompanying notes to the basic financial statements.

BENICIA UNIFIED SCHOOL DISTRICT
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS

JUNE 30, 2011

	<u>Private-Purpose Trust Fund</u>	<u>Agency Funds</u>	
	<u>Foundation</u>	<u>Student Body</u>	<u>Totals</u>
ASSETS			
Cash & Equivalents	\$ 312,549	\$ 578,410	\$ 890,959
Total assets	<u>\$ 312,549</u>	<u>\$ 578,410</u>	<u>\$ 890,959</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Due to Student Groups	-	578,410	578,410
Fund balances			
Restricted	<u>312,549</u>		<u>312,549</u>
Total liabilities and fund balances	<u>\$ 312,549</u>	<u>\$ 578,410</u>	<u>\$ 890,959</u>

See accompanying notes to the basic financial statements.

BENICIA UNIFIED SCHOOL DISTRICT
STATEMENT OF CHANGES IN NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2011

	Private-Purpose Trust Fund
	Foundation
REVENUES	
Interest	\$ 2,453
Total revenues	2,453
EXPENSES	
Scholarships Awarded	7,000
Total expenditures	7,000
Change in Net Assets	(4,547)
Net Assets, July 1, 2010	317,096
Net Assets, June 30, 2011	\$ 312,549

See accompanying notes to the basic financial statements.

BENICIA UNIFIED SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2011

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. ACCOUNTING POLICIES

Benicia Unified School District (the "District") accounts for its financial transactions in accordance with the policies and procedures of the California Department of Education's California School Accounting Manual. The accounting policies of the District conform to accounting principles generally accepted in the United States of America as prescribed by the Governmental Accounting Standards Board and the American Institute of Certified Public Accountants. For state entitlement programs, the District has elected to match the revenues in the period that program expenditures are made to be consistent with the accounting for grants and other revenues.

B. REPORTING ENTITY

The Board of Trustees is the level of government which has governance responsibilities over all activities related to public elementary school education in the District. The Board is not included in any other governmental "reporting entity" as defined by the Governmental Accounting Standards Board, since Board members have decision-making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters.

C. BASIS OF PRESENTATION

Government-wide Financial Statements

The statement of net assets and the statement of activities display information about the District. These statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal activities.

The government-wide statement of net assets presents information on all of the District's assets and liabilities, with the difference between the two presented as net assets. Net assets are reported as one of three categories: invested in capital assets, net of related debt; restricted or unrestricted. Restricted net assets are further classified as either net assets restricted by enabling legislation or net assets that are otherwise restricted.

BENICIA UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2011

C. BASIS OF PRESENTATION (CONTINUED)

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are, therefore, clearly identifiable to a particular function. The District does not allocate indirect expenses to functions in the statement of activities. Program revenues include charges paid by the recipients of goods or services offered by a program, as well as grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues, which are not classified as program revenues, are presented as general revenues of the District, with certain exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

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

Fund Financial Statements

Fund financial statements report detailed information about the District. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major governmental fund is presented in a separate column, and all non-major funds are aggregated into one column. Fiduciary funds are reported by fund type.

D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-Wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements are met. Expenses are recorded when liabilities are incurred.

BENICIA UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2011

D. MEASUREMENT FOCUS AND BASIS OF ACCOUNTING (CONTINUED)

Governmental Fund Financial Statements

Governmental fund financial statements (i.e., balance sheet and statement of revenues, expenditures, and changes in fund balances) are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded under the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. "Available" means the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, "available" means collectible within the current period or within 60 days after year-end.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, and entitlements. Under the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and entitlements is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are to be used, or the fiscal year when use is first permitted; matching requirements, in which the District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. Under the modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

E. FUND ACCOUNTING

The accounts of the District are organized on the basis of funds or account groups, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. District resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. The District funds and account groups are as follows:

Governmental Funds:

General Fund is the general operating fund of the District. It is used to account for all transactions except those required or permitted by law to be accounted for in another fund.

BENICIA UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2011

Special Revenue Funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The District maintains four special revenue funds:

1. *Deferred Maintenance Fund* is used for the purpose of major repair or replacement of District property. This fund was closed as of June 30, 2010.
2. *Cafeteria Fund* is used to account for revenues received and expenditures made to operate the District's cafeterias.
3. *Adult Education Fund* is used to account for resources committed to adult education programs maintained by the District.
4. *Child Development Fund* is used to account for revenues received and expenditures made to operate the child development program.

Capital Projects Funds are used to account for the acquisition and/or construction of all major governmental general fixed assets. The District maintains two capital projects funds:

1. *Capital Facilities Fund* is used to account for community redevelopment agency revenues and capital outlay expenditures.
2. *County School Facilities Fund* is used to account for state apportionments (Education Code Sections 17009.5 and 17070.10-17076.10).

Debt Service Funds are used to account for the accumulation of resources for, and the payment of, long-term debt principal, interest and related costs. The District maintains one debt service fund:

1. *Bond Interest and Redemption Fund* is used to account for District taxes received and expended to pay bond interest and redeem bond principal.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. The Private Purpose Trust Funds are used to account for assets held by the District as trustee. The District maintains a the Foundation Fund to provide educational assistance to students of the Districts. Student body funds are used to account for the raising and expending of money to promote the general welfare, morale and educational experience of the student body. These funds' activities are reported in a separate statement of fiduciary net assets. These funds are custodial in nature and do not involve measurement of results of operations. Accordingly, the District presents only a statement of fiduciary net assets and does not present a statement of changes in fiduciary net assets. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. Fiduciary funds are presented on an economic resources measurement focus and the accrual basis of accounting, similar to the government-wide financial statements.

BENICIA UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2011

F. BUDGETS AND BUDGETARY ACCOUNTING

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all governmental funds. By state law, the District's Board of Education must adopt a final budget no later than July 1. A public hearing must be conducted to receive comments prior to adoption. The District's Board of Trustees satisfied these requirements.

The District employs budgetary control by major object code and by individual appropriation accounts. Expenditures cannot legally exceed appropriations by major object code. The budgets are revised during the year by the Board of Education to provide for unanticipated revenues and expenditures. The originally adopted and final revised budget for the General Fund and Cafeteria Fund are presented as required supplementary information.

G. INVENTORY

Inventory in the Cafeteria fund consists mainly of consumable supplies held for future use and are valued at average cost. Inventories are recorded as expenditures at the time individual inventory items are transferred from the warehouse to schools. Maintenance and other supplies held for physical plant repair, transportation supplies, and operating supplies are not included in inventories; rather, these amounts are recorded as expenditures when purchased.

The cafeteria fund records supplies expense which includes a handling charge for the delivery of government surplus food commodities. The state does not require the Cafeteria Fund to record the fair market value of these commodities. The supplies expenditures would have been greater had the District paid fair market value for the government surplus commodities.

H. CAPITAL ASSETS

Capital assets are those purchased or acquired with an original cost of \$5,000 or more and are reported at historical cost or estimated historical cost and capital improvement, acquisition or construction with an original cost of \$50,000 or more are reported at historical cost or estimated historical cost. Contributed assets are reported at fair market value as of the date received. Additions, improvements, and other capital outlays that significantly extend the useful life of an asset are capitalized. The costs of normal maintenance and repairs that do not add to the value of the assets or materially extend the asset's lives are not capitalized, but are expenses as incurred. Depreciation on all capital assets is computed using the straight-line basis over the following estimated useful lives:

<u>Asset Class</u>	<u>Years</u>
Sites and Improvements	10-36
Buildings and Improvements	7-40
Furniture and Equipment	5-15

BENICIA UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2011

I. COMPENSATED ABSENCES

All vacation pay plus related payroll taxes are accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

J. ACCUMULATED SICK LEAVE

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

K. RESTRICTED NET ASSETS

Restrictions of the ending net assets indicate the portions of net assets not appropriate for expenditure or amounts legally segregated for specific future use. These amounts are not available for appropriation and expenditure at the balance sheet date.

