



BACK TO SCHOOL!

ABC

$1+2=3$



Board of Education Agenda

Wednesday, August 14, 2024



RIALTO
 UNIFIED SCHOOL DISTRICT
 BRIDGING FUTURES THROUGH INNOVATION

Mission

The mission of the Rialto Unified School District, the bridge that connects students to their future aspirations, is to ensure each student achieves personal and career fulfillment within a global society, through a vital system distinguished by:

- High expectations for student achievement
- Safe and engaging learning environments
- Effective family and community involvement
- Learning opportunities beyond the traditional school setting
- Appreciation of cultural diversity

Board of Education

Joseph W. Martinez, President
Edgar Montes, Vice President
Evelyn P. Dominguez, LVN, Clerk
Dr. Stephanie E. Lewis, Member
Nancy G. O'Kelley, Member

RUSD Acting Superintendent

Dr. Edward D'Souza

Front Cover Picture:

Ready to learn, ready to grow, and ready to achieve – students, teachers, and staff across Rialto Unified School District kicked off the 2024-2025 school year with excitement and enthusiasm on Monday, August 5, 2024. This collection of images captures the vibrant energy of the first day as our district embarks on a journey of excellence and success.



IMPORTANT PUBLIC NOTICE

For those that wish to participate in the meeting and/or make public comments, please follow the steps below:

- To access the Board Meeting via live stream, go to “Our Board”, scroll down to “Board Meeting Videos” and click play.
- To access the meeting agenda, visit our website and click on “Our Board”, then scroll down to “Agendas and Minutes”.
- **To make public comments, please arrive five minutes prior to the school Board meeting to allow time for you to submit your public comment request. Remember that comments are limited to three minutes on each item on or off the agenda.**
- If you have any questions, please contact Martha Degortari, Executive Administrative Agent, at mdegorta@rialtousd.org, or 1(909) 820-7700, ext. 2124.
- To access the Spanish version of the Board meeting: United States Toll +1(408) 418-9388 Access Code – 960 675 512 #.



**RIALTO UNIFIED SCHOOL DISTRICT
REGULAR MEETING OF THE BOARD OF EDUCATION
AGENDA**

August 14, 2024

**Dr. John R. Kazalunas Education Center
182 East Walnut Avenue
Rialto, California**

Board Members:

**Joseph W. Martinez, President
Edgar Montes, Vice President
Evelyn P. Dominguez, LVN, Clerk
Dr. Stephanie E. Lewis, Member
Nancy G. O'Kelley, Member**

Acting Superintendent:

Edward D'Souza, Ph.D.

Any individual who requires disability-related accommodations or modifications, including auxiliary aids and services, in order to participate in the Board meeting should contact the Superintendent or designee in writing.

Pages

A. OPENING

A.1 CALL TO ORDER 6:00 p.m.

A.2 OPEN SESSION

A.3 CLOSED SESSION

Moved _____

Seconded _____

As provided by law, the following are the items for discussion and consideration at the Closed Session of the Board Meeting:

- **PUBLIC EMPLOYEE EMPLOYMENT / DISCIPLINE / DISMISSAL / RELEASE / REASSIGNMENT OF EMPLOYEES (GOVERNMENT CODE SECTION 54957)**
- **STUDENT EXPULSIONS / REINSTATEMENTS / EXPULSION ENROLLMENTS**
- **CONFERENCE WITH LABOR NEGOTIATORS**

Agency designated representatives: Edward D'Souza, Ph.D., Acting Superintendent; Lead Personnel Agents: Rhonda Kramer, Roxanne Dominguez, and Armando Urteaga, Personnel Services.

Employee organizations: California School Employees Association, Chapter 203 (CSEA), Rialto Education Association (REA), Communications Workers of America (CWA)

- **PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d) and/or (d)(3). CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION SIGNIFICANT EXPOSURE LITIGATION - Number of Potential Claims: 1**

COMMENTS ON CLOSED SESSION AGENDA ITEMS

Any person wishing to speak on any item on the Closed Session Agenda will be granted three minutes.

Vote by Board Members to move into Closed Session:

Ayes: _____ Noes: _____ Abstain: _____ Absent: _____

Time: _____

A.4 ADJOURNMENT OF CLOSED SESSION

Moved _____

Seconded _____

Vote by Board Members to adjourn Closed Session:

Ayes: _____ Noes: _____ Abstain: _____ Absent: _____

Time: _____

A.5 OPEN SESSION RECONVENED - 7:00 p.m.

A.6 PLEDGE OF ALLEGIANCE

A.7 REPORT OUT OF CLOSED SESSION

A.8 ADOPTION OF AGENDA

Moved _____

Seconded _____

Vote by Board Members to adopt the agenda:

Ayes: _____ Noes: _____ Abstain: _____ Absent: _____

B. PRESENTATIONS - None

C. COMMENTS

C.1 PUBLIC COMMENTS ON AGENDA ITEMS

Any person wishing to speak on any item on the Agenda will be granted three minutes.

D. PUBLIC HEARING - None

28

E. CONSENT CALENDAR ITEMS

30

All items on the Consent Calendar will be acted upon in one motion unless pulled by Board of Education members or the Superintendent for individual action.

Moved _____

Seconded _____

Vote by Board Members to approve Consent Calendar Items:

_____ Nancy G. O'Kelley, Member

_____ Dr. Stephanie E. Lewis, Member

_____ Evelyn P. Dominguez, LVN, Clerk

_____ Edgar Montes, Vice President

_____ Joseph W. Martinez, President

E.1 GENERAL FUNCTIONS CONSENT ITEMS

E.1.1	APPROVE THE FIRST READING OF REVISED BOARD POLICY 5131.7; WEAPONS AND DANGEROUS INSTRUMENTS	31
E.1.2	APPROVE THE FIRST READING OF BOARD POLICY 3515.2; DISRUPTIONS	37
E.1.3	APPROVE THE FIRST READING OF REVISED BOARD POLICY 1313; CIVILITY	42
E.1.4	APPROVE THE FIRST READING OF REVISED BOARD POLICY 1260; EDUCATIONAL FOUNDATION	50
E.1.5	APPROVE THE FIRST READING OF REVISED BOARD POLICY 1160; POLITICAL PROCESSES	55

E.2 INSTRUCTION CONSENT ITEMS

E.2.1 APPROVE A RENEWAL AGREEMENT WITH EMERALD BAY OUTDOOR ACADEMY 63

Approve up to twenty (20) Hydro-Science students (10 boys and 10 girls) and up to three (3) chaperones (1 female and 2 male) to attend the Emerald Bay Outdoor Academy on Santa Catalina Island, California, effective August 15, 2024 through June 30, 2025, at a cost not-to-exceed \$7,000.00, and to be paid from the General Fund (CTEIG).

E.3 BUSINESS AND FINANCIAL CONSENT ITEMS

E.3.1 APPROVE THE WARRANT LISTING AND PURCHASE ORDER LISTING

All funds from June 18, 2024 through July 24, 2024, (Sent under separate cover to Board Members). A copy for public review will be available on the District's website.

E.3.2 DONATIONS 64

Accept the listed donations from SchoolsFirst Federal Credit Union; and Amazon, and that a letter of appreciation be sent to the donor.

E.3.3 APPROVAL AND RATIFICATION OF SURPLUS EQUIPMENT AND MISCELLANEOUS ITEMS 65

Declare the specified surplus equipment and miscellaneous items as obsolete and not serviceable for school use and authorize the Superintendent/designee to sell or dispose of these items as specified in the Education Code Sections 17545 and 17546.

- | | | |
|--------------|---|----|
| E.3.4 | RATIFY AN AGREEMENT WITH EDUPOINT EDUCATIONAL SYSTEMS, LLC | 66 |
| | Modify the Elementary Exceptional Grading Practices Report Card in Synergy for the 2024-25 school year, effective July 3, 2024, through August 3, 2024, at a cost not-to-exceed \$14,250.00 and to be paid from the General Fund. | |
| E.3.5 | RATIFY THE AFFILIATION AGREEMENT WITH CLAREMONT GRADUATE UNIVERSITY | 67 |
| | Assist current and future educators in completing state requirements for credentialing from August 1, 2024 through July 31, 2027. | |
| E.3.6 | RATIFY AN AMENDMENT TO THE AGREEMENT WITH DR. ROBIN MORRIS | 68 |
| | For Independent Education Evaluations (IEEs) requested by parents when they disagree with assessments, and increase the agreement at a cost of \$12,000.00 for a total cost of \$24,000.00, effective April 11, 2024 through June 30, 2024, and to be paid from the General Fund. | |
| E.3.7 | APPROVE AMENDMENT NO. 2 TO THE AGREEMENT WITH EIDE BAILLY, LLP TO CONDUCT A PERFORMANCE AUDIT OF THE FULL-DAY KINDERGARTEN FACILITIES GRANT PROGRAM | 69 |
| | Extend the term of the agreement from June 30, 2024, to June 30, 2025, to conclude the required performance audit of the Full-Day Kindergarten Facilities Grant Program at no additional cost to the District. | |

E.3.8	RATIFY AN AMENDMENT TO THE AGREEMENT WITH PROFESSIONAL TUTORS OF AMERICA	70
	Increase the agreement at a cost of \$5,720.00 through June 30, 2024, for a total cost not-to-exceed \$45,720.00, and to be paid from the General Fund. All other terms and conditions remain the same.	
E.3.9	APPROVE A RENEWAL AGREEMENT WITH NEUHAUS EDUCATION CENTER	71
	Provide professional learning in the area of foundational reading to Reading Specialists, effective August 15, 2024 through June 30, 2025, at a cost not-to-exceed \$43,040.00, and to be paid from the General Fund.	
E.3.10	APPROVE A RENEWAL AGREEMENT WITH LEXIA VOYAGER SOPRIS INC.	72
	Provide the Language!Live curriculum to use for ELA intervention at all middle schools, effective August 15, 2024 through June 30, 2025, at a cost not-to-exceed \$25,726.06 and to be paid from the General Fund (Title IV).	
E.3.11	APPROVE A RENEWAL AGREEMENT WITH LAKESHORE LEARNING	73
	Purchase 315 student license subscriptions for Rialto Unified School District students, effective August 15, 2024 through June 30, 2025, at a cost not-to-exceed \$28,035.00, and to be paid from the General Fund.	
E.3.12	APPROVE A RENEWAL AGREEMENT WITH CORWIN - WERNER ELEMENTARY SCHOOL	74
	Provide three (3) days of on-site professional development for first through third grade teachers at Werner Elementary, effective August 15, 2024 through June 30, 2025, at a cost not to exceed \$22,500.00, and to be paid from the General Fund (CSI).	

E.3.13	APPROVE A RENEWAL AGREEMENT WITH NAVIGATE 360	75
	Provide a reward, track, redeem process and data to help support our PBIS Rewards school culture at Boyd, Casey, Garcia, Kelley, Kordyak, Morris, Myers, Preston Elementary Schools, and Frisbie Middle School, effective August 15, 2024 through June 30, 2025, at a cost not-to-exceed \$25,327.40, and to be paid from the General Fund (Title I).	
E.3.14	APPROVE A RENEWAL AGREEMENT WITH SAC HEALTH	76
	Provide health services for Rialto Unified School District students, effective August 15, 2024 through June 30, 2025, at no cost to the District.	
E.3.15	APPROVE A RENEWAL AGREEMENT WITH CARE SOLACE	77
	Provide 24-hour mental health care coordination services for students and their families, effective August 15, 2024 through June 30, 2025, at a cost not-to-exceed \$44,000.00, and to be paid from the General Fund (ESSER III).	
E.3.16	APPROVE A RENEWAL AGREEMENT WITH KEYSTONE INDUSTRIAL MEDICINE	78
	Provide a certified medical person at football home games for all three high schools during the 2024-25 regular season and playoffs, effective August 15, 2024, through December 31, 2024, at a cost not-to-exceed \$6,930.00 and to be paid from the General Fund.	

E.3.17 APPROVE A MEMORANDUM OF UNDERSTANDING (MOU) WITH SAN BERNARDINO COUNTY SUPERINTENDENT OF SCHOOLS (SBCSS) PRE-APPRENTICESHIP SPONSORSHIP 79

Allow the District to fulfill its responsibilities under the MOU in accordance with the provisions of law and regulations that govern their activities, effective August 15, 2024 through June 30, 2026, at no cost to the District.

E.3.18 APPROVE AGREEMENT NO. 24/25-0111 WITH SAN BERNARDINO COUNTY SUPERINTENDENT OF SCHOOLS (SBCSS) FOR CLASSROOM LEASE AND MAINTENANCE OF SPECIAL EDUCATION CLASSROOMS 80

Approve Agreement No. 24/25-0111 with the San Bernardino County Superintendent of Schools (SBCSS) for the maintenance of eleven (11) SBCSS special education classrooms, as well as District use of eight (8) county classrooms owned by SBCSS at no cost to the District from July 1, 2024 through June 30, 2025. The San Bernardino County Superintendent of Schools shall pay the District \$4,235.64 per classroom occupied by SBCSS and maintained by the District. Total amount paid to the District under this contract shall not exceed \$46,592.04.

E.3.19 APPROVE AN AGREEMENT WITH LOMA LINDA UNIVERSITY 82

Approve the Contract for Educational and Instructional Programs with Loma Linda University for mentoring opportunities to assist current and future student Speech-Language Pathology Assistants and Occupational Therapists in their specialized field from October 1, 2024 through September 30, 2029 at no cost to the District.

E.3.20	APPROVE AN AGREEMENT WITH BUCK INSTITUTE - WERNER ELEMENTARY SCHOOL	83
	Provide three (3) days of professional development and access to an online component of the program for all fourth and fifth grade teachers, Instructional Strategists, and Reading Specialists at Werner Elementary, effective August 15, 2024 through June 30, 2025, at a cost not-to-exceed \$19,000.00, and to be paid from the General Fund (CSI).	
E.3.21	APPROVE AN AGREEMENT WITH CAL CARD	84
	Approve an additional CAL-Card to be issued to the Acting Superintendent Edward D’Souza, Ph.D.	
E.3.22	APPROVE AN AGREEMENT WITH CO-CREATORS INC	85
	Audit and provide comprehensive reports of new playground structures, effective August 15, 2024, through June 30, 2025, at a cost not-to-exceed \$17,400.00, and to be paid from the General Fund (Routine Repair Maintenance Account).	
E.3.23	APPROVE AN AGREEMENT WITH ROOTS OF SUCCESS ENVIRONMENTAL LITERACY AND JOB TRAINING PROGRAM	86
	Pre-Apprenticeship program for up to 100 Career Technical Education students at Milor High School, effective August 15, 2024 through June 30, 2026, at a cost not to exceed \$35,000.00, and to be paid from the General Fund (CTEIG).	

E.3.24	APPROVE AN AGREEMENT WITH THE MANHOOD PROJECT - MILOR HIGH SCHOOL	87
	Provide Social Emotional Learning support by facilitating a 2-day youth conference for all male students at Milor High School, effective August 29, 2024 through September 30, 2024, at a cost not-to-exceed \$20,000.00, and to be paid from the General Fund (CSI).	
E.3.25	APPROVE AN AGREEMENT WITH LEAPS & BOUNDS PEDIATRIC THERAPY	88
	Provide services during the 2024-2025 school year, effective August 15, 2024 through June 30, 2025, at a cost not-to-exceed \$30,000.00, and to be paid from the General Fund.	
E.3.26	APPROVE AN AGREEMENT WITH ENVOLVE - RIALTO HIGH SCHOOL	89
	Provide an on-campus training on September 5, 2024 and online support Rialto High School's ASB Leadership students, effective August 29, 2024 through May 29, 2025, at a cost not-to-exceed \$3,250.00, and to be paid from the General Fund.	
E.3.27	APPROVE AN AGREEMENT WITH SKILL STRUCK	90
	Expand service into Eisenhower High School computer science curriculum for the next two years, effective August 15, 2024 through June 30, 2026, at a cost not-to-exceed \$34,000.00, and to be paid from the General Fund (CTEIG).	
E.3.28	APPROVE THE AGREEMENT WITH VARIOUS VENDORS FOR THE 2024-25 FISCAL YEAR	91
	Approve the frequently used vendors and cost structures for the 2024-25 school year.	

E.4 FACILITIES PLANNING CONSENT ITEMS

E.4.1 NOTICE OF COMPLETION – J&A ENGINEERING CORP. DBA J&A FENCE 98

Accept the work completed June 30, 2024, by J&A Engineering Corp. dba J&A Fence, for the project at Wilmer Amina Carter High School Campus Security Fence, and authorize District staff to file a Notice of Completion with the San Bernardino County Recorder.

E.5 PERSONNEL SERVICES CONSENT ITEMS

E.5.1 APPROVE PERSONNEL REPORT NO. 1322 FOR CLASSIFIED AND CERTIFICATED EMPLOYEES 99

E.5.2 ADOPT RESOLUTION NO. 24-25-05 - PROVISIONAL INTERNSHIP PERMIT 118

Authorize the Lead Personnel Agent, Personnel Services, to assign various teachers who are enrolled in a credential program, but have not yet completed the requirements to enter an internship program.

E.5.3 ADOPT RESOLUTION NO. 24-25-08 - ENGLISH LEARNER AUTHORIZATION WAIVER 119

Authorize the Lead Personnel Agent, Personnel Services, to employ or assign identified individuals additional time to complete the requirements for the credential that authorizes the service or to provide employing agencies time to fill the assignment with an individual who either holds an appropriate credential or qualifies under one of the available assignment options. This includes waivers to employ or assign identified individuals when the employing agency finds there is an insufficient number of certificated persons who meet the specified employment criteria for the position.

E.5.4	ADOPT RESOLUTION NO. 24-25-09 - EC 44263 DEPARTMENTALIZED	120
	Pursuant to Education Code Section 44263, for the 2024/2025 school year, authorize the Lead Personnel Agent, Personnel Services, to assign various teachers at the secondary level, with their consent, to teach any subject in departmentalized classes if the teachers have completed 18 semester units, or 9 upper semester units, in the subject to be taught.	
E.6	MINUTES	121
E.6.1	APPROVE THE MINUTES OF THE REGULAR BOARD OF EDUCATION MEETING HELD JUNE 26, 2024	122
E.6.2	APPROVE THE MINUTES OF THE REGULAR BOARD OF EDUCATION MEETING HELD JULY 10, 2024	162

F. DISCUSSION/ACTION ITEMS

178

F.1 AUTHORIZE THE PURCHASE, WARRANTY, AND INSTALLATION OF HARDWARE, HARDWARE MAINTENANCE, AND SOFTWARE FROM CONVERGEONE, INC. UTILIZING CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS) NUMBER 3-24-07-1005

179

Moved _____

Seconded _____

Approve the use of California Multiple Award Schedule (CMAS) Number 3-24-07-1005 from ConvergeOne, Inc. at a cost to be determined at the time of purchase and to be paid using various funds.

DISCUSSION

Vote by Board Members:

_____ Nancy G. O'Kelley, Member

_____ Dr. Stephanie E. Lewis, Member

_____ Evelyn P. Dominguez, LVN, Clerk

_____ Edgar Montes, Vice President

_____ Joseph W. Martinez, President

F.2 APPROVE CHANGE ORDER NO. 2 FOR RDM ELECTRICAL CO., INC. FOR THE TWO (2) TWO-STORY CLASSROOM BUILDINGS PROJECT AT EISENHOWER HIGH SCHOOL

180

Moved _____

Seconded _____

Approve Change Order No. 2 for RDM Electrical Co., Inc. in the amount of \$107,490.00 for a revised contract amount of \$6,303,293.00, for the Two (2) Two-Story Classroom Buildings Project at Eisenhower High School, and to be paid from Fund 21 – Building Fund and Fund 25 – Capital Facilities Fund.

DISCUSSION

Vote by Board Members:

_____ Nancy G. O'Kelley, Member

_____ Dr. Stephanie E. Lewis, Member

_____ Evelyn P. Dominguez, LVN, Clerk

_____ Edgar Montes, Vice President

_____ Joseph W. Martinez, President

F.3 APPROVE CHANGE ORDER NO. 1 FOR PERFECTION GLASS, INC. FOR THE TWO (2) TWO-STORY CLASSROOM BUILDINGS PROJECT AT EISENHOWER HIGH SCHOOL

Moved _____

Seconded _____

Approve Change Order No. 1 for Perfection Glass, Inc. in the amount of \$116,085.00 for a revised contract amount of \$2,059,085.00, for the Two (2) Two-Story Classroom Buildings Project at Eisenhower High School, and to be paid from Fund 21 – General Obligation (G.O.) Bond and Fund 25 – Capital Facilities Fund.

DISCUSSION

Vote by Board Members:

_____ Nancy G. O'Kelley, Member

_____ Dr. Stephanie E. Lewis, Member

_____ Evelyn P. Dominguez, LVN, Clerk

_____ Edgar Montes, Vice President

_____ Joseph W. Martinez, President

F.4 APPROVE DEDUCTIVE CHANGE ORDER NO. 1 FOR HAMEL CONCRETE, INC., FOR THE TWO (2) TWO-STORY CLASSROOM BUILDINGS PROJECT AT EISENHOWER HIGH SCHOOL

Moved _____

Seconded _____

Approve Deductive Change Order No. 1 for Hamel Concrete Inc., in the amount of \$167,668.24, and revise the contract amount from \$2,037,983.00 to \$1,870,314.76 for the Two (2) Two-Story Classroom Buildings Project at Eisenhower High School.

DISCUSSION

Vote by Board Members:

_____ Nancy G. O'Kelley, Member

_____ Dr. Stephanie E. Lewis, Member

_____ Evelyn P. Dominguez, LVN, Clerk

_____ Edgar Montes, Vice President

_____ Joseph W. Martinez, President

F.5 APPROVE CHANGE ORDERS AND FILE A NOTICE OF COMPLETION FOR TERRA PAVE INC

Moved _____

Seconded _____

Approve Change Orders for Terra Pave Inc., No. 1 in the amount of \$23,350.00, Change Order No. 2 in the amount of \$9,716.00, and revise the awarded contract amount from \$1,512,000.00 to \$1,545,066.00 to be paid from the General Fund (Routine Repair Maintenance Account). Accept the work completed on June 17, 2024, by Terra Pave Inc. for the District Office and Enrollment Center Asphalt Project and authorize District staff to file a Notice of Completion with the San Bernardino County Recorder.

DISCUSSION

Vote by Board Members:

_____ Nancy G. O'Kelley, Member

_____ Dr. Stephanie E. Lewis, Member

_____ Evelyn P. Dominguez, LVN, Clerk

_____ Edgar Montes, Vice President

_____ Joseph W. Martinez, President

F.6 RATIFY THE APPROVAL FOR THE PURCHASE OF STUDENT CHROMEBOOK DEVICES USING CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS) 3-24-07-1005 AWARDED TO CONVERGEONE, INC.

184

Moved _____

Seconded _____

This item is at a cost of \$433,613.94 and to be paid from the General Fund (ELOP).

DISCUSSION

Vote by Board Members:

_____ Nancy G. O'Kelley, Member

_____ Dr. Stephanie E. Lewis, Member

_____ Evelyn P. Dominguez, LVN, Clerk

_____ Edgar Montes, Vice President

_____ Joseph W. Martinez, President

F.7 RATIFY AN AGREEMENT WITH PRACTI-CAL MEDI-CAL LOCAL EDUCATION AGENCY BILLING OPTION PROGRAM

186

Moved _____

Seconded _____

Provide Medi-Cal billing support, effective July 1, 2024 through June 30, 2025, at a cost not-to-exceed \$212,653.00, and to be paid from the General Fund.

DISCUSSION

Vote by Board Members:

_____ Nancy G. O'Kelley, Member

_____ Dr. Stephanie E. Lewis, Member

_____ Evelyn P. Dominguez, LVN, Clerk

_____ Edgar Montes, Vice President

_____ Joseph W. Martinez, President

F.8 APPROVE THE AMENDMENT TO THE AGREEMENT WITH THINK TOGETHER INC.

187

Moved _____

Seconded _____

Approve the grant award increase of the original agreement to provide After School and Enrichment for Teens (ASSETS) for Eisenhower High School from \$237,500.00 with an additional amount of \$60,000.00, effective August 15, 2024 through December 31, 2024, for a total grant award of \$297,500.00.

DISCUSSION

Vote by Board Members:

_____ Nancy G. O'Kelley, Member

_____ Dr. Stephanie E. Lewis, Member

_____ Evelyn P. Dominguez, LVN, Clerk

_____ Edgar Montes, Vice President

_____ Joseph W. Martinez, President

F.9 APPROVE A RENEWAL AGREEMENT WITH EXPLORE LEARNING GIZMOS

188

Moved _____

Seconded _____

Provide Explore Learning Gizmos for all students in grades 6-12 for virtual labs, effective August 15, 2024 through June 30, 2027, at a cost not-to-exceed \$116,300.00, and to be paid from the General Fund.

DISCUSSION

Vote by Board Members:

_____ Nancy G. O'Kelley, Member

_____ Dr. Stephanie E. Lewis, Member

_____ Evelyn P. Dominguez, LVN, Clerk

_____ Edgar Montes, Vice President

_____ Joseph W. Martinez, President

F.10 APPROVE A RENEWAL AGREEMENT WITH SCHOLASTIC

189

Moved _____

Seconded _____

Provide Literacy Pro for all elementary schools, effective August 15, 2024 through June 30, 2025, at a cost not-to-exceed \$71,918.00, and to be paid from the General Fund (Title IV).

DISCUSSION

Vote by Board Members:

_____ Nancy G. O'Kelley, Member

_____ Dr. Stephanie E. Lewis, Member

_____ Evelyn P. Dominguez, LVN, Clerk

_____ Edgar Montes, Vice President

_____ Joseph W. Martinez, President

F.11 APPROVE A RENEWAL AGREEMENT WITH N2Y, LLC

190

Moved _____

Seconded _____

Provide curriculum licenses and professional development training, effective August 15, 2024 through June 30, 2027, at a cost not-to-exceed \$259,040.83, and to be paid from the General Fund.

DISCUSSION

Vote by Board Members:

_____ Nancy G. O'Kelley, Member

_____ Dr. Stephanie E. Lewis, Member

_____ Evelyn P. Dominguez, LVN, Clerk

_____ Edgar Montes, Vice President

_____ Joseph W. Martinez, President

F.12 APPROVE A RENEWAL AGREEMENT WITH MCGRAW HILL LLC - ACHIEVE 3000 - RIALTO HIGH SCHOOL

191

Moved _____

Seconded _____

Provide support for Rialto High School students for the 2024-2025 school year, effective August 15, 2024 through June 30, 2025, at a cost not-to-exceed \$91,090.85, and to be paid from the General Fund (Title I).

DISCUSSION

Vote by Board Members:

_____ Nancy G. O'Kelley, Member

_____ Dr. Stephanie E. Lewis, Member

_____ Evelyn P. Dominguez, LVN, Clerk

_____ Edgar Montes, Vice President

_____ Joseph W. Martinez, President

F.13 APPROVE A RENEWAL AGREEMENT WITH SUSANNE SMITH ROLEY, OTD, OTR/L, FAOTA

192

Moved _____

Seconded _____

Complete services in the 2024-2025 school year, effective August 15, 2024 through June 30, 2025, at a cost not-to-exceed \$72,000.00, and to be paid from the General Fund.

DISCUSSION

Vote by Board Members:

_____ Nancy G. O'Kelley, Member

_____ Dr. Stephanie E. Lewis, Member

_____ Evelyn P. Dominguez, LVN, Clerk

_____ Edgar Montes, Vice President

_____ Joseph W. Martinez, President

F.14 APPROVE THE READING AND LITERACY AUTHORIZATION PROGRAM

Moved _____

Seconded _____

Approve to pay the registration fee for 65 teachers to enroll in the Reading and Literacy Authorization program provided by the University of Southern California (USC), from September 3, 2024 through June 30, 2025, at a cost of \$5,000.00 per participant including textbooks; not to exceed \$325,000.00, and to be paid from the General Fund (ESSER) and Reading and Literacy Added Authorization (RLAA) Grant Funds.

DISCUSSION

Vote by Board Members:

_____ Nancy G. O'Kelley, Member

_____ Dr. Stephanie E. Lewis, Member

_____ Evelyn P. Dominguez, LVN, Clerk

_____ Edgar Montes, Vice President

_____ Joseph W. Martinez, President

F.15 ADOPT RESOLUTION NO. 24-25-06 AUTHORIZING THE EXECUTION AND DELIVERY OF RIALTO UNIFIED SCHOOL DISTRICT CERTIFICATES OF PARTICIPATION (2024 KITCHEN AND MEETING FACILITIES FINANCING)

194

Moved _____

Seconded _____

Authorize the execution and delivery of such certificates evidencing principal in an aggregate amount of not to exceed \$55,000,000, authorizing the distribution of a preliminary official statement and an official statement in connection therewith and authorizing the execution of necessary documents and certificates and related actions.

DISCUSSION

Vote by Board Members:

_____ Nancy G. O'Kelley, Member

_____ Dr. Stephanie E. Lewis, Member

_____ Evelyn P. Dominguez, LVN, Clerk

_____ Edgar Montes, Vice President

_____ Joseph W. Martinez, President

F.16 APPROVE AN AMENDMENT TO THE EMPLOYMENT AGREEMENT OF ACTING SUPERINTENDENT, EDWARD D'SOUZA, PH.D.

Moved _____

Seconded _____

Approve an amendment to the salary increase for Acting Superintendent, Edward D'Souza, Ph.D., to correct an error in the salary information that was reported out at the July 10, 2024, board meeting. Prior to voting on this item, consistent with Government Code section 54953, the Board President will orally report a summary of his salary/compensation provided under the contract.

DISCUSSION

Vote by Board Members:

_____ Nancy G. O'Kelley, Member

_____ Dr. Stephanie E. Lewis, Member

_____ Evelyn P. Dominguez, LVN, Clerk

_____ Edgar Montes, Vice President

_____ Joseph W. Martinez, President

F.17 REINSTATEMENTS

Moved _____

Seconded _____

Case Numbers:

23-24-30

23-24-29

23-24-27

23-24-10

22-23-44

22-23-14

DISCUSSION

Vote by Board Members:

_____ Nancy G. O'Kelley, Member

_____ Dr. Stephanie E. Lewis, Member

_____ Evelyn P. Dominguez, LVN, Clerk

_____ Edgar Montes, Vice President

_____ Joseph W. Martinez, President

G. OTHER COMMENTS

G.1 PUBLIC COMMENTS NOT ON THE AGENDA

At this time, any person wishing to speak on any item **not on** the Agenda will be granted three minutes.

G.2 COMMENTS FROM ASSOCIATION EXECUTIVE BOARD MEMBERS

- Rialto Education Association (REA)
- California School Employees Association (CSEA)
- Communications Workers of America (CWA)
- Rialto School Managers Association (RSMA)

G.3 COMMENTS FROM THE ACTING SUPERINTENDENT

G.4 COMMENTS FROM MEMBERS OF THE BOARD OF EDUCATION

H. ADJOURNMENT

The next regular meeting of the Board of Education of the Rialto Unified School District will be held on August 28, 2024, at 7:00 p.m. at the Dr. John Kazalunas Education Center, 182 East Walnut Ave, Rialto, California.

Materials distributed or presented to the Board of Education at the Board Meeting are available upon request from the Superintendent's Office.

Moved _____

Seconded _____

Vote by Board Members to adjourn:

Ayes: _____ Noes: _____ Abstain: _____ Absent: _____

Time: _____

PUBLIC HEARING

NONE

CONSENT CALENDAR ITEMS



RIALTO UNIFIED SCHOOL DISTRICT

Students

BP 5131.7(a)

WEAPONS AND DANGEROUS INSTRUMENTS

The Board of Education recognizes that students and staff have the right to a safe and secure campus free from physical and psychological harm and desires to protect them from the dangers presented by firearms and other weapons.

~~(cf. 0450—Comprehensive Safety Plan)~~

~~(cf. 3515.3—District Police/Security Department)~~

~~(cf. 5116.1—Intradistrict Open Enrollment)~~

~~(cf. 5131—Conduct)~~

~~(cf. 5138—Conflict Resolution/Peer Mediation)~~

Possession of Weapons

The Board prohibits any student from possessing weapons, imitation firearms, or other dangerous instruments, as defined in law and administrative regulation, in school buildings, on school grounds or buses, at school-related or school-sponsored activities away from school, or while going to or coming from school.

If a student is in possession of a prohibited weapon, imitation firearm, or dangerous instrument which creates a threat or perceived threat of a homicidal act, any employee or other school official who is alerted to or observes such a threat shall immediately report the threat to law enforcement.

Under the power granted to the Board to protect the safety of students, staff, and others on District property and to maintain order and discipline in the schools, any school employee is authorized to confiscate any prohibited weapon, imitation firearm, or dangerous instrument from any student on school grounds.

The principal or designee shall notify law enforcement authorities when any student possesses a firearm, explosive, or other prohibited weapon or dangerous instrument without permission, sells or furnishes a firearm, or commits any act of assault with a firearm or other weapon. (Education Code 48902; Penal Code 245, 626.9, 626.10; 20 USC 7961)

~~(cf. 4158/4258/4358—Employee Security)~~

~~Any student who is determined to have brought a firearm to school or possessed a firearm at school, as verified by a school employee, shall be expelled for not less than one year, except that the Board may set an earlier date for readmission on a case-by-case basis, in accordance with Board policy and administrative regulation. (Education Code 48915; 20 USC 7151)~~

WEAPONS AND DANGEROUS INSTRUMENTS

~~(cf. 5144.1 Suspension and Expulsion/Due Process)~~

~~(cf. 5144.2 Suspension and Expulsion/Due Process [Individuals with Disabilities])~~

Unless ~~he/she~~ a **student** has obtained prior written permission as specified below, a student possessing or threatening others with any weapon, dangerous instrument, or imitation firearm shall be subject to suspension and/or expulsion in accordance with law, Board policy, and administrative regulations.

~~(cf. 5144 Discipline)~~

~~(cf. 5144.1 Suspension and Expulsion/Due Process)~~

~~(cf. 5144.2 Suspension and Expulsion/Due Process (Individuals with Disabilities))~~

~~The principal or designee shall notify law enforcement authorities when any student possesses a firearm, explosive, or other prohibited weapon or dangerous instrument without permission, sells or furnishes a firearm, or commits any act of assault with a firearm or other weapon. (Education Code 48902; Penal Code 245, 626.9, 626.10; 20 USC 7151)~~

~~(cf. 3515.2 Disruptions)~~

Permission for Possession of a Weapon for Educational Purposes

The institution of a JROTC (Junior Reserve Officers' Training Corps) program who desires cadets to possess imitation firearms and pellet guns on school grounds for an educational purpose shall submit a written request to the principal, at least five school days in advance of the planned possession which explains the planned use of the weapon and the duration, together with a written explanation from the staff person responsible for the school-sponsored activity or class.

The Superintendent or designee may grant permission for such possession when it is determined that possession of a District-issued, cadet-trainer, firearms, imitation, or other prohibited weapon on school grounds is necessary for a school-sponsored activity or class or as part of the educational program, especially the JROTC marksmen program. Factors that shall be considered include, but are not limited to, the planned use of the imitation weapon, the duration and location of the planned use, whether an audience is expected, and any perceived adverse effects on the safety and well-being of students or staff. If the Superintendent or designee grants such permission, the student and staff person shall be provided with a written explanation regarding any limitations and the permissible duration of the student's possession.

WEAPONS AND DANGEROUS INSTRUMENTS

When the Superintendent or designee grants permission, all necessary precautions shall be taken to ensure the safety of all persons on school grounds and the safe keeping of the weapon, including, but not limited to, inspecting the imitation, cadet-trainer rifle and/or pellet gun to verify that no ammunition is present. Any permitted weapon shall be stored in a locked vehicle or in an appropriate, locked container before and after its authorized use.

Any student granted permission to possess an imitation weapon may be suspended and/or expelled if the weapon is possessed or used inappropriately.

Possession of Pepper Spray

To prevent potential misuse that may harm students or staff, students are prohibited from carrying tear gas or tear gas weapons such as pepper spray on campus or at school activities.

Reporting of Dangerous Objects

The Board encourages students to promptly report the presence of weapons, injurious objects, or other suspicious activity to school authorities. The identity of a student who reports such activity shall remain confidential to the extent permitted by law.

~~(cf. 5125—Student Records)~~

The Superintendent or designee shall develop strategies designed to facilitate student reporting of the presence of injurious objects on school grounds, such as tip hotlines, electronic transmissions, or other methods that preserve the student's anonymity. Incident reports and records shall not identify the student who reported the possession. The Superintendent or designee also shall inform staff, students, and parents/guardians that students who report the presence of injurious objects on school campuses are to be protected and their identity shielded.

Policy Reference Disclaimer:

These references are not intended to be part of the policy itself, nor do they indicate the basis or authority for the board to enact this policy. Instead, they are provided as additional resources for those interested in the subject matter of the policy.

State	Description
Ed. Code 35291	<u>Governing board to prescribe rules for discipline of the schools</u>
Ed. Code 48902	<u>Mandatory notification of law enforcement authorities</u>
Ed. Code 48915	<u>Required recommendation for expulsions</u>

WEAPONS AND DANGEROUS INSTRUMENTS

Ed. Code 48916	Readmission
Ed. Code 48980	Parent/Guardian notifications
Ed. Code 49330-49335	Injurious objects
Ed. Code 49390-49395	Homicide threats
Pen. Code 16100-17360	Definitions
Pen. Code 22810-23025	Tear gas weapon (pepper spray)
Pen. Code 245	Assault with deadly weapon
Pen. Code 25200-25225	Firearms; access to children
Pen. Code 30310	Prohibition against ammunition on school grounds
Pen. Code 417.4	Imitation firearm; drawing or exhibiting
Pen. Code 626.10	Dirks, daggers, knives, razor or stun gun; bringing or possessing in school
Pen. Code 626.9	Gun-Free School Zone Act of 1995
Federal	Description
20 USC 6301-8961	No Child Left Behind Act
20 USC 7961	Gun-Free Schools Act
	Federal Clearinghouse on School Safety Evidence-Based Practices
6 USC 665k	

Management Resources	Description
CSBA Publication	Safe Schools: Strategies for Governing Boards to Ensure Student Success, Third Edition, October 2011
U.S. Department of Education Publication	Guidance Concerning State and Local Responsibilities Under the Gun-Free Schools Act, 2018
Website	U.S. Department of Homeland Security, Fusion Centers
Website	California State Threat Assessment System
Website	CSBA District and County Office of Education Legal Services
Website	U.S. Department of Education, Safe Schools
Website	National Alliance for Safe Schools
Website	National School Safety Center
Website	U.S. Department of Education, Office of Safe and Drug Free Schools

WEAPONS AND DANGEROUS INSTRUMENTS

Website [California Department of Education, Safe Schools](#)

Website [CSBA](#)

Cross References

Code	Description
0450	Comprehensive Safety Plan
0450	Comprehensive Safety Plan
1313	Civility
3515	Campus Security
3515	Campus Security
3515-E PDF(1)	Campus Security
3515.7	Firearms On School Grounds
3516.2	Bomb Threats
4158	Employee Security
4158	Employee Security
4258	Employee Security
4258	Employee Security
4358	Employee Security
4358	Employee Security
5116.1	Intradistrict Open Enrollment
5116.1	Intradistrict Open Enrollment
5125	Student Records
5125	Student Records
5131	Conduct
5131.41	Use Of Seclusion And Restraint
5136	Gangs
5136	Gangs
5137	Positive School Climate
5141.4	Child Abuse Prevention And Reporting
5141.4	Child Abuse Prevention And Reporting
5141.4-E PDF(1)	Child Abuse Prevention And Reporting - Child Abuse Reporting Procedures

WEAPONS AND DANGEROUS INSTRUMENTS

5144	<u>Discipline</u>
5144	<u>Discipline</u>
5144.1	<u>Suspension And Expulsion/Due Process</u>
5144.1	<u>Suspension And Expulsion/Due Process</u>
5145.12	<u>Search And Seizure</u>
5145.12	<u>Search And Seizure</u>
6184	<u>Continuation Education</u>
6184	<u>Continuation Education</u>

Policy
adopted: August 25, 1999
revised: August 25, 2010
revised: September 22, 2010
revised: March 28, 2012
revised:

RIALTO UNIFIED SCHOOL DISTRICT
Rialto, California



RIALTO UNIFIED SCHOOL DISTRICT

Business and Non-Instructional Operations

BP 3515.2(a)

DISRUPTIONS

The Governing Board is committed to providing a safe and orderly environment for students, staff, and others on district property or while engaged in school activities.

The Superintendent or designee shall remove any individual who, by his/her presence or action, disrupts or threatens to disrupt normal operations at a school campus or any other district facility, threatens the health or safety of anyone on district property, or causes or threatens to cause damage to district property or to any property on school grounds.

The Superintendent or designee shall establish a plan describing staff responsibilities and actions to be taken when an individual is causing or threatening to cause a disruption. The plan shall address, as appropriate, visitor registration procedures; campus security measures; evacuation procedures; lock-down procedures; possible responses to an active situation; communications within the school and with parents/guardians, law enforcement, and the media in the event of an emergency; and crisis counseling or other assistance for students and staff after a disruption. In developing such a plan, the Superintendent or designee shall consult with law enforcement to create guidelines for law enforcement support and intervention when necessary.

The Superintendent or designee shall provide training to school staff on how to identify and respond to actions or situations that may constitute a disruption.

Any employee who believes that a disruption may occur shall immediately contact the Superintendent or designee. The Superintendent or designee shall notify law enforcement in accordance with Education Code 48902 and 20 USC 7961 and in other situations, as appropriate.