L. DEFERRED REVENUE

Cash received for federal and state special projects and programs is recognized as revenue to the extent that the qualified expenditures have been incurred. Deferred revenue is recorded to the extent cash received on specific projects and programs exceed qualified expenditures.

M. PROPERTY TAX

The District's revenue limit is received from a combination of local property taxes, state apportionments, and other local sources.

Secured property taxes are levied as an enforceable lien on property as of March 1. Taxes are payable in two installments, on December 10 and April 10. Unsecured property taxes are payable in one installment on or before August 31. The County of Solano bills and collects the taxes for the District. Tax revenues are recognized by the District when received.

N. FUND BALANCE RESERVES AND DESIGNATIONS

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 54, "*Fund Balance Reporting and Governmental Fund Type Definitions*", the District is required to report fund balances in the following categories: Nonspendable, Restricted, Committed, Assigned and/or Unassigned.

Nonspendable Fund Balance reflects assets not in spendable form, either because they will never convert to cash (e.g. prepaid expense) or must remain intact pursuant to legal or contractual requirements.

BENICIA UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2011

Restricted Fund Balance reflects amounts that can be spent only for the *specific purposes* stipulated by constitution, external resource providers, or through enabling legislation.

Committed Fund Balance reflects amounts that can be used only for the *specific purposes* determined by a formal action of the government's highest level of decision-making authority: the Board of Trustees. Commitments may be established, modified, or rescinded only through resolutions approved by the Board of Trustees.

Assigned Fund Balance reflects amounts intended to be used by the government for *specific purposes* but do not meet the criteria to be classified as restricted or committed. Under the District's adopted policy, only the Board of Trustees is authorized to assign amounts for specific purposes.

Unassigned Fund Balance represents the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications.

When expenditures are incurred for purposes of which restricted, committed, assigned and unassigned fund balances are available, the District considers restricted funds to have been spent first, followed by committed, assigned and unassigned, respectively.

O. ENCUMBRANCES

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

P. ESTIMATES

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

Q. ELIMINATIONS AND RECLASSIFICATIONS

In the process of aggregating data for the government-wide statements, some amounts reported as interfund activity and balances in the fund financial statements were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities within the governmental activities column.

BENICIA UNIFIED SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2011

2. CASH AND INVESTMENTS

Cash and investments as of June 30, 2011 consist of the following:

	Governmental Activities	Fiduciary Activities
Cash in County Treasury	\$ 8,883,944	\$ 312,549
Cash on hand and in banks	-	578,410
Cash in revolving fund	10,000	-
	\$ 8,893,944	\$ 890,959

A. Cash in County Treasury

Cash in the Solano County Treasury consist of cash deposited in the interest-bearing Solano County Treasurer's Pooled Surplus Investment Fund. Investments are recorded at cost, which approximates fair value. Because the District's deposits are maintained in a recognized pooled investment fund under the care of a third party and the District's share of the pool does not consist of specific, identifiable investment securities owned by the District, no disclosure of the individual deposits and investments or related custodial credit risk classifications is required. The District's deposits in the Fund are considered to be highly liquid.

As permitted under applicable state laws, the Contra Costa County Treasurer may invest in derivative securities. However, at June 30, 2011, the Contra Costa County Treasurer has represented that the Treasurer's pooled investment fund contained no derivatives or other investments with similar risk profiles.

B. Cash in Revolving Funds and in Banks

Cash balances held in banks and revolving funds are insured up to \$250,000 by the Federal Depository Insurance Corporation. All cash held by the financial institution is fully insured or collateralized.

Interest Rate Risk. The District does not have a formal investment policy that limits cash and investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. At June 30, 2011, the District had no significant interest rate risk related to cash and investments held.

BENICIA UNIFIED SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2011

3. ACCOUNTS RECEIVABLE

Accounts receivable balances at June 30, 2011 consisted of:

	General Fund	County School Facilities Fund	All Non-Major Funds	Total
Federal government:				
Federal programs	\$ 347,836	\$ 49,143	\$ 3,294	\$ 400,273
State government:				
Revenue Limit	4,577,386	-	-	4,577,386
Categorical aid programs	70,455	-	-	70,455
Lottery	145,181	-	-	145,181
Other - State	100,135	3,914	95,969	200,018
Total state government	<u>4,893,157</u>	<u>3,914</u>	<u>95,969</u>	<u>4,993,040</u>
Local government:				
Other	423,753	807	-	424,560
Totals	<u>\$ 5,664,746</u>	<u>\$ 53,864</u>	<u>\$ 99,263</u>	<u>\$ 5,817,873</u>

4. INTERFUND TRANSACTION

Transactions between funds of the District are recorded as interfund transfers. The unpaid balances at year-end, as a result of such transactions, are shown as due to and due from other funds.

Interfund Receivables/Payables

Individual fund interfund receivable and payable balances at June 30, 2011 were as follows:

	Interfund Payables	Interfund Receivables
General Fund	\$ -	\$ 149,723
Adult Education	344	-
Child Development Fund	108,874	-
Cafeteria Fund	40,505	-
	<u>\$ 149,723</u>	<u>\$ 149,723</u>

BENICIA UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2011

Interfund Transfers

Interfund transfers consist of operating transfers from funds receiving resources to funds through which the resources are to be expended. Interfund transfers for the 2010 - 2011 fiscal year are as follows:

Transfers from General Fund to Adult Ed Fund for contribution to support the Adult Ed Stepping Stones Program.	\$	11,000
Transfer from Cafeteria fund to General Fund for indirect costs.		40,000
Transfer from Child Development Fund to General Fund for indirect costs.		20,857
Transfer from Adult Ed Fund to General Fund for indirect costs.		500
Totals	\$	<u>72,357</u>

BENICIA UNIFIED SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2011

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2011, was as follows:

	Balance June 30, 2010	Additions and Transfers	Deductions and Transfers	Balance June 30, 2011
Non-depreciable assets:				
Land	\$ 5,932,768	\$ -	\$ -	\$ 5,932,768
Work in progress	379,143	68,217	(379,143)	68,217
	<u>6,311,911</u>	<u>68,217</u>	<u>(379,143)</u>	<u>6,000,985</u>
Depreciable assets:				
Site Improvements	8,855,572	117,823	-	8,973,395
Buildings	87,434,279	579,811	(7,545)	88,006,545
Equipment	1,322,393	277,557	(12,658)	1,587,292
	<u>97,612,244</u>	<u>975,191</u>	<u>(20,203)</u>	<u>98,567,232</u>
Totals, at cost	<u>103,924,155</u>	<u>1,043,408</u>	<u>(399,346)</u>	<u>104,568,217</u>
Accumulated depreciation:				
Site Improvements	(8,222,895)	(171,893)	-	(8,394,788)
Buildings and improvements	(37,582,865)	(2,715,701)	-	(40,298,566)
Furniture and equipment	(947,610)	(120,684)	(141,700)	(926,594)
	<u>(46,753,370)</u>	<u>(3,008,278)</u>	<u>(141,700)</u>	<u>(49,619,948)</u>
Depreciable assets, net	<u>50,858,874</u>	<u>(2,033,087)</u>	<u>121,497</u>	<u>48,947,284</u>
Capital assets, net	<u>\$ 57,170,785</u>	<u>\$ (1,964,870)</u>	<u>\$ (257,646)</u>	<u>\$ 54,948,269</u>

Depreciation expense was charged to governmental activities as follows:

Instruction	\$ 1,931,894
Supervision of Instruction	61,403
Instructional Library and Technology	19,258
School Site Administration	220,689
Home-to-School Transportation	18,537
Food Services	83,614
Other Pupil Services	110,910
Data Processing Services	10,961
Other General Administration	278,596
Plant Services	272,416
Total depreciation expense	<u>\$ 3,008,278</u>

BENICIA UNIFIED SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2011

6. LONG-TERM LIABILITIES

General Obligation Bonds

The District's outstanding general obligation bonded debt as of June 30, 2011 is as follows:

A. Current Interest Bonds

Description	Date Of Issue	Interest Rates	Maturity Date	Amount of Original Issue	Outstanding July 1, 2010	Issued Current Year	Redeemed Current Year	Outstanding June 30, 2011
1997 Series B	2001	4.10% - 5.15%	2015	\$ 800,000	\$ 435,000	\$ -	\$ 70,000	\$ 365,000
1997 Refunding	2002	3.75% - 5.05%	2019	5,035,000	4,635,000	-	40,000	4,595,000
2008 Refunding	2007	3.00% - 4.00%	2017	9,155,000	7,380,000	-	945,000	6,435,000
				<u>\$ 14,990,000</u>	<u>\$ 12,450,000</u>	<u>\$ -</u>	<u>\$ 1,055,000</u>	<u>\$ 11,395,000</u>

The annual requirements to amortize the current interest bonds payable, outstanding as of June 30, 2010, are as follows:

Year Ended June 30	Principal	Interest	Total
2012	\$ 1,090,000	\$ 486,655	\$ 1,576,655
2013	1,425,000	435,154	1,860,154
2014	1,505,000	383,795	1,888,795
2015	1,580,000	326,186	1,906,186
2016	1,550,000	255,485	1,805,485
2017-2021	4,245,000	475,508	4,720,508
	<u>\$ 11,395,000</u>	<u>\$ 2,362,783</u>	<u>\$ 13,757,783</u>

BENICIA UNIFIED SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2011

B. Capital Appreciation Bonds

The outstanding obligation for the capital appreciation bonds at June 30, 2010, is as follows:

Date of Issue	Interest Rate	Maturity Date	Amount of Original Issue	Outstanding June 30, 2010	Interest Current Year	Redeemed Current Year	Outstanding June 30, 2011
1993	2.90%-6.00%	2019	\$ 6,792,650	\$ 9,954,013	\$ 623,864	\$ 841,704	\$ 9,736,173
1994	4.75%-6.55%	2012	3,415,840	922,830	38,367	638,020	323,177
1997	4.80%-5.55%	2023	10,724,844	19,594,010	1,151,248	600,000	20,145,258
2000	5.50%-6.00%	2026	5,455,155	9,669,423	820,824		10,490,247
2001	2.40%-6.25%	2027	3,744,994	4,971,862	389,827	145,000	5,216,689
			<u>\$ 30,133,483</u>	<u>\$ 45,112,138</u>	<u>\$ 3,024,130</u>	<u>\$ 2,224,724</u>	<u>\$ 45,911,544</u>

The annual requirements to amortize the capital appreciation bonds at June 30, 2010, are as follows:

Year Ended June 30	Principal	Interest	Total
2012	\$ 1,950,018	\$ 1,726,704	\$ 3,676,722
2013	2,368,642	1,802,031	4,170,673
2014	2,465,044	1,926,120	4,391,164
2015	2,560,518	2,064,301	4,624,819
2016	2,597,831	2,255,719	4,853,550
2017-2021	11,085,241	14,284,873	25,370,114
2022-2026	9,182,203	25,272,797	34,455,000
2027-2031	774,689	2,770,311	3,545,000
	<u>\$ 32,984,186</u>	<u>\$ 52,102,856</u>	<u>\$ 85,087,042</u>

BENICIA UNIFIED SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2011

C. Summary of Long-Term Liabilities

A schedule of changes in long-term liabilities for the year ended June 30, 2010, is shown below.

	Balance June 30, 2010	Additions	Deletions	Balance June 30, 2011	Balance Due In One Year
General Obligation Bonds					
Current Interest	\$ 12,450,000	\$ -	\$ 1,055,000	\$ 11,395,000	\$ 1,090,000
Capital Appreciation	45,112,138	3,024,130	2,224,724	45,911,544	860,018
Capital Leases	379,143	178,527	-	557,670	59,679
Postemployment benefits	2,189,415	1,317,891	262,191	3,245,115	335,286
Compensated Absences	172,111	-	74,404	97,707	97,707
	<u>\$ 60,302,807</u>	<u>\$ 4,520,548</u>	<u>\$ 3,616,319</u>	<u>\$ 61,207,036</u>	<u>\$ 2,442,690</u>

7. FUND BALANCES

The District reports fund balances in accordance with Governmental Accounting Standards Board Statement No. 54. All fund balance categories are reported in the aggregate on the face of the balance sheet. All components of those fund balances and specific purposes are identified as follows:

	General Fund	Cafeteria Fund	Bond Interest and Redemption Fund	Non-Major Funds	Total
Nonspendable:					
Inventory	\$ -	\$ 99,906	\$ -	\$ -	\$ 99,906
Revolving Cash	10,000			-	10,000
Total Nonspendable	<u>10,000</u>	<u>99,906</u>	<u>-</u>	<u>-</u>	<u>109,906</u>
Restricted:					
County School Facilities				539,580	539,580
Capital Facilities				325,693	325,693
Debt Service			\$ 3,065,864	-	3,065,864
Total Restricted	<u>-</u>	<u>-</u>	<u>3,065,864</u>	<u>865,273</u>	<u>3,931,137</u>
Committed:					
Food Services		95,665		-	95,665
Adult Education				9,866	9,866
Deferred Maintenance				827,153	827,153
Total Committed	<u>-</u>	<u>95,665</u>	<u>-</u>	<u>837,019</u>	<u>932,684</u>
Assigned:					
Program reserves	586,976				586,976
One-time reserve	3,033,685				3,033,685
Total Assigned	<u>3,620,661</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,620,661</u>
Unassigned:					
Designated for Economic Uncertainties	1,100,000				1,100,000
Board Designations	560,336				560,336
Undesignated	3,000,000			(25,176)	2,974,824
Total Unassigned	<u>4,660,336</u>	<u>-</u>	<u>-</u>	<u>(25,176)</u>	<u>4,635,160</u>
Total Fund Balances	<u>\$ 8,290,997</u>	<u>\$ 195,571</u>	<u>\$ 3,065,864</u>	<u>\$ 1,677,116</u>	<u>\$13,229,548</u>

BENICIA UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2011

8. EMPLOYEE RETIREMENT SYSTEMS

Qualified employees are covered under multiple-employer defined benefit pension plans maintained by agencies of the State of California. Certificated employees are members of the State Teachers' Retirement System (STRS), and classified employees are members of the Public Employees' Retirement System (PERS).

A. California Public Employees' Retirement System (CalPERS)

Plan Description

Brentwood Union School District contributes to the School Employer Pool under the California Public Employees' Retirement System (CalPERS), a cost-sharing multiple-employer public employee retirement system defined benefit pension plan administered by CalPERS. The plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees' Retirement Law. CalPERS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the CalPERS annual financial report may be obtained from the CalPERS Executive Office, 400 P Street, Sacramento, California 95814.

Funding Policy

Active plan members are required to contribute 7% of their salary, and Brentwood Union School District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the CalPERS Board of Administration. The required employer contribution rate for fiscal year 2010-2011 was 10.677% of annual payroll. The contribution requirements of the plan members are established by the state statute. The District's contributions to CalPERS for the fiscal year ending June 30, 2011, 2010, and 2009 were \$546,648, \$372,575, and \$532,314, respectively, and equal 100% of the required contributions for each year.

B. State Teachers' Retirement System (STRS)

Plan Description

Brentwood Union School District contributes to the State Teachers' Retirement System (STRS), a cost-sharing, multiple-employer, public employee retirement system defined benefit pension plan administered by STRS. The plan provides retirement and disability benefits and survivor benefits to beneficiaries. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers' Retirement Law. STRS issues a separate comprehensive annual financial report that includes financial statements and required supplementary information. Copies of the STRS annual financial report may be obtained from the STRS, 7667 Folsom Boulevard, Sacramento, California 95826.