Policy Reference Disclaimer:

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State	Description
Ed. Code 32210	<u>Willful disturbance of public school or meeting</u>
Ed. Code 32211	<u>Threatened disruption or interference with classes</u>
Ed. Code 35160	<u>Authority of governing boards</u>

DISRUPTIONS**State**

Ed. Code 44810

Ed. Code 44811

Ed. Code 48902

State

Pen. Code 12556

Pen. Code 243.5

Pen. Code 30310

Pen. Code 415.5

Pen. Code 626-626.11

Pen. Code 626.7

Pen. Code 626.8

Pen. Code 626.81

Pen. Code 626.85

Pen. Code 626.9

Pen. Code 627-627.10

Pen. Code 653b

Federal

20 USC 7961

Management Resources

Attorney General Opinion

Description[Willful interference with classroom conduct](#)[Disruption of classwork or extracurricular activities](#)[Mandatory notification of law enforcement authorities](#)**Description**[Imitation firearms](#)[Assault or battery on school property](#)[Prohibition against ammunition on school grounds](#)[Disturbance of peace of school](#)[Weapons on school grounds and other school crimes](#)[Failure to leave campus or facility; wrongful return; penalties; notice; exceptions](#)[Disruptions](#)[Misdemeanor for registered sex offender to come onto school grounds](#)[Misdemeanor for specified drug offender presence on school grounds](#)[Gun-Free School Zone Act of 1995](#)[Access to school premises](#)[Loitering about schools or public places](#)**Description**[Gun-Free Schools Act](#)**Description**[79 Ops.Cal.Atty.Gen. 58 \(1996\)](#)

DISRUPTIONS**Management Resources**

Court Decision

Description[In Re Jimi A. \(1989\) 209 Cal.App.3d 482](#)

Court Decision

[In Re Joseph F. \(2000\) 85 Cal.App.4th 975](#)

Court Decision

[In Re Oscar R. \(1984\) 161 Cal.App.3d 770](#)

Court Decision

[Reeves v. Rocklin Unified School District \(2003\) 109 Cal.App.4th 652](#)

U.S. Department of Education Publication

[Guide _____ for _____ Developing High-Quality School Emergency Operations Plans, 2013](#)

Website

[CSBA District and County Office of Education Legal Services](#)

Website

[U.S. Department of Education - Education for Homeless Children and Youths Grants for State and Local Activities](#)

Website

[California _____ Department _____ of Education, Safe Schools](#)

Website

[CSBA](#)

Cross References

Code**Description**

0450

[Comprehensive Safety Plan](#)

0450

[Comprehensive Safety Plan](#)

1112

[Media Relations](#)

1240

[Volunteer Assistance](#)

1240

[Volunteer Assistance](#)

1250

[Visitors/Outsiders](#)

1250

[Visitors/Outsiders](#)

1313

[Civility](#)

1330

[Use Of School Facilities](#)

1330

[Use Of School Facilities](#)

1330.1

[Joint Use Agreements](#)

DISRUPTIONS

Code	Description
3513.3	Tobacco-Free Schools
3513.3	Tobacco-Free Schools
3515	Campus Security
3515	Campus Security
3515-E PDF(1)	Campus Security
3515.21	Unmanned Aircraft Systems (Drones)
3515.5	Sex Offender Notification
3515.5	Sex Offender Notification
3515.7	Firearms On School Grounds
3516	Emergencies And Disaster Preparedness Plan
3516	Emergencies And Disaster Preparedness Plan
3543	Transportation Safety And Emergencies
4118	Dismissal/Suspension/Disciplinary Action
4118	Dismissal/Suspension/Disciplinary Action
4119.21	Professional Standards
4119.21-E PDF(1)	Professional Standards
4131	Staff Development
4131	Staff Development
4158	Employee Security
4158	Employee Security
4218	Dismissal/Suspension/Disciplinary Action
4219.21	Professional Standards
4231	Staff Development
4231	Staff Development

DISRUPTIONS

Code	Description
4258	Employee Security
4258	Employee Security
4319.21	Professional Standards
4319.21	Professional Standards
4319.21-E PDF(1)	Professional Standards
4331	Staff Development
4331	Staff Development
4358	Employee Security
4358	Employee Security
5131.4	Student Disturbances
5131.4	Student Disturbances
6116	Classroom Interruptions
6116	Classroom Interruptions
6145.2	Athletic Competition
6145.2	Athletic Competition
6145.5	Student Organizations And Equal Access
6145.5	Student Organizations And Equal Access
6145.5-E PDF(1)	Student Organizations And Equal Access

Policy
adopted:

RIALTO UNIFIED SCHOOL DISTRICT
Rialto, California



RIALTO UNIFIED SCHOOL DISTRICT

Community Relations

BP 1313(a)

CIVILITY

The Governing Board recognizes the impact that civility has on the effective operation of the district, including its role in creating a safe and positive school climate and enabling a focus on student well-being, learning, and achievement. The Board believes that each person should be treated with dignity and respect in their interactions within the school community

The Board understands that the First Amendment provides strong protection for speech. However, the Board expects that all speech and expression will comport with norms of civil behavior on district grounds, in district facilities, during district activities or events, and in the use of district electronic/digital systems and platforms.

Civil behavior is polite, courteous, and reasonable behavior ~~that which~~ is respectful to others and includes integrity, honesty, acceptance, timeliness, dependability, observance of laws and rules, and effective communication.

The Board and district staff shall model civil behavior as an example of behavior that is expected throughout the district. Practices that promote civil behavior include actively listening, giving full attention to the speaker, and refraining from interruptions; welcoming and encouraging participation, input, and feedback through stakeholder engagement; promptly responding to concerns; and embracing varying and diverse viewpoints. Such practices may be incorporated into governance standards adopted by the Board or Superintendent and/or professional standards or codes of conduct for employees as specified in district policies and regulations.

The Board, Sstudents, staff, parents/guardians, and community members should be educated in the recognition, development, and demonstration of civil behavior. The Superintendent or designee may incorporate related concepts in the curriculum, provide staff development activities, and/or communicate this policy to the school community.

The Board, Sstudents, staff, parents/guardians, and community members shall not communicate or behave in a manner that causes disruption~~;~~, hinders the orderly conduct of district operations, the educational program, or any other district program or activity~~;~~, or creates an unsafe learning or working environment. The Superintendent or designee may respond to disruptive, violent, or threatening behavior in accordance with law and as specified in BP/AR 3515.2 - Disruptions.

Behavior ~~by students or staff~~ that is discriminatory, harassing, or intimidating, including sexual harassment, bullying, and/or hate violence, or behavior that is in any

CIVILITY

other way unlawful, is prohibited and is subject to discipline in accordance with law and as specified in district policy and regulations.

Policy Reference Disclaimer:

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State	Description
CA Constitution Article 1, Section 2	Freedom of speech and expression
CA Constitution Article 1, Section 28	Right to Safe Schools
Civ. Code 51.7	Freedom from violence or intimidation
Ed. Code 200-262.4	Educational equity
Ed. Code 32210	Willful disturbance of public school or meeting
Ed. Code 32211	Threatened disruption or interference with classes
Ed. Code 32212	Classroom interruptions
Ed. Code 32280-32289.5	School safety plans
Ed. Code 35181	Governing board authority to set policy on responsibilities of students
Ed. Code 35291-35291.5	Rules
Ed. Code 44050	Employee code of conduct; interaction with students
Ed. Code 44807	Teachers' duty concerning conduct of students
Ed. Code 44810	Willful interference with classroom conduct
Ed. Code 44811	Disruption of classwork or extracurricular activities
Ed. Code 48900-48926	Suspension and expulsion

CIVILITY**State**

Ed. Code 48907

Ed. Code 48950

Ed. Code 49330-49335

Gov. Code 54954.3

Gov. Code 54957.9

Pen. Code 243.5

Pen. Code 415.5

Pen. Code 422.55

Pen. Code 422.6

Pen. Code 626-626.11

Pen. Code 627-627.10

Pen. Code 653.2

Pen. Code 653b

Federal

U.S. Constitution, First Amendment

Management Resources

California Department of Education Publication

Description[Exercise of free expression; time, place, and manner rules and regulations](#)[Speech and other communication](#)[Injurious objects](#)[Opportunity for public to address legislative body](#)[Disorderly conduct of general public during meeting; clearing of room](#)[Assault or battery on school property](#)[Disturbance of peace of school](#)[Definition of hate crime](#)[Crimes; harassment](#)[Weapons on school grounds and other school crimes](#)[Access to school premises](#)[Electronic communication devices; threats to safety](#)[Loitering about schools or public places](#)**Description**[Free exercise, free speech, and establishment clauses](#)**Description**[Social and Emotional Learning in California: A Guide to Resources, October 2018](#)

CIVILITY**Management Resources****Description**

California Department of Education Publication	California's Social and Emotional Learning: Guiding Principles, 2018
Commission on Teacher Credentialing Publication	California Professional Standards for Educational Leaders, February 2014
Court Decision	Baca v. Moreno Valley Unified School District (1996) 936 F. Supp. 719
Court Decision	Hazelwood School District v. Kuhlmeier (1988) 108 S. Ct. 562
Court Decision	City of San Jose v. William Garbett (2010) 190 Cal. App. 4th 526
Court Decision	Norse v. City of Santa Cruz (9th Cir. 2010) 629 F3d 966
CSBA Publication	Professional Governance Standards for School Boards
CSBA Publication	Superintendent Governance Standards
Nat'l Policy Board For Educational Administration	Professional Standards for Educational Leaders, October 2015
Website	CSBA District and County Office of Education Legal Services
Website	National Policy Board for Educational Administration
Website	National School Safety Center
Website	Center for Safe and Responsible Internet Use
Website	California Office of the Attorney General
Website	National Council for the Social Studies

CIVILITY**Management Resources**

Website

Description[Commission on Teacher Credentialing](#)

Website

[CSBA](#)

Website

[California Department of Education](#)

Website

[U.S. Department of Education](#)

Website

[Equal Employment Opportunity Commission](#)

Cross References

Code**Description**

0450

[Comprehensive Safety Plan](#)

0450

[Comprehensive Safety Plan](#)

1250

[Visitors/Outsiders](#)

1250

[Visitors/Outsiders](#)

1312.1

[Complaints Concerning District Employees](#)

1312.1

[Complaints Concerning District Employees](#)

1312.1-E PDF(1)

[Complaints Concerning District Employees](#)

1312.3

[Uniform Complaint Procedures](#)

1312.3

[Uniform Complaint Procedures](#)

2111

[Superintendent Governance Standards](#)

3515.2

[Disruptions](#)

3515.4

[Recovery For Property Loss Or Damage](#)

3515.4

[Recovery For Property Loss Or Damage](#)

CIVILITY

Code	Description
3515.7	Firearms On School Grounds
3516	Emergencies And Disaster Preparedness Plan
3516	Emergencies And Disaster Preparedness Plan
3516.2	Bomb Threats
4030	Nondiscrimination In Employment
4030	Nondiscrimination In Employment
4119.11	Sex Discrimination and Sex-Based Harassment
4119.11	Sex Discrimination and Sex-Based Harassment
4119.21	Professional Standards
4119.21-E PDF(1)	Professional Standards
4131	Staff Development
4131	Staff Development
4158	Employee Security
4158	Employee Security
4219.11	Sex Discrimination and Sex-Based Harassment
4219.11	Sex Discrimination and Sex-Based Harassment
4219.21	Professional Standards
4231	Staff Development
4231	Staff Development
4258	Employee Security

CIVILITY

Code	Description
4258	Employee Security
4319.11	Sex Discrimination and Sex-Based Harassment
4319.11	Sex Discrimination and Sex-Based Harassment
4319.21	Professional Standards
4319.21	Professional Standards
4319.21-E PDF(1)	Professional Standards
4331	Staff Development
4331	Staff Development
4358	Employee Security
4358	Employee Security
5131	Conduct
5131.2	Bullying
5131.2	Bullying
5131.4	Student Disturbances
5131.4	Student Disturbances
5131.7	Weapons And Dangerous Instruments
5131.7	Weapons And Dangerous Instruments
5137	Positive School Climate
5144	Discipline
5144	Discipline
5144.1	Suspension And Expulsion/Due Process
5144.1	Suspension And Expulsion/Due Process

CIVILITY

Code	Description
5145.2	<u>Freedom Of Speech/Expression</u>
5145.2	<u>Freedom Of Speech/Expression</u>
5145.3	<u>Nondiscrimination/Harassment</u>
5145.3	<u>Nondiscrimination/Harassment</u>
5145.7	<u>Sex Discrimination and Sex-Based Harassment</u>
5145.7	<u>Sex Discrimination and Sex-Based Harassment</u>
5145.71	<u>Title IX Sex Discrimination and Sex-Based Harassment Complaint Procedures</u>
5145.71-E PDF(1)	<u>Title IX Sex Discrimination and Sex-Based Harassment Complaint Procedures</u>
5145.9	<u>Hate-Motivated Behavior</u>
6164.2	<u>Guidance/Counseling Services</u>
6164.2	<u>Guidance/Counseling Services</u>
9005	<u>Governance Standards</u>
9323	<u>Meeting Conduct</u>

Policy adopted: November 13, 2019
revised: October 6, 2021
revised:

RIALTO UNIFIED SCHOOL DISTRICT
Rialto, California



RIALTO UNIFIED SCHOOL DISTRICT

Community Relations

BP 1260(a)

EDUCATIONAL FOUNDATION

The Board of Education recognizes the importance of community support of District programs, including voluntary financial contributions, to assist the District in achieving its goals for student learning.

~~(cf. 0200 – Goals for the School District)~~
~~(cf. 1230 – School Connected Organizations)~~
~~(cf. 5030 – Student Wellness)~~
~~(cf. 6020 – Parent Involvement)~~
~~(cf. 6145 – Extracurricular and Cocurricular Activities)~~
~~(cf. 6145.2 – Athletic Competition)~~

The Board desires to work cooperatively with the **educational** foundation in determining the purposes for which funds may be used to meet the changing needs of the District and its students. The Board recognizes that an educational foundation is a separate legal entity, independent of the District. However, the foundation is encouraged to provide regular reports to the Board on the status of its work and to communicate ways that the District can help support the foundation's activities.

~~(cf. 3290 – Gifts, Grants and Bequests)~~
~~(cf. 9140 – Board Representatives)~~

With the consent of the Superintendent or designee, the educational foundation, as appropriate, may use the District's name, a school's name, a school team's name, or any logo attributable to a school or the District.

Student records or other personally identifiable student information shall not be released except with parental consent or as required by law or District policy. Student directory information may be released when appropriate.

The Board supports foundation allocations that serve all District schools equitably.

~~(cf. 0410 – Nondiscrimination in District Programs and Activities)~~

EDUCATIONAL FOUNDATION

Policy Reference Disclaimer:

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State

	Description
11 CCR 300-312.1	<u>Fundraising for charitable purposes</u>
Bus. Code 17510-17510.95	<u>Charitable solicitations</u>
Bus. Code 25608	<u>Alcohol on school property; use in connection with instruction</u>
Ed. Code 38130-38138	<u>Civic Center Act; use of school property for public purposes</u>
Ed. Code 8820-8822	<u>The Arts and Music in Schools—Funding Guarantee and Accountability Act</u>
Gov. Code 12580-12599.10	<u>Fundraisers for Charitable Purposes Act</u>
Pen. Code 319-329	<u>Lottery; raffle</u>

Management Resources

	Description
California Department of Education Publication	<u>Proposition 28- AMS Financial & Audit Requirements</u>
Court Decision	<u>Serrano v. Priest (1976) 18 Cal. 3d 728</u>
Education Audit Appeals Panel Publication	<u>2023-24 Audit Guide</u>
Website	<u>CSBA District and County Office of Education Legal Services</u>
Website	<u>California Consortium of Education Foundations</u>
Website	<u>California Office of the Attorney General, Registry of Charities and Fundraisers</u>
Website	<u>Education Audit Appeals Panel</u>
Website	<u>California Department of Education</u>

Management Resources

Website

Description

CSBA

EDUCATIONAL FOUNDATION**Cross References**

Code	Description
0200	<u>Goals For The School District</u>
0410	<u>Nondiscrimination In District Programs And Activities</u>
1100	<u>Communication With The Public</u>
1100-E PDF(1)	<u>Communication With The Public</u>
1114	<u>District-Sponsored Social Media</u>
1114	<u>District-Sponsored Social Media</u>
1230	<u>School-Connected Organizations</u>
1230	<u>School-Connected Organizations</u>
1321	<u>Solicitation Of Funds From And By Students</u>
1700	<u>Relations Between Private Industry And The Schools</u>
3290	<u>Gifts, Grants And Bequests</u>
5030	<u>Student Wellness</u>
5030	<u>Student Wellness</u>
5125.1	<u>Release Of Directory Information</u>
5125.1	<u>Release Of Directory Information</u>
5125.1-E PDF(1)	<u>Release Of Directory Information</u>
5126	<u>Awards For Achievement</u>
5126	<u>Awards For Achievement</u>
5142.2	<u>Safe Routes To School Program</u>
6020	<u>Parent Involvement</u>
6020	<u>Parent Involvement</u>
6142.6	<u>Visual And Performing Arts Education</u>
6145	<u>Extracurricular And Cocurricular Activities</u>

EDUCATIONAL FOUNDATION

6145	<u>Extracurricular And Cocurricular Activities</u>
6145.2	<u>Athletic Competition</u>
6145.2	<u>Athletic Competition</u>
6161.11	<u>Supplementary Instructional Materials</u>
6163.1	<u>Library Media Centers</u>
9140	<u>Board Representatives</u>

Policy
adopted: May 26, 1999
revised: November 7, 2007
revised:

RIALTO UNIFIED SCHOOL DISTRICT
Rialto, California



RIALTO UNIFIED SCHOOL DISTRICT

Community Relations

BP 1160(a)

POLITICAL PROCESSES

The Board of Education has a responsibility to actively advocate fiscal and public policy that supports the eDistrict's schools and the children in the community. The Board shall be proactive in defining the eDistrict's advocacy agenda based on the eDistrict's ~~vision~~ **mission** and goals and the needs of the eDistrict and community. The Board's advocacy efforts shall be conducted in accordance with legal requirements.

(cf. 0000—Vision)

(cf. 0200—Goals for the School District)

(cf. 4119.25/4219.25/4319.25—Political Activities of Employees)

(cf. 9000—Role of the Board)

(cf. 9010—Public Statements)

Ballot Measures/Candidates

No District funds, services, supplies, or equipment shall be used to urge the support or defeat of any ballot measure or candidate, including any candidate for election to the Board. (Education Code 7054)

The Board may discuss and study the potential effect of proposed or qualified ballot measures on the eDistrict's schools at an open and agendized Board meeting. The Board's discussion of the effect of such measures shall include an opportunity for staff and members of the public to speak on all sides of the issue. At that meeting, the Board may adopt a position in support of or in opposition to a ballot measure. The language in any resolution adopted by the Board shall not urge the public to take any action regarding the measure.

(cf. 9320—Meetings and Notices)

The Board's position on a ballot measure, including any resolution, shall be publicized only through normal eDistrict procedures and consistent with regular eDistrict practice for reporting Board actions. Such publicity shall be for informational purposes and shall not attempt to influence voters.

Individual School Board members may include their name in support of or opposition to a county, city, district, or school measure on a county ballot in accordance with Elections Code 9170.

POLITICAL PROCESSES (continued)

The Superintendent or designee may use ~~e~~District resources to provide students, parents/guardians, and community members with fair and impartial information related to ballot measures, including information about the impact of ballot measures on the ~~e~~District. (Education Code 7054)

~~(cf. 1100 – Communication with the Public)~~

In preparing or distributing such informational material, the Superintendent or designee shall analyze the material to help ensure that it is an appropriate informational activity, provides a fair analysis of the issues, and does not advocate passage or defeat of a measure or candidate.

District resources, including email or computer systems, shall not be used to disseminate campaign literature. In addition, ~~e~~District resources shall not be used to purchase advertisements, bumper stickers, posters, or similar promotional items that advocate an election result or urge voters to take any action in support of or in opposition to a measure.

~~(cf. 1325 – Advertising and Promotion)~~

Political activity related to ~~e~~District bond measures shall, in addition to the above, be subject to the following conditions:

1. The Superintendent or designee may research, draft, and prepare a ~~e~~District bond measure or other initiative for the ballot, but shall not use ~~e~~District resources to influence votes or otherwise campaign for the measure.
2. Upon request, Board members and ~~e~~District administrators may appear at any time before a citizens' group to explain why the Board called for an election on a bond measure and to answer questions. (Education Code 7054.1)

If the presentation occurs during working hours, the employee representing the ~~e~~District shall not urge a citizens' group to vote for or against the bond measure.

3. The Board or any individual Board member may file a written argument for the ballot that is either for or against any school measure. (Elections Code 9501)

POLITICAL PROCESSES (continued)

Legislation

The Board's responsibility as an advocate for the **eDistrict** may include lobbying and outreach at the state, national, and local levels. The Board and Superintendent or designee shall work to establish and maintain ongoing relationships with elected officials, community leaders, and the media in order to communicate **eDistrict** positions and concerns.

(cf. 7020—Youth Services)

(cf. 7112—Media Relations)

(cf. 7400—Relations Between Other Governmental Agencies and the Schools)

(cf. 7131—Relations with Local Agencies)

The Board and Superintendent shall develop an advocacy action plan to define expectations and responsibilities. This plan may include, but is not limited to, legislative priorities, strategies for outreach to the media and community, development of key messages and talking points, and adoption of positions on specific legislation, regulations, or budget proposals.

In order to strengthen legislative advocacy efforts, the **eDistrict** may work with organizations and coalitions and may join associations whose representatives lobby on behalf of their members in accordance with Government Code 53060.5.

The ~~Board~~ **District** may provide fair and impartial information about legislative issues affecting schools and children and shall inform the community about its advocacy activities. However, informational materials about legislation shall not urge the public to lobby the legislature, Governor, or state agencies on behalf of the **eDistrict**.

As necessary, the Board may direct the Superintendent or designee to draft legislative or regulatory proposals which serve the **eDistrict's** interests.

Legal Advocacy

The Board recognizes that some issues are more appropriately addressed judicially rather than legislatively. When a legal issue is likely to set a state or national precedent, the **eDistrict** may join with other districts or parties in order to resolve the issue through litigation or other appropriate means.

(cf. 9124—Attorney)

POLITICAL PROCESSES (continued)

Political Forums

Forums on political issues may be held in ~~d~~District facilities as long as the forum is made available to all sides of the issue on an equitable basis. (Education Code 7058)

(cf. 1330—Use of School Facilities)

Policy Reference Disclaimer:

These references are not intended to be part of the policy itself, nor do they indicate the basis or authority for the board to enact this policy. Instead, they are provided as additional resources for those interested in the subject matter of the policy.

State

Description

2 CCR 18600-18640

[Lobbyists](#)

2 CCR 18901.1

[Campaign related mailings sent at public expense](#)

Ed. Code 35160

[Authority of governing boards](#)

Ed. Code 35172

[Promotional activities](#)

Ed. Code 7050-7058

[Political activities of school officers and employees](#)

Ed. Code 7054

[Use of district property](#)

Ed. Code 7054.1

[Requested appearance](#)

Ed. Code 7056

[Soliciting or receiving political funds](#)

Elec. Code 9160-9170

[Ballot label; support and opposition listings](#)

Elec. Code 9501

[School _____ district _____ elections; arguments for or against a measure](#)

Gov. Code 53060.5

[Attendance at legislative body; expenses](#)

Gov. Code 54953.5

[Audio or video recording of proceedings](#)

State

Gov. Code 54953.6

Description

[Broadcasts of proceedings](#)

POLITICAL PROCESSES (continued)**State**

Gov. Code 81000-91014

Description[Political Reform Act](#)

Gov. Code 82031

[Definition of independent expenditure](#)

Gov. Code 8314

[Unlawful use of state resources](#)**Management Resources****Description**

Attorney General Opinion

[73 Ops.Cal.Atty.Gen. 255 \(1990\)](#)

Attorney General Opinion

[88 Ops.Cal.Atty.Gen. 46 \(2005\)](#)

Court Decision

[Choice-in-Education League et al v. Los Angeles Unified School District \(1993\) 17 Cal.App.4th 415](#)

Court Decision

[League of Women Voters v. Countywide Criminal Justice Coordination Committee \(1988\) 203 Cal.App.3d 529](#)

Court Decision

[Miller v. Miller \(1978\) 87 Cal.App.3d 762](#)

Court Decision

[Santa Barbara County Coalition Against Automobile Subsidies v. Santa Barbara County Association of Governments \(2008\) 167 Cal.App.4th 1229](#)

Court Decision

[Stanson v. Mott \(1976\) 17 Cal. 3d 206](#)

Court Decision

[Vargas v. City of Salinas \(2009\) 46 Cal. 4th 1](#)

Court Decision

[Yes on Measure A v. City of Lake Forest \(1997\) 60 Cal.App.4th 620](#)

CSBA Publication

[Legal Guidelines for Lobbying Activity, Fact Sheet, February 2011](#)

POLITICAL PROCESSES (continued)

<p>CSBA Publication</p> <p>Institute for Local Government Publication</p> <p>Website</p> <p>Website</p> <p>Website</p> <p>Website</p> <p>Cross References</p>	<p><u>Legal Guidelines: Use of Public Resources for Ballot Measures and Candidates, Fact Sheet, February 2011</u></p> <p><u>Legal Issues Associated with Use of Public Resources and Ballot Measure Activities, June 2010</u></p> <p><u>CSBA District and County Office of Education Legal Services</u></p> <p><u>Institute for Local Government</u></p> <p><u>Fair Political Practices Commission</u></p> <p><u>CSBA</u></p>
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Code	Description
0000	<u>Vision</u>
0000	<u>Vision</u>
0200	<u>Goals For The School District</u>
1000	<u>Concepts And Roles</u>
1100	<u>Communication With The Public</u>
1100-E PDF(1)	<u>Communication With The Public</u>
1112	<u>Media Relations</u>
1114	<u>District-Sponsored Social Media</u>
1114	<u>District-Sponsored Social Media</u>
1325	<u>Advertising And Promotion</u>
1325	<u>Advertising And Promotion</u>
1330	<u>Use Of School Facilities</u>
1330	<u>Use Of School Facilities</u>
1400	<u>Relations Between Other Govern Agencies And The Schools</u>

4119.25	<u>Political Activities Of Employees</u>
4219.25	<u>Political Activities Of Employees</u>
4319.25	<u>Political Activities Of Employees</u>
7131	<u>Relations With Local Agencies</u>
7131	<u>Relations With Local Agencies</u>
7214	<u>General Obligation Bonds</u>
7214	<u>General Obligation Bonds</u>
9000	<u>Role Of The Board</u>
9010	<u>Public Statements</u>
9124	<u>Attorney</u>
9200	<u>Limits Of Board Member Authority</u>
9230	<u>Orientation</u>
9250	<u>Remuneration, Reimbursement And Other Benefits</u>
	<u>Remuneration, Reimbursement And Other Benefits -</u>
9250-E PDF(1)	<u>Remuneration, Reimbursement, And Other Benefits</u>
9320	<u>Meetings And Notices</u>

Policy
adopted: May 26, 1999
revised: October 12, 2011
revised:

RIALTO UNIFIED SCHOOL DISTRICT
Rialto, California



**Board of Education Agenda
August 14, 2024**

APPROVE A RENEWAL AGREEMENT WITH EMERALD BAY OUTDOOR ACADEMY

BACKGROUND:

On April 21, 2021, the Rialto Unified School District signed a Memorandum of Understanding to provide funds for students participating in the Hydro-Science Career Technical Education (CTE) Pathway. This funding has enabled students to access extended learning opportunities exploring water stewardship and maritime careers. Approximately forty (40) students from Milor High School have attended the academy on Santa Catalina Island, California. The Emerald Bay Outdoor Academy, serving as an overnight camp for school groups, offers a curriculum focused on marine and earth sciences, character development, team building, and outdoor skills.

REASONING:

This program is specifically designed for students enrolled in the Hydro-Science Pathway for the 2024-2025 academic year. The Emerald Bay Outdoor Academy provides a unique opportunity for students to gain knowledge about water stewardship and its associated challenges. Furthermore, the program introduces students to various job opportunities in energy, environment, utilities, maritime logistics, and environmental engineering while helping them develop technical skills and a passion for water. Results from student surveys indicate that 100% of participating students found the trip beneficial to their learning outcomes. They reported feeling more connected to the course and their school and gaining a better understanding of water and marine ecosystems' impact on the community.

RECOMMENDATION:

To approve up to twenty (20) Hydro-Science students (10 boys and 10 girls) and up to three (3) chaperones (1 female and 2 male) to attend the Emerald Bay Outdoor Academy on Santa Catalina Island, California, effective August 15, 2024 through June 30, 2025, at a cost not-to-exceed \$7,000.00, and to be paid from the General Fund (CTEIG).

SUBMITTED/REVIEWED BY: Juanita Chan-Roden/Patricia Chavez, Ed.D.



Board of Education Agenda August 14, 2024

DONATIONS

Monetary Donation(s)

Location: Administrative Services
 Donor: SchoolsFirst Federal Credit Union Amount: \$700.00
 Purpose: Summer Strategics Continental Breakfast

Location: Personnel Services
 Donor: SchoolsFirst Federal Credit Union Amount: \$500.00
 Purpose: Staff Lunch, Breakfast, Snacks

Non-Monetary Donation(s)

Location: Fiscal Services
 Donor: Amazon
 Items: 14 pallets of various items

RECOMMENDATION:

Accept the donation(s) and send a letter of appreciation to the donor(s): SchoolsFirst Federal Credit Union; and Amazon.

Monetary Donations - August 14, 2024	\$	1,200.00
Donations - Fiscal Year-to-Date	\$	6,250.00

SUBMITTED/REVIEWED BY: Diane Romo



**Board of Education Agenda
August 14, 2024**

APPROVAL AND RATIFICATION OF SURPLUS EQUIPMENT AND MISCELLANEOUS ITEMS

Quantity	Description	Quantity	Description
2	Television	1	Fan, white - small
1	Cart, Laptop	2	Basketball hoop
1	Kiln	14	Chair, Office
2	Flatbed rolling cart	2	Duplo copiers
52	Chair, Student	20	Sink, Portable
9	Rolling Cabinet	10	Cabinet, Wood
22	Shelves	16	File Cabinet
3	Desk, Teacher	54	Desk, Student
7	Air Purifier	46	Table
1	Mini Fridge	4	Writing Center, Royal Reading
2	Cabinet. Metal	4	Cart, Ball
1	Drawer Cart		
42	Benches – Ratification. Items needed to be removed prior to the start of school.	14	Tables – Ratification. Items needed to be removed prior to the start of school.
18	Lunch Tables – Ratification. Items needed to be removed prior to the start of school.		

RECOMMENDATION:

It is recommended that the Board of Education declare the specified surplus equipment and miscellaneous items as obsolete and not serviceable for school use and authorize the Superintendent/designee to sell or dispose of these items as specified in the Education Code Sections 17545 and 17546.

SUBMITTED/REVIEWED BY: Ricardo G. Salazar/Diane Romo



**Board of Education Agenda
August 14, 2024**

RATIFY AN AGREEMENT WITH EDUPOINT EDUCATIONAL SYSTEMS, LLC

BACKGROUND:

On April 19, 2023, the Board of Education approved an agreement with Edupoint Educational Systems, LLC to create Elementary Exceptional Grading Practices Report Card in Synergy for the 2023-24 school year.

REASONING:

Teachers provided collaborative feedback throughout the 2023-24 school year and based on this feedback, the Exceptional Grading Practices (EGP) team determined that modifications to EGP report cards for 2024-25 school year were necessary to clarify the indicators being used. The report cards for transitional kindergarten through fifth grade, including Dual Language Immersion (DLI), will be modified.

RECOMMENDATION:

Ratify an agreement with Edupoint Educational Systems, LLC to modify the Elementary Exceptional Grading Practices Report Card in Synergy for the 2024-25 school year, effective July 3, 2024, through August 3, 2024, at a cost not-to-exceed \$14,250.00 and to be paid from the General Fund.

SUBMITTED/REVIEWED BY: Beth Ann Scantlebury/Diane Romo



**Board of Education Agenda
August 14, 2024**

**RATIFY THE AFFILIATION AGREEMENT WITH CLAREMONT GRADUATE
UNIVERSITY**

BACKGROUND:

The California Commission on Teacher Credentialing requires teacher/psychology/counselor candidates that are enrolled in a college/university program to complete student teaching/fieldwork/internship before the university student can receive their preliminary credential.

REASONING:

Claremont Graduate University provides fieldwork, education and training for university student teachers, and psychology/counseling students. University students enrolled in the programs at Claremont Graduate University will gain experience with mentors from Rialto Unified School District in their specialized fields in the process of completing their credential requirements.

RECOMMENDATION:

Ratify Affiliation Agreement with Claremont Graduate University to assist current and future educators in completing state requirements for credentialing from August 1, 2024 through July 31, 2027.

SUBMITTED/REVIEWED BY: Ricardo Carranza/Rhonda Kramer, Roxanne Dominguez & Armando Urteaga/Diane Romo.



**Board of Education Agenda
August 14, 2024**

RATIFY AN AMENDMENT TO THE AGREEMENT WITH DR. ROBIN MORRIS

BACKGROUND:

On April 10, 2024, the Board of Education approved an amendment to the agreement with Dr. Robin Morris, effective April 11, 2024 through June 30, 2024 to increase the amount by \$6,000.00 for a total not-to-exceed amount of \$12,000.00, and to be paid from the General Fund.

REASONING:

To continue supporting our families and students, the agreement will need to be amended to add additional funding to ensure the District complies with Federal and State mandates for Special Education Regulations for the remainder of 2023-2024 school year.

RECOMMENDATION:

To ratify an amendment to the agreement with Dr. Robin Morris for Independent Education Evaluations (IEEs) requested by parents when they disagree with assessments, and increase the agreement at a cost of \$12,000.00 for a total cost of \$24,000.00, effective April 11, 2024 through June 30, 2024, and to be paid from the General Fund.

SUBMITTED/REVIEWED BY: Sonya Scott, Ed.D./Patricia Chavez, Ed.D.



**Board of Education Agenda
August 14, 2024**

**APPROVE AMENDMENT NO. 2 TO THE AGREEMENT WITH EIDE BAILLY, LLP
TO CONDUCT A PERFORMANCE AUDIT OF THE FULL-DAY KINDERGARTEN
FACILITIES GRANT PROGRAM**

BACKGROUND:

On August 10, 2022, the Board of Education approved an agreement with Eide Bailly, LLP to conduct the required performance audit of the Full-Day Kindergarten Facilities Grant Program. The term of the original agreement was from August 11, 2022 through June 30, 2023.

On September 13, 2023, the Board of Education approved Amendment No. 1 to the agreement with Eide Bailly to extend the term from June 30, 2023 to June 30, 2024.

REASONING:

Eide Bailly, LLP did not commence the performance audit process until after August 2023, and has still not concluded the audit process. Amendment No. 2 to the agreement with Eide Bailly, LLP will extend the term from June 30, 2024 to June 30, 2025. All other terms and conditions of the agreement will remain the same.

RECOMMENDATION:

Approve Amendment No. 2 to the agreement with Eide Bailly, LLP to extend the term of the agreement from June 30, 2024 to June 30, 2025, to conclude the required performance audit of the Full-Day Kindergarten Facilities Grant Program, at no additional cost to the District.

SUBMITTED/REVIEWED BY: Angie Lopez/Diane Romo



**Board of Education Agenda
August 14, 2024**

**RATIFY AN AMENDMENT TO THE AGREEMENT WITH PROFESSIONAL TUTORS
OF AMERICA**

BACKGROUND:

On June 21, 2023, the Board of Education approved a contract with Professional Tutors of America who provide education services to students nationwide. They provide multiple venue options for tutoring services, including one-to-one tutoring at the home or public library, small group instruction, and online tutoring. The District will provide one-to-one tutoring services for multiple students per their Individualized Education Program (IEP) or settlement agreements for the 2023-2024 school year.

REASONING:

The District will provide required services per the student's IEP and settlement agreements to ensure compliance with State and Federal mandates. The District has entered into multiple settlement agreements with families since June 2023, which requires additional funding allocated to support the cost of this program. All terms of the agreement will remain the same.

RECOMMENDATION:

Ratify an amendment to the agreement with Professional Tutors of America to increase the cost by \$5,720.00 through June 30, 2024, for a total cost not-to-exceed \$45,720.00, and to be paid from the General Fund. All other terms remain the same.

SUBMITTED/REVIEWED BY: Sonya Scott, Ed.D./Patricia Chavez, Ed.D.



**Board of Education Agenda
August 14, 2024**

APPROVE A RENEWAL AGREEMENT WITH NEUHAUS EDUCATION CENTER

BACKGROUND:

Neuhaus Education Center is a non-profit educational foundation dedicated to promoting reading success. Neuhaus provides evidence-based training and support to educators and district leaders. Its staff includes licensed dyslexia therapists, authors of research papers in peer-reviewed journals and textbook chapters on effective reading instruction, and board members of international organizations that promote evidence-based reading instruction. Neuhaus has 35 years of experience in teaching students with reading challenges and dyslexia and customizes literacy solutions designed to meet district goals.

REASONING:

New Elementary Reading Specialists supporting the District's Foundations Plan will receive prior training in Reading Readiness and Language Enrichment to ensure uniform knowledge. The training will emphasize systematic decoding and encoding principles, as well as curriculum implementation. In addition, all participants will be coached for two days to ensure proper implementation of all past and current Neuhaus training. iReady reading diagnostic comparing fall and winter scores shows a 15.5 percent decrease in the number of students scoring below grade level in reading specialist grade levels.

RECOMMENDATION:

To provide professional learning in the area of foundational reading to Reading Specialists, effective August 15, 2024 through June 30, 2025, at a cost not-to-exceed \$43,040.00, and to be paid from the General Fund.

SUBMITTED/REVIEWED BY: Ingrid Lin, Ed.D./Patricia Chavez, Ed.D.



**Board of Education Agenda
August 14, 2024**

APPROVE A RENEWAL AGREEMENT WITH LEXIA VOYAGER SOPRIS INC.

BACKGROUND:

Lexia Voyager Sopris Inc. has been fully focused on intervention for the past four decades. They provide offerings of reading, writing, and math intervention. We have utilized their product Language!Live over the past two years and have found great success in supporting students in grades 6-8. Language!Live is a comprehensive program that provides struggling readers with explicit instruction, corrective feedback, and more time on task to master critical reading skills.

REASONING:

Offering Language!Live through Lexia Voyager Sopris Inc. is congruent with our District's focus on supporting our students with Literacy. It is also congruent with Strategy 1 of our District's Strategic Plan, "We will provide rigorous and relevant learning experience to ensure each student's holistic development." Education Services would like to offer Language!Live for use with struggling middle schools. The middle school Reading Specialists will utilize this program in their classes. During the 2023-2024 school year, we saw improvements in the following areas: Comprehension, Contextual Fluency, and Spelling.

RECOMMENDATION:

To provide the Language!Live curriculum to use for ELA intervention at all middle schools, effective August 15, 2024 through June 30, 2025, at a cost not-to-exceed \$25,726.06 and to be paid from the General Fund (Title IV).

SUBMITTED/REVIEWED BY: Kevin Hodgson Ed.D./Patricia Chavez, Ed.D.



**Board of Education Agenda
August 14, 2024**

APPROVE A RENEWAL AGREEMENT WITH LAKESHORE LEARNING

BACKGROUND:

Lakeshore Learning Materials is the leading provider of teaching school supplies, complete classroom furniture, professional services to train teachers, and program support for grade levels of K-12. Developer and retailer of educational materials designed for early childhood programs, and elementary schools nationwide. The company offers a range of teaching resources, classroom decorations, classroom furniture, and hands-on learning products, enabling school-age children to reach their educational goals.

REASONING:

Aligned through Strategy 3 Plan 6, All students with Moderate to Severe Special Needs benefit from a program offered by Lakeshore Learning Materials, the Student Annual Needs Determination Inventory Assessment Program (SANDI). Three-hundred and fifteen license subscriptions were used in 2023-2024 for our students; the need for this license subscription renewal will remain the same in 2024-2025.

RECOMMENDATION:

To purchase 315 student license subscriptions for Rialto Unified School District students, effective August 15, 2024 through June 30, 2025, at a cost not-to-exceed \$28,035.00, and to be paid from the General Fund.

SUBMITTED/REVIEWED BY: Sonya Scott, Ed.D./Patricia Chavez, Ed.D.



**Board of Education Agenda
August 14, 2024**

APPROVE A RENEWAL AGREEMENT WITH CORWIN - WERNER ELEMENTARY SCHOOL

BACKGROUND:

CORWIN (A Sage Company) has been in business for over 28 years, providing practical, research-based resources and services to help educators make the greatest impact through sustained professional learning. Although Werner Elementary had initially planned to work with CORWIN in the 2022-2023 school year, the work was unable to continue due to a change in status. However, for the 2024-2025 school year, Werner plans to have a consultant visit the site for 3 days of professional development tailored to grades first through third-grade. The focus will be on improving skills in using the Fountas and Pinnell guided reading systems and incorporating guided reading and small group instruction.

REASONING:

At Werner Elementary, we have implemented guided reading as a technique to encourage the development of a self-extending system. This approach involves guided discussions, critical thinking, and reading activities to enhance students' continuous learning with each reading experience. Our goal is to train our first through third-grade teachers to utilize the Fountas and Pinnell libraries and incorporate guided reading into their instructional practices. As a result of these efforts, Werner Elementary saw a significant improvement in its preliminary ELA CAASPP scores, with proficiency levels rising to 24.23% in the 2023-2024 school year from 18.82% in the 2022-2023 school year. However, we are currently in CSI status and are working to further enhance our instructional practices for all students on campus. These initiatives are congruent with our district's Literacy, Numeracy, and Future Ready plan, which aims to improve students' reading and comprehension skills through small group instruction and guided reading.

RECOMMENDATION:

To provide three (3) days of on-site professional development for first through third grade teachers at Werner Elementary, effective August 15, 2024 through June 30, 2025, at a cost not to exceed \$22,500.00, and to be paid from the General Fund (CSI).

SUBMITTED/REVIEWED BY: Tami Butler/Patricia Chavez, Ed.D.



**Board of Education Agenda
August 14, 2024**

APPROVE A RENEWAL AGREEMENT WITH NAVIGATE 360

BACKGROUND:

Positive Behavioral Interventions & Supports (PBIS) is an evidence-based framework used by schools to improve school culture and student behavior, promoting a safe environment for learning. PBIS Rewards is an affordable school-wide PBIS management system that assists schools in their Positive Behavior Interventions and Support program.

REASONING:

A key aspect of PBIS is focusing on behaviors that are more positive and less on negative behaviors. PBIS Rewards makes it easy to continuously recognize students for meeting behavior expectations from anywhere in the school, not just the classroom. Staff can award students points for meeting school expectations that they can redeem at their school stores or other incentives. PBIS Rewards provides real-time access to PBIS data. Administrative users can use the data to get a sense of where their school is going, identify and monitor behavior patterns, and recognize coaching opportunities.

RECOMMENDATION:

To provide a reward, track, redeem process and data to help support our PBIS Rewards school culture at Boyd, Casey, Garcia, Kelley, Kordyak, Morris, Myers, Preston Elementary Schools, and Frisbie Middle School, effective August 15, 2024 through June 30, 2025, at a cost not-to-exceed \$25,327.40, and to be paid from the General Fund (Title I).

SUBMITTED/REVIEWED BY: Robin McMillon, Ed.D./Patricia Chavez, Ed.D.