BENICIA UNIFIED SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2011

Funding Policy

Active plan members are required to contribute 8% of their salary and Brentwood Union School District is required to contribute an actuarially determined rate. The actuarial methods and assumptions used for determining the rate are those adopted by the STRS Teachers' Retirement Board. The required employer contribution rate for fiscal year 2010-2011 was 8.25% of annual payroll. The contribution requirements of the plan members are established by the state statute. The District's contributions to STRS for the fiscal year ending June 30, 2011, 2010 and 2009 were \$1,507,588, \$1,545,100, and \$1,995,042, respectively, and equal 100% of the required contributions for each year.

9. JOINT VENTURES

The District participates in two joint ventures under Joint Powers Agreements (JPA): North Bay Schools Insurance Authority for workers' compensation and health and welfare insurance and Contra Costa and Solano Counties School Districts Self-Insurance Authority (CCSOLANO) for property and liability insurance.

The relationship between District and the JPAs are such that the JPAs are not a component unit of the District for financial reporting purposes.

Condensed financial information for the JPAs for the most recent fiscal year is available as follows:

	<u>NBSIA</u> <u>June 30, 2011</u>	<u>CCSOLANO</u> <u>June 30, 2011</u>
Total Assets	<u>\$ 43,762,416</u>	<u>\$ 1,430,775</u>
Total Liabilities	\$ 19,749,690	\$ 1,027,092
Net Assets	<u>24,012,726</u>	<u>403,683</u>
Total Liabilities and Net Assets	<u>\$ 43,762,416</u>	<u>\$ 1,430,775</u>
Revenues	\$ 17,778,908	\$ 2,582,458
Expenditures	<u>15,134,298</u>	<u>2,905,729</u>
Change in Net Assets	<u>\$ 2,644,610</u>	<u>\$ (323,271)</u>

Audited financial statements for the JPAs are prepared annually and can be obtained from management of the individual JPAs.

BENICIA UNIFIED SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2011

10. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description. The District provides retiree health benefits for eligible retired employees. Employees eligible to participate in the Plan are all current employees with at least 20 years of full-time service with the District and are eligible for pension benefits under either the California State Teachers Retirement System (CalSTRS) or California Public Employees Retirement System (CalPERS). The Plan is a single-employer defined benefit health care plan administered by the District which provides contributions towards the purchase of medical insurance to eligible retirees. The Governing Board retains the authority to establish and amend plan benefit provisions. A separate, stand-alone financial report is not issued for the Plan. At June 30, 2011, the plan has 7 retirees receiving benefits.

The District and retirees share in the cost of benefits as follows:

Medical Benefits: The District subsidizes an amount not to exceed the rate for a single person medical coverage in the health plan in effect, which the retiring employee is enrolled in at the time of retirement. The District provides the benefit for 10 years or until the retiree reaches age 65, whichever comes first. The retiree is responsible for self-paying any costs in excess of the subsidized amount associated with his/her coverage plus the costs for spouses or dependents of any age.

Annual OPEB Cost and Net OPEB Obligation. The District's annual OPEB cost is calculated based on the annual required contribution (ARC). For fiscal year 2011, the District's annual OPEB cost for the Plan was \$1,317,891. The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the year ended June 30, 2011, were as follows:

Annual Required Contribution (ARC)	\$	1,315,546
Interest on Net OPEB Obligation		87,577
Adjustment to annual required contribution		(85,232)
		1,317,891
Annual OPEB cost		1,317,891
Contributions made		(262,191)
		1,055,700
Change in Net OPEB obligation		1,055,700
Net OPEB obligation - beginning of year		2,189,415
		2,189,415
Net OPEB obligation - end of year	\$	3,245,115

Fiscal Year Ended	Annual OPEB Cost	Employer Contribution	Percentage Contributed	Net Ending OPEB Obligation
June 30, 2009	\$ 1,159,697	\$ 80,947	7.0%	\$ 1,078,750
June 30, 2010	\$ 1,221,088	\$ 110,423	9.0%	\$ 2,189,415
June 30, 2011	\$ 1,317,891	\$ 262,191	19.9%	\$ 3,245,115

BENICIA UNIFIED SCHOOL DISTRICT

NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2011

Funding Policy, Funded Status, and Funding Progress. The Governing Board retains the authority to establish and amend plan benefit provisions, including those related to contributions. The District currently pays for post employment health care benefits on a pay-as-you-go basis and these financial statements assume that pay-as-you-go funding will continue.

Actuarial Methods and Assumptions. Projections of benefits for financial reporting purposes are based on the substantive plan and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and the plan members to that point. The unfunded actuarial accrued liability is being amortized over 30 years on a level dollar basis.

The projection of future benefits for an ongoing plan involves estimates of the value of reported amounts and assumptions about the probability of occurrence of future events far into the future. Examples include mortality, turnover, disability, retirement age and other factors that affect the number of people eligible to receive future retiree benefits. Actuarially determined amounts are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarially accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the November 2011 actuarial valuation, the liabilities were computed using the entry age normal cost method and level dollar amortization over 30 years. The actuarial assumptions utilized a 4% discount rate, the expected long-term rate of return on District assets. The valuation assumes an initial healthcare cost trend rate of 9.5%, which grades down 0.5% annually to an ultimate rate of 5% by the year 2021.

11. COMMITMENTS AND CONTINGENCIES

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

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

BENICIA UNIFIED SCHOOL DISTRICT
NOTES TO THE BASIC FINANCIAL STATEMENTS

JUNE 30, 2011

12. SUBSEQUENT EVENT

The District's management evaluated its June 30, 2011 financial statements for subsequent events through December 8, 2011, the date the financial statements were available to be issued. Management is not aware of any subsequent events, other than those described below, that would require recognition or disclosure in the financial statements.

In October 2011, the District issued 2011 General Obligation Refunding Bonds in the principal amount of \$4,735,000 to refund all or a portion of its (i) \$5,035,000 1998 General Obligation Refunding Bonds, currently outstanding in the aggregate principal amount \$4,555,000, and (ii) General Obligation Bonds, 1997 Election, Series B, currently outstanding in the aggregate principal amount of \$285,000.

The annual requirements to amortize the current interest bonds payable are as follows:

Year Ended June 30	Principal	Interest	Total
2012	\$ -	\$ 44,748	\$ 44,748
2013	525,000	151,150	676,150
2014	300,000	142,900	442,900
2015	310,000	135,250	445,250
2016	455,000	123,775	578,775
2017-2021	3,145,000	347,625	3,492,625
	<u>\$ 4,735,000</u>	<u>\$ 945,448</u>	<u>\$ 5,680,448</u>

REQUIRED SUPPLEMENTARY INFORMATION

BENICIA UNIFIED SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET (NON-GAAP) AND ACTUAL