**Board of Education Agenda
August 14, 2024**

APPROVE A RENEWAL AGREEMENT WITH SAC HEALTH

BACKGROUND:

SAC Health System is a non-profit organization that operates at various schools within the county of San Bernardino, California. SAC Health Systems operates three (3) Federal Qualified Health Centers in San Bernardino and contracts licensed health care professionals for the provision of health care services to patients.

REASONING:

SAC Health System will provide health services at a designated Rialto Unified School District campus to all students with the provision of health care services that help improve the student's health and thereby improve their academic performance. SAC Health System will designate appropriate professionals and support staff including one or more licensed doctors to furnish health care services. From August 2023 to date, 156 students have been serviced.

RECOMMENDATION:

To provide health services for Rialto Unified School District students, effective August 15, 2024 through June 30, 2025, at no cost to the District.

SUBMITTED/REVIEWED BY: Cecilia Gutierrez/Patricia Chavez, Ed.D.



**Board of Education Agenda
August 14, 2024**

APPROVE A RENEWAL AGREEMENT WITH CARE SOLACE

BACKGROUND:

Founded in 2017, Care Solace, a mental health care coordination service, collaborates with school districts and higher education institutions to ensure equitable access to care for students and family members. School systems can easily refer individuals in need through Care Loop, their proprietary software. Care Match, their self-service portal, allows individuals to self-refer and Care Solace's 24/7/365 Care Companions coordinate care for each referral. Care Solace is the bridge to community providers when needs exceed the scope of school-based services.

REASONING:

Care Solace will serve the students and families of Rialto Unified School District in congruence with the District's Strategic Plan for socially and emotionally healthy students with its tiered system of support. Care Solace will continue to provide data and analytics as it relates to inbound interactions, appointments booked into care, and usage of the anonymous CareMatch platform. Care Solace provides monthly impact reports to the district to demonstrate the success of the program. Data shows that for the 2023-2024 school year, 624 families received services. The renewal of this agreement will begin August 15, 2024 and continue through June 30, 2025.

RECOMMENDATION:

To provide 24-hour mental health care coordination services for students and their families, effective August 15, 2024 through June 30, 2025, at a cost not-to-exceed \$44,000.00, and to be paid from the General Fund (ESSER III).

SUBMITTED/REVIEWED BY: Manuel Burciaga, Ed.D./Patricia Chavez, Ed.D.



**Board of Education Agenda
August 14, 2024**

APPROVE A RENEWAL AGREEMENT WITH KEYSTONE INDUSTRIAL MEDICINE

BACKGROUND:

On September 13, 2023, the Board of Education approved an agreement with Keystone Industrial Medicine to provide a certified medical person at football home games for all three high schools during the 23-24 regular season and playoffs. The RUSD Athletic Directors would like to continue their established partnership with Keystone by contracting with them for the upcoming football season.

REASONING:

Per the Constitution of the Arrowhead Athletic Conference, Section 4.6 reads in part, "The Host School shall provide a certified medical person and be present on the field at all football games." Keystone Industrial Medicine can provide this service at \$330.00 per game.

RECOMMENDATION:

Approve an agreement with Keystone Industrial Medicine to provide a certified medical person at football home games for all three high schools during the 2024-25 regular season and playoffs, effective August 15, 2024, through December 31, 2024, at a cost not-to-exceed \$6,930.00 and to be paid from the General Fund.

SUBMITTED/REVIEWED BY: Diane Romo



**Board of Education Agenda
August 14, 2024**

APPROVE A MEMORANDUM OF UNDERSTANDING (MOU) WITH SAN BERNARDINO COUNTY SUPERINTENDENT OF SCHOOLS (SBCSS) PRE-APPRENTICESHIP SPONSORSHIP

BACKGROUND:

Pursuant to Education Code Section 52300 and following, the Career Technical Education (CTE) programs emphasize high-quality integrated curriculum and instruction. These are shaped by labor market information, student interest, technology, industry standards, and real-world engagement through relevant work-based learning opportunities, aiming to prepare students for the workforce. Pre-apprenticeships give students a competitive edge in post-secondary learning opportunities with labor unions and skilled trade professions.

REASONING:

The partnership with San Bernardino County Superintendent of Schools (SBCSS) involves a Pre-Apprentice Sponsorship agreement aligned with the Rialto Unified School District Strategic Plan. The agreement, No. 24/25-0180, will prepare and certify pre-apprentices with the California Division of Apprenticeship Standards (DAS) in various industry pathways for the next two academic years, from August 15, 2024, to June 30, 2026. The activities involved include attending industry advisories, submitting data for program completion and certificate attainment, maintaining e-portfolios, allowing for guest speakers from employers and/or colleges, and providing certifications for teachers and students to meet industry requirements.

RECOMMENDATION:

To approve the Memorandum of Understanding (MOU) with San Bernardino County Superintendent of Schools (SBCSS) Pre-Apprentice Sponsorship and allow the District to fulfill its responsibilities under the MOU in accordance with the provisions of law and regulations that govern their activities, effective August 15, 2024 through June 30, 2026, at no cost to the District.

SUBMITTED/REVIEWED BY: Juanita Chan-Roden/Patricia Chavez, Ed.D.



**Board of Education Agenda
August 14, 2024**

APPROVE AGREEMENT NO. 24/25-0111 WITH SAN BERNARDINO COUNTY SUPERINTENDENT OF SCHOOLS (SBCSS) FOR CLASSROOM LEASE AND MAINTENANCE OF SPECIAL EDUCATION CLASSROOMS

BACKGROUND:

The San Bernardino County Superintendent of Schools (SBCSS) owns nineteen (19) classrooms in the District. Every year, SBCSS operates classes for special education students in those classrooms.

SBCSS will use eleven (11) classrooms during the 2024-25 school year as follows:

- 1) Eisenhower High School - Rooms M-1 and M-2
- 2) Dollahan Elementary School - Rooms C-1, C-2, C-3, and C-4
- 3) Bemis Elementary School - Rooms E-5 and E-6
- 4) Henry Elementary School - Room G-1
- 5) Rialto High School - Rooms D-101 and D-102

Every year, SBCSS allows the District to use its classrooms at no charge to the District. Eight (8) SBCSS classrooms will be used by the District as follows:

- 1) Bemis Elementary School - Rooms E-1, E-2, E-3, and E-4
- 2) Kolb Middle School - Rooms B-5, B-6 and B-7
- 3) Henry Elementary School - Room G-2

REASONING:

The duration of Agreement No. 24/25-0111 shall be from July 1, 2024 through June 30, 2025. During this period, the District will ensure that requested facilities are available for use by the SBCSS, and the District will provide necessary utilities, custodial service and minor maintenance for these classrooms. The San Bernardino County Superintendent of Schools (SBCSS) shall pay the district \$4,235.64 per classroom occupied by SBCSS and maintained by the District.

RECOMMENDATION:

Approve Agreement No. 24/25-0111 with the San Bernardino County Superintendent of Schools (SBCSS) for the maintenance of eleven (11) SBCSS special education classrooms, as well as District use of eight (8) county classrooms owned by SBCSS at no cost to the District from July 1, 2024 through June 30, 2025. The San Bernardino County Superintendent of Schools shall pay the District \$4,235.64 per classroom occupied by SBCSS and maintained by the District. Total amount paid to the District under this contract shall not exceed \$46,592.04.

SUBMITTED/REVIEWED BY: Angie Lopez/Diane Romo



**Board of Education Agenda
August 14, 2024**

APPROVE AN AGREEMENT WITH LOMA LINDA UNIVERSITY

BACKGROUND:

The purpose of this Contract for Educational and Instructional Programs is to enter into a mutually beneficial education and training agreement with Loma Linda University for Speech-Language Pathology Assistants and Occupational Therapists. Students enrolled in the Communicative Sciences and Disorders Program, and the Occupational Therapy Program at LLU will gain experience in the clinical setting with experienced professionals within the Rialto Unified School District.

REASONING:

Loma Linda University will offer students opportunities to flourish in an actual work environment within the school setting. This is in order to further their education toward becoming effective and efficient future Speech-Language Pathology Assistants and Occupational Therapists with the hope that they will come back and return their knowledge to the children of the district and its community.

RECOMMENDATION:

Approve the Contract for Educational and Instructional Programs with Loma Linda University for mentoring opportunities to assist current and future student Speech-Language Pathology Assistants and Occupational Therapists in their specialized field from October 1, 2024 through September 30, 2029 at no cost to the District.

SUBMITTED/REVIEWED BY: Ricardo Carranza/Rhonda Kramer, Roxanne Dominguez & Armando Urteaga



**Board of Education Agenda
August 14, 2024**

APPROVE AN AGREEMENT WITH BUCK INSTITUTE - WERNER ELEMENTARY SCHOOL

BACKGROUND:

The Buck Institute has offered professional development in Project-Based Learning (PBL) since 1999, aiming to provide all students, especially Black and Brown students, with equal opportunities. Werner Elementary plans to train fourth and fifth grade teachers in PBL to increase student engagement and provide real-life, hands-on experiences for problem-solving.

REASONING:

Werner Elementary will provide training to all fourth and fifth grade teachers, as well as our Instructional Strategists and Reading Specialists, in the area of Project-Based Learning. Participants will receive three consecutive days of in-person training on-site, followed by access to the PBL Leadership Jumpstart Program online. Werner Elementary School significantly improved its preliminary Math CAASPP scores, increasing proficiency from 10.36% during the 2022-2023 school year to 18.40% in 2023-2024. Werner is currently in CSI status and is working to enhance the first, best instructional practices of our teachers. These efforts are congruent with our District's Literacy, Numeracy, and Future Ready plan by providing students with the opportunity to increase their social awareness and learn how to make connections between school and real life.

RECOMMENDATION:

To provide three (3) days of professional development and access to an online component of the program for all fourth and fifth grade teachers, Instructional Strategists, and Reading Specialists at Werner Elementary, effective August 15, 2024 through June 30, 2025, at a cost not-to-exceed \$19,000.00, and to be paid from the General Fund (CSI).

SUBMITTED/REVIEWED BY: Tami Butler/Patricia Chavez, Ed.D.



**Board of Education Agenda
August 14, 2024**

APPROVE AN AGREEMENT WITH CAL CARD

BACKGROUND:

At its meeting on January 25, 2012, the Board of Education approved participation in the CAL-Card Program. The CAL-Card is a “no cost” program and is designed for accounts to be paid in full each invoice/billing period. The CAL-Card can be used to procure commodities and services, provided that the purchase is within the authorized Cal-Card dollar limit. The purchase must be in accordance with the authorized dollar limits, State laws, rules and Purchasing Authority guidelines, all applicable policies and procedures, specific contract term or specific agency guidelines and requirements. Cash advances and other high risk or cash-related Merchant Category Codes are excluded from the CAL-Card Program. Transaction detail reports are available to the Program Administrator to assist with internal controls, accountability, and auditing purposes.

REASONING:

Each card can be set up with a maximum single transaction, daily, monthly, quarterly and annual maximum spending limits, not to exceed the assigned State purchasing authority. Currently, the District has a total of (7) cards issued with varied credit limits. The cards are assigned to the Superintendent, Lead Strategic Agent, Lead Innovation Agent, Personnel Services Department, Business Services Department and Purchasing Services Department (made available for checking out), and District Conference hotel expenses associated with Concur.

RECOMMENDATION:

It is recommended that the Board of Education approve an additional CAL-Card to be issued to the Acting Superintendent Edward D’Souza, Ph.D.

SUBMITTED/REVIEWED BY: Nicole Albiso/Diane Romo



**Board of Education Agenda
August 14, 2024**

APPROVE AN AGREEMENT WITH CO-CREATORS INC

BACKGROUND:

CoCreators Inc. is a family-owned company with 25 years of hands-on experience in the playground equipment industry. They specialize in the installation and certified inspection of playground structures, ensuring creative and safe play spaces with flawless project execution. CoCreators Inc. employs Certified Playground Safety Inspectors (CPSI) who inspect and certify both new and existing structures to ensure safety and enjoyment for children. CoCreators Inc. has successfully completed projects using equipment from every major manufacturer, serving a diverse range of clients including schools, city parks, HOAs, beaches, apartment complexes, corporations like Irvine Spectrum, churches, zoos, and amusement parks.

REASONING:

CoCreators Inc. will assist Rialto USD, Maintenance & Operations meet safety regulations by conducting comprehensive audits of new playground structures at multiple district sites and provide professional recommendations for any corrections that may be needed.

RECOMMENDATION:

Approve an agreement with CoCreators Inc. to audit and provide comprehensive reports of new playground structures, effective August 15, 2024, through June 30, 2025, at a cost not-to-exceed \$17,400.00, and to be paid from the General Fund (Routine Repair Maintenance Account).

SUBMITTED/REVIEWED BY: Matt Carter/Diane Romo



**Board of Education Agenda
August 14, 2024**

APPROVE AN AGREEMENT WITH ROOTS OF SUCCESS ENVIRONMENTAL LITERACY AND JOB TRAINING PROGRAM

BACKGROUND:

According to the Education Code Section 52300 et seq., the Career Technical Education (CTE) programs focus on providing high-quality integrated curriculum and instruction that is informed by labor market information, student interest, technology, industry standards, and real-world engagement through relevant work-based learning opportunities. These programs are essential to prepare students for the workforce. Pre-apprenticeships provide students with a competitive advantage in post-secondary learning opportunities, admission into labor unions, and skilled trade professions. The Roots of Success Pre-Apprenticeship programs prepare graduates for over 100 career pathways in water, waste, transportation, energy, building, agriculture, and advocacy sectors. Participants in this program earn an "Environmental Specialist certificate from the UC Department of Labor, an industry-recognized credential.

REASONING:

The partnership with Roots of Success Pre-Apprentice Program is congruent with the Rialto Unified School District Strategic Plan, Strategy I: We will provide rigorous and relevant learning experiences to ensure each student's holistic development. This agreement will prepare and certify pre-apprentices with the California Division of Apprenticeship Standards (DAS) in various industry pathways for the next two academic years, from August 15, 2024, through June 30, 2026. The services that the agreement will include are Teacher training for 1 Career Technical Education teacher in the Energy, Environment, and Utilities Pathway at Milor High School, up to 100 registrations into the Pre-Apprenticeship program, student workbooks, and the certificate for each student.

RECOMMENDATION:

To approve an agreement with Roots of Success Pre-Apprenticeship program for up to 100 Career Technical Education students at Milor High School, effective August 15, 2024 through June 30, 2026, at a cost not to exceed \$35,000.00, and to be paid from the General Fund (CTEIG).

SUBMITTED/REVIEWED BY: Juanita Chan-Roden/Patricia Chavez, Ed.D.



Board of Education Agenda August 14, 2024

APPROVE AN AGREEMENT WITH THE MANHOOD PROJECT - MILOR HIGH SCHOOL

BACKGROUND:

Milor High School requests the Board of Education to approve an agreement with The Manhood Project, Inc. to provide training and mentor groups in Social Emotional Learning and Support for male students enrolled at Milor High School through in-person and virtual sessions. The Manhood Project's mission is to maximize the positive qualities that already exist in under-served youth while minimizing their temptations to engage in at-risk behaviors. Using a four-part intervention strategy: Exposure, Education, Engagement, and Encouragement, The Manhood Project helps to build morally strong, capable, and confident young men through multiple individual, group, and guardian communities. This is executed by focusing on the five core social-emotional learning competencies of the following: Self-Awareness, Self-Management, Responsible Decision Making, Social Awareness, and Relationship Skills. This program will consist of a 2-day conference led by Mr. Phillip Black in conjunction with previously trained teacher facilitators.

REASONING:

Male students of color, in particular, African Americans, are a demographic of focus in our student achievement, strategic plan, and Comprehensive Support and Improvement (CSI) funding. This student population needs specific social-emotional support in the development of the whole person and instilling leadership skills that will impact the entire school community. The Manhood Project will provide our school with tools to address inequities. The workshops will strengthen Milor's efforts to incorporate Strategies III and IV of the RUSD Strategic Plan.

RECOMMENDATION:

To provide Social Emotional Learning support by facilitating a 2-day youth conference for all male students at Milor High School, effective August 29, 2024 through September 30, 2024, at a cost not-to-exceed \$20,000.00, and to be paid from the General Fund (CSI).

SUBMITTED/REVIEWED BY: Kyla Griffin, Ed.D./Patricia Chavez, Ed.D.



**Board of Education Agenda
August 14, 2024**

APPROVE AN AGREEMENT WITH LEAPS & BOUNDS PEDIATRIC THERAPY

BACKGROUND:

Leaps & Bounds Pediatric Therapy provides a variety of recreational services and supports for students with disabilities. Leaps and Bounds will provide compensatory services in the area of Physical Therapy (PT), Occupational Therapy and Speech Language Services for current students attending Rialto Unified School District during the 2024-2025 school year that are owed compensatory education services.

REASONING:

Congruent with Strategic Planning, the District is ensuring that a high quality education is being provided to every student by complying with the Special Education Procedural Safe Guards and agreements.

RECOMMENDATION:

To provide services during the 2024-2025 school year, effective August 15, 2024 through June 30, 2025, at a cost not-to-exceed \$30,000.00, and to be paid from the General Fund.

SUBMITTED/REVIEWED BY: Sonya Scott, Ed.D./Patricia Chavez, Ed.D.



**Board of Education Agenda
August 14, 2024**

APPROVE AN AGREEMENT WITH ENVOLVE - RIALTO HIGH SCHOOL

BACKGROUND:

Envolve provides both onsite training and an online weekly activity hub for student leadership programs. The engaging program helps Associated Student Body (ASB) leaders to create new activities such as weekly activity challenges, and provides activity hub access and virtual events. These innovative activities are specifically designed to encourage and empower various parts of the campus community.

REASONING:

This program is congruent with our Student Plan for Student Achievement (SPSA) which gives students access to activities and events that will broaden their understanding of the leadership content. The goal also states that students will be provided with supplemental instructional materials, programs, and experiences to gain access to the Common Core. In addition, students will be given access to educational study trips to show the relevancy of the material they are learning.

RECOMMENDATION:

To provide an on-campus training on September 5, 2024 and online support Rialto High School's ASB Leadership students, effective August 29, 2024 through May 29, 2025, at a cost not-to-exceed \$3,250.00, and to be paid from the General Fund.

SUBMITTED/REVIEWED BY: Caroline Sweeney, Ed.D./Patricia Chavez, Ed.D.



Board of Education Agenda August 14, 2024

APPROVE AN AGREEMENT WITH SKILL STRUCK

BACKGROUND:

Skill Struck is a curriculum that supports the implementation of computer science pathways in all five (5) middle schools. It includes a built-in curriculum, lesson plans, and an auto-grader to engage students in computer science and fun coding activities. Students progress from block-based coding to text-based coding. Even teachers with limited or no prior coding experience can implement Skill Struck due to the robust professional support it offers. Since 2016, the Career Technical Education Cybersecurity class at Eisenhower High School has been using a curriculum from a company called GBSI. However, the technical modules were initially intended for adult audiences. Student and teacher feedback indicates that students find it challenging to engage with the curriculum, which hampers both student interest and success in the course. Additionally, the service area is working to create coherence within computer science courses from elementary school through high school and beyond.

REASONING:

Offering Cybersecurity Classes that also use Skill Struck is congruent with our District's Strategic Plan Strategy VII, "We will ensure resources and assets are allocated to directly support student learning." Every student at Eisenhower High School will have access to Skill Struck's Computer Science platform, which provides a text editor, project storage, support features, and curriculum, as per Skill Struck's terms of service. This will enable Career Technical Education (CTE) students to further develop the technical skills and knowledge introduced to them in middle school. They will connect relevant features of text-based coding in languages like C++ and Python to debugging code in virtual network images in Cybersecurity. Additionally, it will allow cybersecurity students to lead schoolwide recruitment events for students who are not yet enrolled in a CTE course but are interested in doing so in the future.

RECOMMENDATION:

To approve an agreement with Skill Struck to expand service into Eisenhower High School computer science curriculum for the next two years, effective August 15, 2024 through June 30, 2026, at a cost not-to-exceed \$34,000.00, and to be paid from the General Fund (CTEIG).

SUBMITTED/REVIEWED BY: Juanita Chan-Roden/Patricia Chavez, Ed.D.



**Board of Education Agenda
August 14, 2024**

**APPROVE THE AGREEMENT WITH VARIOUS VENDORS FOR THE 2024-25
FISCAL YEAR**

BACKGROUND:

Throughout the year, the Board of Education is presented with separate board items seeking approval for contracted services. Many of these contracts are reviewed annually after thorough consideration performed by District staff. In congruence with the objective to streamline the organization, the District will present to the Board for pre-approval service vendors and proposed cost structure.

REASONING:

Pre-approved vendors and proposed cost structures will allow schools to enter into agreements in a timely manner. Schools will be able to have these agreements in place by the beginning of the year, which in turn will make services available to students.

Vendor: DJ Eternal

Service Offered: This vendor provides DJ services for school events. He provides all necessary equipment such as speakers, music, lights etc.

Cost Structure: \$650 per 4-hour event. A minimum of 4 hours per booking is required.

Vendor: Mariachi Generacion Musical

Service Offered: This vendor provides mariachi music for school events. They provide a vast array of traditional mariachi repertoire: rancheras, boleros, sones, and cumbias. All members dress in a traditional mariachi attire (charro suit). The group consist of five musicians if additional musicians are requested an additional fee will apply. PA System is offered for an additional fee of \$150 if contracted for 3+ hours, PA System is included in cost along with microphones.

Cost Structure: \$550 per hour. One hour minimum. If additional hours are requested, rates are discounted to \$500 per hour.

Vendor: Mariachi Corazon De Mi Tierra

Service Offered: This vendor provides mariachi music for school events. They provide a vast array of traditional mariachi repertoire. This mariachi group of five or six musicians depending on the length of the performance.

Cost Structure: \$625 per hour including 5 musicians for 1 hour and for 2 or more hours, price is \$580.00 per hour and it includes 6 musicians.

Vendor: Karina Ceja Photography

Services Offered: This vendor provides a Photo Booth that includes custom template, and one 4x6 print for each picture during event. A link will be provided to administration for all pictures taken for the event. per family.

Cost Structure: \$200 per hour with a 2-hour minimum.

Vendor: Parent Institute for Quality Education (PIQE)

Services Offered: Provides parent engagement classes. Vendor will recruit parents for the sessions, organize and conduct Q&A sessions, orientation sessions and weekly training sessions on 7 different topics.

Cost Structure: This vendor offers 7 Parent Engagement classes and 1 Professional Development Program for Educators.:

1. Signature Family Engagement in Education K-12
 - 8 weeks \$14,500 flat fee for up to 50 parents, two classes per school. Each additional class is \$3,000.00 for up to 15 parents. (\$200.00 for any additional parent that graduates from the program.)
2. Social Emotional Learning (SEL) Program
 - 9 weeks \$14,500.00 flat fee for up to 50 parents, two classes per school. Each additional class, \$3,000.00 for up 15 parents. (\$200.00 for any additional parent that graduates from the program.)
3. STEM Program
 - 4 weeks \$7,500.00 flat fee for up to 40 parents, two classes per school. Each additional class, \$3,000.00 for up 15 parents. (\$200.00 for any additional parent that graduates from the program.)
4. Bridge to College Program
 - 4 weeks \$7,500.00 flat fee for up to 40 parents, two classes per school. Each additional class, \$3,000.00 for up 15 parents. (\$200.00 for any additional parent that graduates from the program.)
5. Early Childhood Development Program
 - 9 weeks \$14,500.00 flat fee for up to 50 parents, two classes per school. Each additional class, \$3,000.00 for up 30 parents. (\$200.00 for any additional parent that graduates from the program.)

6. Family Literacy P-3rd Program (P3)

- 9 weeks \$14,500.00 flat fee for up to 50 parents, two classes per school. Each additional class, \$3,000.00 for up to 15 parents. Additional books might be required as part of the program. English \$45.44, Spanish \$26.25 per book. (\$200.00 for any additional parent that graduates from the program.)

7. Family Leadership Program

- 6 weeks \$9,600.00 flat fee for up to 20 participants. one class AM in person per school. Additional participant, \$400 per person. (Program can be implemented in person only) (\$200.00 for any additional parent that graduates from the program.)

8. Effective Family Engagement Practices Program

- 6 hours \$10,650.00 flat fee for up to 35 participants - Effective Family Engagement Practices (* Incentives provided to attendees depending on funding). Any additional parent that graduates from program will be \$200.00

Vendor: Active Education

Service Offered: This vendor provides a structured activity program, which encompasses fun and healthy activities with an emphasis on social and emotional learning and PBIS best practices. Their curriculum has been designed using evidence-based research data in alignment with CASEL’s core competency framework. Their programs provide character development to students through a combination of activities and monthly character education focuses.

Cost Structure: This vendor offers up to ten session options for recess or afterschool : All options are for 2 instructors, 3 days a week program for 2 hours billable at 2.75 hours a week.

Sessions	Cost per Session	Total Cost
40	\$412.00	\$16,500.00
50	\$410.00	\$20,500.00
60	\$408.00	\$24,480.00

Sessions	Cost per Session	Total Cost
90	\$402.00	\$36,180.00
100	\$400.00	\$40,000.00
125	\$395.00	\$49,375.00

70	\$406.00	\$28,420.00
80	\$404.00	\$32,320.00

150	\$390.00	\$58,500.00
175	\$385.00	\$67,375.00

Vendor: BMX Freestyle Team

Services Offered: This vendor will perform an educational and entertaining BMX bicycle safety assembly for the students.

1. One (1) BMX Assembly (Approximately 40 minutes) \$1,775.00
2. 2nd Assembly for the same day same school additional \$575.00

Vendor: Traveling Tidepools

Service Offered: This vendor provides students with an interactive enrichment activity at the schools.

Cost Structure: This vendor offers ten options all with 2 hours in multiple presentations with selected creatures:

1. Traveling Tide Pool Experience - 7ft long 90-gallon tank with 20-25 sea creatures. \$1,995
2. Traveling Tide Pool Encounter - 3ft open touch tank with more than 12 sea creatures. \$1,295
3. Traveling Reptile Educational Experience - \$1,195
4. Traveling Bugs Educational Experience \$1,195
5. Life Skills Magic Educational Experience \$1,195
 - Part 1 Magic Show
 - Part 2 Magic Share
 - Part 3 Magic Class
6. American Farm Life Educational Experience \$2,295.00
7. California Gold Panning Educational Experience \$2,395
8. Food Science Educational Experience \$2,295
9. Traveling Exotics \$2,295
10. Mobile Escape Room Educational Experience \$2,395.00

Vendor: Mobile Ed

Service Offered: This vendor provides students a variety of assemblies for students in the areas of science, history, reading, writing, and character/multicultural/ anti bully .

Cost Structure: This vendor offers four options:

1. Choose one of Magic, Forces, Air, That's Science, Women, Quest up to four 45-minute sessions \$1,495.00
2. Sky- up to five 45-minute sessions \$1,695.00
3. STEAM Museum assembly - Up to 6, 45-minute sessions \$1,795
4. Drum Perks assembly - Up to 3, 45-minute sessions \$1,695

Vendor: KidsReptileParties.com

Services Offered: Provides an engaging and interactive presentation that allows students to ask questions and get involved in hands-on activities with a variety of snakes, frogs, lizards, tortoises and spiders. All packages include 12-14 reptiles and friends.

Cost Structure: This vendor offers three different services: If more than 1 hour the pricing below applies as long as it's consecutive.

1. Hands-on Classroom Presentation (for up to 40 students at a time)
 - \$670 for 1 hour
 - \$1,070 for 2 hours
 - \$1,370 for 3 hours
2. Reptile Mania Assembly (for more than 40 students at a time)
 - \$720 for 1 hour
 - \$1,120 for 2 hours
 - \$1,420 for 3 hours

Vendor: Thor's Reptile Family

Service Offered: This vendor will travel to your school and put on a presentation of Safari animals. Students will discover the place of reptiles in the food chain, learn about the life cycle from neonate to adult and find out about reptile ecosystems, habitat destruction, conservation and what you can do to help. They will bring the safari to your classroom or school wide assembly.

- Classroom Safari: They will bring the safari into your classroom. They will put on a 1 hour show that will feature an exotic mix of reptiles, amphibians and arthropods. No more than 40 students per Class Safari.
- Classroom Bug Safari: Not for the weak of heart! This package includes a 45–60-minute interactive show
- School Assembly Safari: They provide an exciting, interactive informative and safe way for your students to learn about exotic animals. The assembly will last 1 hour and it includes of mix of 10-15 bigger creatures to guarantee maxim visibility.

Cost Structure:

- Class Safari \$400 for 1 hour up to 40 students
- Classroom Bug Safari \$400.00 for 45 minutes to 1 hour for up to 40 students
- School Assembly Safari: \$550 for 1 hour up to 75 students

\$750 up to 150 students

\$850 up to 350 students

\$1,000 350 plus students

Vendor: Gregory V. Willison dba Michael Mezmer's iMAGICnation Show

Service Offered: the iMAGICnation Show features many educational themes to enhance students' knowledge. These are some of the shows the vendor provides:

- Psychokinesis
- Houdini Wrist Tie Escape
- Batman
- The Frankenropes

- Legend of The Three Rings

Show length: 30-45 minutes depending on the school's needs and schedule.

Cost Structure: Performance fee \$500.00 for one assembly and \$200.00 for each additional show at the same campus on the same day.

Vendor: Mobile Dairy Classroom Bringing the Farm to School

Service Offered: This vendor will bring the cow to your school. They will put on a lesson that includes agriculture's contribution to the food supply, the nutritional value of dairy foods, and how dairy complements other foods to create a healthy diet. They will also teach students new vocabulary, the anatomy of a cow, how milk goes from the cow to the table, and the importance of healthy eating and physical activity.

Cost Structure: No Cost.

- 45-minute presentation for K-3 - focusing on vocabulary, life cycles, and anatomy concepts.
- 45 minutes for upper elementary grades, 4-5, explaining the ruminant digestive system, lactation cycle, agriculture technology, and milk processing with proper vocabulary.

Vendor: The EcoHero Show

Service Offered: This vendor performs a 40-minute show that is an interactive concert where they will introduce environmental topics, tell stories, and engage students with trivia. EcoHero educates students by explaining what the problems are and how students can make a difference. Throughout the show, students learn songs and follow dances to music videos by rap superhero, Mr. Eco.

Cost Structure: No Cost.

Vendor: The Inland Empire Resource Conservation District

Service Offered: This vendor performs a 50-60 minute in-person age-appropriate learning experience and promotes scientific inquiry. Each school has the option to select a class format.

Subjects Offered: Climate X=change (6th -12th grade only), Explore-a-Flora, Gardening for Good, Healthy Habitats, Reduce, Re-use, Recycle, Santa Ana Watershed, The Value of Water, Trees and Me, Wonders of Soil.

Cost Structure: No Cost.

Vendor: Women on The Move Network

Service Offered: Women on The Move Network provides a weekly after-school program of activities and experiences for girls 9-11, designed to build their confidence, help them learn to make good decisions, have healthy friendships, engage in service projects, and have fun in a safe and welcoming environment. Sessions will include projects, activities, art, games, videos, discussions, role-plays, journaling, and service projects.

Cost Structure: No Cost

- Up to 20 female students to participate.
- Each session will be 1 hour and 15 minutes

RECOMMENDATION:

Approve the listed frequently used vendors and cost structures for the 2024-25 school year.

SUBMITTED/REVIEWED BY: Diane Romo



**Board of Education Agenda
August 14, 2024**

NOTICE OF COMPLETION – J&A ENGINEERING CORP. DBA J&A FENCE

BACKGROUND:

Representatives from Facilities Planning completed the final walk-through of the work completed by J&A Engineering Corp dba J&A Fence for the Wilmer Amina Carter High School Campus Security Fence.

REASONING:

The Notice of Completion, when filed with the County Recorder, will begin a thirty-five (35) day period for Stop Notice filing after which our final payment to the contractor may be released.

RECOMMENDATION:

Accept the work completed June 30, 2024, by J&A Engineering Corp. dba J&A Fence, for the project at Wilmer Amina Carter High School Campus Security Fence, and authorize District staff to file a Notice of Completion with the San Bernardino County Recorder.

SUBMITTED/REVIEWED BY: Angie Lopez/Diane Romo



**Board of Education Agenda
August 14, 2024**

CLASSIFIED EXEMPT – PERSONNEL REPORT NO. 1322

BACKGROUND/CRIMINAL HISTORY CHECKS HAVE BEEN COMPLETED, AS PER LAW, ON ALL INDIVIDUALS RECOMMENDED FOR EMPLOYMENT.

CROSSING GUARDS

Bush, Sandee	Garcia Elementary School	08/05/2024	\$16.00 per hour
Oldman, Raeanna	Frisbie Middle School	08/05/2024	\$16.00 per hour
Nuñez, Jennifer	Morris Elementary School	08/05/2024	\$16.00 per hour
Turner, Mark	Morris Elementary School	08/05/2024	\$16.00 per hour

NON-CERTIFICATED COACHES

A search of the certificated staff of the Rialto Unified School District has failed to fulfill the District’s coaching needs. Pursuant to the Title 5 California Code of Regulations, Section 5531, this is to certify that the following non-certificated coaches employed by the Rialto Unified School District are competent in first aid and emergency procedures as related to coaching techniques in the sports to which they are assigned:

Carter High School

Greer, Charles	Varsity Asst., Football	2024/2025	\$5,506.00
Moana, Tevita	JV Asst., Football	2024/2025	\$5,162.00
Soto, Sara	JV Head, Volleyball	2024/2025	\$4,244.00
Thompson, Randy	Co-Frosh Asst., Football	2024/2025	\$2,581.00
Wharry, Jimmie	Frosh Asst., Football	2024/2025	\$5,162.00

Eisenhower High School

De La Cruz, Xavier	Head Varsity, Girls’ Tennis	2024/2025	\$4,818.00
Meneses, Sophia	Frosh Head, Girls’ Volleyball	2024/2025	\$4,244.00

SUBMITTED/REVIEWED BY: Roxanne Dominguez, Rhonda Kramer, and Armando Urteaga



**Board of Education Agenda
August 14, 2024**

CLASSIFIED EMPLOYEES – PERSONNEL REPORT NO. 1322

BACKGROUND/CRIMINAL HISTORY CHECKS HAVE BEEN COMPLETED, AS PER LAW, ON ALL INDIVIDUALS RECOMMENDED FOR EMPLOYMENT.

PROMOTIONS

Gomez, Frank (Repl. R. Alvarado)	To: Custodian II Dunn Elementary School	08/05/2024	34-6	\$32.02 per hour (8 hours, 12 months)
	From: Custodian I** Dunn Elementary School		33-6	\$31.23 per hour (8 hours, 12 months)
Gutierrez, Mabel	To: Behavioral Support Assistant Special Services/ Highbanks Elementary School	08/02/2024	31-1	\$23.24 per hour (8 hours, 203 days)
	From: Instructional Assistant II-SE (RSP/SDC) Simpson Elementary School		26-1	\$20.50 per hour (7 hours, 203 days)
Luna, Alicia	To: Instructional Assistant III - Behavior Support Kolb Middle School	08/02/2024	29-1	\$22.11 per hour (7 hours, 203 days)
	From: Instructional Assistant II-SE (RSP/SDC) Milor High School		26-1	\$20.50 per hour (7 hours, 203 days)
Polonio, Terrence (Repl. R. Acosta)	To: Custodian II Milor High School	08/05/2024	34-6	\$32.02 per hour (8 hours, 12 months)
	From: Custodian I** Rialto Middle School		33-6	\$31.23 per hour (8 hours, 12 months)
Saldana, Sergio (Repl. R. Nelson)	To: Custodian III** Carter High School	07/15/2024	36-5	\$32.87 per hour (8 hours, 12 months)
	From: Custodian I** Carter High School		33-6	\$31.23 per hour (8 hours, 12 months)

EMPLOYMENT

Ayala, Alyssa	Behavioral Support Assistant Special Services/ Preston Elementary School	08/02/2024	31-1	\$23.24 per hour (7 hours, 203 days)
Barrera, Sandra (Repl. D. Martinez)	Special Education Child Development Instructional Assistant Werner Elementary School	08/02/2024	29-1	\$22.11 per hour (7 hours, 203 days)

EMPLOYMENT (Continued)

Castaneda, Gerardo (Repl. R. Eberheart)	Custodian I** Bemis Elementary School	07/25/2024	33-1	\$24.44 per hour (8 hours, 12 months)
Cervantes Rodriguez, Joseph (Repl. V. Martinez)	Custodian I** Carter High School	08/01/2024	33-1	\$24.44 per hour (8 hours, 12 months)
Chavez, Sonia	Instructional Assistant I Boyd Elementary School	08/07/2024	25-1	\$19.99 per hour (4.5 hours, 203 days)
Correa, Rigoberto (Repl. V. Prado)	Special Education Child Development Instructional Assistant Werner Elementary School	08/07/2024	29-1	\$22.11 per hour (7 hours, 203 days)
Garcia, Angelica Z. (Repl. A. Secor)	Account Clerk II Rialto High School	07/09/2024	36-1	\$26.35 per hour (8 hours, 237 days)
Garcia, Blanca (Repl. M. Esparza-Diaz)	Nutrition Service Worker I Eisenhower High School	08/02/2024	20-1	\$17.61 per hour (2 hours, 203 days)
Garcia, Rocio	Instructional Assistant III - Behavior Support Rialto High School	08/02/2024	29-1	\$22.11 per hour (7 hours, 203 days)
Garcia, Yesenia	Behavioral Support Assistant Special Services/ Kucera Middle School	08/02/2024	31-1	\$23.24 per hour (7 hours, 203 days)
Gonzalez, Silvia (Repl. P. Alvarado)	Nutrition Service Worker I Rialto Middle School	08/05/2024	20-1	\$17.61 per hour (2 hours, 203 days)
Halcrombe, Kalin (Repl. J. Haynes)	Safety Intervention Officer I Safety Support Services	07/22/2024	36-1	\$26.35 per hour (8 hours, 212 days)
Jimenez Jr., Richard (Repl. S. Saldana)	Custodian I** Carter High School	08/01/2024	33-1	\$24.44 per hour (8 hours, 12 months)
Leyva, Victoria	Instructional Assistant III - Behavior Support Fitzgerald Elementary School	08/02/2024	29-1	\$22.11 per hour (6 hours, 203 days)
Lucero, Samantha	Instructional Assistant I Bemis Elementary School	08/05/2024	25-1	\$19.99 per hour (4.5 hours, 203 days)

EMPLOYMENT (Continued)

Luna, Beatriz (Repl. N. Jones)	Behavioral Support Assistant Special Services/Kolb Middle School	08/02/2024	31-1	\$23.24 per hour (7 hours, 203 days)
Martinez, Mayra	Instructional Assistant I Myers Elementary School	08/02/2024	25-1	\$19.99 per hour (4.5 hours, 203 days)
Morales Sandoval, Mayra (Repl. B. Jimenez)	Special Education Child Development Instructional Assistant Dunn Elementary School	08/02/2024	29-1	\$22.11 per hour (6 hours, 203 days)
Oliva, Stephanie	Instructional Assistant I Kordyak Elementary School	08/05/2024	25-1	\$19.99 per hour (4.5 hours, 203 days)
Pedroza, Karen	Behavioral Support Assistant Special Services/ Preston Elementary School	08/02/2024	31-1	\$23.24 per hour (7 hours, 203 days)
Perez, Merari	Instructional Assistant I Morgan Elementary School	08/02/2024	25-1	\$19.99 per hour (4.5 hours, 203 days)
Rivera, Jazmin (Repl. B. Hom)	Instructional Assistant I Werner Elementary School	08/02/2024	25-1	\$19.99 per hour (4.5 hours, 203 days)
Vichai, Elisa	Instructional Assistant I Werner Elementary School	08/02/2024	25-1	\$19.99 per hour (4.5 hours, 203 days)
Villa, Erik (Repl. J. Perez)	Custodian I** Maintenance & Operations	07/23/2024	33-1	\$24.44 per hour (8 hours, 12 months)
Whitley, Shaelynn	Behavioral Support Assistant Special Services/ Eisenhower High School	08/05/2024	31-1	\$23.24 per hour (7 hours, 203 days)

RESIGNATIONS

Cavero, Isabel	Instructional Assistant II/B.B. Kelley Elementary School	07/31/2024		
Davis, Aria	Clerk Typist II 39 Month Leave of Absence	03/05/2024		

RESIGNATIONS (Continued)

Garcia, Julie	Instructional Assistant III - Behavioral Support Casey Elementary School	07/31/2024
Gonzalez, Cecilia	Instructional Technology Assistant Henry Elementary School	07/31/2024
Gonzalez, Evelina	Nutrition Service Worker I Rialto High School	08/19/2024
Granados, Juan	Workability Liaison Aide Rialto High School	07/31/2024
House Jr., Kenneth	District Parent Center Assistant Strategic Partnerships/Parent Institute	07/31/2024
Jimenez, Yesica	Instructional Assistant II/B.B. Morris Elementary School	07/31/2024
Rivera Cortes, Yulianna	Nutrition Service Worker I Nutrition Services	08/04/2024
Robledo, Shante	Nutrition Service Worker I Carter High School	07/25/2024
Ruvalcaba-Perez, Itzel	Instructional Technology Assistant Frisbie Middle School	07/26/2024
Stevenson, Arlene	Health Clerk Bemis Elementary School	07/15/2024

ADMINISTRATIVE APPOINTMENTS

Hernandez, Kathy	Therapeutic Behavioral Strategist Special Services	07/18/2024	1-1	\$58.60 per hour (8 hours, 205 days)
Herren, Emily	Occupational Therapist Special Services	07/22/2024	2-1	\$71.56 per hour (8 hours, 205 days)

RETIREMENT

Valencia, Wanda	Instructional Assistant II-SE (RSP/SDC) Eisenhower High School	07/31/2024
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RETURN FROM 39-MONTH REEMPLOYMENT LIST

Vidales, Natanya	Health Clerk Bemis Elementary School	07/26/2024	\$29.70 per hour
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SUBSTITUTES

Gomez, Brandon	Custodian I	07/19/2024	\$21.87 per hour
Lealaisalanoa, Sheron	Instructional Assistant II-SE	08/05/2024	\$18.81 per hour
Parker, Michael	Instructional Technology Assistant	08/01/2024	\$21.32 per hour
Robbs, Duwayne	Custodian I	07/31/2024	\$21.87 per hour
Triana, Irasema	Clerk Typist I	07/29/2024	\$20.28 per hour
Ugarte, Lesly	Nutrition Service Worker I	08/05/2024	\$16.15 per hour
Villalpando, Karen	Instructional Assistant III-SE	07/01/2024	\$20.28 per hour