GENERAL FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budget		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES				
Revenue limit sources:				
State apportionment	\$ 12,345,103	\$ 14,310,562	\$ 14,310,562	\$ -
Local sources	11,462,927	10,884,031	10,884,031	-
Total revenue limit	<u>23,808,030</u>	<u>25,194,593</u>	<u>25,194,593</u>	<u>-</u>
Federal revenue	1,234,201	2,969,235	2,969,235	-
Other state revenues	4,292,198	4,185,112	4,185,112	-
Other local revenues	1,783,144	2,449,308	2,449,308	-
Total revenues	<u>31,117,573</u>	<u>34,798,248</u>	<u>34,798,248</u>	<u>-</u>
EXPENDITURES				
Certificated salaries	18,596,921	18,496,120	18,496,120	-
Classified salaries	4,892,211	4,934,512	4,934,512	-
Employee benefits	5,939,331	5,771,422	5,771,422	-
Books and supplies	867,608	881,813	881,813	-
Services and other operating expenditures	2,352,566	2,409,499	2,409,499	-
Capital outlay	-	97,823	97,823	-
Other outgo	461,876	504,246	504,246	-
Total expenditures	<u>33,110,513</u>	<u>33,095,435</u>	<u>33,095,435</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(1,992,940)	1,702,813	1,702,813	-
OTHER FINANCING SOURCES (USES)				
Operating transfers out	(11,000)	(11,000)	(11,000)	-
Total other financing sources (uses)	<u>(11,000)</u>	<u>(11,000)</u>	<u>(11,000)</u>	<u>-</u>
Net change in fund balances	(2,003,940)	1,691,813	1,691,813	-
Fund balances, July 1, 2010	6,599,184	6,599,184	6,599,184	-
Fund balances, June 30, 2011	<u>\$ 4,595,244</u>	<u>\$ 8,290,997</u>	<u>\$ 8,290,997</u>	<u>\$ -</u>

BENICIA UNIFIED SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET (NON-GAAP) AND ACTUAL

CAFETERIA FUND

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Budget		Actual	Variance with Final Budget Favorable (Unfavorable)
	Original	Final		
REVENUES				
Federal revenue	\$ 275,000	\$ 358,639	\$ 358,639	\$ -
Other state revenues	18,000	28,177	28,177	-
Other local revenues	661,000	697,706	697,706	-
Total revenues	<u>954,000</u>	<u>1,084,522</u>	<u>1,084,522</u>	<u>-</u>
EXPENDITURES				
Certificated salaries	-	-	-	-
Classified salaries	345,576	394,371	394,371	-
Employee benefits	81,385	113,220	113,220	-
Books and supplies	483,539	471,925	471,925	-
Services and other operating expenditures	3,000	10,769	10,769	-
Capital outlay	-	264,143	264,143	-
Total expenditures	<u>913,500</u>	<u>1,254,428</u>	<u>1,254,428</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	40,500	(169,906)	(169,906)	-
OTHER FINANCING SOURCES (USES)				
Operating transfers out	<u>(40,500)</u>	<u>(40,000)</u>	<u>(40,000)</u>	<u>-</u>
Net change in fund balances	-	(209,906)	(209,906)	-
Fund balances, July 1, 2010	<u>405,477</u>	<u>405,477</u>	<u>405,477</u>	<u>-</u>
Fund balances, June 30, 2011	<u>\$ 405,477</u>	<u>\$ 195,571</u>	<u>\$ 195,571</u>	<u>\$ -</u>

BENICIA UNIFIED SCHOOL DISTRICT

SCHEDULE OF FUNDING PROGRESS

POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

<u>Actuarial Valuation Date</u>	<u>Value of Assets</u>	<u>Actuarially Accrued Liability (AAL)</u>	<u>Unfunded AAL (UAAL)</u>	<u>Funded Ratio</u>	<u>Covered Payroll</u>	<u>Funded Ratio</u>
7/1/2008	\$ -	\$ 12,185,685	\$ 12,185,685	0%	\$ 23,908,459	51%
7/1/2010	\$ -	\$ 12,643,534	\$ 12,643,534	0%	\$ 22,677,234	56%

SUPPLEMENTARY INFORMATION

**BENICIA UNIFIED SCHOOL DISTRICT
CONBINING BALANCE SHEET**

NON-MAJOR GOVERNMENTAL FUNDS

JUNE 30, 2011

	Adult Education Fund	Child Development Fund	Deferred Maintenance Fund	Capital Facilities Fund	County School Facilities Fund	Totals
ASSETS						
Cash and cash equivalents	\$ 10,262	\$ 3,397	\$ 827,153	\$ 345,698	\$ 539,580	\$ 1,726,090
Accounts receivable	-	99,263	-	-	-	99,263
Total Assets	<u>\$ 10,262</u>	<u>\$ 102,660</u>	<u>\$ 827,153</u>	<u>\$ 345,698</u>	<u>\$ 539,580</u>	<u>\$ 1,825,353</u>
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 52	\$ 18,962	\$ -	\$ 20,005	\$ -	\$ 39,019
Due to other funds	344	108,874	-	-	-	109,218
Total Liabilities	<u>396</u>	<u>127,836</u>	<u>-</u>	<u>20,005</u>	<u>-</u>	<u>148,237</u>
Fund balances						
Nonspendable						-
Restricted			827,153	325,693	539,580	865,273
Committed	9,866					837,019
Assigned		(25,176)				(25,176)
Unassigned		(25,176)				
Total Fund Balances	<u>9,866</u>	<u>(25,176)</u>	<u>827,153</u>	<u>325,693</u>	<u>539,580</u>	<u>1,677,116</u>
Total liabilities and fund balances	<u>\$ 10,262</u>	<u>\$ 102,660</u>	<u>\$ 827,153</u>	<u>\$ 345,698</u>	<u>\$ 539,580</u>	<u>\$ 1,825,353</u>

See accompanying notes to supplementary information.

BENICIA UNIFIED SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES

ALL NON-MAJOR FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Adult Education Fund	Child Development Fund	Deferred Maintenance Fund	Capital Facilities Fund	County School Facilities Fund	Totals
REVENUES						
Federal revenue	\$ -	\$ 21,539	\$ -	\$ -	\$ -	\$ 21,539
Other state revenues	-	239,929	-	-	-	239,929
Other local revenues	24,217	65,756	6,583	125,047	9,531	231,134
Total revenues	24,217	327,224	6,583	125,047	9,531	492,602
EXPENDITURES						
Certificated salaries	21,608	849	-	-	-	22,457
Classified salaries	2,670	287,031	-	-	-	289,701
Employee benefits	-	76,731	-	-	-	76,731
Books and supplies	573	23,252	-	8,163	-	31,988
Services and other operating expenditures	-	12,625	29,412	22,677	3,142	67,856
Capital outlay	-	34,596	-	68,217	-	102,813
Other outgo	-	-	-	-	-	-
Total expenditures	24,851	435,084	29,412	99,057	3,142	591,546
Excess(deficiency) of revenues over expenditures	(634)	(107,860)	(22,829)	25,990	6,389	(98,944)
OTHER FINANCING SOURCES (USES)						
Operating transfers in	11,000	-	-	-	-	11,000
Operating transfers out	(500)	(20,857)	-	-	-	(21,357)
Total other financing sources (uses)	10,500	(20,857)	-	-	-	(10,357)
Net change in fund balances	9,866	(128,717)	(22,829)	25,990	6,389	(109,301)
Fund balances, July 1, 2010	-	103,541	849,982	299,703	533,191	1,786,417
Fund balances, June 30, 2011	\$ 9,866	\$ (25,176)	\$ 827,153	\$ 325,693	\$ 539,580	\$ 1,677,116

See accompanying notes to supplementary information.

BENICIA UNIFIED SCHOOL DISTRICT
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES

ALL AGENCY FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	Balance June 30, 2010	Additions	Deductions	Balance June 30, 2011
Student Body Funds				
Assets:				
Cash on hand and in banks				
Benicia High School	\$ 339,667	\$ 919,331	\$ 871,631	\$ 387,367
Benicia Middle School ASB	13,924	162,805	173,944	2,785
Benicia Middle School ASB - Savings	117,368	189,296	142,412	164,252
Joe Henderson Student Council	504	52,384	50,082	2,806
Liberty High School SBA	8,546	10,945	13,815	5,676
Mary Farmer Student Council	293	5,566	4,301	1,558
Matthew Turner Student Council	12,522	6,798	6,918	12,402
Robert Semple ASB	2,250	3,385	4,071	1,564
Total Assets	\$ 495,074	\$ 1,350,510	\$ 1,267,174	\$ 578,410
Liabilities:				
Due to student groups	\$ 495,074	\$ 1,350,510	\$ 1,267,174	\$ 578,410
Total Liabilities	\$ 495,074	\$ 1,350,510	\$ 1,267,174	\$ 578,410

See accompanying notes to supplementary information.