SHORT TERM ASSIGNMENTS

Accounting/Payroll Support (Retiree)	Fiscal Services (not to exceed 468 hours)	8/15/2024- 2/28/2025	\$32.06 per hour
Clerical Support	Child Welfare & Attendance (not to exceed 160 hours)	8/15/2024- 9/12/2024	\$20.28 per hour
Clerical Support	Early Education (not to exceed 432 hours)	4/01/2025- 6/30/2025	\$20.28 per hour
Clerical Support	Frisbie Middle School (not to exceed 672 hours)	8/19/2024- 2/28/2025	\$20.28 per hour
Clerical Support	Registration Center (not to exceed 240 hours)	8/15/2024- 9/30/2024	\$20.28 per hour
Clerical Support	Registration Center (not to exceed 240 hours)	8/15/2024- 9/30/2024	\$20.28 per hour
Clerical Support	Registration Center (not to exceed 240 hours)	8/15/2024- 9/30/2024	\$20.28 per hour
Clerical Support	Registration Center (not to exceed 240 hours)	8/15/2024- 9/30/2024	\$20.28 per hour
Clerical Support	Registration Center (not to exceed 64 hours)	1/01/2025- 1/30/2025	\$20.28 per hour

SHORT TERM ASSIGNMENTS (Continued)

Clerical Support	Registration Center (not to exceed 480 hours)	4/01/2025- 6/30/2025	\$20.28 per hour
Grounds Maintenance Support	Maintenance & Operations (not to exceed 960 hours)	8/15/2024- 6/30/2025	\$21.87 per hour
Grounds Maintenance Support	Maintenance & Operations (not to exceed 960 hours)	8/15/2024- 6/30/2025	\$21.87 per hour
Grounds Maintenance Support	Maintenance & Operations (not to exceed 960 hours)	8/15/2024- 6/30/2025	\$21.87 per hour
Grounds Maintenance Support	Maintenance & Operations (not to exceed 960 hours)	8/15/2024- 6/30/2025	\$21.87 per hour
Grounds Maintenance Support	Maintenance & Operations (not to exceed 960 hours)	8/15/2024- 6/30/2025	\$21.87 per hour
Library Tech. Support (Retiree)	Jehue Middle School (not to exceed 40 hours)	8/15/2024- 10/15/2024	\$31.26 per hour
Safety Intervention Support	Safety Support Services (not to exceed 960 hours)	8/15/2024- 5/23/2025	\$24.17 per hour
Safety Intervention Support	Safety Support Services (not to exceed 960 hours)	8/15/2024- 5/23/2025	\$24.17 per hour
Safety Intervention Support	Safety Support Services (not to exceed 960 hours)	8/15/2024- 5/23/2025	\$24.17 per hour
Safety Intervention Support	Safety Support Services (not to exceed 960 hours)	8/15/2024- 5/23/2025	\$24.17 per hour
Safety Intervention Support	Safety Support Services (not to exceed 960 hours)	8/15/2024- 5/23/2025	\$24.17 per hour

LATERAL TRANSFER WITH INCREASE IN WORK HOURS

Baker, Kiara	To:	Health Aide Rialto Middle School	08/02/2024	25-1	\$19.99 per hour (7 hours, 203 days)
	From:	Health Aide Werner Elementary School		25-1	\$19.99 per hour (6 hours, 203 days)

LATERAL TRANSFER WITH INCREASE IN WORK HOURS (Continued)

Hernandez, Cesar	To:	Health Aide Frisbie Middle School	08/02/2024	25-1	\$19.99 per hour (7 hours, 203 days)
	From:	Health Aide Casey Elementary School			
Lopez Beltran, Stacy	To:	Health Aide Jehue Middle School	08/02/2024	25-6	\$25.55 per hour (7 hours, 203 days)
	From:	Health Aide Myers Elementary School			
Moreno, Silvia	To:	Health Aide Jehue Middle School	08/02/2024	25-2	\$21.02 per hour (7 hours, 203 days)
	From:	Health Aide Garcia Elementary School			

VOLUNTARY INCREASE IN WORK HOURS

Cortez, Selena	To:	Health Aide Dunn Elementary School	08/02/2024	25-1	\$19.99 per hour (6 hours, 203 days)
	From:	Health Aide Dunn Elementary School			
Goudaeu, Geraldine	To:	Health Aide Fitzgerald Elementary School	08/02/2024	25-1	\$19.99 per hour (4.5 hours, 203 days)
	From:	Health Aide Fitzgerald Elementary School			
Rendon, Emily	To:	Health Aide Preston Elementary School	08/02/2024	25-1	\$19.99 per hour (6 hours, 203 days)
	From:	Health Aide Preston Elementary School			

VOLUNTARY INCREASE IN WORK HOURS AND WORK YEAR

Aguila, Tina	To:	Bus Driver Transportation	08/02/2024	34-6	\$32.02 per hour (7 hours, 224 days)
	From:	Bus Driver Transportation			

VOLUNTARY INCREASE IN WORK HOURS AND WORK YEAR (Continued)

Alcaraz, Luz	To: Bus Driver Transportation	08/02/2024	34-6	\$32.02 per hour (7 hours, 224 days)
	From: Bus Driver Transportation			34-6
Briseno, Marielos	To: Bus Driver Transportation	08/02/2024	34-6	\$32.02 per hour (7 hours, 224 days)
	From: Bus Driver Transportation			34-6
Bucio, Rocio	To: Bus Driver Transportation	08/02/2024	34-6	\$32.02 per hour (7 hours, 224 days)
	From: Bus Driver Transportation			34-6
Findlay, Inthia	To: Bus Driver Transportation	08/02/2024	34-6	\$32.02 per hour (7 hours, 224 days)
	From: Bus Driver Transportation			34-6
Flournoy, Venita	To: Bus Driver Transportation	08/02/2024	34-6	\$32.02 per hour (7 hours, 224 days)
	From: Bus Driver Transportation			34-6
Garfias Mendoza, Alma	To: Bus Driver Transportation	08/02/2024	34-6	\$32.02 per hour (7 hours, 224 days)
	From: Bus Driver Transportation			34-6
Gomez, Maria E.	To: Bus Driver Transportation	08/02/2024	34-5	\$30.49 per hour (7 hours, 224 days)
	From: Bus Driver Transportation			34-5
Guerra, Carol	To: Bus Driver Transportation	08/02/2024	34-6	\$32.02 per hour (7 hours, 224 days)
	From: Bus Driver Transportation			34-6
Guzman, Rocio G.	To: Bus Driver Transportation	08/02/2024	34-1	\$25.06 per hour (7 hours, 224 days)
	From: Bus Driver Transportation			34-1

VOLUNTARY INCREASE IN WORK HOURS AND WORK YEAR (Continued)

Hall, Ilka	To: Bus Driver Transportation	08/02/2024	34-6	\$32.02 per hour (7 hours, 224 days)
	From: Bus Driver Transportation			34-6
Herd, Devon	To: Bus Driver Transportation	08/02/2024	34-6	\$32.02 per hour (7 hours, 224 days)
	From: Bus Driver Transportation			34-6
Herd, Kijana	To: Bus Driver Transportation	08/02/2024	34-6	\$32.02 per hour (7 hours, 224 days)
	From: Bus Driver Transportation			34-6
Renova Velasco, Josephine	To: Bus Driver Transportation	08/02/2024	34-6	\$32.02 per hour (7 hours, 224 days)
	From: Bus Driver Transportation			34-6
Rios, Liana	To: Bus Driver Transportation	08/02/2024	34-6	\$32.02 per hour (7 hours, 224 days)
	From: Bus Driver Transportation			34-6
Sandoval, Jocelin	To: Bus Driver Transportation	08/02/2024	34-2	\$26.33 per hour (7 hours, 224 days)
	From: Bus Driver Transportation			34-2
Stephenson Jr., Eric	To: Bus Driver Transportation	08/02/2024	34-6	\$32.02 per hour (7 hours, 224 days)
	From: Bus Driver Transportation			34-6
Valencia, Josie	To: Bus Driver Transportation	08/02/2024	34-5	\$30.49 per hour (7 hours, 224 days)
	From: Bus Driver Transportation			34-5
Villanueva, Irma	To: Bus Driver Transportation	08/02/2024	34-6	\$32.02 per hour (7 hours, 224 days)
	From: Bus Driver Transportation			34-6

VOLUNTARY INCREASE IN WORK HOURS AND WORK YEAR (Continued)

Ybarra, Andrea	To: Bus Driver Transportation	08/02/2024	34-6	\$32.02 per hour (7 hours, 224 days)
	From: Bus Driver Transportation		34-6	\$32.02 per hour (4 hours, 203 days)

VOLUNTARY DEMOTION AND ADDITION OF GRAVEYARD SHIFT DIFFERENTIAL

Jones, Nadine (Repl. R. Giordani)	To: Safety Control Dispatcher II** Safety Support Services	08/06/2024	39-6	\$36.30 per hour (8 hours, 12 months)
	From: Payroll Technician Fiscal Services		42-6	\$39.12 per hour (8 hours, 12 months)

VOLUNTARY DEMOTION AND DECREASE IN WORK HOURS

Jimenez, Belen (Repl. E. Rodriguez)	To: Child Development Instructional Assistant Dunn Preschool	08/02/2024	26-2	\$21.55 per hour (3.5 hours, 203 days)
	From: Special Education Child Development Instructional Assistant Dunn Preschool		29-1	\$22.11 per hour (6 hours, 203 days)
Prado, Velzabeth (Repl. L. Aure-Nguyen)	To: Child Development Instructional Assistant Kordyak Preschool	08/01/2024	26-3	\$22.64 per hour (3.5 hours, 203 days)
	From: Special Education Child Development Instructional Assistant Werner Preschool		29-2	\$23.23 per hour (6 hours, 203 days)

VOLUNTARY DEMOTION AND INCREASE IN WORK HOURS

Duvall, Elizabeth (Repl. D. Mower)	To: Instructional Assistant II-SE (RSP/SDC) Werner Elementary School	08/02/2024	26-6	\$26.20 per hour (7 hours, 203 days)
	From: Instructional Assistant III - Behavioral Support Werner Elementary School		29-6	\$28.25 per hour (6 hours, 203 days)
Diaz, Alyssa J. (Repl. J. Granados)	To: Workability Liaison Aide Rialto High School	08/02/2024	30-6	\$28.97 per hour (8 hours, 203 days)
	From: Behavioral Support Assistant Special Services/Rialto High School		31-6	\$29.70 per hour (7 hours, 203 days)

CERTIFICATION OF ELIGIBILITY LIST – Career Center Technician

Eligible: 08/15/2024

Expires: 02/15/2025

CERTIFICATION OF ELIGIBILITY LIST – Categorical Specialist

Eligible: 08/15/2024

Expires: 02/15/2025

CERTIFICATION OF ELIGIBILITY LIST – Lead Custodian

Eligible: 08/15/2024

Expires: 02/15/2025

CERTIFICATION OF ELIGIBILITY LIST – Nutrition Service Worker I

Eligible: 08/15/2024

Expires: 02/15/2025

CERTIFICATION OF ELIGIBILITY LIST – Safety Intervention Officer I

Eligible: 08/15/2024

Expires: 02/15/2025

CERTIFICATION OF ELIGIBILITY LIST – Secretary III

Eligible: 08/15/2024

Expires: 02/15/2025

CERTIFICATION OF ELIGIBILITY LIST – Sprinkler Systems Maintenance Worker

Eligible: 08/15/2024

Expires: 02/15/2025

**Position reflects the equivalent to a one-Range increase for night differential

*** Position reflects a \$50.00 monthly stipend for Confidential position

SUBMITTED/REVIEWED BY: Roxanne Dominguez, Rhonda Kramer, and Armando Urteaga



**Board of Education Agenda
August 14, 2024**

CERTIFICATED EMPLOYEES – PERSONNEL REPORT NO. 1322

BACKGROUND/CRIMINAL HISTORY CHECKS HAVE BEEN COMPLETED, AS PER LAW, ON ALL INDIVIDUALS RECOMMENDED FOR EMPLOYMENT.

SUBSTITUTES (To be used as needed at the appropriate rate per day, effective August 15, 2024, unless earlier date is indicated)

Alvarado, Elina	07/01/2024
Barthelemy, Kellie	08/08/2024
Braby, Timothy	08/06/2024
Chamberlain, Andrew	07/30/2024
Fyda, Jason	08/05/2024
Ireland Jr., Bernard	07/01/2024
Jaquez, Geny	07/10/2024
Jimenez, Yesica	08/01/2024
McFarland-Armenta, Alexis	08/01/2024
Perez, Sierrah	07/31/2024
Romero Bernardino, Andrea	07/01/2024

EMPLOYMENT

Alderson, Noryeli	School Nurse Health Services	07/31/2024	I-1	\$66,984.00	(184 days)
Alvarado Jr., Cuauhtemoc	Secondary Teacher Frisbie Middle School	08/01/2024	I-1	\$66,984.00	(184 days)
Andino-Gonzalez, Maritza	Secondary Teacher Frisbie Middle School	08/01/2024	III-1	\$73,850.00	(184 days)
Baker, Ben	Secondary Teacher Frisbie Middle School	08/01/2024	I-1	\$66,984.00	(184 days)
Baltazar, Jasmine	Secondary Teacher Kucera Middle School	08/02/2024	II-1	\$70,334.00	(184 days)
Bravo, Brianda	Special Education Teacher Jehue Middle School	08/01/2024	III-1	\$73,850.00	(184 days)
Chavez, Steven	Special Education Teacher Jehue Middle School	08/01/2024	III-1	\$73,850.00	(184 days)
Corona Perez, Edgar	Elementary Teacher Curtis Elementary School	08/01/2024	I-1	\$66,984.00	(184 days)

EMPLOYMENT (Continued)

Cortes, Susana	Special Education Teacher Dunn Elementary School	08/01/2024	III-6	\$86,368.00	(184 days)
Dinh, Michelle	Secondary Teacher Kolb Middle School	08/06/2024	II-1	\$70,334.00	(184 days)
Edwards, Shonta	CTE Teacher Rialto High School	08/01/2024	II-1	\$70,334.00	(184 days)
Fuerte, Josh	Secondary Teacher Frisbie Middle School	08/01/2024	II-1	\$70,334.00	(184 days)
Godsil, Arianna	Secondary Teacher Rialto High School	08/01/2024	III-1	\$73,850.00	(184 days)
Green, Nikki	Elementary Teacher Myers Elementary School	08/01/2024	I-1	\$66,984.00	(184 days)
Guillen-Lopez, Jorge	Secondary Teacher Jehue Middle School	08/01/2024	III-1	\$73,850.00	(184 days)
Gutierrez, Ingrid	Elementary Teacher Morris Elementary School	08/01/2024	III-1	\$73,850.00	(184 days)
Hernandez, Jennifer	Special Education Teacher Bemis Elementary School	08/01/2024	I-1	\$66,984.00	(184 days)
House Jr., Kenneth	Special Education Teacher Frisbie Middle School	08/01/2024	I-1	\$66,984.00	(184 days)
Jimenez Vilchez, Erick	Secondary Teacher Jehue Middle School	08/01/2024	I-1	\$66,984.00	(184 days)
Lawlor, Eric	Secondary Teacher Eisenhower High School	08/01/2024	I-1	\$66,984.00	(184 days)
Lazalde-Serafin, Jazmin	Special Education Teacher Rialto High School	08/02/2024	III-1	\$73,850.00	(184 days)
Lopez, Jacobo	Elementary Teacher Trapp Elementary School	08/01/2024	I-1	\$66,984.00	(184 days)

EMPLOYMENT (Continued)

Lopez, Leslie Boyd Elementary School	Elementary Teacher	08/01/2024	III-1	\$73,850.00	(184 days)
Martois, Griffin	Secondary Teacher Kolb Middle School	08/05/2024	I-1	\$66,984.00	(184 days)
Morgan, Shelby	Secondary Teacher Rialto Middle School	08/01/2024	II-1	\$70,334.00	(184 days)
Obeshaw, Trevor	Secondary Teacher Carter High School	08/01/2024	I-1	\$66,984.00	(184 days)
Ochoa, Maria Fernanda	Speech Therapist Special Services	08/19/2024	I-1	\$102,869.00	(184 days)
Peavey, Brianna	Secondary Teacher Carter High School	08/01/2024	III-1	\$73,850.00	(184 days)
Reyes, Brenda	Elementary Teacher Kelley Elementary School	08/01/2024	III-1	\$73,850.00	(184 days)
Rivera Davila, Jacqueline	CTE Teacher Eisenhower High School	08/01/2024	X-1	\$64,211.00	(184 days)
Scherzer, Tracie	Secondary Teacher Eisenhower High School	08/01/2024	IV-1	\$77,542.00	(184 days)
Young, Amber	Secondary Teacher Carter High School	08/01/2024	IV-1	\$77,542.00	(184 days)

RE-EMPLOYMENT

Alvarado, Elina	Secondary Teacher Frisbie Middle School	08/01/2024	I-1	\$66,984.00	(184 days)
Borja, James	Special Education Teacher Kucera Middle School	08/01/2024	III-3	\$78,626.00	(184 days)
Casas, Julianne	Special Education Teacher Carter High School	08/01/2024	II-3	\$74,880.00	(184 days)
Haro, Imelda	Special Education Teacher Carter High School	08/01/2024	III-2	\$76,201.00	(184 days)

RE-EMPLOYMENT (Continued)

Navarrete, Alyssa	Secondary Teacher Frisbie Middle School	08/01/2024	I-2	\$69,118.00	(184 days)
Richardson, Dianne	Special Education Teacher Carter High School	08/01/2024	IV-3	\$82,558.00	(184 days)

RESIGNATIONS

Galan, Lucas	Secondary Teacher Carter High School	07/26/2024
Jaquez, Geny	Adult Education Teacher Rialto Adult School	07/09/2024
Rodriguez, Hao	Special Education Teacher Jehue Middle School	06/30/2024
Smyth-Tynes, Michelee	Elementary VAPA Specialist Education Services	08/01/2024
Tacderan, Amber	School Nurse Health Services	07/30/2024

RETIREMENT

Nieburger, David	Secondary Teacher Frisbie Middle School	08/01/2024
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ADULT EDUCATION TEACHER (For the 2024/2025 school year at the regular hourly rate of \$55.52 for instructional time and \$40.00 for non-instructional time)

Alcaraz, Maria	ESL Intermediate 1 & 2
Campos, Karla	Beginning ESL 1 & 2, Intermediate ESL 1, ESL Beginning/Intermediate/ Advanced Virtual
Centeno, Ana	ESL Beginning 1 & 2, Distance Learning
Gillespie, Nancy	Diploma: Independent Study
Gomez II, Frank	ESL Beginning 2
John, Zelma	ESL Beginning 1 & 2, ESL Intermediate 1 & 2
Lara, Gustavo	GED in Spanish Math/Science, GED in Spanish ELA/Social Studies, GED in Spanish Virtual
Lopatynski, Jo Ann	ESL Beginning/Intermediate

ADULT EDUCATION TEACHER (Continued)

Mollo, Angelica
Parker, Brenda

ESL Beginning 1
GED Basic: Math/Science, GED Basic: ELA/Social Studies, GED
Math/Science, GED ELA/Soc Studies, GED Test Prep: Virtual
Diploma: Independent Study (IS), CTE Computers

HOME AND HOSPITAL TEACHERS (To be used during the 2024/2025 school year, as needed, at the regular hourly rate of \$55.52)

Adams, Liddy	Arias, Miguel	Borja, Ana
Cedeno-Arguello, Alvaro	Contreras, Caren	Dean, Laura
Forbes, Hugh	Harris, M. Shawn	Hernandez, Elsa
Johnson, Christie	Kellmer, Randall	Lopez, Jose
Luna Vargas, Juan	Martinez, Micaela	Muglia, Monica
Muthamia, Kenneth	Olney, Lauren	Owens Alexander, Marissa
Pacheco, Maria	Parziale, Frank	Perantoni, Mark
Richardson, Dianne	Robles, Lorraine	Rodriguez, Alicia T.
Sindar, Michelle	Stubblefield, Jeneen	Turan, Cherlynn

EXTRA DUTY COMPENSATION (Certificated teachers at Simpson Elementary School to manage and maintain the parental involvement information on the school website and marquee, during the 2024-2025 school year, at an hourly rate of \$55.52, not to exceed 18 hours, to be charged Title I Funds.)

Barragan, Cristina

EXTRA DUTY COMPENSATION (Certificated teacher at Carter High School to serve as Webmaster for the site during the 2024/2025 school year, at the hourly rate of \$55.52, not to exceed 120 hours, to be charged to General Funds)

Martinez, Daniel

EXTRA DUTY COMPENSATION (Ratify certificated teachers at Rialto Middle School to assist with orientation activities in July 2024, at the hourly rate of \$55.52, not to exceed 58 hours, to be charged to General Funds)

Hawkins, Robbin

Mahmood, Muhammad

EXTRA DUTY COMPENSATION (Ratify certificated teachers at Rialto High School to assist with orientation activities on July 30, 2024, at the hourly rate of \$55.52, not to exceed 7 hours each, to be charged to General Funds)

Castaneda, Jakob

Estrada, Ilene

EXTRA DUTY COMPENSATION (Rialto Adult School teachers to attend professional development training on August 1, 2024, at the hourly rate of \$40.00, not to exceed 6 hours each, to be charged to CAEP Funds)

Campos, Karla
Lopatynski, Jo Ann

Gillespie, Nancy
Parker, Brenda

John, Zelma

EXTRA DUTY COMPENSATION (Rialto Adult School teachers to participate in weekly professional development and student planning collaborations, from August 1, 2024 through December 30, 2024, at the hourly rate of \$40.00, not to exceed 25 hours each, to be charged to CAEP Funds)

Alcaraz, Maria
Gillespie, Nancy
Lara, Gustavo
Parker, Brenda

Campos, Karla
Gomez II, Frank
Lopatynski, Jo Ann

Centeno, Ann
John, Zelma
Mollo, Angelica

EXTRA DUTY COMPENSATION (Approve an additional class assignment at 1/6 of their daily rate or \$55.52, whichever is greater, for the fall semester of the 2024/2025 school year, to be charged to General Funds)

Jehue Middle School

Lane, Steven
Torrey, Sarah

English Language Arts
English Language Arts

08/01/2024
08/01/2024

Kolb Middle School

Christenson, Judith
Diaz-Saucedo, Veronica
Suda, Keana

Physical Education
College and Career Prep
Science

08/01/2024
08/01/2024
08/01/2024

Carter High School

Berry III, Gilbert

Physical Education

08/01/2024

EXTRA DUTY COMPENSATION (Approve an additional class assignment at 1/6 of their daily rate or \$55.52, whichever is greater, for the spring semester of the 2024/2025 school year, to be charged to General Funds)

Jehue Middle School

Rios, Emily English 01/07/2025

CERTIFICATED COACHES

Garcia Elementary School

De Loera, Stephanie Cheer 2024/2025 \$ 688.00

Carter High School

Hampton, Joyce Varsity Head, Girls Tennis 2024/2025 \$4,818.00

Eisenhower High School

Felkins, Gina Varsity, Cheer 2024/2025 \$5,162.00

Rialto High School

Dalton, Gregory Varsity Assistant, Football 2024/2025 \$5,506.00

Juarez, Andrea JV Asst., Football 2024/2024 \$5,162.00

SUBMITTED/REVIEWED BY: Roxanne Dominguez, Rhonda Kramer, and Armando Urteaga



**Board of Education Agenda
August 14, 2024**

**RESOLUTION NO. 24-25-05
PROVISIONAL INTERNSHIP PERMIT
RESOLUTION OF THE BOARD OF EDUCATION
2024-2025**

The Board of Education of the Rialto Unified School District authorizes the Lead Personnel Agent, Personnel Services, to assign various teachers who are enrolled in a credential program, but have not yet completed the requirements to enter an internship program.

<u>NAME</u>	<u>SITE</u>	<u>CREDENTIAL</u>	<u>ASSIGNMENT</u>
Corona Perez, Edgar	Curtis Elem. School	Provisional Internship Permit – Multiple Subject	K - 5
Lazalde-Serafin, Jazmin	Rialto High School	Provisional Internship Permit – Education Specialist	9 - 12
Lopez, Jacobo	Trapp Elem. School	Provisional Internship Permit – Multiple Subject	K - 5

I, Edward D'Souza, Ph.D., Acting Superintendent of Rialto Unified School District of San Bernardino County, California, do hereby certify that the foregoing is a full, true and correct copy of a Resolution adopted by the District's Board of Education at a duly scheduled meeting thereof.

Dated: August 14, 2024

Edward D'Souza, Ph.D.
Acting Superintendent



**Board of Education Agenda
August 14, 2024**

**RESOLUTION NO. 24-25-08
ENGLISH LEARNER AUTHORIZATION WAIVER
RESOLUTION OF THE BOARD OF EDUCATION
2024-2025**

Pursuant to Title V Section 80120(b), for the 2024/2025 school year, the Board of Education of the Rialto Unified School District authorizes the Lead Personnel Agent, Personnel Services, to employ or assign identified individuals additional time to complete the requirements for the credential that authorizes the service or to provide employing agencies time to fill the assignment with an individual who either holds an appropriate credential or qualifies under one of the available assignment options. This includes waivers to employ or assign identified individuals when the employing agency finds there is an insufficient number of certificated persons who meet the specified employment criteria for the position.

<u>NAME</u>	<u>SITE</u>	<u>CREDENTIAL TO BE WAIVED</u>	<u>ASSIGNMENT</u>
Dominguez, Noel	Eisenhower H.S.	EL Authorization	ROTC Instructor
Fernandez, Tesa	Carter H.S.	EL Authorization	CTE Instructor
Martin, Anthony	Rialto H.S.	EL Authorization	CTE Instructor
Shigeta, Guy	Carter H.S.	EL Authorization	CTE Instructor
Vielma, Patricia	Eisenhower H.S.	EL Authorization	CTE Instructor

I, Edward D’Souza, Ph.D., Acting Superintendent of Rialto Unified School District of San Bernardino County, California, do hereby certify that the foregoing is a full, true and correct copy of a Resolution adopted by the District’s Board of Education at a duly scheduled meeting thereof.

Dated: August 14, 2024

Edward D’Souza, Ph.D.
Acting Superintendent



**Board of Education Agenda
August 14, 2024**

**RESOLUTION NO. 24-25-09
EC 44263 DEPARTMENTALIZED
RESOLUTION OF THE BOARD OF EDUCATION
2024-2025**

Pursuant to Education Code Section 44263, for the 2024/2025 school year, the Board of Education of the Rialto Unified School District authorizes the Lead Personnel Agent, Personnel Services, to assign various teachers at the secondary level, with their consent, to teach any subject in departmentalized classes if the teachers have completed 18 semester units, or 9 upper semester units, in the subject to be taught.

<u>NAME</u>	<u>SITE</u>	<u>CREDENTIAL</u>	<u>ASSIGNMENT</u>
Barbee, Rebecca	Eisenhower H.S.	Multiple Subject	American Sign Language (ASL)
O'Howell, Robert	Eisenhower H.S.	Single Subject	American Sign Language (ASL)

I, Edward D'Souza, Ph.D., Acting Superintendent of Rialto Unified School District of San Bernardino County, California, do hereby certify that the foregoing is a full, true and correct copy of a Resolution adopted by the District's Board of Education at a duly scheduled meeting thereof.

Dated: August 14, 2024

Edward D'Souza, Ph.D.
Acting Superintendent

MINUTES

RIALTO UNIFIED SCHOOL DISTRICT

June 26, 2024

**Dr. John R. Kazalunas Education Center
182 East Walnut Avenue
Rialto, California**

Board Members

Present: Joseph W. Martinez, President
Evelyn P. Dominguez, LVN, Clerk
Nancy G. O'Kelley, Member

Board Members

Absent: Edgar Montes, Vice President
Dr. Stephanie E. Lewis, Member

Administrators

Present: Ed D'Souza, Ph.D., Acting Superintendent
Rhea McIver Gibbs, Ed.D., Lead Strategic Agent
Norberto Perez, Lead Agent: Expanding Learning Programs
and Safety Innovation
Derek Harris, Lead Risk Management and Transportation
Agent
Roxanne Dominguez, Lead Personnel Agent
Also present was Martha Degortari, Executive Administrative
Agent and Interpreter/Translator Jose Reyes

A. OPENING

A.1 CALL TO ORDER 6:00 p.m.

The meeting was called to order at 6:03 p.m.

A.2 OPEN SESSION

A.3 CLOSED SESSION

Moved By Clerk Dominguez

Seconded By Member O'Kelley

As provided by law, the following are the items for discussion and consideration at the Closed Session of the Board Meeting:

- **PUBLIC EMPLOYEE EMPLOYMENT / DISCIPLINE / DISMISSAL / RELEASE / REASSIGNMENT OF EMPLOYEES (GOVERNMENT CODE SECTION 54957)**
- **STUDENT EXPULSIONS / REINSTATEMENTS / EXPULSION ENROLLMENTS**
- **CONFERENCE WITH LABOR NEGOTIATORS**

Agency designated representatives: Edward D'Souza, Ph.D., Acting Superintendent; Lead Personnel Agents: Rhonda Kramer, Roxanne Dominguez, and Armando Urteaga, Personnel Services.

Employee organizations: California School Employees Association, Chapter 203 (CSEA), Rialto Education Association (REA), Communications Workers of America (CWA)

- **PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d) and/or (d)(3). CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION SIGNIFICANT EXPOSURE LITIGATION**
Number of Potential Claims: 1
- **CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION**(Paragraph (1) of subdivision (d) of Section 54956.9)**CIVSB2222968 v. Rialto Unified School District - Claim No. 22-23-14**

COMMENTS ON CLOSED SESSION AGENDA ITEMS

Any person wishing to speak on any item on the Closed Session Agenda will be granted three minutes. **None.**

Board Vice President Montes and Member Lewis were absent. Vote by Board Members to move into Closed Session:

Time: 6:05 p.m.

Majority Vote

A.4 ADJOURNMENT OF CLOSED SESSION

Moved By Clerk Dominguez

Seconded By Member O'Kelley

Board Vice President Montes and Member Lewis were absent. Vote by Board Members to adjourn Closed Session:

Time: 7:06 p.m.

Majority Vote

A.5 OPEN SESSION RECONVENED - 7:00 p.m.

Open session reconvened at 7:06 p.m.

A.6 PLEDGE OF ALLEGIANCE

Gabriel Rodriguez, District Patrol Officer led the pledge of allegiance.

A.7 REPORT OUT OF CLOSED SESSION

Moved By Clerk Dominguez

Seconded By Member O'Kelley

The Board of Education took action to settle CIVSB2222968, Superior Court of California, San Bernardino County (Claim No. RM 22-23-14) in exchange for a full release of any and all liability claims.

Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

Moved By Member O'Kelley

Seconded By Clerk Dominguez

The Board of Education accepted the administrative appointment of Cynthia Latham, Middle School Assistant Principal, effective July 1, 2024.

Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

Moved By Clerk Dominguez

Seconded By Member O'Kelley

The Board of Education took action to accept the administrative appointment of Melissa Kromas, Middle School Assistant Principal, effective July 1, 2024.

Vice President Montes and Member Lewis were absent. Vote by Board Members

Majority Vote

Moved By Member O'Kelley

Seconded By Clerk Dominguez

The Board of Education took action to accept the administrative appointment of Stephen De Francis, Middle School Assistant Principal, effective July 1, 2024.

Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

Moved By Clerk Dominguez

Seconded By Member O'Kelley

The Board of Education took action to accept the administrative appointment of Joy Bryson, Elementary School Assistant Principal, effective July 1, 2024.

Vice President Montes and Member Lewis were absent. Vote by Board Member

Majority Vote

A.8 ADOPTION OF AGENDA

Moved By Clerk Dominguez

Seconded By Member O'Kelley

Prior to adoption of the agenda the following revisions were made:

The following comments will be heard after Discussion/Action Items:

- C.1 PUBLIC COMMENTS NOT ON THE AGENDA
- C.3 COMMENTS FROM ASSOCIATION EXECUTIVE BOARD MEMBERS
- C.4 COMMENTS FROM THE ACTING SUPERINTENDENT
- C.5 COMMENTS FROM MEMBERS OF THE BOARD OF EDUCATION

Also, the following items were pulled and brought back for Board approval at the next Board meeting:

- E.3.14 RENEWAL AGREEMENT WITH SAC HEALTH
- E.6.1 MINUTES OF THE REGULAR MEETING HELD JUNE 12, 2024
- F.26 ADOPT RESOLUTION NO. 23-24-74 – REMUNERATION

Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

B. PRESENTATIONS

B.1 CALIFORNIA DASHBOARD RIALTO UNIFIED SCHOOL DISTRICT LOCAL INDICATORS

Presentation by Paulina Villalobos, Agent: Academic Technology

Paulina Villalobos, Agent: Academic Technology conducted a presentation on the California Dashboard Rialto Unified School District Local Indicators. **(See Attached)**

C. COMMENTS

C.1 PUBLIC COMMENTS ON AGENDA ITEMS

Any person wishing to speak on any item on the Agenda will be granted three minutes.

Paula Bailey, Community Member and District Parent, shared her concern regarding the agreement with Care Solace, which is on the agenda for approval. She spoke of her disappointment with the agency and

specifically mentioned that her calls were not responded to. She requested that the District and the Board look into this before approving the contract.

D. PUBLIC HEARING - None

E. CONSENT CALENDAR ITEMS

All items on the Consent Calendar will be acted upon in one motion unless pulled by Board of Education members or the Superintendent for individual action.

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Prior to adoption of the agenda, the following Consent Calendar items were pulled:

E.3.14 RENEWAL AGREEMENT WITH SAC HEALTH

E.6.1 MINUTES OF THE REGULAR MEETING HELD JUNE 12, 2024

Also, prior to approval of Consent Calendar Items, the following item was pulled by the Board:

E.3.23 RENEWAL AGREEMENT WITH CARE SOLACE

Board Vice President Montes and Member Lewis were absent. Vote by Board Members to approve Consent Calendar Items:

Majority Vote

E.1 GENERAL FUNCTIONS CONSENT ITEMS

E.1.1 APPROVE THE SECOND READING OF REVISED BOARD POLICY 3550; FOOD SERVICE/CHILD NUTRITION PROGRAM

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Board Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

E.1.2 APPROVE THE SECOND READING OF REVISED BOARD POLICY 3551; FOOD SERVICE OPERATIONS/CAFETERIA FUND

Moved By Member O'Kelley

Seconded By Clerk Dominguez

**Board Vice President Montes and Member Lewis were absent.
Vote by Board Members:**

Majority Vote

E.1.3 APPROVE THE SECOND READING OF REVISED BOARD POLICY 3553; FREE AND REDUCED PRICE MEALS

Moved By Member O'Kelley

Seconded By Clerk Dominguez

**Board Vice President Montes and Member Lewis were absent.
Vote by Board Members:**

Majority Vote

E.1.4 APPROVE THE FIRST READING OF REVISED BOARD POLICY (4116.1) 4116.11; SENIORITY - TIE BREAKING CRITERIA

Moved By Member O'Kelley

Seconded By Clerk Dominguez

**Board Vice President Montes and Member Lewis were absent.
Vote by Board Members:**

Majority Vote

E.2 INSTRUCTION CONSENT ITEMS

E.2.1 APPROVE THE 2024-2025 CONSOLIDATED APPLICATION - REQUEST FOR FUNDS

Moved By Member O'Kelley

Seconded By Clerk Dominguez

**Board Vice President Montes and Member Lewis were absent.
Vote by Board Members:**

Majority Vote

E.2.2 APPROVE A 4-DAY/3-NIGHTS TRIP TO THE YEARBOOK WORKSHOP AT CAL BAPTIST UNIVERSITY - CARTER HIGH SCHOOL

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Approve (6) six female Carter High School students from the yearbook class and (1) one female chaperone to attend the SoCal Yearbook Workshop hosted at Cal Baptist University in Riverside, California, effective July 11, 2024 through July 14, 2024, at a cost not-to-exceed \$6,000.00, and to be paid from the General Fund.

**Board Vice President Montes and Member Lewis were absent.
Vote by Board Members:**

Majority Vote

E.2.3 APPROVE SCHOOL PLANS FOR STUDENT ACHIEVEMENT (SPSA) FOR THE 2024-2025 SCHOOL YEAR

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Approve the 2024-2025 School Plans for Student Achievement (SPSA) for the following schools: Bemis, Boyd, Casey, Curtis, Dollahan, Dunn, Fitzgerald, Garcia, Henry, Hughbanks, Kelley, Kordyak, Morgan, Morris, Myers, Preston, Simpson, Trapp, and Werner Elementary Schools; Frisbie, Jehue, Kolb, Kucera, and Rialto Middle Schools; Carter, Eisenhower, Rialto, and Milor High Schools; and Zupanic Virtual Academy, effective June 27, 2024, at no cost to the District.

**Board Vice President Montes and Member Lewis were absent.
Vote by Board Members:**

Majority Vote

E.2.4 APPROVE COMPREHENSIVE SCHOOL SAFETY PLANS FOR THE 2023-2024 SCHOOL YEAR

Moved By Member O'Kelley

Seconded By Clerk Dominguez

**Board Vice President Montes and Member Lewis were absent.
Vote by Board Members:**

Majority Vote

E.3 BUSINESS AND FINANCIAL CONSENT ITEMS

E.3.1 APPROVE THE WARRANT LISTING AND PURCHASE ORDER LISTING

Moved By Member O'Kelley

Seconded By Clerk Dominguez

All funds from May 21, 2024 through June 4, 2024, (Sent under separate cover to Board Members). A copy for public review will be available on the District's website.

**Board Vice President Montes and Member Lewis were absent.
Vote by Board Members:**

Majority Vote

E.3.2 SURPLUS EQUIPMENT AND MISCELLANEOUS ITEMS

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Declare the specified surplus equipment and miscellaneous items as obsolete and not serviceable for school use and authorize the Superintendent/designee to sell or dispose of these items as specified in the Education Code Sections 17545 and 17546.

**Board Vice President Montes and Member Lewis were absent.
Vote by Board Members:**

Majority Vote

E.3.3 AUTHORIZATION TO UTILIZE CALIFORNIA PARTICIPATING ADDENDUM NO. 7-23-70-55-02 UNDER THE MINNESOTA MASTER AGREEMENT NO. 23006 AWARDED TO DYNABOOK AMERICAS, INC.

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Approve the use of California Participating Addendum No. 7-23-70-55-02 at a cost to be determined at the time of purchase and to be paid using various funds.

Board Vice President Montes and Member Lewis were absent.

Vote by Board Members:

Majority Vote

E.3.4 AUTHORIZATION TO UTILIZE CALIFORNIA PARTICIPATING ADDENDUM NO. 7-23-70-55-01 UNDER THE MINNESOTA MASTER AGREEMENT NO. 23026 AWARDED TO DELL MARKETING L.P.

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Approve the use of California Participating Addendum No. 7-23-70-55-01 at a cost to be determined at the time of purchase and to be paid using various funds.

Board Vice President Montes and Member Lewis were absent.

Vote by Board Members:

Majority Vote

E.3.5 APPROVE AMENDMENT NO. 2 TO THE AGREEMENT WITH JOHN R. BYERLY INC. TO PROVIDE SPECIAL INSPECTION AND MATERIALS TESTING SERVICES FOR BATTERY ENERGY STORAGE SYSTEMS (BESS) PROJECTS

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Extend the agreement term from June 30, 2024, to December 31, 2025, to provide Special Inspection and Materials Testing Services for the Battery Energy Storage Systems (BESS) Project at Kordyak Elementary School, Fitzgerald Elementary School, Kucera Middle School, and Carter High School. All other terms and conditions of the agreement will remain the same.

Board Vice President Montes and Member Lewis were absent.

Vote by Board Members:

Majority Vote

E.3.6 APPROVE AMENDMENT NO. 2 TO THE AGREEMENT WITH GUIDEPOST SOLUTIONS, LLC TO COMPLETE A DISTRICTWIDE AUDIOVISUAL RENOVATIONS PLAN

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Extend the contract term through June 30, 2025, under the same terms and conditions with no fiscal impact. The current contract expires on June 30, 2024, and an extension through June 30, 2025 is recommended to finalize the drawings and documents needed to complete the second phase of this project.

Board Vice President Montes and Member Lewis were absent.

Vote by Board Members:

Majority Vote

E.3.7 APPROVE AMENDMENT NO. 2 TO THE AGREEMENT WITH PF VISION, INC. TO PROVIDE DIVISION OF STATE ARCHITECT (DSA) INSPECTION SERVICES FOR BATTERY ENERGY STORAGE SYSTEMS (BESS) PROJECTS

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Extend the agreement term from June 30, 2024, to December 31, 2025, to provide Division of State Architect (DSA) inspection services for the Battery Energy Storage Systems (BESS) Project at Kordyak Elementary School, Fitzgerald Elementary School, Kucera Middle School, and Carter High School. All other terms and conditions of the agreement will remain the same.

**Board Vice President Montes and Member Lewis were absent.
Vote by Board Members: Majority Vote**

E.3.8 APPROVE THE EXTENSION OF AGREEMENTS AWARDED THROUGH COMPETITIVE SOLICITATIONS

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Approve the extension of RFP No. 21-22-008 Network Equipment; RFP No. 21-22-013 Online Tutoring Services; Bid No. 23-24-001 Classroom and Office Supplies; and Bid No. 23-24-002 Warehouse Custodial Supplies for one additional year under the same terms and conditions.

**Board Vice President Montes and Member Lewis were absent.
Vote by Board Members:**

Majority Vote

E.3.9 APPROVE A RENEWAL AGREEMENT WITH ALLIANCE ENVIRONMENTAL & COMPLIANCE, INC.

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Provide services as needed, effective July 1, 2024, through June 30, 2025, with an option to renew for an additional year at a cost not-to-exceed \$15,000.00 per year and to be paid from the General Fund.

**Board Vice President Montes and Member Lewis were absent.
Vote by Board Members:**

Majority Vote

E.3.10 APPROVE A RENEWAL MEMORANDUM OF UNDERSTANDING (MOU) WITH CALIFORNIANS FOR ALL IN PARTNERSHIP WITH CALIFORNIA STATE UNIVERSITY, SAN BERNARDINO (CSUSB) AND RIALTO UNIFIED SCHOOL DISTRICT

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Provide nine (9) math tutors to nine elementary sites and one (1) STEM fellow to the District STEM Center, effective July 1, 2024 through June 30, 2026, at no cost to the District.

Board Vice President Montes and Member Lewis were absent.