BENICIA UNIFIED SCHOOL DISTRICT

ORGANIZATION

JUNE 30, 2011

The Benicia Unified School District was established in 1850. The District is currently operating in Solano County. There have been no changes in the boundaries of the District during the year. The District operates four elementary schools, one middle school, one high school and one continuation high school.

BOARD OF TRUSTEES

<u>Name</u>	<u>Office</u>	<u>Term Expires December</u>
Andre Stewart	President	2011
Rosie Switzer	Trustee	2013
Steve Messina	Trustee	2013
Bonnie Weidel	Trustee	2011
Dana Dean	Trustee	2013

ADMINISTRATION

Janice Adams
Superintendent

Timothy Rahill
Chief Business Official

BENICIA UNIFIED SCHOOL DISTRICT
SCHEDULE OF AVERAGE DAILY ATTENDANCE
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Second Period Report</u>	<u>Annual Report</u>
Elementary		
Kindergarten	306	307
First through Third	958	959
Fourth through Eighth	1,812	1,811
Home and Hospital	0	0
Special Education	38	38
Community Day School	1	1
Extended Year	2	2
Subtotal	<u>3,119</u>	<u>3,119</u>
<u>Secondary</u>		
Ninth through Twelfth	1,537	1,528
Continuation Education	78	77
Home and Hospital	2	3
Special Education	48	47
Community Day School	9	9
Extended Year	0	0
Subtotal	<u>1,675</u>	<u>1,664</u>
Total	<u>4,793</u>	<u>4,782</u>

See accompanying notes to supplementary information.

**BENICIA UNIFIED SCHOOL DISTRICT
SCHEDULE OF INSTRUCTIONAL TIME**

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Grade Level	1982-83	Adjusted	1986-87	Adjusted	2010-2011	Instructional Days	Status
	Actual Minutes	1982-83 Actual Minutes	1986-87 Requirement	1986-87 Requirement	2010-2011 Actual Minutes		
Kindergarten	32,400	31,500	36,000	35,000	42,480	177	In compliance
Grade 1	45,900	44,625	50,400	49,000	49,820	177	In compliance
Grade 2	45,900	44,625	50,400	49,000	49,820	177	In compliance
Grade 3	45,900	44,625	50,400	49,000	49,820	177	In compliance
Grade 4	51,300	49,875	54,000	52,500	53,415	177	In compliance
Grade 5	51,300	49,875	54,000	52,500	53,415	177	In compliance
Grade 6	51,300	49,875	54,000	52,500	53,415	177	In compliance
Grade 7	51,300	49,875	54,000	52,500	59,716	177	In compliance
Grade 8	51,300	49,875	54,000	52,500	59,716	177	In compliance
Grade 9	63,000	61,250	64,800	63,000	63,904	177	In compliance
Grade 10	63,000	61,250	64,800	63,000	63,904	177	In compliance
Grade 11	63,000	61,250	64,800	63,000	63,904	177	In compliance
Grade 12	63,000	61,250	64,800	63,000	63,904	177	In compliance

See accompanying notes to supplementary information.

BENICIA UNIFIED SCHOOL DISTRICT
SCHEDULE OF CHARTER SCHOOL
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Charter School Chartered by District	Included in District Financial Statements, or Separate Report
--------------------------------------	--

This District does not operate any charter schools

BENICIA UNIFIED SCHOOL DISTRICT
RECONCILIATION OF UNAUDITED ACTUAL FINANCIAL REPORT
WITH AUDITED FINANCIAL STATEMENTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

There were no adjustments to any funds of the District.

BENICIA UNIFIED SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Federal Catalog Number	Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Pass- Through Entity Identifying Number	Federal Expenditures	Federal Revenues
<u>U.S. Department of Education</u>				
<u>Special Education Cluster:</u>				
84.027	Special Education: Basic Local Assistance	13379	\$ 704,670	\$ 704,670
84.173	Special Education: IDEA Preschool Grants	13430	25,775	25,775
84.027	Special Education: Preschool Local Entitlement	13682	44,382	44,382
84.391	Special Education: ARRA IDEA PART B Basic Local Assistance	15003	425,614	425,614
84.392	Special Education: ARRA IDEA Part B Preschool Grants	15000	11,238	11,238
84.391	Special Education: ARRA IDEA PART B Preschool Local Entitlement	15002	19,184	19,184
	Subtotal Special Education Cluster		<u>1,230,863</u>	<u>1,230,863</u>
84.010	NCLB: Title I, Basic Grants Low	14329	296,079	296,079
84.048	Vocational Education and Applied Technology	13924	17,010	17,010
84.367	NCLB: Title II, Part A, Improving Teacher Quality	14341	163,229	162,932
84.367	NCLB: Title II, Part A, Administrator Training	14344	3,000	6,000
84.318	NCLB: Title II, Part D, Enhancing Education thru Tech	14334	942	942
84.386	NCLB: Title II, Part D, Enhancing Education thru Tech-ARRA	15019	4,949	4,949
84.365	NCLB: Title III Limited English Proficiency (LEP)	10084	12,026	12,026
84.394	NCLB: ARRA State Fiscal Stabilization Fund	25008	254,935	254,935
84.410	ARRA Education Jobs Fund	25152	925,275	972,886
	Total U.S. Department of Education		<u>2,908,308</u>	<u>2,958,622</u>
<u>U.S. Department of Agriculture</u>				
10.555	School Lunch Program passed thru CDE	13524	358,639	358,639
10.555	School Lunch Program passed thru CDE	23165	14,872	14,872
	Total U.S. Department of Agriculture		<u>373,511</u>	<u>373,511</u>
<u>U.S. Department of Health and Human Services</u>				
93.575	Child Development - Quality Improvement	13979	6,667	6,667
93.778	Department of Health Services: Medi-Cal Billing Option (DHS)	10013	1,485	10,613
	Total U.S. Department of Health and Human Services		<u>8,152</u>	<u>17,280</u>
	Total Federal Programs		<u>\$ 3,289,971</u>	<u>\$ 3,349,413</u>

See accompanying notes to supplementary information.

BENICIA UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINANCIAL TRENDS AND ANALYSIS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

	<u>Adopted Budget 2011/2012</u>	<u>Actuals 2010/2011</u>	<u>Actuals 2009/2010</u>	<u>Actuals 2008/2009</u>
General Fund				
Revenues and Other Financial Sources	\$ 31,492,339	\$ 34,859,605	\$ 33,130,864	\$36,743,814
Expenditures	32,635,089	33,156,792	35,072,480	36,831,507
Other Uses and Transfers Out	11,000	11,000	48,648	238,664
Total Outgo	<u>32,646,089</u>	<u>33,167,792</u>	<u>35,121,128</u>	<u>37,070,171</u>
Change in Fund Balance	<u>(1,153,750)</u>	<u>1,691,813</u>	<u>(1,990,264)</u>	<u>(326,357)</u>
Ending Fund Balance	<u>\$ 7,137,247</u>	<u>\$ 8,290,997</u>	<u>\$ 6,599,184</u>	<u>\$ 8,589,448</u>
Available Reserves	<u>\$ 2,700,000</u>	<u>\$ 2,700,000</u>	<u>\$ 5,650,626</u>	<u>\$ 3,112,105</u>
Designated for Economic Uncertainties	<u>\$ 1,100,000</u>	<u>\$ 1,100,000</u>	<u>\$ 2,500,000</u>	<u>\$ 3,112,105</u>
Undesignated Fund Balance	<u>\$ 1,600,000</u>	<u>\$ 1,600,000</u>	<u>\$ 3,150,626</u>	<u>\$ -</u>
Available Reserves as a Percentage of Total Outgo	8.3%	8.1%	16.1%	8.4%
Total Long-Term Debt	\$ 60,154,562	\$ 61,207,036	\$ 60,302,807	\$ 59,394,938
Average Daily Attendance at P-2 (Excluding Adult ADA)	4,794	4,793	4,790	4,804

The general fund balance has decreased by \$624,808 over the past three years. Fiscal year 2011-12 projects a decrease of \$1,153,750. For a District this size, the State of California recommends available reserves of at least 3 percent of total general fund expenditures, transfers out, and other uses (total outgo). The District met this requirement.