Vote by Board Members:

Majority Vote

E.3.11 APPROVE A RENEWAL AGREEMENT WITH VARIOUS PHOTOGRAPHY AND YEARBOOK VENDORS FOR ALL HIGH SCHOOLS

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Provide photography and yearbook services at all Rialto Unified high schools for the 2024-2025 school year, effective June 27, 2024 through June 30, 2025, at no cost to the District.

Board Vice President Montes and Member Lewis were absent.

Vote by Board Members:

Majority Vote

E.3.12 APPROVE A RENEWAL AGREEMENT WITH VARIOUS PHOTOGRAPHY AND YEARBOOK VENDORS FOR ALL MIDDLE SCHOOLS

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Provide photography and yearbook services at all Rialto Unified middle schools for the 2024-2025 school year, effective June 27, 2024 through June 30, 2025, at no cost to the District.

**Board Vice President Montes and Member Lewis were absent.
Vote by Board Members:**

Majority Vote

**E.3.13 APPROVE A RENEWAL AGREEMENT WITH STUDIO 1
DISTINCTIVE PORTRAITURE FOR ALL ELEMENTARY
SCHOOLS**

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Provide photography and yearbook services at all Rialto Unified elementary schools for the 2024-2025 school year, effective July 1, 2024 through June 30, 2025, at no cost to the District.

**Board Vice President Montes and Member Lewis were absent.
Vote by Board Members:**

Majority Vote

**E.3.15 APPROVE A RENEWAL AGREEMENT WITH MCF,
CONSULTING, INCORPORATED FOR MEDI-CAL
ADMINISTRATIVE ACTIVITIES**

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Provide services related to reimbursements under the United States Medicaid and Medi-Cal programs, effective July 1, 2024 through June 30, 2025, at a cost not-to-exceed \$40,000.00, and to be paid from the General Fund.

**Board Vice President Montes and Member Lewis were absent.
Vote by Board Members:**

Majority Vote

**E.3.16 APPROVE A RENEWAL AGREEMENT WITH GERISMILES
MOBILE DENTAL HYGIENE PRACTICE, INC.**

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Provide dental services to the Rialto Unified School District students, effective July 1, 2024 through June 30, 2025, at no cost to the District.

Board Vice President Montes and Member Lewis were absent.

Vote by Board Members:

Majority Vote

E.3.17 APPROVE A RENEWAL AGREEMENT WITH SMARTETOOLS

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Provide a subscription for the use of SmarteHR service, effective July 1, 2024 to June 30, 2025, at a cost not-to-exceed \$48,000.00, and to be paid from General Fund.

Board Vice President Montes and Member Lewis were absent.

Vote by Board Members:

Majority Vote

**E.3.18 APPROVE A RENEWAL AGREEMENT WITH IMAGINE
LEARNING (EDGENUITY)**

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Provide access to online courses for Rialto Adult School students, effective July 1, 2024 through June 30, 2025, at a cost not-to-exceed \$28,973.59, and to be paid from the General Fund (CAEP).

Board Vice President Montes and Member Lewis were absent.

Vote by Board Members:

Majority Vote

E.3.19 APPROVE A RENEWAL AGREEMENT WITH ESGI

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Provide the ESGI educational software for all Transitional Kindergarten, Kindergarten teachers, and Elementary Reading Specialists, effective July 1, 2024, through June 30, 2025, at a cost not-to-exceed \$49,500.00, and to be paid from the General Fund.

Board Vice President Montes and Member Lewis were absent.

Vote by Board Members:

Majority Vote

E.3.20 APPROVE A RENEWAL AGREEMENT WITH FRONTLINE EDUCATION

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Provide an annual subscription for the use of the Professional Learning Management System, effective July 1, 2024 through June 30, 2025, at a cost not-to-exceed \$49,693.07 and to be paid from the General Fund (Title I).

Board Vice President Montes and Member Lewis were absent.

Vote by Board Members:

Majority Vote

E.3.21 APPROVE A RENEWAL AGREEMENT WITH THE AMERICAN RED CROSS

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Provide Cardiopulmonary Resuscitation (CPR)/First Aid training for 1,500 employees during a 3-year term, effective July 1, 2024 through June 30, 2027, at a cost not-to-exceed \$38,000.00, and to be paid from the General Fund.

**Board Vice President Montes and Member Lewis were absent.
Vote by Board Members:**

Majority Vote

**E.3.22 APPROVE A RENEWAL AGREEMENT WITH INTERQUEST
DETECTION CANINES**

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Provide contraband inspection services, effective July 1, 2024 through June 30, 2025 at a cost not-to-exceed \$31,000.00, and to be paid from the General Fund.

**Board Vice President Montes and Member Lewis were absent.
Vote by Board Members:**

Majority Vote

E.3.24 APPROVE AN AGREEMENT WITH PACIFIC CLINICS

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Provide mental health services to the students of Rialto Unified School District, effective July 1, 2024 through June 30, 2026, at no cost to the District.

**Board Vice President Montes and Member Lewis were absent.
Vote by Board Members:**

Majority Vote

**E.3.25 APPROVE AN AGREEMENT WITH THE CALIFORNIA COLLEGE
GUIDANCE INITIATIVE (CCGI)**

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Enter into a data sharing and services partnership agreement with The California Colleges Guidance Initiative for all sixth through

twelfth grade students, effective July 1, 2024, at no cost to the District.

Board Vice President Montes and Member Lewis were absent.

Vote by Board Members:

Majority Vote

E.3.26 APPROVE AN AGREEMENT WITH CAPELLA UNIVERSITY

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Approve the Site-Based Learning Affiliation Agreement with Capella University to assist current and future students with mentoring opportunities in their specialized fields from July 1, 2024 through June 30, 2027 at no cost to the District.

Board Vice President Montes and Member Lewis were absent.

Vote by Board Members:

Majority Vote

E.3.27 APPROVE THE MEMORANDUM OF UNDERSTANDING WITH AZUSA PACIFIC UNIVERSITY

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Assist current and future students with mentoring opportunities in their specialized fields from July 1, 2024 through June 30, 2029 at no cost to the District.

Board Vice President Montes and Member Lewis were absent.

Vote by Board Members:

Majority Vote

E.3.28 APPROVE THE CORRECTION TO THE RENEWAL AGREEMENT WITH PROFESSIONAL TUTORS OF AMERICA INC.

Moved By Member O'Kelley

Seconded By Clerk Dominguez

A renewal agreement with Professional Tutors of America, Inc. was approved on June 12, 2024 to provide Supplemental Academic Support, effective July 1, 2024 through June 30, 2025, at a cost not-to-exceed \$20,000.00, and to be paid from the General Fund. The item is being resubmitted to include the correct background and reasoning information to this agreement.

Board Vice President Montes and Member Lewis were absent.

Vote by Board Members: **Majority Vote**

E.4 FACILITIES PLANNING CONSENT ITEMS - None

E.5 PERSONNEL SERVICES CONSENT ITEMS

E.5.1 APPROVE PERSONNEL REPORT NO. 1320 FOR CLASSIFIED AND CERTIFICATED EMPLOYEES

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Board Vice President Montes and Member Lewis were absent.

Vote by Board Members:

Majority Vote

E.5.2 ADOPT RESOLUTION NO. 23-24-72 - SPORTS PE

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Authorize the Lead Personnel Agent, Personnel Services, to assign a full-time teacher with a credential other than Physical Education to coach a competitive sport for one period per day for which students receive Physical Education credit.

**Board Vice President Montes and Member Lewis were absent.
Vote by Board Members:**

Majority Vote

**E.5.3 APPROVE THE DECLARATION OF NEED FOR FULLY
QUALIFIED EDUCATORS FOR THE 2024-2025 SCHOOL YEAR**

Moved By Member O'Kelley

Seconded By Clerk Dominguez

**Board Vice President Montes and Member Lewis were absent.
Vote by Board Members:**

Majority Vote

E.6 MINUTES

**E.6.1 APPROVE THE MINUTES OF THE REGULAR BOARD OF
EDUCATION MEETING HELD JUNE 12, 2024**

Item pulled prior to adoption of the agenda.

F. DISCUSSION/ACTION ITEMS

**F.1 EXTEND RFP #RIANS-2023-2024-003 TORTILLA PRODUCT TO
SUNRISE PRODUCE FOR THE 2024-2025 SCHOOL YEAR**

Moved By Clerk Dominguez

Seconded By Member O'Kelley

Approve the first extension of RFP #RIANS-2023-2024-003 Tortilla Products with Sunrise Produce for the purchase of Tortilla products for the 2024-2025 fiscal year, effective July 1, 2024, through June 30, 2025. All terms and conditions will remain the same pertaining to the extension option in the current agreement. Cost to be determined at the time of purchases and to be paid from the Cafeteria Fund 13.

**Board Vice President Montes and Member Lewis were absent. Vote
by Board Members:**

Majority Vote

F.2 AWARD BID NO. 23-24-023 FOR SPED BUILDING ROOF REPAIRS TO FOAM EXPERTS ROOFING INC

Moved By Clerk Dominguez

Seconded By Member O'Kelley

Award Bid No. 23-24-023 for SPED Building Roof Repairs to Foam Experts Roofing Inc for a total cost of \$70,884.00 which includes a \$6,444.00 allowance for unforeseen conditions and to be paid from the General Fund (Routine Repair Maintenance Account).

Board Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

F.3 AUTHORIZATION TO USE INTERGOVERNMENTAL CONTRACTS DURING THE 2024-2025 SCHOOL YEAR

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Approve the list of Intergovernmental contracts for the 2024-2025 school year at a cost to be determined at the time of purchase and to be paid from various funds.

Board Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

F.4 AUTHORIZE THE PURCHASE AND WARRANTY OF OFFICE AND CLASSROOM FURNITURE FROM STEELCASE INC. UTILIZING CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS) NUMBER 4-24-02-1048

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Approve the use of California Multiple Award Schedule (CMAS) Number 4-24-02-1048 from Steelcase Inc. at a cost to be determined at the time of purchase and to be paid using various funds.

Board Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

F.5 AUTHORIZE THE PURCHASE AND WARRANTY OF SCHOOL AND INSTRUCTIONAL SUPPLIES, AND ATHLETIC EQUIPMENT AND SUPPLIES FROM SCHOOL SPECIALTY UTILIZING CMAS NUMBER 4-24-04-1054 AND 4-24-04-1056

Moved By Clerk Dominguez

Seconded By Member O'Kelley

Approve the use of California Multiple Award Schedule (CMAS) Number 4-24-04-1054 and 4-24-04-1056 from School Specialty, LLC at a cost to be determined at the time of purchase and to be paid using various funds.

Board Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

F.6 APPROVAL OF RFP #2023/24-37 GROCERY PRODUCTS AND RELATED ITEMS BY THE RIVERSIDE SCHOOL DISTRICT ON BEHALF OF THE INLAND EMPIRE BUYING COLLECTIVE PURCHASING GROUP TO THE VENDORS LISTED FOR THE 2024-2025 SCHOOL YEAR

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Approve the award of Request for Proposals (RFP) #2023/24-37 Grocery Products and Related Items to Goldstar Foods, Inc.; Loewy Enterprise dba Sunrise; Clearbrook Farms; and Sysco Riverside, Inc., effective July 1, 2024, through June 30, 2025, at a cost to be determined at the time of purchase and to be paid from the Cafeteria Fund 13.

Board Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

F.7 RENEWAL OF RFP NO. 22-23-04 SNACK FOOD AND BEVERAGES BID BY THE MORENO VALLEY UNIFIED SCHOOL DISTRICT ON BEHALF OF THE INLAND EMPIRE BUYING COLLECTIVE PURCHASING GROUP TO THE VENDORS LISTED FOR THE 2024-2025 SCHOOL YEAR

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Approve the first extension of RFP No. 22-23-04 Snack Food and Beverages with Goldstar Foods, Inc., and Loewy Enterprise dba Sunrise Produce for the purchase of Snack Food and Beverages products for the 2024-2025 fiscal year, effective July 1, 2024, through June 30, 2025, at a cost to be determined at the time of purchases and to be paid from the Cafeteria Fund 13. A 5% price increase was approved and all terms and conditions will remain the same pertaining to the extension option in the current agreement.

Board Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

F.8 APPROVE A DEDUCTIVE CHANGE ORDER AND FILE A NOTICE OF COMPLETION FOR SUNSET ELECTRICAL CONTRACTORS, INC.

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Approve the Change Orders for Sunset Electrical Contractors, Inc. No. 1 in the amount of \$61,181.86 and Deductive Change Order No. 2 in the amount of \$18,818.14 for the unused allowance, and revise the awarded contract amount from \$933,252.00 to \$914,433.86, to be returned to General Fund (ELOP). Accept the work completed on June 20, 2024, by Sunset Electrical Contractors, Inc. for the installation of a new audio-visual system at Bemis, Dollahan, Dunn, Hughbanks, Kelley, Myers, Simpson, and Trapp Elementary Schools, and authorize District staff to file a Notice of Completion with the San Bernardino County Recorder, with no fiscal impact.

Board Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

F.9 APPROVE A CONTRACT DATE CORRECTION TO THE AGREEMENT WITH THINK TOGETHER TO PROVIDE AFTER SCHOOL EDUCATION AND SAFETY (ASES) PROGRAM

Moved By Member O'Kelley

Seconded By Clerk Dominguez

To correct the dates of the original agreement with Think Together to provide the After School Educational and Safety (ASES) program at eighteen elementary and five middle school sites in the District, effective August 1, 2024 through June 30, 2025, at a cost not-to-exceed \$3,711,559.04, and to be paid from the ASES Grant Fund.

Board Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

F.10 APPROVE RFP NO. 23-24-17 FN DISTRIBUTION OF USDA FOODS & COMMERCIAL PRODUCTS BY CHINO USD ON BEHALF OF THE INLAND EMPIRE BUYING COLLECTIVE TO GOLD STAR FOODS, INC., SUNRISE PRODUCE, AND KB FOODS DISTRIBUTION, INC FOR 2024-2025

Moved By Clerk Dominguez

Seconded By Member O'Kelley

This item is effective July 1, 2024, through June 30, 2025, at a cost to be determined at the time of purchase and to be paid from the Cafeteria Fund 13.

Board Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

F.11 APPROVE AN AMENDMENT TO THE AGREEMENT WITH DYNAMIC EDUCATION SERVICES INC.

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Provide compensatory educational support and supplemental special services, effective June 27, 2024 through June 30, 2024, and increase of the original agreement of \$50,000.00 by an additional \$30,000.00, for a total cost not-to-exceed \$80,000.00, and to be paid from the General Fund.

Board Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

F.12 APPROVE AN AMENDMENT WITH BEHAVIORAL AUTISM THERAPIES, LLC

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Approve the cost increase of the original agreement of \$1,140,000.00 by an additional \$100,000.00, effective June 27, 2024 through June 30, 2024, for a total cost not-to-exceed \$1,240,000.00, and to be paid from the General Fund.

Board Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

F.13 APPROVE AN AMENDMENT TO THE AGREEMENT WITH AUTISM SPECTRUM INTERVENTION SERVICES AND TRAINING (ASIST)

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Amend the agreement effective June 27, 2024 through June 30, 2024, and increase the original agreement of \$600,000.00 by an additional \$700,000.00, for a total cost not-to-exceed \$1,300,000.00, and to be paid from the General Fund.

Board Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

F.14 APPROVE A RENEWAL AGREEMENT WITH THE STEPPING STONES GROUP, LLC - SPECIAL SERVICES

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Provide coverage for various professional positions such as School Psychologists, Speech Pathologists, Speech and Language Pathologist Assistants (SLPAs), and Intensive Individual Support (IIS) for students with an Individualized Education Program, effective July 1, 2024 through June 30, 2025, at a cost not-to-exceed \$700,000.00, and to be paid from the General Fund.

Board Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

F.15 APPROVE A RENEWAL AGREEMENT WITH THE STEPPING STONES GROUP, LLC - HEALTH SERVICES

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Provide nursing support for students with Individualized Education Programs and Health Care Plans, effective July 1, 2024 through June 30, 2025, at a cost not-to-exceed \$114,000.00, and to be paid from the General Fund.

Board Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

F.16 APPROVE A RENEWAL AGREEMENT WITH CURLS, COILS AND CROWNS

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Provide a social emotional enrichment program at 19 elementary schools and 5 middle schools for African American girls, effective August 5, 2024

through June 30, 2025, at a cost not-to-exceed \$199,998.00, and to be paid from the General Fund (ELOP).

Board Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

F.17 APPROVE A RENEWAL AGREEMENT WITH LIMINEX, INC.

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Purchase the GoGuardian platform for all first through eighth grade students, effective July 1, 2024, through June 30, 2025, at a cost not-to-exceed \$60,000.00, and to be paid by site General Funds (Title I).

Board Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

F.18 APPROVE A RENEWAL AGREEMENT WITH WOODSPRING SUITES DBA CAPETOWN HOTEL

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Provide an adequate living facility for Rialto Unified School District unsheltered students at the WoodSpring Suites dba Capetown Hotel, effective July 1, 2024 through June 30, 2025, at a cost not-to-exceed \$225,000.00, and to be paid from the General Fund (Title IV).

Board Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

F.19 APPROVE A RENEWAL AGREEMENT WITH "WITH OPEN ARMS"

Moved By Clerk Dominguez

Seconded By Member O'Kelley

Provide intensive case management, outreach, and supportive housing services to Rialto Unified School District families, effective July 1, 2024

through June 28, 2025, at a cost not-to-exceed \$183,750.00, and to be paid from the General Fund (LCFF).

Board Vice President Montes and Member Lewis were absent. Vote by Board Members: Majority Vote

F.20 APPROVE A RENEWAL AGREEMENT WITH EPIC SPECIAL EDUCATION STAFFING

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Provide health services to ensure compliance mandates for the 2024-2025 school year, effective July 1, 2024 through June 30, 2025, at a cost not-to-exceed \$350,000.00, and to be paid from the General Fund.

Board Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

F.21 APPROVE A RENEWAL AGREEMENT WITH MINDFULNESS IN MOTION, INC.

Moved By Clerk Dominguez

Seconded By Member O'Kelley

Provide occupational therapy direct services, and assessments that are congruent with student's Individual Educational Plan during the 2024-2025 school year, effective July 1, 2024 through June 30, 2025, at a cost not-to-exceed \$50,000.00, and to be paid from the General Fund.

Board Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

F.22 APPROVE THE WORKFORCE INNOVATION AND OPPORTUNITY ACT, TITLE II: ADULT EDUCATION AND FAMILY LITERACY ACT GRANT

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Approve the preliminary Workforce Innovation and Opportunity Act, Title II: Adult Education and Family Literacy Act Grant, effective July 1, 2024 through June 30, 2025, in the amount of \$218,769.00.

Board Vice President Montes and Member Lewis were absent. Vote by Board Members: Majority Vote

F.23 ADOPT RIALTO UNIFIED SCHOOL DISTRICT’S LOCAL CONTROL ACCOUNTABILITY PLAN (LCAP) FOR FISCAL YEAR 2024-2025

Moved By Member O’Kelley

Seconded By Clerk Dominguez

For the purpose of identifying and meeting annual goals for all students, with specific actions and services to address state and local priorities.

Board Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

F.24 ADOPTION OF BUDGET FOR FISCAL YEAR 2024-2025

Moved By Clerk Dominguez

Seconded By Member O’Kelley

Adopt the FY 2024-2025 Budget including commitment of funds and all stated conditions for the following funds: General (01), Adult Education (11), Child Development (12), Cafeteria (13), Deferred Maintenance (14), Building Fund (21), Capital Facilities (25), State School Building and Modernization (35), Special Reserve (40), Bond Interest and Redemption (51), and Other Enterprise Fund (63).

Board Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

F.25 ADOPT RESOLUTION NO. 23-24-73 - ORDER OF ELECTION AND SPECIFICATIONS OF THE ELECTION ORDER

Moved By Clerk Dominguez

Seconded By Member O'Kelley

Board Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

F.26 ADOPT RESOLUTION NO. 23-24-74 - REMUNERATION

Item pulled prior to adoption of the agenda.

F.27 REINSTATEMENTS

Moved By Clerk Dominguez

Seconded By Member O'Kelley

Case Numbers:

23-24-33

23-24-22

23-24-12

EE 23-24-1

Board Vice President Montes and Member Lewis were absent. Vote by Board Members:

Majority Vote

G. OTHER COMMENTS

G.1 PUBLIC COMMENTS NOT ON THE AGENDA

At this time, any person wishing to speak on any item **not on** the Agenda will be granted three minutes.

Maurice Bowers, a Community Member, shared that he had the pleasure of attending the Family Literacy Ceremony at USC on Saturday, June 22, 2024, and complimented the District and USC for collaborating and making this program available to families. He said that as an alumnus of this District, he appreciated this opportunity not only to enrich the education of the families but also to support their children in their academic growth. He commented on the benefit of such a literacy opportunity for the betterment of the community. He shared that he was impressed that, considering the

District population of over 86% Latinos, the majority of the participants in the program represented the Latino population.

He then shared a portion of the celebration that he said did not sit well with him. He did not feel that the presentation by student Mekhi Aubrey of "A World of Your Own" was represented well. He said the lyrics of the song were positive and encouraging, but he felt the attire of the young man was mocking African Americans, and could have been more thought out. He felt the young man and the attendees should be apologized to for the choice of entertainment.

Paula Bailey, District Parent and Community member, shared that IKE stands for integrity, kindness, and eagerness to learn from each other. She said that people are here to do good. She wanted to take a moment for those who may be mourning the loss of those not present. She commented that everyone is impacted by losing someone who they are used to seeing every day, and suddenly, they are gone.

Michael Montano, Rialto High School Teacher, reminded everyone to stay hydrated and congratulated the District for the USC Literacy Celebration. He suggested utilizing those teachers who have completed the USC Reading Authorization program to be offered the opportunity to assist students at the sites who are struggling with reading. He shared a message from a teacher at Boyd and wanted to pass it along and requested the District let them know that they are heard.

Mr. Montano also shared the recent policy passed by LAUSD for no use of cell phones in the classrooms. He suggested the District keep an eye out to see how that works out for them.

G.2 COMMENTS FROM ASSOCIATION EXECUTIVE BOARD MEMBERS

- Rialto Education Association (REA)
- California School Employees Association (CSEA)
- Communications Workers of America (CWA)
- Rialto School Managers Association (RSMA)

Michael Montano spoke on behalf of the Rialto Education Association (REA) and Mr. Tobin Brinker, REA President, who could not be in attendance today. He shared that REA and the District concluded negotiations for the 2024/2025 school year. The tentative settlement agreement includes a salary increase for certificated employees of 1.07%

with continued full Kaiser benefits. He commented that many members are still hurting due to the economy over the year and said that the 1.07% increase would be meaningful to them. He gave kudos to Dr. Balogun for the work she is doing and thanked Dr. D'Souza for agreeing to discuss the need for more minimum days. Mr. Montano also shared on behalf of Mr. Brinker his opinion on the budget and questioned how much money has been saved on vacancies and also questioned how much was over spent.

Chris Cordasco, California School Employees Association (CSEA) President, commended the District leadership team on having to make some courageous staffing decisions. He indicated that CSEA is looking forward to those changes. He congratulated REA on reaching a settlement agreement. He indicated that CSEA is looking forward to making that announcement soon. He shared that CSEA is preparing for its annual conference.

Heather Estruch, Communications Workers of America (CWA) Chief Steward, complemented REA on reaching a tentative settlement agreement and CSEA for being near in settling. She said they hope to follow and stated that settling one bargaining unit at a time may be better to avoid confusion.

G.3 COMMENTS FROM THE ACTING SUPERINTENDENT

G.4 COMMENTS FROM MEMBERS OF THE BOARD OF EDUCATION

H. ADJOURNMENT

The next regular meeting of the Board of Education of the Rialto Unified School District will be held on July 10, 2024, at 7:00 p.m. at the Dr. John Kazalunas Education Center, 182 East Walnut Ave, Rialto, California.

Materials distributed or presented to the Board of Education at the Board Meeting are available upon request from the Superintendent's Office.

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Vote by Board Members to adjourn:

Time: 8:15 p.m.

Majority Vote

Clerk, Board of Education

Secretary, Board of Education



RIALTO
UNIFIED SCHOOL DISTRICT
BRIDGING FUTURES THROUGH INNOVATION

Local Indicators for the California Dashboard

Presented by: **Paulina Villalobos**
Agent: Academic Technology



State and Local Indicators

State Indicators

- Chronic Absenteeism
- Suspension Rate
- English Learner Progress
- Graduation Rate
- College/Career Indicator
- English Language Arts (3-8, 11)
- Mathematics (3-8, 11)

Local Indicators

- Basics (*Materials and Facilities*)
- Implementation of Academic Standards
- Family Engagement
- Local Climate Survey
- Access to Broad Course of Study



Basic Services and Conditions at Schools - Priority 1

Part 1: Number/percentage of students **without** access to their own copies of standards-aligned instructional materials for use at school and at home:

None

Part 2: Number of identified instances where facilities do not meet the “good repair” standard (including deficiencies and extreme deficiencies):

Based on the 2022-2023 Annual Report from November 15, 2022

- **68 - Total “Good Repair” Facility Deficiencies**
 - 29 - Remedied
 - 39 - Outstanding Deficiencies



Implementation of State Academic Standards - Priority 2

The District annually measures its progress implementing state academic standards using a self-reflection tool.

Rating Scale (lowest to highest):

- 1 – Exploration and Research Phase
- 2 – Beginning Development
- 3 – Initial Implementation
- 4 – Full Implementation
- 5 – Full Implementation and Sustainability



Implementation of State Standards

	Phase 1 Exploration and Research	Phase 2 Beginning Development	Phase 3 Initial Implementation	Phase 4 Full Implementation	Phase 5 Full Implementation with Sustainability
Providing PD on Standards and Frameworks				Science (123) History (108)	ELA (132) ELD (99) Math (119)
Implementing Policies/Programs to Support Staff				ELA (132) ELD (99) Math (119) Science (123) History (108)	
Providing Standards-Aligned Instructional Materials				Science (123) History (108)	ELA (132) ELD (99) Math (119)
Implementing Practices to Identify PD Needs for Standards-Aligned Instruction			Math (119) Science (123) History (108)	ELA (132) ELD (99)	
Implementing Other Adopted Standards				VAPA (15) Health (10) PE (10) World Languages (3)	CTE (7)



Family Engagement - Priority 3

The district annually measures its progress in **seeking input** from families in decision making and promoting **family participation** in programs

Rating Scale (lowest to highest):

- 1 – Exploration and Research Phase
- 2 – Beginning Development
- 3 – Initial Implementation
- 4 – Full Implementation
- 5 – Full Implementation and Sustainability



Building Relationships - Part 1

Family Survey - 906 Participants Staff Survey - 267	Phase 1 Exploration and Research	Phase 2 Beginning Development	Phase 3 Initial Implementation	Phase 4 Full Implementation	Phase 5 Full Implementation with Sustainability
The District's progress in developing the capacity of <u>staff</u> to build trusting and respectful relationships with families			X		
The District's progress in creating welcoming environments					X
The District's progress in supporting <u>staff</u> to learn about each family's strengths, cultures, languages, and goals for their children			X		
The District's progress in developing multiple opportunities for the District and school sites to engage in 2-way communication between families and educators using language that is understandable and accessible to families				X	

Building Partnerships for Student Outcomes - Part 2

Family Survey - 906 Participants Staff Survey - 267	Phase 1 Exploration and Research	Phase 2 Beginning Development	Phase 3 Initial Implementation	Phase 4 Full Implementation	Phase 5 Full Implementation with Sustainability
The District's progress in providing professional learning and support to <u>teachers and principals</u> to improve a school's capacity to partner with families			X		
The District's progress in providing <u>families</u> with information and resources to support student learning and development in the home				X	
The District's progress in implementing policies or programs for <u>teachers</u> to meet with families and students to discuss student progress and ways to work together to support improved student outcomes			X		
The District's progress in supporting <u>families</u> to understand and exercise their legal rights and advocate for their own students and all students			X		

Seeking Input for Decision Making - Part 3

Family Survey - 906 Participants Staff Survey - 267	Phase 1 Exploration and Research	Phase 2 Beginning Development	Phase 3 Initial Implementation	Phase 4 Full Implementation	Phase 5 Full Implementation with Sustainability
The District's progress in building the capacity of and supporting <u>principals and staff</u> to effectively engage families in advisory groups and with decision-making			X		
The District's progress in building the capacity of and supporting <u>family members</u> to effectively engage in advisory groups and decision-making			X		
The District's progress in providing all <u>families</u> with opportunities to provide input on policies and programs, and implementing strategies to reach and seek input from any underrepresented groups in the school community			X		
The District's progress in providing opportunities to have <u>families, teachers, principals, and district administrators</u> work together to plan, design, implement and evaluate family engagement activities at school and district levels			X		

School Climate - Priority 6 2023-24

Sense of Belonging			School Climate	
Grade	Fall	Spring	Fall	Spring
3-5	66% (3954)	65% (4080)	55% (3954)	54% (4080)
6-12	36% (9527)	36% (8017)	41% (9527)	39% (8017)

2022-23

Sense of Belonging			School Climate	
Grade	Fall	Spring	Fall	Spring
3-5	67% (2987)	62% (3051)	58% (2987)	55% (3051)
6-12	34% (9151)	32% (7613)	37% (9151)	34% (7613)

School Climate - Priority 6

What does the data reveal?

- Students in grades 3-5 demonstrated relatively strong feelings of belonging and positive perceptions of their school climate
- Students in grades 6-12 consistently reported lower satisfaction in both sense of belonging and school climate

Identify any actions that the district will take in response to the results of the survey

- Continue to provide support to school sites with the implementation of their Social-Emotional Learning (SEL) and Restorative Practices
- Continue staff training/professional development in the areas of Restorative Practices, Social-Emotional Learning, and Culturally Linguistically Responsive Teaching

Access to Broad Course of Study - Priority 7

2022-23 Graduation Cohort Report

	Rialto Unified	CHS	EHS	RHS	Milor	Zupanic
22-23	91.8% (1,919/2,090)	96.9% (537/554)	92% (505/549)	95.7% (638/667)	80.8% (156/193)	65.6% (82/125)

	All Students (1918)	AA (156)	Hispanic (1659)	EL (437)	SWD (213)	SED (1818)
Graduation Rate	91.8% (1919/2090)	91.2% (156/172)	91.6% (1659/1808)	83.4% (437/506)	80.08% (213/266)	91.6% (1818/1984)
CTE Pathway	21.7% (417)	17.9% (28)	22.2% (368)	20.6% (90)	18.3% (39)	22.1% (402)
CTE + UC/CSU	15.4% (296)	11.5% (18)	15.9% (264)	12.4% (54)	8.5% (18)	15.6% (284)
UC/CSU (A-G)	49.8% (955)	48.1% (75)	49.6% (822)	28.8% (126)	23.4% (50)	48.4% (879)

Access to Broad Course of Study

Transcript Evaluation Services Data	Graduation Data	College and Career Indicator
<p><u>9th and 10th grade</u></p> <ul style="list-style-type: none"> • 1,114 (66%) 9th grade students are passing their English class (+6%) • 951 (52%) 10th grade students are passing their English class (-1%) <p><u>12th grade</u></p> <ul style="list-style-type: none"> • 809 (45%) students failed to meet A-G in English by 1st semester of 12th grade (+3%) • 271 (15%) students failed to meet A-G in Math by 12th grade (-1%) • 482 (27%) students failed to meet A-G in Science by 12th grade (+1%) 	<ul style="list-style-type: none"> • The 2022-23 Graduation Rate is higher than pre-pandemic data • Compared to the 2018-19 school year: <ul style="list-style-type: none"> ○ Overall: ↑ of 0.9% ○ Hispanic: ↑ of 0.6% ○ African American: ↑ of 2.2% ○ English Learners: ↑ of 3.4% ○ Students receiving Special Education Services: ↑ of 7.1% 	<p>For the 2022-23 academic year:</p> <ul style="list-style-type: none"> • 417 12th grade students completed a CTE pathway (+62) • 955 students completed the UC/CSU requirements



Questions?



MINUTES

RIALTO UNIFIED SCHOOL DISTRICT

July 10, 2024

**Dr. John R. Kazalunas Education Center
182 East Walnut Avenue
Rialto, California**

Board Members

**Present: Joseph W. Martinez, President
Edgar Montes, Vice President
Evelyn P. Dominguez, LVN, Clerk
Dr. Stephanie E. Lewis, Member
Nancy G. O'Kelley, Member**

Administrators

**Present: Ed D'Souza, Ph.D., Acting Superintendent
Rhea McIver Gibbs, Ed.D., Lead Strategic Agent
Patricia Chavez, Lead Innovation Agent
Diane Romo, Lead Business Services Agent
Roxanne Dominguez, Lead Personnel Agent**
Also present was Martha Degortari, Executive Administrative Agent and Interpreter/Translator Jose Reyes

A. OPENING

A.1 CALL TO ORDER 6:00 p.m.

The meeting was called to order at 6:00 p.m.

A.2 OPEN SESSION

A.3 CLOSED SESSION

Moved By Clerk Dominguez

Seconded By Vice President Montes

As provided by law, the following are the items for discussion and consideration at the Closed Session of the Board Meeting:

- **PUBLIC EMPLOYEE EMPLOYMENT / DISCIPLINE / DISMISSAL / RELEASE / REASSIGNMENT OF EMPLOYEES (GOVERNMENT CODE SECTION 54957)**
- **STUDENT EXPULSIONS / REINSTATEMENTS / EXPULSION ENROLLMENTS**
- **CONFERENCE WITH LABOR NEGOTIATORS**

Agency designated representatives: Edward D'Souza, Ph.D., Acting Superintendent; Lead Personnel Agents: Rhonda Kramer, Roxanne Dominguez, and Armando Urteaga, Personnel Services.

Employee organizations: California School Employees Association, Chapter 203 (CSEA), Rialto Education Association (REA), Communications Workers of America (CWA)

- **PURSUANT TO GOVERNMENT CODE SECTION 54956.9(d) and/or (d)(3). CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION SIGNIFICANT EXPOSURE LITIGATION - Number of Potential Claims: 1**

COMMENTS ON CLOSED SESSION AGENDA ITEMS

Any person wishing to speak on any item on the Closed Session Agenda will be granted three minutes.

None.

Vote by Board Members to move into Closed Session:

Time: 6:02 p.m.

Approved by a Unanimous Vote

A.4 ADJOURNMENT OF CLOSED SESSION

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Vote by Board Members to adjourn Closed Session:

Time:7:02 p.m.

Approved by a Unanimous Vote

A.5 OPEN SESSION RECONVENED - 7:00 p.m.

Open session reconvened at 7:02 p.m.

A.6 PLEDGE OF ALLEGIANCE

Safety Intervention Officer, Fletcher Lang led the pledge of allegiance

A.7 REPORT OUT OF CLOSED SESSION

Moved By Vice President Montes

Seconded By Member Dr. Lewis

The Board of Education accepted the administrative appointment of Dr. Robin McMillon, Lead Student Services Agent, effective July 11, 2024.

Vote by Board Members:

Approved by a Unanimous Vote

Moved By Member Dr. Lewis

Seconded By Member O'Kelley

The Board of Education accepted the administrative appointment of Liliana Casarrubias, High School Assistant Principal, effective July 11, 2024.

Vote by Board Members:

Approved by a Unanimous Vote

A.8 ADOPTION OF AGENDA

Moved By Vice President Montes

Seconded By Member O'Kelley

Vote by Board Members to adopt the agenda:

Approved by a Unanimous Vote

B. PRESENTATIONS - None

C. COMMENTS

C.1 PUBLIC COMMENTS ON AGENDA ITEMS

Any person wishing to speak on any item on the Agenda will be granted three minutes.

None.

D. PUBLIC HEARING

D.1 OPEN PUBLIC HEARING

Any person wishing to speak on the item on the Public Hearing agenda will be granted three minutes.

D.1.1 FORM FOR PUBLIC DISCLOSURE OF PROPOSED COLLECTIVE BARGAINING AGREEMENT (AB1200) - RIALTO EDUCATION ASSOCIATION

Moved By Member Dr. Lewis

Seconded By Clerk Dominguez

Pursuant to the requirements of Governmental Code and Board Policy, the Form for Public Disclosure of Proposed Collective Bargaining Agreement [AB1200 (Statutes of 1991, Chapter 1213) As revised by AB2756 (Statutes of 2004, Chapter 25), Government Code 3547.5] between the Rialto Unified School District Board of Education, and the Rialto Education Association (REA), is hereby posted in compliance with the legislative requirements for public notice.

Vote by Board Members to open Public Hearing:

Time:7:07 p.m.

Approved by a Unanimous Vote

D.2 CLOSE PUBLIC HEARING

Moved By Vice President Montes

Seconded By Member O'Kelley

Vote by Board Members to close Public Hearing:

Time: 7:07 p.m.

Approved by a Unanimous Vote

E. CONSENT CALENDAR ITEMS

All items on the Consent Calendar will be acted upon in one motion unless pulled by Board of Education members or the Superintendent for individual action.

Moved By Member O'Kelley

Seconded By Member Dr. Lewis

Vote by Board Members to approve Consent Calendar Items:

Approved by a Unanimous Vote

E.1 GENERAL FUNCTIONS CONSENT ITEMS

E.1.1 APPROVE THE SECOND READING OF REVISED BOARD POLICY 4116.11; SENIORITY - TIE BREAKING CRITERIA

Moved By Member O'Kelley

Seconded By Member Dr. Lewis

Vote by Board Members:

Approved by a Unanimous Vote

E.2 INSTRUCTION CONSENT ITEMS - None

E.3 BUSINESS AND FINANCIAL CONSENT ITEMS

E.3.1 APPROVE THE WARRANT LISTING AND PURCHASE ORDER LISTING

Moved By Member O'Kelley

Seconded By Member Dr. Lewis

All funds from June 5, 2024 through June 17, 2024, (Sent under separate cover to Board Members). A copy for public review will be available on the District's website.

Vote by Board Members:

Approved by a Unanimous Vote

E.3.2 DONATIONS

Moved By Member O'Kelley

Seconded By Member Dr. Lewis

Accept the listed donations from The Blackbaud Giving Fund/Your Cause; and San Bernardino County/Joe Baca, Jr., and that a letter of appreciation be sent to the donor.

Vote by Board Members:

Approved by a Unanimous Vote

E.3.3 AUTHORIZE THE PURCHASE, WARRANTY, AND INSTALLATION OF JANITORIAL SUPPLIES AND EQUIPMENT FROM WAXIE'S ENTERPRISES, LLC UTILIZING CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS) NUMBER 4-23-11-1017

Moved By Member O'Kelley

Seconded By Member Dr. Lewis

Approve the use of California Multiple Award Schedule (CMAS) Number 4-23-11-1017 from WAXIE's Enterprises, LLC at a cost to be determined at the time of purchase and to be paid using various funds.

Vote by Board Members:

Approved by a Unanimous Vote

E.3.4 APPROVE A RENEWAL AGREEMENT WITH NAVIGATE 360 - RIALTO HIGH SCHOOL

Moved By Member O'Kelley

Seconded By Member Dr. Lewis

Provide a reward, track, redeem process and data to help support our PBIS Rewards school culture, effective July 11, 2024 through June 30, 2025, at a cost not-to-exceed \$7,297.00, and to be paid from the General Fund (Title I).

Vote by Board Members:

Approved by a Unanimous Vote

E.3.5 APPROVE A RENEWAL AGREEMENT WITH SMARTPASS INC. - SECONDARY SCHOOL

Moved By Member O'Kelley

Seconded By Member Dr. Lewis

Provide attendance support at secondary school sites, effective July 11, 2024 through June 30, 2025, at a cost not-to-exceed \$40,000.00, and to be paid from the General Fund (Title I).

Vote by Board Members:

Approved by a Unanimous Vote

E.3.6 APPROVE AN AGREEMENT WITH AKIPS

Moved By Member O'Kelley

Seconded By Member Dr. Lewis

Provide a network monitoring software and infrastructure performance-monitoring tool, effective July 14, 2024, through July 13, 2025, at a cost not-to-exceed \$25,350.00, and to be paid from the General Fund.

Vote by Board Members:

Approved by a Unanimous Vote

E.4 FACILITIES PLANNING CONSENT ITEMS

E.4.1 NOTICE OF COMPLETION - MIKE'S CUSTOM FLOORING

Moved By Member O'Kelley

Seconded By Member Dr. Lewis

Accept the work completed on November 1, 2023, by Mike's Custom Flooring for the Bemis Elementary School, Henry Elementary School, Morgan Elementary School, and Myers Elementary School Flooring Project, and authorize District staff to file a Notice of Completion with the San Bernardino County Recorder.

Vote by Board Members:

Approved by a Unanimous Vote

E.5 PERSONNEL SERVICES CONSENT ITEMS

E.5.1 APPROVE PERSONNEL REPORT NO. 1321 FOR CLASSIFIED AND CERTIFICATED EMPLOYEES

Moved By Member O'Kelley

Seconded By Member Dr. Lewis

Vote by Board Members:

Approved by a Unanimous Vote

E.5.2 ADOPT RESOLUTION NO. 24-25-03 - BILINGUAL AUTHORIZATION WAIVER

Moved By Member O'Kelley

Seconded By Member Dr. Lewis

Authorize the Lead Personnel Agent, Personnel Services, to employ or assign identified individuals additional time to complete the requirements for the credential that authorizes the service or to provide employing agencies time to fill the assignment with an individual who either holds an appropriate credential or qualifies under one of the available assignment options. This includes waivers to employ or assign identified individuals when the

employing agency finds there is an insufficient number of certificated persons who meet the specified employment criteria for the position.

Vote by Board Members:

Approved by a Unanimous Vote

E.6 MINUTES

E.6.1 APPROVE THE MINUTES OF THE REGULAR BOARD OF EDUCATION MEETING OF JUNE 12, 2024

Moved By Member O'Kelley

Seconded By Member Dr. Lewis

Vote by Board Members:

Approved by a Unanimous Vote

F. DISCUSSION/ACTION ITEMS

F.1 AWARD BID NO. 23-24-024 ELEMENTARY SCHOOL ASPHALT REPLACEMENT TO PAVEWEST, INC.

Moved By Member O'Kelley

Seconded By Member Dr. Lewis

In the award for Bid No. 23-24-024 for Elementary School Asphalt Replacement the District (i) rejects the Bid submitted by Bens Asphalt, Inc. because Bens Asphalt, Inc. failed to comply with the Prequalification Requirement; and (ii) waives, as minor irregularities, the errors in all other bids of submitting a Certification Regarding Site Visit form that had been signed by a person who, as indicated by the Sign-In Sheet, did not attend the Mandatory Conference; and (iii) awards the Contract to PaveWest, Inc. for a total cost of \$3,977,000.00 which includes a \$200,000.00 allowance for unforeseen conditions and to be paid from the General Fund (Routine Repair Maintenance Account).