The District had incurred an operating deficit in two of the past three years and anticipates incurring an operating deficit during the fiscal year 2011-2012.

Total long-term liabilities have increased by \$1,812,098 over the past two years.

Average Daily Attendance (ADA) has decreased by 11 over the past two years. The District anticipates an increase of 1 ADA for the fiscal year 2011-12.

BENICIA UNIFIED SCHOOL DISTRICT
NOTES TO SUPPLEMENTARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

1. PURPOSE OF STATEMENTS AND SCHEDULES

A. Schedule of Average Daily Attendance

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

B. Schedule of Instructional Time

The District has received incentive funding for increasing instructional time as provided by the Incentives for Longer Instructional Day. This schedule presents information on the amount of instructional time offered by the District and whether the District complied with the provisions of Education Code Sections 46200 through 46206.

C. Schedule of Expenditures of Federal Awards

The accompanying schedule of expenditures of federal awards includes the federal grant activities of the District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.

Noncash assistance in the form of donated commodities was received from the California Department of Education as a pass-through grant from the U.S. Department of Agriculture. The total fair market value of commodities received during the 2009-10 fiscal year was \$119,326 and is not included in the schedule of federal expenditures.

D. Reconciliation of Annual Financial and Budget Report with Audited Financial Statements

This schedule provides the information necessary to reconcile the fund balances of all funds, as reported in the Annual Financial and Budget Report to the audited financial statements.

E. Schedule of Financial Trends and Analysis

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

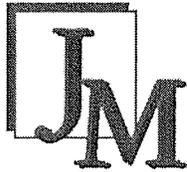
F. Schedule of Charter Schools

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

2. EARLY RETIREMENT INCENTIVE PROGRAM

Education Code Section 14502 requires certain disclosures in the financial statements of districts which adopt Early Retirement Incentive Programs pursuant to Education Code Sections 22714 and 44929. For the fiscal year ended June 30, 2011, the District has not adopted such a program.

OTHER INDEPENDENT AUDITOR'S REPORT



James Marta & Company
Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

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

Board of Trustees
Benicia Unified School District
Benicia, California

We have audited the compliance of Benicia Unified School District (the "District") with the types of compliance requirements described in the State of California's *Standards and Procedures for Audits of California K-12 Local Educational Agencies* (the "Audit Guide") to the state laws and regulations listed below for the year ended June 30, 2011. Compliance with the requirements of state laws and regulations is the responsibility of District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Controller's *Standards and Procedures for Audits of California K-12 Local Educational Agencies*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the state laws and regulations listed below occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District's compliance with those requirements.

Description	Audit Guide Procedures	Procedures Performed
Regular and Special Day Classes	8	Yes
Kindergarten Continuance	3	Yes
Independent Study	23	No, see below
Continuation Education	10	Yes
Instructional Time		
School Districts	6	Yes
County Offices of Education	3	Not applicable
Instructional Materials		
General Requirements	8	Yes
Ratio of Administrative Employees to Teachers	1	Yes
Classroom Teacher Salaries	1	Yes
Early Retirement Incentive Program	4	Not Applicable
Gann Limit Calculation	1	Yes

<u>Description</u>	<u>Audit Guide Procedures</u>	<u>Procedures Performed</u>
School Accountability Report Card	3	No, see below
Public Hearing Requirement - Receipt of Funds	1	Yes
Class Size Reduction Program		
General requirements	7	Yes
Option one classes	3	Yes
Option two classes	4	Not Applicable
Districts with only one school serving K-3	4	Not Applicable
After Schools Education and Safety Program		
General requirements	4	Not Applicable
After School	4	Not Applicable
Before School	5	Not Applicable
Contemporaneous Records of Attendance, for Charter Schools	1	Not Applicable
Mode of Instruction, for Charter Schools	1	Not Applicable
Nonclassroom-Based Instruction/Independent Study, for Charter Schools	15	Not Applicable
Determination of Funding for Nonclassroom-Based Instruction, for Charter Schools	3	Not Applicable
Annual Instructional Minutes - Classroom Based, for Charter Schools	3	Not Applicable

We did not perform any procedures related to Independent Study because the amount of attendance earned from independent study was below the materiality threshold.

We did not perform any procedures related to Early Retirement Incentive, Class Size Reduction Option Two and After School Education and Safety Program – Before School because the District does not offer these programs.

We did not perform any procedures related to Class Size Reduction - Districts with only one school serving K-3, because the District serves more than one school with grades K-3.

We were unable to complete step c for the School Accountability Report Card (SARC) because the SARC was not yet due and has not been completed for the 2010/11 fiscal year.

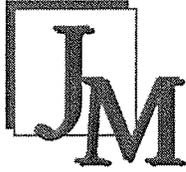
We did not perform any procedures related to Charter Schools because the District does not operate any charter schools.

In our opinion, Benicia Unified School District complied, in all material respects, with the state laws and regulations referred to above for the year ended June 30, 2011. Further, based on our examination, for items not tested, nothing came to our attention to indicate that the District had not complied with the state laws and regulations.

This report is intended solely for the information and use of the Board of Trustees, management, the California Department of Education, the California State Controller's Office and the California Department of Finance, and is not intended to be and should not be used by anyone other than these specified users. However, this report is a matter of public record and its distribution is not limited.

James Marta & Company

James Marta & Company
Certified Public Accountants
December 8, 2011



James Marta & Company
Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

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

Board of Trustees
Benicia Unified School District
Benicia, California

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Benicia Unified School District (the "District"), as of and for the year ended June 30, 2011, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 8, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

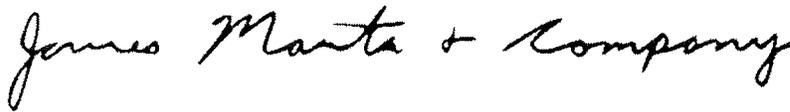
Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented or detected and corrected on a timely basis.

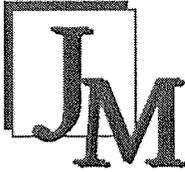
Compliance and Other Matters

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

This report is intended solely for the information and use of the Board of Trustees, management, others within the District, the California Department of Education, the California State Controller's Office and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



James Marta & Company
Certified Public Accountants
December 8, 2011



James Marta & Company
Certified Public Accountants

Accounting, Auditing, Consulting, and Tax

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE IN
ACCORDANCE WITH OMB CIRCULAR A-133

Board of Trustees
Benicia Unified School District
Benicia, California

Compliance

We have audited the compliance of Benicia Unified School District (the "District") with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness* in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance; such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected by the District's internal control.

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

This report is intended solely for the information and use of the Board of Trustees, management, others within the entity, the California Department of Education, the California State Controller's Office, federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



James Marta & Company
Certified Public Accountants
December 8, 2011

FINDINGS AND RECOMMENDATIONS

BENICIA UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Section I – Summary of Audit Results

Financial Statements

Type of auditor's report issued: Unqualified

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

Noncompliance material to financial statements
 noted? _____ Yes X No

Federal Awards

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

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

Any audit findings disclosed that are required to
 be reported in accordance with OMB Circular
 A-133, Section .510(a)? _____ Yes X No

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027, 84.173	Special Education Cluster (IDEA)
84.391, 84.392	ARRA – Special Education
84.394	State Fiscal Stabilization Fund
84.410	Education Jobs Fund

Dollar threshold used to distinguish between
 Type A and Type B programs: \$300,000

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

State Awards

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

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

BENICIA UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Section II – Financial Statement Findings

11-01 Student Body Receipts & Disbursements

Criteria

All student body deposits should be supported by documentation which identifies the amount, purpose and name of the individual that submitted the cash receipts. The deposit should agree to the supporting documentation. All disbursements should be supported with proper documentation including receipts and purpose.