Vote by Board Members:

Approved by a Unanimous Vote

F.2 AUTHORIZATION TO UTILIZE THE KINGS COUNTY OFFICE OF EDUCATION BID PROJECT NO. 2024-04 CONTRACT WITH SOFTCHOICE

Moved By Member Dr. Lewis

Seconded By Member O'Kelley

Authorize the use of the Kings County Office of Education Bid Project No. 2024-04 with Softchoice for the purchase of Microsoft Volume Licensing, effective August 1, 2024 through July 31, 2025, at a cost not-to-exceed \$236,869.50 and to be paid from the General Fund.

Vote by Board Members: **Approved by a Unanimous Vote**

F.3 AUTHORIZATION TO UTILIZE CALIFORNIA PARTICIPATING ADDENDUM NO. 7-23-70-55-12 UNDER THE MINNESOTA MASTER AGREEMENT NO. 23002 AWARDED TO ACER AMERICA CORPORATION

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Approve the use of California Participating Addendum No. 7-23-70-55-12 from Acer America Corporation at a cost to be determined at the time of purchase and to be paid using various funds.

Vote by Board Members: **Approved by a Unanimous Vote**

F.4 AUTHORIZE THE PURCHASE, WARRANTY, AND INSTALLATION OF HARDWARE, SOFTWARE, AND RELATED SERVICES FROM CONVERGEONE, INC. UTILIZING CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS) NUMBER 3-23-03-1036

Moved By Member O'Kelley

Seconded By Member Dr. Lewis

Approve the use of California Multiple Award Schedule (CMAS) Number 3-23-03-1036 from ConvergeOne, Inc. at a cost to be determined at the time of purchase and to be paid using various funds.

Vote by Board Members: **Approved by a Unanimous Vote**

F.5 AUTHORIZE THE PURCHASE, WARRANTY, AND INSTALLATION OF HARDWARE, SOFTWARE, AND RELATED SERVICES FROM J. SWEIGART INC DOING BUSINESS AS BDJTECH UTILIZING CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS) NUMBER 3-24-03-1009

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Approve the use of California Multiple Award Schedule (CMAS) Number 3-24-03-1009 from J. Sweigart Inc doing business as BDJtech at a cost to be determined at the time of purchase and to be paid using various funds.

Vote by Board Members:

Approved by a Unanimous Vote

F.6 APPROVE CHANGE ORDER NO. 1 FOR AMERICAN MODULAR SYSTEMS (AMS) FOR THE INTERNATIONAL HEALING PROJECT

Moved By Member Dr. Lewis

Seconded By Member O'Kelley

This item is in the amount of \$12,243.31 for a revised contract amount of \$1,229,423.31, for the two (2) modular buildings for the International Healing Garden Project, and to be paid from Fund 40 – Special Reserve for Capital Outlay.

Vote by Board Members:

Approved by a Unanimous Vote

F.7 APPROVE CHANGE ORDERS AND FILE A NOTICE OF COMPLETION FOR UNIVERSAL ASPHALT CO., INC.

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Approve Change Orders for Universal Asphalt Co., Inc. No. 1 in the amount of \$37,300.00, Change Order No. 2 in the amount of \$69,300.00, and revise the awarded contract amount from \$2,960,000.00 to \$3,066,600.00, to be paid from Fund 14 - Deferred Maintenance. Accept the work completed on May 20, 2024, by Universal Asphalt, Co., Inc. for the District Asphalt

Replacement Project and authorize District staff to file a Notice of Completion with the San Bernardino County Recorder, with no fiscal impact.

Vote by Board Members:

Approved by a Unanimous Vote

F.8 APPROVE THE DECLARATION OF NEED FOR FULLY QUALIFIED EDUCATORS FOR THE 2024-2025 SCHOOL YEAR

Moved By Member Dr. Lewis

Seconded By Member O'Kelley

Vote by Board Members:

Approved by a Unanimous Vote

F.9 APPROVE TENTATIVE SETTLEMENT AGREEMENT BETWEEN RIALTO EDUCATION ASSOCIATION AND RIALTO UNIFIED SCHOOL DISTRICT

Moved By Member Dr. Lewis

Seconded By Member O'Kelley

Vote by Board Members:

Approved by a Unanimous Vote

F.10 ADOPT RESOLUTION NO. 24-25-01 COMMUNITY FACILITIES DISTRICT NO. 2019-1 ESTABLISHING ANNUAL SPECIAL TAX FOR FISCAL YEAR 2024-2025

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Vote by Board Members:

Approved by a Unanimous Vote

F.11 ADOPT RESOLUTION NO. 24-25-02 - REMUNERATION

Moved By Member Dr. Lewis

Seconded By Clerk Dominguez

Excuse the absence of Board Member, Nancy G. O'Kelley, from the Wednesday, June 12, 2024, regular meeting of the Board of Education.

Vote by Board Members:

(Ayes) President Martinez, Vice President Montes, Clerk Dominguez, Member Lewis

(Abstain) Member O'Kelley

Majority Vote

F.12 ADOPT RESOLUTION NO. 24-25-04 - REMUNERATION

Moved By Member O'Kelley

Seconded By Vice President Montes

Excuse the absence of Board Member, Dr. Stephanie E. Lewis, from the Wednesday, June 26, 2024, regular meeting of the Board of Education.

Vote by Board Members:

(Ayes) President Martinez, Vice President Montes, Clerk Dominguez, Member O'Kelley

(Abstain) Member Lewis

Majority Vote

F.13 APPROVE SALARY INCREASE OF 1.07% FOR CERTIFICATED AND CLASSIFIED MANAGEMENT, SUPERVISORY, AND CONFIDENTIAL EMPLOYEES

Moved By Member Dr. Lewis

Seconded By Member O'Kelley

This item is effective July 1, 2024. The fiscal impact is \$423,000 and will be paid from the General Fund, Adult Education Fund, Early Education Fund, and Cafeteria Fund.

Vote by Board Members:

Approved by a Unanimous Vote

F.14 APPROVE SALARY INCREASE OF 1.07% FOR CONTRACT MANAGEMENT EMPLOYEE

Moved By Member Dr. Lewis

Seconded By Member O'Kelley

Approve a salary increase for the Lead Strategic Agent that was given to the certificated management unit 1.07% effective July 1, 2024, as stipulated in her contract. Prior to voting on this item, consistent with Government Code section 54953, the Board President will orally report a summary of her salary/compensation provided under the contract.

Pursuant to Government Code 54953(c)(3), prior to taking final action, the Board must orally report a summary of a recommendation for action on the salary or compensation paid in the form of fringe benefits of a local agency executive before discussion and vote. The proposed recommendation is to approve a salary increase of 1.07% July 1, 2024, for the Lead Strategic Agent as stipulated in her contract The Lead Strategic Agent's base salary shall be TWO HUNDRED SEVENTY-FIVE THOUSAND, FOUR HUNDRED SIXTEEN DOLLARS AND ZERO CENTS (\$275,416) per year, plus THIRTEEN THOUSAND, SEVEN HUNDRED SEVENTY-ONE DOLLARS AND ZERO CENTS (\$13,771.00) for her doctorate stipend, TWELVE THOUSAND, FIVE HUNDRED TWELVE DOLLARS AND ZERO CENTS (\$12,512.00) for longevity. All other terms and conditions of the Contract for Employment, including those related to fringe benefits, are unchanged.

Vote by Board Members:

Approved by a Unanimous Vote

F.15 APPROVE SALARY INCREASE OF 1.07% FOR CONTRACT MANAGEMENT EMPLOYEE

Moved By Member O'Kelley

Seconded By Clerk Dominguez

Approve a salary increase for the Acting Superintendent that was given to the certificated management unit 1.07% effective July 1, 2024. Prior to voting on this item, consistent with Government Code section 54953, the Board President will orally report a summary of his salary/compensation provided under the contract.

Pursuant to Government Code 54953(c)(3), prior to taking final action, the Board must orally report a summary of a recommendation for action on the salary or compensation paid in the form of fringe benefits of a local agency executive before discussion and vote. The proposed recommendation is to approve a salary increase of 1.07% July 1, 2024, for the Acting Superintendent as stipulated in his contract. The Acting Superintendent's base salary shall be THREE HUNDRED EIGHTEEN THOUSAND, THREE HUNDRED SEVENTY-ONE DOLLARS AND ZERO CENTS (\$318,371) per year, plus FIFTEEN THOUSAND, NINE HUNDRED NINETEEN DOLLARS AND ZERO CENTS (\$15,919.00) for his doctorate stipend, TWELVE THOUSAND, FIVE HUNDRED TWELVE DOLLARS AND ZERO CENTS (\$12,512.00) for longevity. All other terms and conditions of the Contract for Employment, including those related to fringe benefits, are unchanged.

Vote by Board Members:

Approved by a Unanimous Vote

G. OTHER COMMENTS

G.1 PUBLIC COMMENTS NOT ON THE AGENDA

At this time, any person wishing to speak on any item **not on** the Agenda will be granted three minutes.

Maurice Bowers, a Community Member, shared that it was brought to his attention that his comments at the last Board meeting may have caused a negative impression of the USC Literacy Program. He explained that it was never his intention to cause any disrespect to the program or the student performer. He congratulated the young man who performed and knows that his talent will continue to shine. He wished him a promising future. He thanked the District for the USC Literacy Program and said that it is his sincere hope that the program continues. He spoke of the many successes of the RUSD graduating students and said it is a reflection of the District's support. He also shared that he will be joining the next USC Family cohort in the fall and looks forward to the program.

G.2 COMMENTS FROM ASSOCIATION EXECUTIVE BOARD MEMBERS

- Rialto Education Association (REA)
- California School Employees Association (CSEA)
- Communications Workers of America (CWA)

- Rialto School Managers Association (RSMA)

Chris Cordasco California School Employees Association (CSEA), thanked the Board for approving the settlement agreement for Rialto Education Association. He was happy to report that CSEA has also reached a settlement on their contract, and he will take it to his members for voting in the upcoming weeks. He will also be taking the Class and Comp for voting and a few other Memorandums of Understanding.

G.3 COMMENTS FROM THE ACTING SUPERINTENDENT

G.4 COMMENTS FROM MEMBERS OF THE BOARD OF EDUCATION

H. ADJOURNMENT

The next regular meeting of the Board of Education of the Rialto Unified School District will be held on August 14, 2024, at 7:00 p.m. at the Dr. John Kazalunas Education Center, 182 East Walnut Ave, Rialto, California.

Materials distributed or presented to the Board of Education at the Board Meeting are available upon request from the Superintendent's Office.

Moved By Clerk Dominguez

Seconded By Member O'Kelley

Prior to adjournment, the Board requested a moment of silence to honor Mr. Richard Flora, Kolb Middle School Teacher; Mr. Thomas Torrence, Director of Maintenance & Operations; and Mr. Armand Messer, Principal of Eisenhower High School, who passed away within the last month.

Vote by Board Members to adjourn:

Time: 8:09 p.m.

Approved by a Unanimous Vote

Clerk, Board of Education

Secretary, Board of Education



**Board of Education Agenda
August 14, 2024**

AUTHORIZE THE PURCHASE, WARRANTY, AND INSTALLATION OF HARDWARE, HARDWARE MAINTENANCE, AND SOFTWARE FROM CONVERGEONE, INC. UTILIZING CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS) NUMBER 3-24-07-1005

BACKGROUND:

The purpose of this agenda item is to seek Board approval to utilize a CMAS contract awarded to ConvergeOne, Inc. The District can, without going to bid, utilize such contracts pursuant to California Public Contract Code Sections 20118 and 10298. District staff have reviewed contracts available for use by the District through CMAS, National Association of State Procurement Officials (NASPO) and awarded public contracts from other Public Agencies and determined that the contract prices offered by ConvergeOne, Inc. under CMAS Agreement No. 3-24-07-1005 to be fair, reasonable, and competitive. The CMAS contract expires on January 14, 2028.

REASONING:

The CMAS agreement with ConvergeOne, Inc. will allow the District to purchase Chromebooks, laptops, computers, and similar hardware and software to support student learning and District operations. CMAS contracts ensure that only financially strong, responsive vendors, specifically trained and approved by the manufacturer will be allowed to sell and install the materials purchased through the CMAS contract. CMAS contracts are utilized statewide by both California state and local government agencies under delegated authority from the Department of General Services, Procurement Division, in accordance with Public Contract Code (PCC) Sections 10290, et. seq., and Section 12101.5. There is no administration fee as all costs are assessed to the supplier.

RECOMMENDATION:

Approve the use of California Multiple Award Schedule (CMAS) Number 3-24-07-1005 from ConvergeOne, Inc. at a cost to be determined at the time of purchase and to be paid using various funds.

SUBMITTED/REVIEWED BY: Ricardo G. Salazar/Diane Romo



**Board of Education Agenda
August 14, 2024**

**APPROVE CHANGE ORDER NO. 2 FOR RDM ELECTRICAL CO., INC.
FOR THE TWO (2) TWO-STORY CLASSROOM BUILDINGS PROJECT AT
EISENHOWER HIGH SCHOOL**

BACKGROUND:

On May 10, 2023, the District released Bid No. 22-23-013 as a multi prime bid for the construction of two (2) two-story classroom buildings at Eisenhower High School. RDM Electrical Co., Inc., was selected as the lowest responsible bidder for Bid Package No. 17 for Electrical & Low Voltage for an original contract amount of \$5,848,000.00.

On April 10, 2024, the Board of Education approved Change Order No. 1 in the amount of \$347,803.00 for the rerouting of low voltage and power conduits and additional scope for the EMS systems for a revised contract amount of \$6,195,803.00.

REASONING:

Change Order No. 2 covers the expenses related to implementing upgrades and modifications for the E-Sports Lab, including adjustments and additional scope for equipment and audiovisual enhancements.

Due to the various changes, it is necessary to increase the contract by an additional \$107,490.00, a 1.74% change, for a revised contract amount of \$6,303,293.00.

RECOMMENDATION:

Approve Change Order No. 2 for RDM Electrical Co., Inc. in the amount of \$107,490.00 for a revised contract amount of \$6,303,293.00, for the Two (2) Two-Story Classroom Buildings Project at Eisenhower High School, and to be paid from Fund 21 – Building Fund and Fund 25 – Capital Facilities Fund.

SUBMITTED/REVIEWED BY: Angie Lopez/Diane Romo



**Board of Education Agenda
August 14, 2024**

**APPROVE CHANGE ORDER NO. 1 FOR PERFECTION GLASS, INC.
FOR THE TWO (2) TWO-STORY CLASSROOM BUILDINGS PROJECT AT
EISENHOWER HIGH SCHOOL**

BACKGROUND:

On May 10, 2023, the District released Bid No. 22-23-013 as a multi prime bid for the construction of two (2) two-story classroom buildings at Eisenhower High School for a total cost of \$33,654,853.00.

Perfection Glass, Inc., was selected as the lowest responsible bidder for Bid Package No. 9 for Glazing, Aluminum Storefront & Curtain Wall Panels for an original contract amount of \$1,943,000.00.

REASONING:

During the construction phase, District staff raised concerns about the motorized window shades planned for the project, noting that they are not a district standard and could pose maintenance issues in the future. Consequently, District staff decided to omit the motorized window shades and replace them with prefinished tinted glaze windows.

Due to the design changes, it is necessary to increase the contract by an additional \$116,085.00, a 5.97% change, for a revised contract amount of \$2,059,085.00.

RECOMMENDATION:

Approve Change Order No. 1 for Perfection Glass, Inc. in the amount of \$116,085.00 for a revised contract amount of \$2,059,085.00, for the Two (2) Two-Story Classroom Buildings Project at Eisenhower High School, and to be paid from Fund 21 – General Obligation (G.O.) Bond and Fund 25 – Capital Facilities Fund.

SUBMITTED/REVIEWED BY: Angie Lopez/Diane Romo



**Board of Education Agenda
August 14, 2024**

**APPROVE DEDUCTIVE CHANGE ORDER NO. 1 FOR HAMEL CONCRETE, INC.,
FOR THE TWO (2) TWO-STORY CLASSROOM BUILDINGS PROJECT AT
EISENHOWER HIGH SCHOOL**

BACKGROUND:

On May 10, 2023, the District released Bid No. 22-23-013 as a multi prime bid for the construction of two (2) two-story classroom buildings at Eisenhower High School for a total cost of \$33,654,853.00.

Hamel Concrete, Inc., was selected as the lowest responsible bidder for Bid Package No. 20 for Specialties, General Construction for an original contract amount of \$2,037,983.00.

REASONING:

A deductive change order is typically issued when changes in the project results in decrease of scope or cost. It is a method to formally document changes that produces a credit or deduction to the original contract amount.

The Deductive Change Order No. 1 is a credit in the amount of \$167,668.24 for omitting the motorized window shades planned for the project, as District staff raised concerns that it could pose maintenance issues in the future and noted that they are not a district standard.

RECOMMENDATION:

Approve Deductive Change Order No. 1 for Hamel Concrete Inc., in the amount of \$167,668.24 and revise the contract amount from \$2,037,983.00 to \$1,870,314.76, for the Two (2) Two-Story Classroom Buildings Project at Eisenhower High School.

SUBMITTED/REVIEWED BY: Angie Lopez/Diane Romo



**Board of Education Agenda
August 14, 2024**

**APPROVE CHANGE ORDERS AND FILE A NOTICE OF COMPLETION
FOR TERRA PAVE INC**

BACKGROUND:

On October 25, 2023, the Board of Education awarded Bid Package Bid No. 23-24-005 District Office and Enrollment Center Asphalt Project to Terra Pave Inc., at a cost not to exceed \$1,512,000.00.

REASONING:

During the course of the project, the District required two Change Orders. Change Order No. 1 in the amount of \$23,350.00 and Change Order No. 2 in the amount of \$9,716.00 due to unforeseen circumstances. The Change Orders were accepted by the District and the new contract amount was increased to \$1,545,066.00. The project was duly completed and accepted by M&O District staff on June 17, 2024. The Notice of Completion, when filed with the County Recorder, will begin a thirty-five (35) day period for Stop Notice filing after which the final payment to the contractor may be released.

RECOMMENDATION:

Approve Change Orders for Terra Pave Inc., No. 1 in the amount of \$23,350.00, Change Order No. 2 in the amount of \$9,716.00, and revise the awarded contract amount from \$1,512,000.00 to \$1,545,066.00 to be paid from the General Fund (Routine Repair Maintenance Account). Accept the work completed on June 17, 2024, by Terra Pave Inc. for the District Office and Enrollment Center Asphalt Project and authorize District staff to file a Notice of Completion with the San Bernardino County Recorder.

SUBMITTED/REVIEWED BY: Matt Carter/Diane Romo



**Board of Education Agenda
August 14, 2024**

RATIFY THE APPROVAL FOR THE PURCHASE OF STUDENT CHROMEBOOK DEVICES USING CALIFORNIA MULTIPLE AWARD SCHEDULE (CMAS) 3-24-07-1005 AWARDED TO CONVERGEONE, INC.

BACKGROUND:

The District reviews and presents to the Board various intergovernmental contracts for purchasing items and services such as computers, custodial supplies, and furniture. These contracts, awarded by other government agencies, offer competitive pricing and a larger catalog of items, benefiting the District when making regular purchases. Items not available through intergovernmental contracts, or when the District can secure a better value, are purchased through a competitive process administered by the District. These awarded contracts often span several years, during which items may be discontinued or upgraded due to changes in technology, manufacturing, or material availability. This necessitates multiple amendments and contract changes to maintain the contract's validity and allow other public agencies to continue using them.

REASONING:

On January 30, 2024, the District accepted a proposal from ConvergeOne for the purchase of 380 Dell Latitude 5430 Chromebooks and required licenses under an agreement awarded to Dell Marketing, L.P. However, the inventory for the Dell devices was depleted by the time the vendor fulfilled the District's order, resulting in a substitution request for Acer Spin 714 models, which are comparable to the Dell Latitude. In the updated proposal, the vendor noted a different contract number since the initial contract was specific to Dell equipment, and the substituted items are from Acer Manufacturing. District staff confirmed that the referenced contract was approved for use by the District Board of Education.

As part of the District's due diligence, when the District received the devices on June 26, 2024, staff reviewed the purchase order, packing slip, and invoice to ensure all items were properly gathered to pay the vendor. Upon review, the District was unable to confirm the Acer devices listed under the referenced agreement, and the vendor confirmed the items were listed on a different agreement, not the one referenced in the updated proposal.

Given the long lead time for Chromebook devices, students would not have received the devices in time for the start of school. To minimize the impact on students and District staff, the District kept the Chromebook devices and prepared them during the summer for student distribution during the first week of school. The District also worked with the

vendor to ensure a proper intergovernmental contract was used for the purchase of the devices. The referenced contract had not been approved for use by the District, prompting the need for a ratified approval.

RECOMMENDATION:

Ratify the purchase of student Chromebook devices from ConvergeOne, Inc. utilizing California Multiple Award Schedule (CMAS) 3-24-07-1005 at a cost of \$433,613.94 and to be paid from the General Fund (ELOP).

SUBMITTED/REVIEWED BY: Ricardo G. Salazar/Diane Romo



**Board of Education Agenda
August 14, 2024**

**RATIFY AN AGREEMENT WITH PRACTI-CAL MEDI-CAL LOCAL EDUCATION
AGENCY BILLING OPTION PROGRAM**

BACKGROUND:

The Medi-Cal Billing Option Program allows school districts to receive federal financial participation (FFP) reimbursement for health-related services provided by qualified medical practitioners to students receiving special education services and are on Medi-Cal. The practitioners include Speech Therapists, School Psychologists, Occupational Therapists, Physical Therapists, Health Aides, LVNs and School Nurses. Practi-Cal supports RUSD in claiming reimbursement for these services.

REASONING:

RUSD has partnered with Practi-Cal to provide web-based Electronic Health Record (EHR)-SpEdCare documentation platform and to maximize billing reimbursement. Practi-Cal offers comprehensive Local Education Agency (LEA) Billing Option Program Services to California School Districts. This support includes full compliance with HIPAA, FERPA, and AB1584, safeguarding sensitive student information, maintaining stringent privacy standards, data collection, transmission, eligibility verification, claims reconciliation, as well as staff training and support provided by their consultants.

RECOMMENDATION:

To provide Medi-Cal billing support, effective July 1, 2024 through June 30, 2025, at a cost not-to-exceed \$212,653.00, and to be paid from the General Fund.

SUBMITTED/REVIEWED BY: Cecilia Gutierrez/Patricia Chavez, Ed.D.



**Board of Education Agenda
August 14, 2024**

APPROVE THE AMENDMENT TO THE AGREEMENT WITH THINK TOGETHER INC.

BACKGROUND:

On July 10, 2019 the Board of Education approved a five-year agreement with Think Together Inc. to provide After School and Enrichment for Teens (ASSETS) for Eisenhower High School, effective July 1, 2019, through June 30, 2024, for \$237,500.00, for each fiscal year and to be paid from the ASSET Grant.

REASONING:

An amendment to the agreement is needed due to a one time grant fund increase awarded by the state of \$60,000.00. This increase is congruent with the original agreed upon contract for services.

RECOMMENDATION:

Approve the grant award increase of the original agreement to provide After School and Enrichment for Teens (ASSETS) for Eisenhower High School from \$237,500.00 with an additional amount of \$60,000.00, effective August 15, 2024 through December 31, 2024, for a total grant award of \$297,500.00.

SUBMITTED/REVIEWED BY: Norberto Perez/Edward D'Souza, Ph.D.



**Board of Education Agenda
August 14, 2024**

APPROVE A RENEWAL AGREEMENT WITH EXPLORE LEARNING GIZMOS

BACKGROUND:

Explore Learning offers STEM digital learning spaces. Their library consists of over 500 STEM simulations and virtual labs that are congruent with the Next Generation Science Standards. These resources enable students to develop a strong conceptual understanding in math and science. A study in 2023 across 93 California high schools found evidence that the usage of Gizmos was significantly correlated with passing rates. Students at schools with higher Gizmos usage were 1.3 times more likely to meet or exceed California Science Test proficiency. The study also showed that the amount of usage was related to outcomes, with more usage significantly associated with higher achievement. In Rialto, schools that reported more frequent Gizmos usage scored higher on their preliminary California Science Test (CAST) results. Furthermore, a survey of secondary science teachers indicated that there is a consensus among the team that teachers would like to renew the Explore Learning Agreement.

REASONING:

After exploring the adopted curriculum such as McGraw-Hill for middle school and STEMscopes and Savvas for high school, teachers believe that the inquiry-based simulations remain a valuable supplemental tool, especially for exploring abstract content that doesn't allow for deep hands-on inquiry. Topics such as Cell Division, DNA building, RNA and protein synthesis, human karyotyping, reaction equilibrium, energy conversion, nuclear decay, and waves benefit from these inquiry-based simulations. The simulations encourage deeper understanding and allow individual students to manipulate variables and obtain unique results, enabling all students to become active learners who participate in building their understanding. At a cost of less than \$12 per student, the science leadership team further believes that incorporating these labs into the new Scope and Sequences would allow science students in alternative environments such as home hospital, Special Day Classes, summer school, or various intervention models to safely engage in labs.

RECOMMENDATION:

To provide Explore Learning Gizmos for all students in grades 6-12 for virtual labs, effective August 15, 2024 through June 30, 2027, at a cost not-to-exceed \$116,300.00, and to be paid from the General Fund.

SUBMITTED/REVIEWED BY: Juanita Chan-Roden/Patricia Chavez, Ed.D.



**Board of Education Agenda
August 14, 2024**

APPROVE A RENEWAL AGREEMENT WITH SCHOLASTIC

BACKGROUND:

Scholastic is the world's largest publisher and distributor of children's books. They connect educators and families through accessibility, engagement, and expertise. Scholastic is a leading provider of literacy curricula, professional services, and classroom magazines. They also produce educational and popular children's media. Currently, Scholastic is present in 115,000 schools, reaching 3.8 million educators, 54 million students, and 78 million parents/caregivers domestically. Scholastic provides targeted solutions for use in every area of the literacy block, featuring a wide range of authentic text and research-based instruction. For the past several years, Education Services has utilized a product called "Literacy Pro" which makes independent reading time meaningful and engaging for students in all of our elementary schools.

REASONING:

Offering the "Literacy Pro" program through Scholastic is congruent with our District's focus on supporting our students with literacy. It is also congruent with Strategy I of our District's Strategic Plan, "We will provide a rigorous and relevant learning experience to ensure each student's holistic development." During the 2023-2024 school year, utilizing Literacy Pro, students at the elementary school level spent over one million (1,000,000) minutes reading over 63,000 digital books. In addition, students scored an average of 75% on the "Think More" comprehension quizzes. Internal literacy assessments showed increased student performance this year.

RECOMMENDATION:

To provide Literacy Pro for all elementary schools, effective August 15, 2024 through June 30, 2025, at a cost not-to-exceed \$71,918.00, and to be paid from the General Fund (Title IV).

SUBMITTED/REVIEWED BY: Kevin Hodgson, Ed.D./Patricia Chavez, Ed.D.



**Board of Education Agenda
August 14, 2024**

APPROVE A RENEWAL AGREEMENT WITH N2Y, LLC

BACKGROUND:

Since 2020, the district has used N2Y, LLC to provide the Unique Learning Systems (ULS) curriculum designed for students with moderate to severe disabilities. This curriculum consists of content connectors outlined to state standards and meets the state requirements for the Alternative High School Diploma for students with disabilities; this curriculum is for grades K through 12 and transition classes. N2Y, LLC provides training on how to navigate through the curriculum and its implementation to all moderate to severe special education teachers, special education coordinators, and site administrators.

REASONING:

Throughout the 2020-2021 school year, 90% of all special education teachers utilized this curriculum. The District recommends the purchase of a multi-year license to continue using N2Y, LLC from August 15, 2024 through June 30, 2027, at the cost of \$78,839.18 for the first (1) year, \$82,781.18, for the second (2) year and \$86,920.38 for the third (3) year.

RECOMMENDATION:

To provide curriculum licenses and professional development training, effective August 15, 2024 through June 30, 2027, at a cost not-to-exceed \$259,040.83, and to be paid from the General Fund.

SUBMITTED/REVIEWED BY: Sonya Scott, Ed.D./Patricia Chavez, Ed.D.



**Board of Education Agenda
August 14, 2024**

**APPROVE A RENEWAL AGREEMENT WITH MCGRAW HILL LLC - ACHIEVE 3000 –
RIALTO HIGH SCHOOL**

BACKGROUND:

Achieve3000 is an ed-tech company based in New Jersey that was founded in 2000. The company has been a pioneer in the use of differentiated instruction both inside and outside the classroom. Their mission is to unlock potential and accelerate learning for every student. Achieve3000 offers a comprehensive suite of digital solutions that significantly accelerate and deepen learning in literacy, math, science, and social studies. Their model is based on differentiated content and instruction, and their digital solutions accelerate and deepen learning for all students, especially the most vulnerable. The key benefits of Achieve3000 solutions include accelerating learning growth, promoting deeper learning, providing equity and access for all, offering culturally relevant content, being designed for maximum flexibility, and delivering proven learning gains.

REASONING:

Based on current data from Achieve 3000 using the Lexile reading measure, Rialto High School students have shown significant improvement in their literacy growth. The Lexile measure is a widely used method by schools to assess a student's reading ability. It serves two unique functions: it measures the difficulty of a text and a student's reading ability level. In August, the Lexile measure for ninth grade students was 787, and by the end of the school year in May, it had increased to 886. For tenth grade students, the Lexile measure started at 870 and ended the school year at 915. eleventh-grade students began at 917 and finished the school year at 1023, while twelfth-grade students started at 976 and finished at 1038. This program is congruent with our Student Plan for Student Achievement (SPSA), helping teachers use data to pinpoint a focus, define that focus, and implement action steps to achieve it, as in RACE (restate, answer, cite, and elaborate). RHS aims to provide students with access to activities and events that will enhance their understanding of literacy across all subjects.

RECOMMENDATION:

To provide support for Rialto High School students for the 2024-2025 school year, effective August 15, 2024 through June 30, 2025, at a cost not-to-exceed \$91,090.85, and to be paid from the General Fund (Title I).

SUBMITTED/REVIEWED BY: Caroline Sweeney, Ed.D./Patricia Chavez, Ed.D.



**Board of Education Agenda
August 14, 2024**

**APPROVE A RENEWAL AGREEMENT WITH SUSANNE SMITH ROLEY, OTD,
OTR/L, FAOTA**

BACKGROUND:

Dr. Susanne Smith Roley's team provides evaluation and consultation for children and young adults, ages 0-21 years, with a diverse array of abilities. They provide thorough evaluations privately for families and Independent Educational Evaluations for school districts in the greater Southern California area. Dr. Roley is an internationally recognized expert in child development and sensory integration, bringing over 40 years of experience to her work with children and families.

REASONING:

To ensure the District complies with Federal and State mandates, Special Education Regulations 34 CFR § 300.502 allows parents to request an Independent Education Evaluation (IEE) at public expense. Susanne Smith Roley, OTD, OTR/L, FAOTA, offers services for Independent Education Evaluations (IEEs) in the area of Occupational Therapy when parents disagree with the assessment or per the settlement agreement.

RECOMMENDATION:

To complete services in the 2024-2025 school year, effective August 15, 2024 through June 30, 2025, at a cost not-to-exceed \$72,000.00, and to be paid from the General Fund.

SUBMITTED/REVIEWED BY: Sonya Scott, Ed.D./Patricia Chavez, Ed.D.



**Board of Education Agenda
August 14, 2024**

APPROVE THE READING AND LITERACY AUTHORIZATION PROGRAM

BACKGROUND:

Common Core Standards require teachers to be able to help students use complex and varied texts to learn how to access and understand information. The District's focus is on literacy development and increasing the reading proficiency of students. The University of Southern California (USC) Reading and Literacy Added Authorization program is designed to help teachers become literacy experts.

REASONING:

The knowledge and skills teachers will acquire in the program will help them to:

- Plan K-12 Reading/Language Arts programs effectively;
- Diagnose reading difficulties using a battery of assessments to identify students' reading needs;
- Analyze data from diagnostic tools to determine students' reading and writing needs;
- Apply the progression of reading and writing development in their instruction, and;
- Create and teach lessons to address students' identified reading and writing needs.

With these skills, teachers will be well prepared to help students develop into proficient readers and writers.

At the completion of the authorization program, teachers will be eligible to apply for the Reading and Literacy Added Authorization (RLAA) from the State of California Commission of Teacher Credentialing, which authorizes the holder to assess student reading and provide direct reading instruction.

Teachers who participate in the program will sign an agreement to teach in the District for three years after the completion of the Reading Authorization program.

The District was awarded a Reading and Literacy Added Authorization Grant from the California Commission on Teacher Credentialing to cover 50% of the program cost for participants.

RECOMMENDATION:

Approve to pay the registration fee for 65 teachers to enroll in the Reading and Literacy Authorization program provided by the University of Southern California (USC), from September 3, 2024 through June 30, 2025, at a cost of \$5,000.00 per participant including textbooks; not to exceed \$325,000.00, and to be paid from the General Fund (ESSER) and Reading and Literacy Added Authorization (RLAA) Grant Funds.

SUBMITTED/REVIEWED BY: Rhea McIver Gibbs, Ed.D.



RESOLUTION NO. 24-25-06

RESOLUTION OF THE BOARD OF EDUCATION OF THE RIALTO UNIFIED SCHOOL DISTRICT AUTHORIZING THE EXECUTION AND DELIVERY OF A GROUND LEASE, A LEASE AGREEMENT, A TRUST AGREEMENT, A CERTIFICATE PURCHASE AGREEMENT AND A CONTINUING DISCLOSURE AGREEMENT WITH RESPECT TO THE EXECUTION AND DELIVERY OF RIALTO UNIFIED SCHOOL DISTRICT CERTIFICATES OF PARTICIPATION (2024 KITCHEN AND MEETING FACILITIES FINANCING), AUTHORIZING THE EXECUTION AND DELIVERY OF SUCH CERTIFICATES EVIDENCING PRINCIPAL IN AN AGGREGATE AMOUNT OF NOT TO EXCEED \$55,000,000, AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND AN OFFICIAL STATEMENT IN CONNECTION THEREWITH AND AUTHORIZING THE EXECUTION OF NECESSARY DOCUMENTS AND CERTIFICATES AND RELATED ACTIONS

WHEREAS, the Rialto Unified School District (the “District”) desires to finance the acquisition, construction, installation, improvement and equipping of District central kitchen and meeting facilities (the “Project”);

WHEREAS, in order to finance the Project, the District will lease certain real property owned by the District and the improvements thereto (the “Property”) to the Rialto Unified School District School Facilities Corporation (the “Corporation”) pursuant to a Ground Lease (such Ground Lease, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Ground Lease”);

WHEREAS, the District will sublease the Property back from the Corporation pursuant to a Lease Agreement (such Lease Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Lease Agreement”);

WHEREAS, the District and the Corporation have determined that it would be in the best interests of the District and the Corporation to provide a portion of the funds necessary to finance the Project through the execution and delivery, pursuant to a Trust Agreement, by and among U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), the Corporation and the District, of the Rialto Unified School District Certificates of Participation (2024 Kitchen and Meeting Facilities Financing) (the

“Certificates”), evidencing direct, fractional undivided interests in the base rental payments to be made by the District under the Lease Agreement (such Trust Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Trust Agreement”);

WHEREAS, in connection with the execution and delivery of the Trust Agreement, the Corporation proposes to assign substantially all of its rights in the Ground Lease and Lease Agreement to the Trustee pursuant to an Assignment Agreement, by and between the Corporation and the Trustee (the “Assignment Agreement”);

WHEREAS, Piper Sandler & Co., as representative on behalf of itself and on behalf of Loop Capital Markets LLC, as underwriters (the “Underwriters”), has submitted to the District a proposal to purchase the Certificates in the form of a Certificate Purchase Agreement (such Certificate Purchase Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Certificate Purchase Agreement”);

WHEREAS, Rule 15c2-12 promulgated under the Securities Exchange Act of 1934 (“Rule 15c2-12”) requires that, in order to be able to purchase or sell the Certificates, the underwriter(s) thereof must have reasonably determined that the District has undertaken in a written agreement or contract for the benefit of the holders of the Certificates to provide disclosure of certain financial information and certain enumerated events on an ongoing basis;

WHEREAS, in order to cause such requirement to be satisfied, the District desires to enter into a Continuing Disclosure Agreement with U.S. Bank Trust Company, National Association, as Trustee and as Dissemination Agent (such Continuing Disclosure Agreement, in the form presented to this meeting, with such changes, insertions and omissions as are made pursuant to this Resolution, being referred to herein as the “Continuing Disclosure Agreement”);

WHEREAS, a form of the Preliminary Official Statement (the “Preliminary Official Statement”) to be distributed in connection with the public offering of the Certificates has been prepared;

WHEREAS, the Board of Education of the District (the “Board of Education”) has determined (a) that it may be in the best interest of the District to secure the timely payment of the principal and interest evidenced by the Certificates by obtaining a municipal bond insurance policy with respect thereto, and (b) that obtaining a reserve surety or reserve insurance policy for the Certificates in lieu of providing a cash funded reserve therefor may be economically advantageous to the District;

WHEREAS, in order to facilitate obtaining such a municipal bond insurance policy and reserve surety or reserve insurance policy, the District has caused to be incorporated into the Ground Lease, the Lease Agreement, the Assignment Agreement and the Trust Agreement the provisions typically required by the providers of such policies and sureties to be included therein in order to obtain such the same;

WHEREAS, there have been prepared and submitted to this meeting forms of:

- (a) the Ground Lease;
- (b) the Lease Agreement;
- (c) the Trust Agreement;
- (d) the Certificate Purchase Agreement;
- (e) the Continuing Disclosure Agreement; and
- (f) the Preliminary Official Statement;

WHEREAS, Section 42133(a) of the California Education Code (the “Education Code”) provides that a school district that has a qualified or negative certification in any fiscal year may not issue, in that fiscal year or in the next succeeding fiscal year, certificates of participation, unless the county superintendent of schools determines, pursuant to criteria established by the Superintendent of Public Instruction of the State of California, that the repayment of that indebtedness by the school district is probable;

WHEREAS, in the fiscal years ended June 30, 2023, and June 30, 2024, and in the fiscal year ending June 30, 2025, the District did not file, and does not expect to file, a qualified or negative certification and the San Bernardino County Superintendent of Schools (the “County Superintendent”) did not, and is not expected, to classify the District’s certifications for either such fiscal year to be qualified or negative;

WHEREAS, Section 17150.1(a) of the Education Code provides that (a) no later than 30 days before the approval by the governing board of a school district to proceed with the issuance of certificates of participation, the school district shall notify the county superintendent of schools and the county auditor, and (b) the superintendent of the school district shall provide information necessary to assess the anticipated effect of the debt issuance, including the repayment schedules for that debt obligation, the evidence of the ability of the school district to repay that obligation, and the delivery costs, to the county auditor, the county superintendent of schools, the governing board and the public;

WHEREAS, in accordance with Education Code Section 17150.1(a), no later than 30 days before the date hereof, the District caused notice of the proposed execution and delivery of the Certificates to be provided to the County Superintendent and the San Bernardino County Auditor Controller (the “County Auditor Controller”);

WHEREAS, in accordance with Education Code Section 17150.1(a), the Superintendent of the District caused to be provided information necessary to assess the anticipated effect of the execution and delivery of the Certificates, including the repayment schedules for the base rental payments evidenced by the Certificates, evidence of the ability of the District to repay such base rental payments, and the delivery costs of the Certificates, to the County Auditor Controller, the County Superintendent, the Board of Education and the public;

WHEREAS, Section 5852.1 of the California Government Code (the “Government Code”) requires that the Board of Education obtain from an underwriter, financial advisor or private lender and disclose, in a meeting open to the public, prior to authorization of the execution and delivery of the Certificates, good faith estimates of (a) the true interest cost of the Certificates, (b) the sum of all fees and charges paid to third parties with respect to the Certificates, (c) the amount of proceeds of the Certificates expected to be received net of the fees and charges paid to third parties and any reserves or capitalized interest paid or funded with proceeds of the Certificates, and (d) the sum total of all debt service payments to be evidenced by the Certificates calculated to the final payment date evidenced by the Certificates plus the fees and charges paid to third parties not paid with the proceeds of the Certificates;

WHEREAS, in compliance with California Government Code Section 5852.1, the Board of Education has obtained from California Financial Services, as the District’s municipal advisor (the “Municipal Advisor”), the required good faith estimates, which the Municipal Advisor has prepared in consultation with the Underwriters, and such estimates are disclosed and set forth in Exhibit A attached hereto; and

WHEREAS, the Board of Education desires to proceed to authorize the execution and delivery of such documents and the performance of such acts as may be necessary or desirable to effect the offering, sale and delivery of the Certificates;

NOW, THEREFORE, BE IT RESOLVED, by the Board of Education of the Rialto Unified School District, as follows:

Section 1. The foregoing recitals are true and correct, and the Board of Education so finds and determines.

Section 2. The form of the Ground Lease, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, is hereby approved. Each of the President of the Board of Education, the Clerk of the Board of Education, and such other member of the Board of Education as the President may designate, the Superintendent of the District, the Acting Superintendent of the District and the Lead Business Services Agent of the District, and such other officer of the District as the Superintendent, Acting Superintendent or Lead Business Services Agent may designate

(the “Authorized Officers”) is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name and on behalf of the District, to execute and deliver the Ground Lease in the form submitted to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Ground Lease by such Authorized Officer; provided, however, that the amount of the ground lease payment payable under the Ground Lease shall not exceed \$55,000,000 and the term of the Ground Lease shall not terminate later than December 1, 2039 (provided that such term may be extended as provided therein).

Section 3. The form of the Lease Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, is hereby approved. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name and on behalf of the District, to execute and deliver the Lease Agreement in the form submitted to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Lease Agreement by such Authorized Officer; provided, however, that the aggregate amount of the principal components of the base rental payments payable under the Lease Agreement shall not exceed \$55,000,000, the term of the Lease Agreement shall not terminate later than December 1, 2039 (provided that such term may be extended as provided therein), and the true interest cost applicable to the interest components of the base rental payments evidenced by the Certificates shall not exceed 5.0% per annum.

Section 4. The form of the Trust Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, is hereby approved. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name and on behalf of the District, to execute and deliver the Trust Agreement in the form submitted to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Trust Agreement by such Authorized Officer.

Section 5. The execution and delivery of the Certificates evidencing principal in an aggregate amount not to exceed \$55,000,000, payable in the years and in the amounts, and evidencing interest as specified in the Trust Agreement as finally executed, and with such additional or other series designations as may be approved by an Authorized Officer, are hereby authorized and approved.