Condition

1. At Liberty High School, a deposit for \$2,740 did not have detail records showing the source of the funds being deposited. No receipts were issued for the money collected; however the bookkeeper did have a file on the computer showing money collected from individuals for a year-end trip. The list showed 3 deposits, one being for the \$2,740; however the total deposits listed was more than the collections listed.
2. At Liberty High School, a check written to Costco in the amount of \$129.40 did not have supporting receipts.
3. At Joe Henderson Elementary, money received by the teachers are submitted to the Student Body Fund custodian without any supporting documentation. Teachers maintain their own records. There is no reconciliation between the teachers' records and the student body deposits. Receipt books are not used.

Questioned Cost

None

Effect

There is no way to determine the validity or reasonableness of cash receipts or disbursement if they are not supported by proper documentation.

Cause

School personnel are not requiring proper documentation for deposits nor are they obtaining sufficient documentation for each disbursement.

Recommendation

School personnel should ensure that:

- Deposits include proper documentation which identifies the amount, purpose and name of individual that is submitting the receipt
- Disbursement should be supported with a valid receipt and purpose.

Corrective Action Plan

School administrators and staff have been requested to properly document all deposits with the amount, purpose and name of individual. In addition, school administrators have been requested to attach a valid receipt and to document the purpose for all disbursements.

BENICIA UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

11-02 Day Care Receipts

Criteria

The District should establish appropriate controls (separation of duties) among personnel responsible for handling money for Day Care. The District should also ensure that software being used to maintain the Day Care accounting is installed on the server and is backed up regularly.

Condition

- 1) There is a lack of segregation of duties. The receipts are received and prepared for deposit by the administrative assistant. The administrative assistant also maintains the list of receivables and customers.
- 2) The software (ProCare) used for Day Care services is installed only on the administrative assistant's computer.
- 3) The ProCare accounting software and data is not being backed up.

Questioned Cost

None

Context

The conditions existed throughout fiscal year 2010-2011.

Effect

There is no way to determine the accuracy and existence of the receipts, deposits and receivables for the Day Care.

Cause

The Districts has not established appropriate controls (separation of duties) among personnel responsible for handling money for the Day Care and ensure accuracy of the accounting data maintained in the accounting software.

Recommendation

The District should ensure that:

- A Check log is maintained by the Child Care Programs Coordinator. All receipts should be logged in the check log before being handed to the administrative assistant. Once the deposit is prepared, the Child Care Programs Coordinator should verify the deposit against the check log to ensure accuracy and completeness.
- Software (ProCare) should be installed on a server so that the program can be used by both the Child Care Program Coordinator and the administrative assistant. Additionally, to maintain accuracy and validity of the data, ProCare should be accessible by a designated person at the District office.
- The ProCare accounting data should be backed up at least weekly to avoid loss of data.

Corrective Action Plan

The Child Care Programs Coordinator is maintaining a Check log and complying with the recommendation for deposits. The technology department has been requested to implement the recommendation regarding the Software (ProCare). The technology department has been requested to implement the recommendation regarding the weekly backup of the ProCare accounting data.

BENICIA UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Section III – Federal Award Findings and Questioned Costs

No matters were reported.

BENICIA UNIFIED SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

Section IV – State Award Findings and Questioned Costs

No matters were reported.

BENICIA UNIFIED SCHOOL DISTRICT
STATUS OF PRIOR YEAR RECOMMENDATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

<u>Recommendation</u>	<u>Current Status</u>	<u>Explanation If Not Implemented</u>
<i>Internal Controls</i>		
<p>10-1 / 30000 – Material Weakness Financial Reporting – Unaudited Actuals</p> <p>The District should develop appropriate procedures to ensure that the established year-end accruals are reviewed for accuracy and completeness prior to submitting the “Unaudited Actuals” to the Governing Board for approval.</p>	Implemented	
<p>10-2 / 30000 – Material Weakness Daycare – Cash Receipts</p> <p>The District should establish appropriate procedures and allocate sufficient staff time to the daycare program to ensure that all daycare cash receipts are collected in a complete and accurate manner.</p>	Partially Implemented	See current year finding
<p>10-3 / 30000 – Material Weakness Student Body – Gate Receipts</p> <p>The District should obtain appropriate student body forms and tickets and actively enforce procedures that require gate receipts to be reconciled to the attendance at student body events.</p>	Implemented	
<p>10-4 / 30000 – Material Weakness Student Body – Daily Cash Receipts</p> <p>The District shall required that all daily deposits that are entered into the “Tracks” system be supported by a copy of the “Summary of Receipts” report, which identifies the amount, purpose and name of the individual that submitted each cash receipt item.</p> <p>The District should require that all daily deposits entered into the “Tracks” system be closed out on a daily basis, which corresponds to the daily “Summary of Receipts” report.</p>	Partially Implemented	See current year finding

BENICIA UNIFIED SCHOOL DISTRICT

STATUS OF PRIOR YEAR RECOMMENDATIONS

FOR THE FISCAL YEAR ENDED JUNE 30, 2011

10-5 / 30000 – Significant Deficiency Implemented
Student Body – Cash Receipts

The District should actively enforce student body procedures, which require cash deposit summary sheets to be completed, signed and retained to support all student body depositis.

10-6 / 30000 – Significant Deficiency Implemented
Student Body – Financial Statements

The District should actively enforce student body procedures, which require student body account clerks to submit annual financial statements to the business office, which correspond to the fiscal year of the District. In addition, business office personnel should review the financial statements, submitted by the student body personnel, prior to the arrival of the auditors to ensure that the financial statements include the financial activities of the student body for the entire fiscal year.

10-7 / 30000 – Material Weakness Implemented
Cafeteria Forms

The District should actively enforce policies and procedures that require daily deposit summary forms to be signed by the preparer and reviewer, and attached to each site's daily sales report.

10-8 / 30000 – Material Weakness Implemented
Cafeteria – Stores Inventory

The District should establish appropriate procedures to ensure that the annual stores inventory valuation is performed on an annual basis, even if changes in personnel occur.

BENICIA UNIFIED SCHOOL DISTRICT
STATUS OF PRIOR YEAR RECOMMENDATIONS
FOR THE FISCAL YEAR ENDED JUNE 30, 2011

<i>10-9 / 50000 – Significant Deficiency</i> Federal Funds – Cash Management	Implemented
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The District should establish appropriate procedures to ensure they are aware of all applicable compliance requirements associated with federal programs, including developing a method to calculate and return, at least quarterly, interest earned in excess of \$100 on federal funds advanced to them. In addition, the District should perform the calculation to determine any excess interest earned on federal funds for fiscal year 2009-10 and should submit a payment to the California Department of Education, if required.

<i>10-10 / 10000 – Significant Deficiency</i> Attendance	Implemented
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The personnel at Liberty Continuation High School should be reminded of the District's adopted policies on what the school sites should maintain as documentation to support student absences, such as notes, phone logs, etc.

<i>10-11 / 40000 – Significant Deficiency</i> Child Development Reporting	Implemented
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The accounting controls established for preparing the quarterly "Attendance and Fiscal Report for Child Development Program" forms, should require that the supporting attendance records explicitly identify the days that children are not enrolled to attend.

<i>10-12 / 72000 – Significant Deficiency</i> School Accountability Report Card – Facilities Disclosure	Implemented
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The District should follow the instructions provided by the Office of Public School Construction to ensure that the required facilities disclosures are presented in accordance with state guidelines.