Section 6. The form of the Certificate Purchase Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth herein is hereby approved. Each of the Authorized Officers is hereby authorized, and any one of the

Authorized Officers is hereby directed, for and in the name and on behalf of the District, to execute and deliver the Certificate Purchase Agreement in the form submitted to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Certificate Purchase Agreement by such Authorized Officer; provided, however, that the underwriters' discount (not including any original issue discount) for the sale of the Certificates shall not exceed 0.75% of the aggregate amount of principal evidenced by such Certificates.

Section 7. The form of the Continuing Disclosure Agreement, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, is hereby approved. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name and on behalf of the District, to execute and deliver the Continuing Disclosure Agreement in the form submitted to this meeting, with such changes, insertions and omissions as the Authorized Officer executing the same may require or approve, such requirement or approval to be conclusively evidenced by the execution of the Continuing Disclosure Agreement by such Authorized Officer.

Section 8. The Preliminary Official Statement, in substantially the form submitted to this meeting and made a part hereof as though set forth herein, with such changes, insertions and omissions therein as may be approved by an Authorized Officer, is hereby approved, and the use of the Preliminary Official Statement in connection with the offering and sale of the Certificates is hereby authorized and approved. Each of the Authorized Officers is hereby authorized to certify on behalf of the District that the Preliminary Official Statement is deemed final as of its date, within the meaning of Rule 15c2-12 (except for the omission of certain final pricing, rating and related information as permitted by Rule 15c2-12).

Section 9. The preparation and delivery of a final Official Statement (the "Official Statement"), and its use in connection with the offering and sale of the Certificates, is hereby authorized and approved. The Official Statement shall be in substantially the form of the Preliminary Official Statement, with such changes, insertions and omissions as may be approved by an Authorized Officer, such approval to be conclusively evidenced by the execution and delivery thereof. Each of the Authorized Officers is hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name of and on behalf of the District, to execute the final Official Statement and any amendment or supplement thereto.

Section 10. The Authorized Officers are each hereby authorized and directed (a) to apply for municipal bond insurance for the Certificates of one or more maturities and to obtain such insurance if the present value cost of such insurance is less than the present value of the estimated savings with respect to interest evidenced by such

Certificates resulting from the purchase of such insurance, (b) to apply for and obtain a reserve surety or reserve insurance policy to satisfy the reserve requirement for the Certificates, if obtaining such reserve surety or reserve insurance policy is economically advantageous, and (c) with respect to any such policy or surety, the Authorized Officers are each hereby authorized, and any one of the Authorized Officers is hereby directed, for and in the name and on behalf of the District, to enter into a commitment letter agreement with the provider of such policy or surety agreeing to the conditions to the issuance of such policy or surety by such provider set forth in such commitment letter agreement, acknowledging the limitations to the obligations of such provider set forth therein and accepting the manner in which any request for a renewal or continuation of such provider's commitment to issue such policy or surety is to be made.

Section 11. The Board of Education hereby approves the execution and delivery of all agreements, documents, certificates and instruments referred to herein with electronic signatures as may be permitted under the California Uniform Electronic Transactions Act and digital signatures as may be permitted under Section 16.5 of the California Government Code using DocuSign.

Section 12. The Authorized Officers and the officers and employees of the District are, and each of them is, hereby authorized and directed, for and in the name of the District, to do any and all things and to execute and deliver any and all documents and certificates that they or any of them deem necessary or advisable in order to consummate the transactions contemplated by this Resolution and otherwise to carry out, give effect to and comply with the terms and intent of this Resolution, including obtaining title insurance with respect to the Property and entering into an agreement to indemnify and hold the title insurance company harmless with respect to encumbrances recorded against the Property between the last title continuation as set forth in such agreement and the recording of the documents (or notice thereof) herein approved.

Section 13. All actions heretofore taken by the Authorized Officers and the officers, employees and agents of the District with respect to the Certificates, or in connection with or related to any of the agreements or documents referred to herein, are hereby approved, confirmed and ratified.

Section 14. This Resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the Board of Education of the Rialto Unified School District on August 14, 2024.

Joseph W. Martinez
President of the Board of Education
of the Rialto Unified School District

ATTEST:

Evelyn P. Dominguez, LVN
Clerk of the Board of Education
of the Rialto Unified School District

EXHIBIT A

GOOD FAITH ESTIMATES

The good faith estimates set forth herein are provided with respect to the Certificates in accordance with California Government Code Section 5852.1. Such good faith estimates have been provided to the District by California Financial Services, as the District's municipal advisor (the "Municipal Advisor"), which the Municipal Advisor has prepared in consultation with Piper Sandler & Co., as representative on behalf of itself and on behalf of Loop Capital Markets LLC, the underwriters.

Principal Amount. The Municipal Advisor has informed the District that, based on the District's financing plan and current market conditions, its good faith estimate of the aggregate principal amount evidenced by the Certificates to be sold is \$50,000,000 (the "Estimated Principal Amount"), which excludes any original issue premium or discount which may be generated with respect to the Certificates.

True Interest Cost of the Certificates. The Municipal Advisor has informed the District that, assuming that the Estimated Principal Amount evidenced by the Certificates is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the true interest cost of the Certificates, which means the rate necessary to discount the amounts payable on the respective principal and interest payment dates to the purchase price received for the Certificates, is 4.1%.

Finance Charge of the Certificates. The Municipal Advisor has informed the District that, assuming that the Estimated Principal Amount evidenced by the Certificates is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the finance charge for the Certificates, which means the sum of all fees and charges paid to third parties (or costs associated with the Certificates), is \$1,050,000.

Amount of Proceeds to be Received. The Municipal Advisor has informed the District that, assuming that the Estimated Principal Amount evidenced by the Certificates is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the amount of proceeds expected to be received by the District for the sale of the Certificates, less the finance charge of the Certificates, as estimated above, and any reserves or capitalized interest paid or funded with proceeds of the Certificates, is \$50,000,000.

Total Payment Amount. The Municipal Advisor has informed the District that,

assuming that the Estimated Principal Amount evidenced by the Certificates is sold, and based on market interest rates prevailing at the time of preparation of such estimate, its good faith estimate of the total payment amount, which means the sum total of all payments the District will make to pay debt service evidenced by the Certificates, plus the finance charge for the Certificates, as described above, not paid with the proceeds of the Certificates, calculated to the final payment date evidenced by the Certificates, is \$71,765,000.

The foregoing estimates constitute good faith estimates only and are based on market conditions prevailing at the time of preparation of such estimates. The actual principal amount evidenced by the Certificates executed and sold, the true interest cost thereof, the finance charges thereof, the amount of proceeds received therefrom and total payment amount with respect thereto may differ from such good faith estimates due to (a) the actual date of the sale of the Certificates being different than the date assumed for purposes of such estimates, (b) the actual principal amount evidenced by the Certificates sold being different from the Estimated Principal Amount, (c) the actual amortization of debt service evidenced by the Certificates being different than the amortization assumed for purposes of such estimates, (d) the actual market interest rates at the time of sale of the Certificates being different than those estimated for purposes of such estimates, (e) other market conditions, or (f) alterations in the District's financing plan, or a combination of such factors. The actual date of sale of the Certificates and the actual principal amount evidenced by the Certificates sold will be determined by the District based on the timing of the need for proceeds of the Certificates and other factors. The actual interest rates evidenced by the Certificates will depend on market interest rates at the time of sale thereof. The actual amortization of debt service evidenced by the Certificates will also depend, in part, on market interest rates and market conditions at the time of sale thereof. Market interest rates and market conditions are affected by economic and other factors beyond the control of the District.

CLERK’S CERTIFICATE

I, Evelyn P. Dominguez, Clerk of the Board of Education of the Rialto Unified School District, hereby certify that the foregoing is a full, true and correct copy of a Resolution duly adopted at a regular meeting of the Board of Education of said District duly held and conducted on August 14, 2024, of which meeting all of the members of said Board of Education had due notice and at which a quorum thereof was present and participated (in person or telephonically), and that at said meeting said Resolution was adopted by the following vote:

AYES: BOARD MEMBERS:
NOES: BOARD MEMBERS:
ABSTAIN: BOARD MEMBERS:
ABSENT: BOARD MEMBERS:

An agenda of the meeting was posted at least 72 hours before the meeting at 182 East Walnut Avenue, Rialto, California, a location freely accessible to members of the public, and on the Rialto Unified School District’s internet website, and a brief general description of said Resolution appeared on said agenda as well as information as to how members of the public could observe and address said meeting.

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

Dated: _____, 2024

Clerk of the Board of Education
of the Rialto Unified School District

SUBMITTED/REVIEWED BY: Diane Romo

**TO BE RECORDED AND WHEN
RECORDED RETURN TO:**

Orrick, Herrington & Sutcliffe LLP
355 South Grand Avenue, Suite 2700
Los Angeles, California 90071
Attention: Laura Gao

**THIS TRANSACTION IS EXEMPT FROM CALIFORNIA DOCUMENTARY TRANSFER TAX
PURSUANT TO SECTION 11929 OF THE CALIFORNIA REVENUE AND TAXATION CODE.
THIS DOCUMENT IS EXEMPT FROM RECORDING FEES PURSUANT TO SECTION 27383
OF THE CALIFORNIA GOVERNMENT CODE.**

GROUND LEASE

by and between

RIALTO UNIFIED SCHOOL DISTRICT

and

**RIALTO UNIFIED SCHOOL DISTRICT
SCHOOL FACILITIES CORPORATION**

Dated as of _____ 1, 2024

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GROUND LEASE

THIS GROUND LEASE (this “Ground Lease”), dated as of _____ 1, 2024, is by and between the RIALTO UNIFIED SCHOOL DISTRICT, a school district organized and existing under the laws of the State of California (the “District”), as lessor, and the RIALTO UNIFIED SCHOOL DISTRICT SCHOOL FACILITIES CORPORATION, a nonprofit public benefit corporation organized and existing under the laws of the State of California (the “Corporation”), as lessee.

WITNESSETH:

WHEREAS, the District desires to finance the acquisition, construction, installation, improvement and equipping of District central kitchen and meeting facilities (the “Project”);

WHEREAS, in order to finance the Project, the District will lease certain real property owned by the District and the improvements thereto (the “Property”) to the Corporation pursuant to this Ground Lease, and the District will sublease the Property back from the Corporation pursuant to a Lease Agreement, dated as of the date hereof (the “Lease Agreement”);

WHEREAS, the Property is more particularly described in Exhibit A hereto;

WHEREAS, a memorandum of the Lease Agreement is being recorded with the San Bernardino County Recorder concurrently with the recordation therewith of this Ground Lease;

WHEREAS, the District and the Corporation have determined that it would be in the best interests of the District and the Corporation to provide a portion of the funds necessary to finance the Project through the sale and delivery, pursuant to the Trust Agreement, dated as of the date hereof (the “Trust Agreement”), by and among U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), the Corporation and the District, of the Rialto Unified School District Certificates of Participation (2024 Kitchen and Meeting Facilities Financing) (the “Certificates”) evidencing direct, fractional undivided interests in the base rental payments to be made by the District under the Lease Agreement; and

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

NOW, THEREFORE, in consideration of the premises and of the mutual agreements and covenants contained herein and for other valuable consideration, the receipt of which is hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I

DEFINITIONS; RULES OF CONSTRUCTION

Section 1.01. Definitions. Except as otherwise defined herein, or unless the context clearly otherwise requires, words and phrases defined in Article I of the Lease Agreement shall have the same meanings in this Ground Lease.

Section 1.02. Rules of Construction. (a) The terms defined herein expressed in the singular shall, unless the context otherwise indicates, include the plural and vice versa.

(b) The use herein of the masculine, feminine or neuter gender is for convenience only and shall be deemed and construed to include correlative words of the masculine, feminine or neuter gender, as appropriate.

(c) References herein to a document shall include all amendments, supplements or other modifications to such document, and any replacements, substitutions or novation of, that document.

(d) Any term defined herein by reference to another document shall continue to have the meaning ascribed thereto whether or not such other document remains in effect.

(e) The use herein of the words “including” and “includes,” and words of similar import, shall be deemed to be followed by the phrase “without limitation.”

(f) Headings of Articles and Sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(g) All references herein to designated “Articles,” “Sections,” “Exhibits,” “subsections,” “paragraphs,” “clauses,” and other subdivisions are to the designated Articles, Sections, Exhibits, subsections, paragraphs, clauses, and other subdivisions of this Ground Lease.

(h) The words “hereof” (except when preceded by a specific Section or Article reference), “herein,” “hereby,” “hereunder,” “hereinabove,” “hereinafter,” and other equivalent words and phrases used herein refer to this Ground Lease and not solely to the particular portion hereof in which any such word is used.

(i) Any reference to a Person, or a Person in a specified capacity, shall be construed to include such Person’s successors or such Person’s successors in such capacity, as the case may be.

ARTICLE II

LEASE OF THE PROPERTY; RENTAL

Section 2.01. Lease of Property. The District hereby leases to the Corporation, and the Corporation hereby leases from the District, for the benefit of the Owners of the Certificates, the Property, subject only to Permitted Encumbrances, to have and to hold for the term of this Ground Lease.

Section 2.02. Rental. The Corporation shall pay, or cause to be paid, to the District as and for rental of the Property hereunder, the sum of not to exceed \$[PAR AMOUNT] (the “Ground Lease Payment”). The Ground Lease Payment shall be paid from the proceeds of the Certificates; provided, however, that in the event the available proceeds of the Certificates are not sufficient to enable the Corporation to pay such amount in full, the remaining amount of the Ground Lease Payment shall be reduced to an amount equal to the amount of the remaining available proceeds. The District shall deposit the Ground Lease Payment in one or more separate funds or accounts to be held and administered for the purpose of financing the Project.

The Corporation and the District hereby find and determine that the amount of the Ground Lease Payment does not exceed the fair market value of the leasehold interest in the Property that is conveyed hereunder by the District to the Corporation. No other amounts of rental shall be due and payable by the Corporation for the use and occupancy of the Property under this Ground Lease.

ARTICLE III

QUIET ENJOYMENT

The parties intend that the Property will be leased back to the District pursuant to the Lease Agreement for the term thereof. It is further intended that, to the extent provided herein and in the Lease Agreement, if a Lease Default Event occurs, the Corporation, or its assignee, will have the right, for the then remaining term of this Ground Lease to (a) take possession of the Property, (b) if it deems it appropriate, cause an appraisal of the Property and a study of the then reasonable use thereof to be undertaken, and (c) relet the Property. Subject to any rights the District may have under the Lease Agreement (in the absence of a Lease Default Event) to possession and enjoyment of the Property, the District hereby covenants and agrees that it will not take any action to prevent the Corporation from having quiet and peaceable possession and enjoyment of the Property during the term hereof and will, at the request of the Corporation and at the District's cost, to the extent that it may lawfully do so, join in any legal action in which the Corporation asserts its right to such possession and enjoyment.

ARTICLE IV

SPECIAL COVENANTS AND PROVISIONS

Section 4.01. Waste. At all times that the Corporation is in possession of the Property, the Corporation shall not commit, suffer or permit any waste on the Property and shall not willfully or knowingly use or permit the use of the Property for any illegal purpose or act.

Section 4.02. Further Assurances and Corrective Instruments. The District and the Corporation shall, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Property hereby leased or intended so to be or for carrying out the expressed intention of this Ground Lease, the Lease Agreement and the Trust Agreement.

Section 4.03. Waiver of Personal Liability. (a) All liabilities under this Ground Lease on the part of the Corporation shall be solely liabilities of the Corporation as a nonprofit public benefit corporation, and the District hereby releases each and every director, officer and employee of the Corporation of and from any personal or individual liability under this Ground Lease. No director, officer or employee of the Corporation shall, at any time or under any circumstances, be individually or personally liable under this Ground Lease to the District or to any other party whomsoever for anything done or omitted to be done by the Corporation hereunder.

(b) All liabilities under this Ground Lease on the part of the District shall be solely liabilities of the District as a school district, and the Corporation hereby releases each and every director, officer and employee of the District of and from any personal or individual liability under this Ground Lease. No director, officer or employee of the District shall at any time or under any circumstances be individually or personally liable under this Ground Lease to the Corporation or to any other party whomsoever for anything done or omitted to be done by the District hereunder.

Section 4.04. Taxes. The District shall pay any and all assessments of any kind or character and also all taxes, including possessory interest taxes, levied or assessed upon the Property.

Section 4.05. Right of Entry. The District reserves the right for any of its duly authorized representatives to enter upon the Property at any reasonable time to inspect the same.

Section 4.06. Representations of the District. The District represents to the Corporation, the Insurer and the Trustee as follows:

(a) the District has the full power and authority to enter into, to execute and to deliver this Ground Lease, and to perform all of its duties and obligations hereunder, and has duly authorized the execution of this Ground Lease;

(b) except for Permitted Encumbrances, the Property is not subject to any dedication, easement, right of way, reservation in patent, covenant, condition, restriction, lien or encumbrance that would prohibit or materially interfere with the use of the Property for school purposes as contemplated by the District;

(c) all taxes, assessments or impositions of any kind with respect to the Property, except current taxes, have been paid in full;

(d) the District has good and marketable fee simple to the Property; and

(e) the Property is necessary to the District in order for the District to perform its governmental function relating to public education.

Section 4.07. Representations of the Corporation. The Corporation represents to the District, the Insurer and the Trustee that the Corporation has the full power and authority to enter into, to execute and to deliver this Ground Lease, and to perform all of its duties and obligations hereunder, and has duly authorized the execution and delivery of this Ground Lease.

ARTICLE V

ASSIGNMENT, SELLING AND SUBLEASING; TITLE TO PROPERTY

Section 5.01. Assignment to Trustee; Third-Party Beneficiaries. (a) The District acknowledges and agrees that, upon the execution and delivery of the Assignment Agreement, which is occurring simultaneously with the execution and delivery hereof, substantially all of the right, title and interest of the Corporation in and to this Ground Lease will be sold, assigned and transferred to the Trustee for the benefit of the Owners of the Certificates. The District consents to such sale, assignment and transfer. Upon the execution and delivery of the Assignment Agreement, references in the operative provisions hereof to the Corporation shall be deemed to be references to the Trustee, as assignee of the Corporation.

(b) The District consents to the Trust Agreement and acknowledges and agrees to the rights of the Trustee and the Insurer as set forth therein.

(c) As a material inducement to the Trustee and the Insurer, the Corporation and the District agree that the Trustee and the Insurer shall be third-party beneficiaries of this Ground Lease.

Section 5.02. Assignment, Selling and Subleasing. This Ground Lease may be assigned or sold, and the Property may be subleased, as a whole or in part, by the Corporation, with the prior written consent of the Insurer, or at the direction of the Insurer (so long as the Insurer is not in default in its payment obligations under the Insurance Policy), without the necessity of obtaining the consent of the District, if a Lease Default Event occurs. The Corporation shall, within 30 days after such an assignment, sale or sublease, furnish or cause to be furnished to the District a true and correct copy of such assignment, sublease or sale, as the case may be.

Section 5.03. Restrictions on District. Except with respect to Permitted Encumbrances and except as provided in Section 8.04 hereof, the District shall not mortgage, sell, encumber, assign, transfer or convey the Property or any portion thereof during the term of this Ground Lease.

Section 5.04. Title to Property. The District shall hold and maintain good and marketable title to all of the Property during the term of this Ground Lease. If necessary, to maintain good and marketable title to Property, the District shall take all actions necessary, including eminent domain or condemnation proceedings or such other actions as the District deems appropriate, to ensure that title to the Property is good and marketable.

ARTICLE VI

IMPROVEMENTS

Title to all improvements made on the Property during the term hereof shall vest in the District, but shall be subject to the terms of this Ground Lease.

ARTICLE VII

TERM; TERMINATION

Section 7.01. Term. The term of this Ground Lease shall commence as of the date of commencement of the term of the Lease Agreement and shall remain in full force and effect from such date to and including the Scheduled Termination Date, June 1, 20[___], unless such term is extended or sooner terminated as hereinafter provided; provided, however, that, so long as no Lease Default Event shall have occurred and be continuing under the Lease Agreement, the term of this Ground Lease with respect to the High School Property shall terminate on the date the Written Certificate of the District required by Section 3.04(c) of the Trust Agreement is filed with the Trustee, unless such term is sooner terminated as hereinafter provided, and, from and after the date of such termination (i) the description of the High School Property set forth in Exhibit A hereto shall be deemed to have been deleted therefrom and the term "Property" shall, for all purposes hereof, be deemed not to include the High School Property, and (ii) all right, title and interest in and to the portion of the High School Property shall vest in the District (in connection with which, the Corporation shall execute such conveyances, deeds and other documents as may be necessary to effect such vesting of record).

Section 7.02. Extension; Early Termination. If, on the Scheduled Termination Date, the Certificates shall not be fully paid, or provision therefor made in accordance with Article X of the Trust Agreement, or the Trust Agreement shall not be discharged by its terms, or if the Rental Payments payable under the Lease Agreement shall have been abated at any time, then the term of this Ground Lease shall be automatically extended until the date upon which all Certificates shall be fully paid, or provision therefor made in accordance with Article X of the Trust Agreement, and the Trust Agreement shall be discharged by its terms, except that the term of this Ground Lease shall in no event be extended more than ten years beyond the Scheduled Termination Date. If, prior to the Scheduled Termination Date, all Certificates shall be fully paid, or provision therefor made in accordance with Article X of the Trust Agreement, and the Trust Agreement shall be discharged by its terms, the term of this Ground Lease shall end simultaneously therewith.

Section 7.03. Action on Default. In each and every case upon the occurrence and during the continuance of a default by the Corporation hereunder, the District shall have all the rights and remedies permitted by law, except the District, to the extent permitted by law, waives any and all rights to terminate this Ground Lease.

ARTICLE VIII

MISCELLANEOUS

Section 8.01. Notices. All written notices, statements, demands, consents, approvals, authorizations, offers, designations, requests or other communications hereunder shall be given to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other parties in writing from time to time, namely:

If to the District: Rialto Unified School District
182 East Walnut Avenue
Rialto, California 92376
Attention: Lead Business Services Agent

If to the Corporation: Rialto Unified School District
Facilities Corporation
182 East Walnut Avenue
Rialto, California 92376
Attention: Lead Business Services Agent

If to the Trustee: U.S. Bank Trust Company,
National Association
633 West Fifth Street, 24th Floor
Los Angeles, California 90071
Attention: Global Corporate Trust

If to the Insurer: _____

Attention: _____
Re: Policy Nos. _____
Telephone: _____
Telecopier: _____
E-mail: _____

In each case in which notice or other communication refers to an event of default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel of the Insurer and shall be marked to indicate "URGENT MATERIAL ENCLOSED" and shall also be sent to the attention of the General Counsel at the same address and at [_____] or at telecopier number [_____].

Each such notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication hereunder shall be deemed delivered to the party to whom it is addressed (a) if given by courier or delivery service or if personally served or delivered, upon delivery, (b) if given by registered or certified mail, return receipt requested, deposited with the United States mail postage prepaid, 72 hours after such notice is deposited with the United States mail, (c) if given by electronic mail, on the date sent, but only if confirmation of the receipt of such electronic mail is received or if notice is concurrently sent by another means specified herein, and (d) if given by any other means, upon delivery at the address specified in this Section.

Section 8.02. Binding Effect. This Ground Lease shall inure to the benefit of and shall be binding upon the District, the Corporation and their respective successors and assigns.

Section 8.03. Partial Invalidity. If any agreement, condition, covenant or term required herein to be observed or performed by or on the part of the District or the Corporation is, to any extent, held to be invalid or unenforceable in any jurisdiction, but the extent of such invalidity or unenforceability does not destroy the basis of the bargain between the parties as contained herein, the remainder of the agreements, conditions, covenants or terms required herein to be observed or performed by or on the part of the District or the Corporation, or the application of such agreements, conditions, covenants or terms to Persons or circumstances other than those as to which such agreement, condition, covenant or term is held invalid or unenforceable, shall not be affected by such invalidity or unenforceability, and each remaining agreement, condition, covenant and term required herein to be observed or performed by or on the part of the District and the Corporation shall be valid and shall be enforced to the fullest extent permitted by law.

Section 8.04. Amendments; Substitution and Release. This Ground Lease may be amended, changed, modified, altered or terminated (subject to the prior written consent of the Insurer) only in accordance with the provisions of the Lease Agreement. The District shall have the right to substitute alternate real property for the Property or to release portions of the Property as provided in the Lease Agreement.

Section 8.05. Governing Law. This Ground Lease shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

Section 8.06. Execution in Counterparts. This Ground Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Remainder of page left intentionally blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Ground Lease to be executed by their respective officers thereunto duly authorized, all as of the day and year first written above.

RIALTO UNIFIED SCHOOL DISTRICT

By: _____

**RIALTO UNIFIED SCHOOL DISTRICT
SCHOOL FACILITIES CORPORATION**

By: _____

[Signature Page to Ground Lease]

EXHIBIT A

DESCRIPTION OF THE PROPERTY

All that real property situated in the County of San Bernardino, State of California, described as follows, together with any improvements thereto:

High School Property*:

[To come]

Central Kitchen Property:

[To come]

[END OF LEGAL DESCRIPTION OF REAL PROPERTY]

The above-described parcels are commonly referred to as [Wilmer Amina Carter High School, located at 2630 N. Linden Avenue, Rialto, California 92377 and the land on which the central kitchen and meeting facilities of the District are to be constructed, located at 625 W. Foothill Blvd., Rialto, CA 92376].

* The Ground Lease provides that, so long as no Lease Default Event shall have occurred and be continuing under the Lease Agreement, the term of this Ground Lease with respect to the High School Property shall terminate on the date the Written Certificate of the District required by Section 3.04(c) of the Trust Agreement is filed with the Trustee, unless such term is sooner terminated as hereinafter provided, and, from and after the date of such termination (i) the description of the High School Property set forth in this Exhibit A shall be deemed to have been deleted herefrom and the term "Property" shall, for all purposes hereof, be deemed not to include the High School Property, and (ii) all right, title and interest in and to the portion of the High School Property shall vest in the District.

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN BERNARDINO)

On _____, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[Seal]

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

STATE OF CALIFORNIA)
) ss
COUNTY OF SAN BERNARDINO)

On _____, before me, _____, Notary Public, personally appeared _____, who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

[Seal]

CERTIFICATE OF ACCEPTANCE

This is to certify that the interest in real property conveyed by the Ground Lease, dated as of _____ 1, 2024, by and between the Rialto Unified School District, a school district organized and existing under the laws of the State of California (the “District”), and the Rialto Unified School District School Facilities Corporation, a nonprofit public benefit corporation organized and existing under the laws of the State of California (the “Corporation”), from the District to the Corporation, is hereby accepted by the undersigned on behalf of the Corporation pursuant to authority conferred by resolution of the Board of Directors of the Corporation adopted on August 14, 2024, and the Corporation consents to recordation thereof by its duly authorized officer.

Dated: _____, 2024

**RIALTO UNIFIED SCHOOL DISTRICT
SCHOOL FACILITIES CORPORATION**

By: _____

LEASE AGREEMENT

by and between

RIALTO UNIFIED SCHOOL DISTRICT

and

**RIALTO UNIFIED SCHOOL DISTRICT
SCHOOL FACILITIES CORPORATION**

Dated as of _____ 1, 2024

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LEASE AGREEMENT

THIS LEASE AGREEMENT (this “Lease Agreement”), dated as of _____ 1, 2024, is by and between the RIALTO UNIFIED SCHOOL DISTRICT, a school district organized and existing under the laws of the State of California (the “District”), as lessee, and the RIALTO UNIFIED SCHOOL DISTRICT SCHOOL FACILITIES CORPORATION, a nonprofit public benefit corporation organized and existing under the laws of the State of California (the “Corporation”), as lessor.

W I T N E S S E T H:

WHEREAS, the District desires to finance the acquisition, construction, installation, improvement and equipping of District central kitchen and meeting facilities (the “Project”);

WHEREAS, in order to finance the Project, the District will lease certain real property owned by the District and the improvements thereto (the “Property”) to the Corporation pursuant to a Ground Lease, dated as of the date hereof (the “Ground Lease”), and the District will sublease the Property back from the Corporation pursuant to this Lease Agreement;

WHEREAS, the Property is more particularly described in Exhibit B hereto;

WHEREAS, the District and the Corporation have determined that it would be in the best interests of the District and the Corporation to provide a portion of the funds necessary to finance the Project through the sale and delivery, pursuant to the Trust Agreement, dated as of the date hereof (the “Trust Agreement”), by and among U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), the Corporation and the District, of the Rialto Unified School District Certificates of Participation (2024 Kitchen and Meeting Facilities Financing) (the “Certificates”) evidencing direct, fractional undivided interests in the base rental payments to be made by the District under this Lease Agreement; and

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

NOW, THEREFORE, in consideration of the premises and of the mutual agreements and covenants contained herein and for other valuable consideration, the receipt of which is hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I

DEFINITIONS; RULES OF CONSTRUCTION

Section 1.01. Definitions. Certain terms are defined in Exhibit A attached hereto and by this reference incorporated herein. Unless the context otherwise requires, the terms defined in Exhibit A hereto shall, for all purposes of this Lease Agreement, have the meanings herein specified.

Section 1.02. Rules of Construction. (a) The terms defined herein expressed in the singular shall, unless the context otherwise indicates, include the plural and vice versa.

(b) The use herein of the masculine, feminine or neuter gender is for convenience only and shall be deemed and construed to include correlative words of the masculine, feminine or neuter gender, as appropriate.

(c) References herein to a document shall include all amendments, supplements or other modifications to such document, and any replacements, substitutions or novation of, that document.

(d) Any term defined herein by reference to another document shall continue to have the meaning ascribed thereto whether or not such other document remains in effect.

(e) The use herein of the words “including” and “includes,” and words of similar import, shall be deemed to be followed by the phrase “without limitation.”

(f) Headings of Articles and Sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(g) All references herein to designated “Articles,” “Sections,” “Exhibits,” “subsections,” “paragraphs,” “clauses,” and other subdivisions are to the designated Articles, Sections, Exhibits, subsections, paragraphs, clauses, and other subdivisions of this Lease Agreement.

(h) The words “hereof” (except when preceded by a specific Section or Article reference), “herein,” “hereby,” “hereunder,” “hereinabove,” “hereinafter,” and other equivalent words and phrases used herein refer to this Lease Agreement and not solely to the particular portion hereof in which any such word is used.

(i) Any reference to a Person, or a Person in a specified capacity, shall be construed to include such Person’s successors or such Person’s successors in such capacity, as the case may be.

ARTICLE II

LEASE OF PROPERTY; TERM

Section 2.01. Lease of Property. (a) The Corporation hereby leases to the District and the District hereby leases from the Corporation the Property, on the terms and conditions herein set forth, and subject to all Permitted Encumbrances.

(b) The leasing of the Property by the District to the Corporation pursuant to the Ground Lease shall not effect or result in a merger of the District's leasehold estate in the Property as lessee under this Lease Agreement and its fee estate in the Property as lessor under the Ground Lease, and the Corporation shall continue to have a leasehold estate in the Property pursuant to the Ground Lease throughout the term thereof and hereof. This Lease Agreement shall constitute a sublease with respect to the Property. The leasehold interest in the Property granted by the District to the Corporation pursuant to the Ground Lease is and shall be independent of this Lease Agreement; this Lease Agreement shall not be an assignment or surrender of the leasehold interest in the Property granted to the Corporation under the Ground Lease.

Section 2.02. Term; Occupancy. (a) The District shall take possession of the Property on the Delivery Date.

(b) The term of this Lease Agreement shall commence on the Delivery Date and shall end on the Scheduled Termination Date, unless such term is extended or sooner terminated as hereinafter provided; provided, however, that, so long as no Lease Default Event shall have occurred and be continuing under this Lease Agreement, the term of this Lease Agreement with respect to the High School Property shall terminate on the date the Written Certificate of the District required by Section 3.04(c) of the Trust Agreement is filed with the Trustee, unless such term is sooner terminated as hereinafter provided, and, from and after the date of such termination (i) the description of the High School Property set forth in Exhibit A hereto shall be deemed to have been deleted therefrom and the term "Property" shall, for all purposes hereof, be deemed not to include the High School Property, and (ii) all right, title and interest in and to the High School Property shall vest in the District (in connection with which, the Corporation and the Trustee shall execute such conveyances, deeds and other documents as may be necessary to effect such vesting of record).

(c) If prior to the Scheduled Termination Date, or prior to the date to which the term of this Lease Agreement has been extended pursuant to this Section, all Certificates shall be fully paid, or provision therefor made in accordance with Article X of the Trust Agreement, the Trust Agreement shall be discharged by its terms and all Rental Payments shall have been paid in full, the term of this Lease Agreement shall end simultaneously therewith.

(d) If all of the Property shall be taken under the power of eminent domain, and the District does not elect to cause alternate real property to be substituted for the Property pursuant to, and in accordance with the provisions of, Section 8.03 hereof, as provided in clause (i) of Section 6.05(d) hereof, but, rather, elects to deliver or cause to be delivered the Net Proceeds of any award made in the eminent domain proceedings for such taking to the Trustee for the application to the prepayment, pursuant to Section 4.01(a) of the Trust Agreement, of all or a

portion of the Outstanding Certificates, as provided in clause (ii) of Section 6.05(d) hereof, then, on the date that possession thereof shall be so taken, the term of this Lease Agreement shall terminate.

(e) If on the Scheduled Termination Date the Certificates shall not be fully paid, or provision therefor made in accordance with Article X of the Trust Agreement, or the Trust Agreement shall not be discharged by its terms, or if the Rental Payments shall remain due and payable or shall have been abated at any time and for any reason, then the term of this Lease Agreement shall be automatically extended until the date upon which all Certificates shall be fully paid, or provision therefor made in accordance with Article X of the Trust Agreement, and the Trust Agreement shall be discharged by its terms and all Rental Payments shall have been paid in full, except that the term of this Lease Agreement shall in no event be extended more than ten years beyond the Scheduled Termination Date.

(f) Upon the termination or expiration of the term of this Lease Agreement, other than as provided in Section 7.01 hereof, and the first date upon which the Certificates are no longer Outstanding, all right, title and interest in and to the Property shall vest in the District. Upon any such termination or expiration, the Corporation shall execute such conveyances, deeds and other documents as may be necessary to effect such vesting of record.

ARTICLE III

RENTAL PAYMENTS

Section 3.01. Base Rental Payments. (a) Subject to the provisions of Sections 3.06 and 6.05 hereof and the provisions hereof relating to a revision of the Base Rental Payment Schedule pursuant to subsection (b) of this Section, the District shall pay to the Corporation, as Base Rental Payments, the amounts, at the times, specified in the Base Rental Payment Schedule, a portion of which Base Rental Payments shall constitute principal components and a portion of which shall constitute interest components. The interest components of the Base Rental Payments shall be paid by the District as and constitute interest paid on the principal components of the Base Rental Payments. Except to the extent specified in Section 3.06 hereof, Rental Payments, including Base Rental Payments, shall be paid by the District to the Corporation for and in consideration of the right to use and occupy the Property and in consideration of the continued right to the quiet use and enjoyment thereof during each Rental Period for which such Rental Payments are to be paid.

The obligation of the District to make the Base Rental Payments does not constitute a debt of the District or of the State of California or of any political subdivision thereof within the meaning of any constitutional or statutory debt limit or restriction, and does not constitute an obligation for which the District or the State of California is obligated to levy or pledge any form of taxation or for which the District or the State of California has levied or pledged any form of taxation.

(b) If the term of this Lease Agreement shall have been extended pursuant to Section 2.02 hereof, the obligation of the District to pay Rental Payments shall continue to and including the date of termination of the term of this Lease Agreement as so extended. Upon such extension, the principal and interest components of the Base Rental Payments shall be established so that the principal components will in the aggregate be sufficient to pay all extended and unpaid principal components and the interest components will in the aggregate be sufficient to pay all extended and unpaid interest components; provided, however, that the Rental Payments payable in any Rental Period shall not exceed the annual fair rental value of the Property.

Section 3.02. Additional Rental Payments. The District shall also pay, as Additional Rental Payments, such amounts as shall be required for the payment of the following:

(a) all taxes and assessments of any type or nature charged to the Corporation or the District or affecting the Property or the respective interests or estates of the Corporation or the District therein;

(b) all reasonable administrative costs of the Corporation relating to the Property including salaries, wages, fees and expenses, compensation and indemnification of the Trustee payable by the Corporation under the Trust Agreement, fees of auditors, accountants, attorneys or engineers, and all other necessary and reasonable administrative costs of the Corporation or charges required to be paid by it in order to maintain its existence or to comply with the terms of the Trust Agreement or this Lease Agreement or to defend the Corporation and its members, directors, officers, agents and employees;

(c) insurance premiums for all insurance required pursuant to Article VI hereof;

(d) any amounts with respect to this Lease Agreement, the Trust Agreement or the Certificates required to be rebated to the federal government in accordance with Section 148(f) of the Code; and

(e) all other payments not constituting Base Rental Payments required to be paid by the District under the provisions of this Lease Agreement or the Trust Agreement, including any other amounts payable to the Insurer or the Reserve Insurer.

Amounts constituting Additional Rental Payments payable hereunder shall be paid by the District directly to the person or persons to whom such amounts shall be payable. The District shall pay all such amounts when due or at such later time as such amounts may be paid without penalty or, in any other case, within 60 days after notice in writing from the Trustee to the District stating the amount of Additional Rental Payments then due and payable and the purpose thereof.

Section 3.03. Fair Rental Value. The parties hereto have agreed and determined that the Fair Rental Value of the Property is not less than \$[] as of the Delivery Date, and that, upon termination of the term of this Lease Agreement with respect to the High School Property pursuant to Section 2.02(b) hereof, the Fair Rental Value of the Property on the date of such termination will be not less than said amount. In making such determination of Fair Rental Value, consideration has been given to the uses and purposes that may be served by the Property and the benefits therefrom that will accrue to the District and the general public. Payments of the Rental Payments for the Property during each Rental Period shall constitute the total rental for said Rental Period.

Section 3.04. Payment Provisions. Each installment of Base Rental Payments payable hereunder shall be paid in lawful money of the United States of America to or upon the order of the Trustee, as assignee of the Corporation, at the Principal Office of the Trustee, or such other place or entity as the Trustee shall designate. Each Base Rental Payment shall be deposited with the Trustee, as assignee of the Corporation, no later than the Base Rental Deposit Date preceding the Interest Payment Date on which such Base Rental Payment is due. Any Base Rental Payment that shall not be paid by the District when due and payable under the terms of this Lease Agreement shall bear interest from the date when the same is due hereunder until the same shall be paid (a) at the Insurer Rate to the extent that (i) such Base Rental Payment has been paid to the Owners, on behalf of the District, by the Insurer pursuant to the Insurance Policy, or (ii) such Base Rental Payment has been paid to the Owners, on behalf of the District, from moneys on deposit in the Reserve Fund as a result of a payment under the Reserve Policy, or (b) in all other cases, at the rate equal to the highest rate of interest evidenced by any of the Outstanding Certificates. Notwithstanding any dispute between the Corporation and the District, the District shall make all Rental Payments when due without deduction or offset of any kind and shall not withhold any Rental Payments pending the final resolution of such dispute. In the event of a determination that the District was not liable for said Rental Payments or any portion thereof, said payments or excess of payments, as the case may be, shall be credited against subsequent Rental Payments due hereunder or refunded at the time of such determination. Amounts required to be deposited by the District with the Trustee pursuant to this Section on any date shall be reduced to the extent of available amounts on deposit in the Base Rental Payment Fund, the Interest Fund or the Principal Fund.

Section 3.05. Appropriations Covenant. The District covenants to take such action as may be necessary to include all Rental Payments due hereunder as a separate line item in its annual budgets and to make necessary annual appropriations for all such Rental Payments. The covenants on the part of the District herein contained shall be deemed to be and shall be construed to be duties imposed by law and it shall be the duty of each and every public official of the District to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the District to carry out and perform the covenants and agreements in this Lease Agreement agreed to be carried out and performed by the District.

Section 3.06. Rental Abatement. (a) Except as otherwise specifically provided in this Section, during any period in which, by reason of material damage to, or destruction or condemnation of, the Property, or any defect in title to the Property, there is substantial interference with the District's right to use and occupy any portion of the Property, Rental Payments shall be abated proportionately, and the District waives the benefits of California Civil Code Sections 1932(1), 1932(2) and 1933(4) and any and all other rights to terminate this Lease Agreement by virtue of any such interference, and this Lease Agreement shall continue in full force and effect. The District and the Corporation shall, in a reasonable manner and in good faith, determine the amount of such abatement; provided, however, that the Rental Payments due for any Rental Period shall not exceed the annual fair rental value of that portion of the Property available for use and occupancy by the District during such Rental Period. The District and the Corporation shall provide the Trustee and the Insurer with a certificate setting forth the amount of abatement and the basis therefor. Such abatement shall continue for the period commencing with the date of interference resulting from such damage, destruction, condemnation or title defect and, with respect to damage to or destruction of the Property, ending with the substantial completion of the work of repair or replacement of the Property, or the portion thereof so damaged or destroyed; and, to the extent necessary to pay unpaid Rental Payments, the term of this Lease Agreement shall be extended as provided in Section 2.02 hereof, except that the term of this Lease Agreement shall in no event be extended more than ten years beyond the Scheduled Termination Date.

(b) Notwithstanding the foregoing, to the extent that moneys are available for the payment of Rental Payments in any of the funds and accounts established under the Trust Agreement, Rental Payments shall not be abated as provided above but, rather, shall be payable by the District as a special obligation payable solely from said funds and accounts.

Section 3.07. Prepayment. (a) [The District may prepay all or a portion of the Base Rental Payments that are payable on or after June 1, 20__, from any source of available funds, on any date on or after June 1, 20__, at the prepayment prices set forth below expressed as percentages of the principal components of the Base Rental Payments subject to prepayment, by paying (i) all or a portion, as elected by the District, of the principal components of the Base Rental Payments, and (ii) the accrued but unpaid interest component of such Base Rental Payments to be prepaid to the date of such prepayment.

Prepayment Prices	Prepayment Date
[10_]%	June 1, 20__ to May 31, 20__
[10_]%	June 1, 20__ to May 31, 20__
[10_]%	June 1, 20__ to May 31, 20__

100%

June 1, 20__ and thereafter]

(b) [The District may prepay all or a portion of the Base Rental Payments that are payable on or after June 1, 20__, from any source of available funds, on any date on or after June 1, 20__, by paying (i) all or a portion, as elected by the District, of the principal components of the Base Rental Payments, and (ii) the accrued but unpaid interest component of such Base Rental Payments to be prepaid to the date of such prepayment.]

(c) The District may prepay, from any source of available funds, all or any portion of the Base Rental Payments by depositing with the Trustee moneys or securities as provided, and subject to the terms and conditions set forth, in Article X of the Trust Agreement sufficient to make such Base Rental Payments when due or to make such Base Rental Payments through a specified date on which the District has a right to prepay such Base Rental Payments pursuant to subsection (a) of this Section, and to prepay such Base Rental Payments on such prepayment date, at a prepayment price determined in accordance with subsection (a) [or subsection (b)] of this Section[, as applicable].

(d) If less than all of the Base Rental Payments are prepaid pursuant to this Section then, as of the date of such prepayment pursuant to subsection (a) [or subsection (b)] of this Section[, as applicable], or the date of a deposit pursuant to subsection (b) of this Section, the principal and interest components of the Base Rental Payments shall be recalculated in order to take such prepayment into account. If, following a partial prepayment of Base Rental Payments, the Property is damaged, destroyed or taken by eminent domain, or a defect in title to the Property is discovered, the District shall not be entitled to, and by such prepayment waives the right of, abatement of such prepaid Base Rental Payments and the District shall not be entitled to any reimbursement of such Base Rental Payments.

(e) If all of the Base Rental Payments are prepaid pursuant to this Section and if all amounts due to the Insurer and the Reserve Insurer have been paid in full then, as of the date of such prepayment pursuant to subsection (a) of this Section, or deposit pursuant to subsection (b) of this Section, the term of this Lease Agreement shall be terminated.

(f) Prepayments of Base Rental Payments made pursuant to this Section shall be applied to the prepayment of Certificates as provided in [subsection (a) or subsection (b), as applicable, of] Section 4.01 of the Trust Agreement.

(g) Before making any prepayment pursuant to this Section, the District shall give written notice to the Corporation and the Insurer specifying the date on which such prepayment will be made, which date shall be not less than 40 nor more than 60 days from the date such notice is given, unless the Corporation agrees to a different notice period.

ARTICLE IV

REPRESENTATIONS

Section 4.01. Representations of the District. The District represents that, as of the Delivery Date:

(a) the District has the full power and authority to enter into, to execute and to deliver this Lease Agreement and the Trust Agreement, and to perform all of its covenants and obligations hereunder and thereunder, and has duly authorized the execution and delivery of this Lease Agreement and the Trust Agreement;

(b) the Property is not located in a 100-year flood plain;

(c) the District has, after due inquiry, no knowledge and has not given or received any written notice indicating that the Property or the past or present use thereof or any practice, procedure or policy employed by it in the conduct of its business materially violates any Applicable Laws;

(d) without limiting the generality of the foregoing, neither the District nor to the best of its knowledge, after due inquiry, any prior or present owner, tenant or subtenant of the Property has, other than as set forth in this subsection or as may have been remediated in accordance with Environmental Regulations (i) used, treated, stored, transported or disposed of any material amount of Hazardous Materials on, from or beneath the Property, (ii) released any material amount of Hazardous Materials on, from or beneath the Property, or (iii) stored any material amount of petroleum products at the Property in underground storage tanks; provided, however, that excluded from the representations and warranties in this paragraph with respect to Hazardous Materials are those Hazardous Materials in such amounts as are ordinarily found in the inventory of, or used in the maintenance of school buildings, the use, treatment, storage, transportation and disposal of which has been and shall be in compliance with all Environmental Regulations;

(e) no portion of the Property located in an area of high potential incidence of radon has an unventilated basement or subsurface portion that is occupied or used for any purpose other than the foundation or support of the improvements to the Property, respectively; and

(f) the District has not received any notice from any insurance company that has issued a policy with respect to the Property or from Applicable Laws relating to insurance standards requiring the performance of any repairs, alterations or other work, which repairs, alterations or other work have not been completed at the Property. The District has not received any notice of default or breach that has not been cured under any covenant, condition, restriction, right-of-way, reciprocal easement, agreement or other easement affecting the Property that is to be performed or complied with by it.

Section 4.02. Representations of the Corporation. The Corporation represents that the Corporation, as of the Delivery Date, has the full power and authority to enter into, to execute and to deliver this Lease Agreement, the Assignment Agreement and the Trust Agreement to perform

all of its covenants and obligations hereunder and thereunder, and has duly authorized the execution and delivery of this Lease Agreement, the Assignment Agreement and the Trust Agreement.

ARTICLE V

COVENANTS

Section 5.01. Recordation. The District shall record, or cause to be recorded, with the San Bernardino County Recorder, this Lease Agreement, the Ground Lease and the Assignment Agreement, or memoranda thereof.

Section 5.02. Quiet Enjoyment. The District, by keeping and performing the covenants and agreements herein contained, shall at all times during the term of this Lease Agreement peaceably and quietly have, hold and enjoy the Property without suit, trouble or hindrance from the Corporation.

Section 5.03. Net-Net-Net Lease. This Lease Agreement shall be deemed and construed to be a “net-net-net lease” and the Rental Payments shall be an absolute net return to the Corporation, free and clear of any expenses, charges or set-off whatsoever and notwithstanding any dispute between the District and the Corporation.

Section 5.04. Right of Entry. The Corporation shall have the right to enter upon and to examine and inspect the Property during reasonable business hours, and in emergencies at all times, for any reasonable purpose connected with the Corporation’s rights or obligations under this Lease Agreement, and for all other lawful purposes. The Insurer shall have the right to enter upon and to examine and inspect the Property during reasonable business hours, and in emergencies at all times, for any reasonable purpose connected with the Insurer’s rights or obligations under this Lease Agreement.

Section 5.05. Use of the Property. The District shall not use, operate or maintain the Property improperly, carelessly, in violation of any applicable law or in a manner contrary to that contemplated by this Lease Agreement. In addition, the District shall comply in all respects, including with respect to the use, maintenance and operation of the Property, with all laws of the jurisdictions in which its operations may extend and any legislative, executive, administrative or judicial body exercising any power or jurisdiction over the Property; provided, however, that the District may contest in good faith the validity or application of any such law or rule in any reasonable manner that does not, in the opinion of the Corporation, adversely affect the estate of the Corporation in and to any of the Property or its interest or rights under this Lease Agreement.

Section 5.06. Maintenance and Utilities. Throughout the term of this Lease Agreement, as part of the consideration for rental of the Property, all improvement, repair and maintenance of the Property shall be the responsibility of the District, and the District shall pay for or otherwise arrange for the payment of all utility services supplied to the Property, which may include janitor service, security, power, gas, telephone, light, heating, ventilation, air conditioning, water and all other utility services, and shall pay for or otherwise arrange for payment of the cost of the repair and replacement of the Property resulting from ordinary wear and tear or want of care on the part of the District or any assignee or sublessee thereof. In exchange for the Rental Payments, the Corporation agrees to provide only the Property.

Section 5.07. Additions to Property. Subject to the provisions of Section 5.10 hereof, the District and any sublessee shall, at its own expense, have the right to make additions, modifications and improvements to the Property. To the extent that the removal of such additions, modifications or improvements would not cause material damage to the Property, such additions, modifications and improvements shall remain the sole property of the District or such sublessee, and neither the Corporation nor the Trustee shall have any interest therein. Such additions, modifications and improvements shall not in any way damage the Property or cause it to be used for purposes other than those authorized under the provisions of state and federal law; and the Property, upon completion of any additions, modifications and improvements made pursuant to this Section, shall be of a value that is at least equal to the value of the Property immediately prior to the making of such additions, modifications and improvements.

Section 5.08. Installation of District's Equipment. The District and any sublessee may at any time and from time to time, in its sole discretion and at its own expense, install or permit to be installed items of equipment or other personal property in or upon the Property. All such items shall remain the sole property of the District or such sublessee, and neither the Corporation nor the Trustee shall have any interest therein. The District or such sublessee may modify or remove such equipment or other personal property at any time, provided that such party shall repair and restore any and all damage to the Property resulting from the installation, modification or removal of any such items. Nothing in this Lease Agreement shall prevent the District or any sublessee from purchasing items to be installed pursuant to this Section under a conditional sale or lease purchase contract, or subject to a vendor's lien or security agreement as security for the unpaid portion of the purchase price thereof, provided that no such lien or security interest shall attach to any part of the Property.

Section 5.09. Taxes. (a) The District shall pay or cause to be paid all taxes and assessments of any type or nature charged to the Corporation or affecting the Property or the respective interests or estates therein; provided, however, that with respect to special assessments or other governmental charges that may lawfully be paid in installments over a period of years, the District shall be obligated to pay only such installments as are required to be paid during the term of this Lease Agreement as and when the same become due.

(b) After giving notice to the Corporation, the Insurer and the Trustee, the District or any sublessee may, at the District's or such sublessee's expense and in its name, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Corporation, the Insurer or the Trustee shall notify the District or such sublessee that, in the opinion of independent counsel, by nonpayment of any such items, the interest of the Corporation in the Property will be materially endangered or the Property, or any part thereof, will be subject to loss or forfeiture, in which event the District or such sublessee shall promptly pay such taxes, assessments or charges or provide the Corporation with full security against any loss that may result from nonpayment, in form satisfactory to the Corporation, the Insurer and the Trustee.

Section 5.10. Mechanics' Liens. In the event the District shall at any time during the term of this Lease Agreement cause any changes, alterations, additions, improvements, or other work to be done or performed or materials to be supplied, in or upon the Property, the District shall

pay, when due, all sums of money that may become due for, or purporting to be for, any labor, services, materials, supplies or equipment furnished or alleged to have been furnished to or for the District in, upon or about the Property and that may be secured by a mechanics', materialmen's or other lien against the Property or the Corporation's interest therein, and shall cause each such lien to be fully discharged and released at the time the performance of any obligation secured by any such lien matures or becomes due; provided, however, that if the District desires to contest any such lien, it may do so as long as such contest is in good faith. If any such lien shall be reduced to final judgment and such judgment or such process as may be issued for the enforcement thereof is not promptly stayed, or if so stayed and said stay thereafter expires, the District shall forthwith pay and discharge said judgment.

Section 5.11. Other Liens. The District shall keep the Property and all parts thereof free from judgments and materialmen's and mechanics' liens and free from all claims, demands, encumbrances and other liens of whatever nature or character, and free from any claim or liability that materially impairs the District in conducting its business or utilizing the Property, and the Trustee at its option (after first giving the District ten days' written notice to comply therewith and failure of the District to so comply within such ten-day period) may defend against any and all actions or proceedings, or may pay or compromise any claim or demand asserted in any such actions or proceedings; provided, however, that, in defending against any such actions or proceedings or in paying or compromising any such claims or demands, the Trustee shall not in any event be deemed to have waived or released the District from liability for or on account of any of its agreements and covenants contained herein, or from its obligation hereunder to perform such agreements and covenants. The Trustee shall have no liability with respect to any determination made in good faith to proceed or decline to defend, pay or compromise any such claim or demand.

Section 5.12. Environmental Compliance. (a) Neither the District nor the Corporation shall use or permit the Property or any part thereof to be used to generate, manufacture, refine, treat, store, handle, transport or dispose of, transfer, produce or process Hazardous Materials, except, and only to the extent, if necessary to maintain the improvements on the Property and then only in compliance with all Environmental Regulations, nor shall it permit, as a result of any intentional or unintentional act or omission on its part or by any tenant, subtenant, licensee, guest, invitee, contractor, employee or agent, the storage, transportation, disposal or use of Hazardous Materials or the Release or threat of Release of Hazardous Materials on, from or beneath the Property or onto any other property, excluding, however, those Hazardous Materials in those amounts ordinarily found in the inventory of school districts, the use, storage, treatment, transportation and disposal of which shall be in compliance with all Environmental Regulations. Upon the occurrence of any Release or threat of Release of Hazardous Materials, the Corporation or the District shall promptly commence and perform, or cause to be commenced and performed promptly, without cost to the Trustee, all investigations, studies, sampling and testing, and all remedial, removal and other actions necessary to clean up and remove all Hazardous Materials so released on, from or beneath the Property or other property, in compliance with all Environmental Regulations. Notwithstanding anything to the contrary contained herein, underground storage tanks shall only be permitted subject to compliance with subsection (d) of this Section and only to the extent necessary to maintain the improvements on the Property.

(b) The District and the Corporation shall comply with, and shall cause all tenants, subtenants, licensees, guests, invitees, contractors, employees and agents on the Property to

comply with, all Environmental Regulations, and shall keep the Property free and clear of any liens imposed pursuant thereto; provided, however, that any such liens, if not discharged, may be bonded. The District and the Corporation shall cause each tenant under any lease, and use their best efforts to cause all of such tenant's subtenants, agents, licensees, employees, contractors, guests and invitees and the guests and invitees of all of the foregoing to comply with all Environmental Regulations with respect to the Property; provided, however, that the Corporation and the District shall remain solely responsible for ensuring such compliance and such limitation shall not diminish or affect in any way the Corporation's or the District's obligations contained in subsection (c) of this Section. Upon receipt of any notice from any Person with regard to the Release of Hazardous Materials on, from or beneath the Property, the District or the Corporation, as appropriate, shall give prompt written notice thereof to the District or the Corporation, as appropriate, the Trustee, and the Insurer prior to the expiration of any period in which to respond to such notice under any Environmental Regulation.

(c) Irrespective of whether any representation or warranty contained in Article IV hereof is not true or correct, the Corporation and the District shall, to the extent permitted by law, defend, indemnify and hold harmless the Corporation, the Insurer and the Trustee and any director, member, officer, employee, successor or assignee thereof from and against any claims, demands, penalties, fines, attorneys' fees (including attorneys' fees incurred to enforce the indemnification contained in this Section), consultants' fees, investigation and laboratory fees, liabilities, settlements (five Insurance Business Days' prior notice of which the Corporation, the Insurer or the Trustee, as appropriate, shall have delivered to the District), court costs, damages, losses, costs or expenses of whatever kind or nature, known or unknown, contingent or otherwise, occurring in whole or in part, arising out of, or in any way related to (i) the presence, disposal, Release, threat of Release, removal, discharge, storage or transportation of any Hazardous Materials on, from or beneath the Property, (ii) any personal injury, including wrongful death, or property damage, real or personal, arising out of or related to such Hazardous Materials, (iii) any lawsuit brought or threatened, settlement reached (five Insurance Business Days' prior notice of which the Corporation, the Insurer or the Trustee, as appropriate, shall have delivered to the District), or governmental order relating to Hazardous Materials on, from or beneath the Property, (iv) any violation of Environmental Regulations or subsection (a) or (b) of this Section by the District or the Corporation or any of their agents, tenants, employees, contractors, licensees, guests, subtenants or invitees, and (v) the imposition of any governmental lien for the recovery of environmental cleanup or removal costs. To the extent that either the Corporation or the District is strictly liable under any Environmental Regulation, the District's obligation to the Corporation, the Insurer and the Trustee and the other indemnitees under the foregoing indemnification shall likewise be without regard to fault on its part with respect to the violation of any Environmental Regulation that results in liability to any indemnitee. The obligations and liabilities under this subsection shall survive the payment of all Certificates and the discharge of the Trust Agreement.

(d) The District shall conform to and carry out a reasonable program of maintenance and inspection of all underground storage tanks, and shall maintain, repair and replace such tanks only in accordance with Environmental Regulations.

Section 5.13. Condemnation. So long as the Certificates are Outstanding, the District, to the extent it may lawfully so bind itself, shall not exercise the power of condemnation with respect to the Property. To the extent permitted by law, if for any reason the foregoing covenant is

determined to be unenforceable or if the District shall fail or refuse to abide by such covenant and condemns the Property, for purposes of such condemnation, the value of the District's leasehold estate hereunder in the Property shall be not less than the amount sufficient to pay the Base Rental Payments to the first date on which they may be prepaid pursuant to Section 3.07(a) hereof and to prepay the Base Rental Payments on such date.

Section 5.14. Other Obligations. Except for the Certificates and Permitted Encumbrances, the District shall not, during the term of this Lease Agreement, issue or incur or cause to be executed and delivered, directly or indirectly, any additional certificates of participation, notes, bonds or other indebtedness that are either (a) payable from or secured by lease payments or rentals payable under this Lease Agreement, or (b) secured by, or granted a lien on, the Property.

Section 5.15. Corporation Not Liable; Indemnification. (a) None of the Corporation, the Insurer and the Trustee and all directors, members, officers and employees thereof shall be liable to the District or to any other Person for any death, injury or damage that may result to any person or property by or from any cause whatsoever in, on or about the Property. To the extent permitted by law, the District shall, at its expense, indemnify and hold the Corporation, the Insurer and the Trustee and all directors, members, officers and employees thereof harmless against and from any and all claims by or on behalf of any Person arising from the acquisition, construction, occupation, use, operation, maintenance, possession, conduct or management of or from any work done in or about the Property or from the subletting of any part thereof, including any liability for violation of conditions, agreements, restrictions, laws, ordinances, or regulations affecting the Property or the occupancy or use thereof, but excepting the negligence or willful misconduct of the Person seeking indemnity. The District, at its expense, shall pay and indemnify and save the Corporation, the Insurer and the Trustee and all directors, members, officers and employees thereof harmless against and from any and all claims arising from (i) any condition of the Property and the adjoining sidewalks and passageways, (ii) any breach or default on the part of the District in the performance of any covenant or agreement to be performed by the District pursuant to this Lease Agreement, (iii) any act or negligence of licensees in connection with their use, occupancy or operation of the Property, or (iv) any accident, injury or damage whatsoever caused to any person, firm or corporation in or about the Property or upon or under the sidewalks and from and against all costs, reasonable counsel fees, expenses and liabilities incurred in any action or proceeding brought by reason of any claim referred to in this Section, but excepting the negligence or willful misconduct of the Person seeking indemnity. In the event that any action or proceeding is brought against the Corporation, the Insurer or the Trustee or any director, member, officer or employee thereof, by reason of any such claim, the District, upon notice from the Corporation, the Insurer or the Trustee or such director, member, officer or employee thereof, shall resist or defend such action or proceeding by counsel reasonably satisfactory to the Corporation, the Insurer or the Trustee or such director, member, officer or employee thereof.

(b) Notwithstanding the fact that it is the intention of the parties that the Corporation, the Insurer and the Trustee and all directors, members, officers and employees thereof shall not incur any pecuniary liability by reason of the terms of this Lease Agreement, or the undertakings required of the Corporation hereunder or any director, member, officer or employee thereof, by reason of the execution and delivery of the Certificates, by reason of the execution or authorization of any document or certification in connection with the Certificates, including the Trust

Agreement, this Lease Agreement or any preliminary or final official statement, by reason of the performance or nonperformance of any act required of any of them by this Lease Agreement or the Trust Agreement or by reason of the performance or nonperformance of any act requested of any of them by the District, the Corporation, the Insurer or the Trustee, including all claims, liabilities, damages, losses or expenses arising in connection with the violation of any statute or regulation pertaining to the foregoing; nevertheless, if the Corporation, the Insurer or the Trustee or any director, member, officer or employee thereof should incur any such pecuniary liability, then in such event the District shall indemnify and hold harmless the Corporation, the Insurer and the Trustee, and all directors, members, officers and employees thereof, against all claims by or on behalf of any Person arising out of the same, or in connection with any action or proceeding brought thereon, but excepting the negligence or willful misconduct of the Person seeking indemnity, and upon notice from the Corporation, the Insurer or the Trustee, the District shall defend the Corporation, the Insurer and the Trustee in any such action or proceeding. This Section shall survive the termination of this Lease Agreement for any claim, proceeding or action arising from any event or omission occurring during the term of this Lease Agreement.

Section 5.16. Further Assurances. The District shall make, execute and deliver any and all such further agreements, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Lease Agreement and for the better assuring and confirming unto the Corporation of the rights and benefits provided in this Lease Agreement.

ARTICLE VI

INSURANCE; NET PROCEEDS; EMINENT DOMAIN

Section 6.01. Property Casualty Insurance; Rental Interruption Insurance. (a) The District shall maintain or cause to be maintained, throughout the term of this Lease Agreement, a standard comprehensive general liability insurance policy or policies in protection of the District, the Corporation and their respective members, directors, officers, agents and employees. Said policy or policies shall provide for indemnification of said parties against direct or contingent loss or liability for damages for bodily and personal injury, death or property damage occasioned by reason of the use or ownership of the Property. Said policy or policies shall provide coverage in the minimum liability limits of \$1,000,000 for personal injury or death of each person and \$3,000,000 for personal injury or deaths of two or more persons in a single accident or event, and in a minimum amount of \$500,000 for damage to property (subject to a deductible clause of not to exceed \$100,000) resulting from a single accident or event. Such public liability and property damage insurance may, however, be in the form of a single limit policy in the amount of \$3,000,000 covering all such risks. Such liability insurance may be maintained as part of or in conjunction with any other liability insurance coverage carried or required to be carried by the District, and may be maintained in whole or in part in the form of self-insurance by the District, provided that such self-insurance complies with the provisions of Section 6.01 hereof. The Net Proceeds of such liability insurance shall be applied toward extinguishment or satisfaction of the liability with respect to which the Net Proceeds of such insurance shall have been paid.

(b) The District shall maintain or cause to be maintained, throughout the term of this Lease Agreement, workers' compensation insurance issued by a responsible carrier authorized under the laws of the State of California to insure employers against liability for compensation under the California Labor Code, or any act enacted as an amendment or supplement thereto or in lieu thereof, such workers' compensation insurance to cover all persons employed by the District in connection with the Property and to cover full liability for compensation under any such act. The District's obligations under this subsection may be satisfied by self-insurance, provided that such self-insurance complies with the provisions of Section 6.01 hereof.

(c) The District shall maintain or cause to be maintained, throughout the term of this Lease Agreement, casualty insurance insuring the Property against fire, lightning and all other risks covered by an extended coverage endorsement (excluding earthquake and flood) to the full insurable value of the Property, subject to a \$100,000 loss deductible provision, unless some other deductible is acceptable to the Insurer. Full insurable value shall not be less than the principal evidenced by the Outstanding Certificates. The District's obligations under this subsection may be satisfied by self-insurance, provided that such self-insurance complies with the provisions of Section 5.04 hereof. All Net Proceeds received under said policy or policies shall be deposited with the Trustee and applied as provided in Section 5.03 of the Trust Agreement.

(d) The District shall maintain or cause to be maintained, throughout the term of this Lease Agreement, rental interruption insurance to cover the Corporation's loss, total or partial, of Base Rental Payments resulting from the loss, total or partial, of the use of any part of the Property as a result of any of the hazards required to be covered pursuant to subsection (c) of this Section in an amount equal to the lesser of (i) the amount sufficient at all times to pay an amount not less

than the product of two times the maximum amount of Base Rental Payments scheduled to be paid during any Rental Period, or (ii) such lesser amount as may be agreed to by the Insurer. The District's obligations under this subsection may not be satisfied by self-insurance. All Net Proceeds received under said policy or policies shall be deposited with the Trustee and applied as provided in Section 5.01(c) of the Trust Agreement.

(e) The insurance required by this Section shall be provided by carriers rated at least "A" by A.M. Best Company or S&P, unless the Insurer shall approve in writing an insurer with a lower rating.

Section 6.02. Title Insurance. The District shall provide, at its own expense, one or more CLTA or ALTA title insurance policies for the Property, in the aggregate amount of not less than the initial aggregate amount of principal evidenced by the Certificates. Said policy or policies shall insure (a) the fee interest of the District in the Property, (b) the Corporation's ground leasehold estate in the Property under the Ground Lease, and (c) the District's leasehold estate hereunder in the Property, subject only to Permitted Encumbrances; provided, however, that one or more of said estates may be insured through an endorsement to such policy or policies. All Net Proceeds received under said policy or policies shall be deposited with the Trustee and applied as provided in Section 5.04 of the Trust Agreement. So long as any of the Certificates remain Outstanding, each policy of title insurance obtained pursuant hereto or required hereby shall provide that all proceeds thereunder shall be payable to the Trustee for the benefit of the Owners.

Section 6.03. Additional Insurance Provision; Form of Policies. (a) The District shall pay or cause to be paid when due the premiums for all insurance policies required by Section 6.01 hereof, and shall promptly furnish or cause to be furnished evidence of such payments to the Trustee. All such policies shall contain a standard lessee clause in favor of the Trustee and the general liability insurance policies shall be endorsed to show the Trustee as an additional insured. All such policies shall provide that the Trustee and the Insurer shall be given 30 days' notice of the expiration thereof, any intended cancellation thereof or any reduction in the coverage provided thereby. The Trustee shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss agreed to by the Trustee; provided, however, that the Trustee shall not agree to any adjustment, compromise or settlement without the Insurer's written consent.

(b) The District shall cause to be delivered to the Trustee and the Insurer on or before August 15 of each year, commencing August 15, 2025, a schedule of the insurance policies being maintained in accordance herewith and a Written Certificate of the District stating that such policies are in full force and effect and that the District is in full compliance with the requirements of this Article. The District shall, upon request of the Insurer, deliver to the Insurer certificates or duplicate originals or certified copies of each insurance policy described in such schedule. The Trustee shall be entitled to rely upon said Written Certificate of the District as to the District's compliance with this Article. Neither the Trustee nor the Insurer shall be responsible for the sufficiency of coverage or amounts of such policies. All policies of insurance required by this Lease Agreement shall be in form satisfactory to the Insurer.

Section 6.04. Self-Insurance. Insurance provided through a California joint powers authority of which the District is a member or with which the District contracts for insurance shall

be deemed to be self-insurance for purposes hereof. All statements of self-insurance provided in accordance with this Lease Agreement shall be in form satisfactory to the Insurer. Any self-insurance maintained by the District pursuant to this Article shall comply with the following terms:

- (a) the self-insurance program shall be approved in writing by the Insurer;
- (b) the self-insurance program shall be approved in writing by an Independent Insurance Consultant;
- (c) the self-insurance program shall include an actuarially sound claims reserve fund out of which each self-insured claim shall be paid, the adequacy of each such fund shall be evaluated on an annual basis by the Independent Insurance Consultant and any deficiencies in any self-insured claims reserve fund shall be remedied in accordance with the recommendation of such Independent Insurance Consultant;
- (d) the self-insured claims reserve fund shall be held in a separate trust fund;
and
- (e) in the event the self-insurance program shall be discontinued, the actuarial soundness of its claims reserve fund, as determined by the Independent Insurance Consultant, shall be maintained.

Section 6.05. Eminent Domain. (a) If all or a portion of the Property shall be taken under the power of eminent domain, the District shall, no later than 60 days prior to the day that possession thereof shall be so taken, notify the Trustee in writing of the District's determination as to whether or not such taking will result in a substantial interference with the District's right to the use or occupancy of the Property and an abatement in whole or in part of Rental Payments pursuant to Section 3.06 hereof.

(b) If a portion, but not all, of the Property is so taken and the District determines that such taking will not result in a substantial interference with the District's right to the use or occupancy of the Property and an abatement in whole or in part of Rental Payments pursuant to Section 3.06 hereof, the Net Proceeds of any award made in the eminent domain proceedings for such taking shall be remitted to the District and used for any lawful purpose thereof.

(c) If a portion, but not all, of the Property is so taken and the District determines that such taking will result in a substantial interference with the District's right to the use or occupancy of the Property and an abatement in whole or in part of Rental Payments pursuant to Section 3.06 hereof, the District shall (i) no later than 45 days prior to the day that possession thereof shall be so taken, cause alternate real property to be substituted the portion of the Property so taken pursuant to, and in accordance with the provisions of, Section 9.03 hereof, or (ii) immediately upon receipt thereof, deliver or cause to be delivered the Net Proceeds of any award made in the eminent domain proceedings for such taking to the Trustee for the application to the prepayment, pursuant to Section 4.01(a) of the Trust Agreement, of a portion of the Outstanding Certificates.

(d) If all of the Property is so taken, the District shall (i) no later than 45 days prior to the day that possession thereof shall be so taken, cause alternate real property to be substituted for the Property pursuant to, and in accordance with the provisions of, Section 9.03 hereof, or (ii)

immediately upon receipt thereof, deliver or cause to be delivered the Net Proceeds of any award made in the eminent domain proceedings for such taking to the Trustee for the application to the prepayment, pursuant to Section 4.01(a) of the Trust Agreement, of all or a portion of the Outstanding Certificates.

ARTICLE VII

LEASE DEFAULT EVENTS AND REMEDIES

Section 7.01. Lease Default Events and Remedies. (a) If (i) the District shall fail to pay any Rental Payment payable hereunder when the same becomes due and payable, time being expressly declared to be of the essence in this Lease Agreement, (ii) the District shall fail to keep, observe or perform any other term, covenant or condition contained herein to be kept or performed by the District, if such failure shall have continued for a period of 30 days after written notice thereof, specifying such failure and requiring the same to be remedied, shall have been given to the District by the Corporation, the Trustee, the Insurer or the Owners of not less than a majority of the aggregate principal evidenced by Certificates then Outstanding; provided, however, that if the failure stated in the notice can be corrected, but not within such 30 day period, such failure shall not constitute a Lease Default Event if corrective action is instituted by the District within such 30 day period, the Insurer consents in writing to an extended period of time, and the District shall thereafter diligently and in good faith cure such failure in a reasonable period of time, provided, further, that, unless consented to by the Trustee and the Insurer, such period of time shall not exceed 180 days, (iii) the District shall fail to observe and perform any of the covenants, agreements or conditions on its part in the Trust Agreement contained, if such failure shall have continued for a period of 30 days after written notice thereof, specifying such failure and requiring the same to be remedied, shall have been given to the District by the Corporation, the Trustee, the Insurer or the Owners of not less than a majority of the aggregate principal evidenced by Certificates then Outstanding; provided, however, that if the failure stated in the notice can be corrected, but not within such 30 day period, such failure shall not constitute a Lease Default Event if corrective action is instituted by the District within such 30 day period, the Insurer consents in writing to an extended period of time, and the District shall thereafter diligently and in good faith cure such failure in a reasonable period of time, provided, further, that, unless consented to by the Trustee and the Insurer, such period of time shall not exceed 180 days, (iv) except as otherwise provided in Article VIII hereof, the District's interest in this Lease Agreement or any part thereof shall be assigned or transferred, either voluntarily or by operation of law or otherwise, (v) the District shall abandon or vacate the Property, or (vi) the District shall commence a voluntary case under Title 11 of the United States Code or any substitute or successor statute, such failure or event shall constitute a Lease Default Event.

(b) Upon the occurrence of any Lease Default Event, the Corporation, in addition to all other rights and remedies it may have at law, shall have the option to do any of the following:

(i) terminate this Lease Agreement in the manner hereinafter provided on account of such Lease Default Event, notwithstanding any re-entry or re-letting of the Property as hereinafter provided for in subparagraph (ii) hereof, and to re-enter the Property and remove all persons in possession thereof and all personal property whatsoever situated upon the Property and place such personal property in storage in any warehouse or other suitable place, for the account of and at the expense of the District. In the event of such termination, the District agrees to surrender immediately possession of the Property, without let or hindrance, and to pay the Corporation all damages recoverable at law that the Corporation may incur by reason of such Lease Default Event, including any costs, loss or damage whatsoever arising out of, in connection with, or incident to any such re-entry

upon the Property and removal and storage of such property by the Corporation or its duly authorized agents in accordance with the provisions herein contained. Neither notice to pay Rental Payments or to deliver up possession of the Property given pursuant to law nor any entry or re-entry by the Corporation nor any proceeding in unlawful detainer, or otherwise, brought by the Corporation for the purpose of effecting such re-entry or obtaining possession of the Property nor the appointment of a receiver upon initiative of the Corporation to protect the Corporation's interest under this Lease Agreement shall of itself operate to terminate this Lease Agreement, and no termination of this Lease Agreement on account of such Lease Default Event shall be or become effective by operation of law or acts of the parties hereto, or otherwise, unless and until the Corporation shall have given written notice to the District of the election on the part of the Corporation to terminate this Lease Agreement. No surrender of the Property or of the remainder of the term hereof or any termination of this Lease Agreement shall be valid in any manner or for any purpose whatsoever unless the Corporation so provided in such written notice; or

(ii) without terminating this Lease Agreement (A) collect each installment of Rental Payments as the same become due and enforce any other terms or provisions hereof to be kept or performed by the District, regardless of whether or not the District has abandoned the Property, or (B) exercise any and all rights of entry and re-entry upon the Property. In the event the Corporation does not elect to terminate this Lease Agreement in the manner provided for in subparagraph (i) hereof, the District (I) shall remain liable and shall keep or perform all covenants and conditions herein contained to be kept or performed by the District, (II) if the Property is not re-let, shall pay the full amount of the Rental Payments to the end of the term of this Lease Agreement, (III) if the Property is re-let, shall pay any deficiency in Rental Payments that results therefrom, and (IV) shall pay said Rental Payments and/or Rental Payment deficiency punctually at the same time and in the same manner as hereinabove provided for the payment of Rental Payments hereunder, notwithstanding the fact that the Corporation may have received in previous years or may receive thereafter in subsequent years Rental Payments in excess of the Rental Payments herein specified, and notwithstanding any entry or re-entry by the Corporation or suit in unlawful detainer, or otherwise, brought by the Corporation for the purpose of effecting such re-entry or obtaining possession of the Property. Should the Corporation elect to re-enter as herein provided, the District hereby irrevocably appoints the Corporation as the agent and attorney-in-fact of the District to re-let the Property, or any part thereof, from time to time, either in the Corporation's name or otherwise, upon such terms and conditions and for such use and period as the Corporation may deem advisable and to remove all persons in possession thereof and all personal property whatsoever situated upon the Property and to place such personal property in storage in any warehouse or other suitable place, for the account of and at the expense of the District, and the District hereby indemnifies and agrees to save harmless the Corporation from any costs, loss or damage whatsoever arising out of, in connection with, or incident to any such re-entry upon and re-letting of the Property and removal and storage of such property by the Corporation or its duly authorized agents in accordance with the provisions herein contained. The District agrees that the terms of this Lease Agreement constitute full and sufficient notice of the right of the Corporation to re-let the Property in the event of such re-entry without effecting a surrender of this Lease Agreement, and further agrees that no acts of the Corporation in effecting such re-letting shall constitute a surrender or termination of this Lease Agreement

irrespective of the use or the term for which such re-letting is made or the terms and conditions of such re-letting, or otherwise, but that, on the contrary, in the event of such Lease Default Event the right to terminate this Lease Agreement shall vest in the Corporation to be effected in the sole and exclusive manner provided for in subparagraph (i) hereof. The District shall pay the Corporation the cost of any alterations or additions to the Property necessary to place the Property in condition for re-letting immediately upon notice to the District of the completion and installation of such additions or alterations.

The District hereby waives any and all claims for damages caused or which may be caused by the Corporation in re-entering and taking possession of the Property as herein provided and all claims for damages that may result from the destruction of or injury to the Property and all claims for damages to or loss of any property belonging to the District, or any other person, that may be in or upon the Property.

(c) In addition to the other remedies set forth in this Section, upon the occurrence of a Lease Default Event, the Corporation shall be entitled to proceed to protect and enforce the rights vested in the Corporation by this Lease Agreement or by law. The provisions of this Lease Agreement and the duties of the District and of its board, officers or employees shall be enforceable by the Corporation by mandamus or other appropriate suit, action or proceeding in any court of competent jurisdiction. Without limiting the generality of the foregoing, the Corporation shall have the right to bring the following actions:

(i) *Accounting*. By action or suit in equity to require the District and its board, officers and employees and its assigns to account as the trustee of an express trust.

(ii) *Injunction*. By action or suit in equity to enjoin any acts or things that may be unlawful or in violation of the *rights* of the Corporation.

(iii) *Mandamus*. By mandamus or other suit, action or proceeding at law or in equity to enforce the Corporation's rights against the District (and its board, officers and employees) and to compel the District to perform and carry out its duties and obligations under the law and its covenants and agreements with the District as provided herein.

(d) Each and all of the remedies given to the Corporation hereunder or by any law now or hereafter enacted are cumulative and the single or partial exercise of any right, power or privilege hereunder shall not impair the right of the Corporation to the further exercise thereof or the exercise of any or all other rights, powers or privileges. The term "re-let" or "re-letting" as used in this Section shall include re-letting by means of the operation by the Corporation of the Property. If any statute or rule of law validly shall limit the remedies given to the Corporation hereunder, the Corporation nevertheless shall be entitled to whatever remedies are allowable under any statute or rule of law.

(e) In the event the Corporation shall prevail in any action brought to enforce any of the terms and provisions of this Lease Agreement, the District shall pay a reasonable amount as and for attorney's fees incurred by the Corporation in attempting to enforce any of the remedies available to the Corporation hereunder.

(f) Notwithstanding anything to the contrary contained in this Lease Agreement, the Corporation shall have no right upon a default by the District hereunder, a Lease Default Event or otherwise to accelerate Rental Payments.

(g) Notwithstanding anything herein to the contrary, the termination of this Lease Agreement by the Corporation on account of a Lease Default Event shall not effect or result in a termination of the lease of the Property by the District to the Corporation pursuant to the Ground Lease.

(h) Notwithstanding anything to the contrary contained in this Lease Agreement, so long as the Insurer is not in default in its payment obligations under the Insurance Policy, no remedy shall be exercised hereunder without the prior written consent of the Insurer and the Insurer shall have the right to direct the exercise of any remedy hereunder.

Section 7.02. Waiver. Failure of the Corporation to take advantage of any default on the part of the District shall not be, or be construed as, a waiver thereof, nor shall any custom or practice that may grow up between the parties in the course of administering this instrument be construed to waive or to lessen the right of the Corporation to insist upon performance by the District of any term, covenant or condition hereof, or to exercise any right given the Corporation on account of such default. A waiver of a particular default shall not be deemed to be a waiver of any other default or of the same default subsequently occurring. The acceptance of Rental Payments hereunder shall not be, or be construed to be, a waiver of any term, covenant or condition of this Lease Agreement.

ARTICLE VIII

AMENDMENTS; ASSIGNMENT AND SUBLEASING; SUBSTITUTION OR RELEASE

Section 8.01. Amendments. (a) This Lease Agreement and the Ground Lease, and the rights and obligations of the Corporation and the District hereunder and thereunder, may be amended at any time by an amendment hereto or thereto, which shall become binding upon execution by the District and the Corporation, but only with the written consent of the Insurer (so long as the Insurer is not in default in its payment obligations under the Insurance Policy) and the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, provided that no such amendment shall (i) extend the payment date of any Base Rental Payment, reduce the interest component or principal component of any Base Rental Payment or change the prepayment terms and provisions, without the prior written consent of the Insurer (so long as the Insurer is not in default in its payment obligations under the Insurance Policy) and the Owner of each Certificate so affected, or (ii) reduce the percentage of the aggregate amount of principal evidenced by the Certificates, the consent of the Owners of which is required for the execution of any amendment of this Lease Agreement or the Ground Lease without the prior written consent of the Insurer (so long as the Insurer is not in default in its payment obligations under the Insurance Policy) and the Owners of all the Certificates then Outstanding.

(b) This Lease Agreement and the Ground Lease, and the rights and obligations of the District and the Corporation hereunder and thereunder, may also be amended at any time by an amendment hereto or thereto, which shall become binding upon execution by the District and the Corporation, but without the written consents of any Owners, but only with the prior written consent of the Insurer (so long as the Insurer is not in default in its payment obligations under the Insurance Policy) and only to the extent permitted by law and only for any one or more of the following purposes:

(i) to add to the agreements, conditions, covenants and terms required by the Corporation or the District to be observed or performed herein or therein other agreements, conditions, covenants and terms thereafter to be observed or performed by the Corporation or the District, or to surrender any right or power reserved herein or therein to or conferred herein or therein on the Corporation or the District, and which in either case shall not materially adversely affect the interests of the Insurer or the Owners;

(ii) to make such provisions for the purpose of curing any ambiguity or of correcting, curing or supplementing any defective provision contained herein or therein or in regard to questions arising hereunder or thereunder that the Corporation or the District may deem desirable or necessary and not inconsistent herewith or therewith, and which in either case shall not materially adversely affect the interests of the Insurer or the Owners;

(iii) to make such additions, deletions or modifications as may be necessary or appropriate to assure the exclusion from gross income for federal income tax purposes of the interest components of Base Rental Payments;

(iv) to provide for the substitution or release of a portion of the Property in accordance with the provisions of Section 8.03 hereof; or

(v) to make such other changes herein or therein or modifications hereto or thereto as the Corporation or the District may deem desirable or necessary, provided such changes or modifications do not adversely affect the rights or interests of the Insurer or the Owners.

Section 8.02. Assignment and Subleasing. Neither this Lease Agreement nor any interest of the District hereunder shall be sold, mortgaged, pledged, assigned or transferred by the District by voluntary act or by operation of law or otherwise; provided, however, that the Property may be subleased in whole or in part by the District with the prior written consent of the Corporation and the Insurer (so long as the Insurer is not in default in its payment obligations under the Insurance Policy) and, provided, further, that, any such sublease shall be subject to all of the following conditions:

(a) this Lease Agreement and the obligation of the District to make all Rental Payments hereunder shall remain the primary obligation of the District;

(b) the District shall, within 30 days after the delivery thereof, furnish or cause to be furnished to the Corporation and the Trustee a true and complete copy of such sublease;

(c) no such sublease by the District shall cause the Property to be used for a purpose other than a governmental or proprietary function authorized under the provisions of the Constitution and laws of the State of California;

(d) any sublease of the Property by the District shall explicitly provide that such sublease is subject to all rights of the Corporation under this Lease Agreement, including, the right to re-enter and re-let the Property or terminate this Lease Agreement upon a Lease Default Event; and

(e) the District shall furnish the Trustee with an Opinion of Counsel to the effect that such sublease will not, in and of itself, cause the interest evidenced by the Certificates to be included in gross income for federal income tax purposes.

Section 8.03. Substitution or Release of the Property. The District shall have the right, but only with the written consent of the Insurer, to substitute alternate real property for any portion of the Property or to release a portion of the Property from this Lease Agreement pursuant to this Section. All costs and expenses incurred in connection with such substitution or release shall be borne by the District. Notwithstanding any substitution or release pursuant to this Section, there shall be no reduction in or abatement of the Base Rental Payments due from the District hereunder as a result of such substitution or release. Any such substitution or release of any portion of the Property shall be subject to the following specific conditions, which are hereby made conditions precedent to such substitution or release; provided, however, that such conditions shall not apply to a release of the High School Property in connection with the termination of the term of this Lease Agreement with respect to the High School Property pursuant to Section 2.02(b) hereof:

(a) an independent certified real estate appraiser selected by the District shall have found, and shall have delivered a certificate to the District, the Insurer and the Trustee setting forth its findings, that the Property, as constituted after such substitution or release, (i) has an annual fair rental value greater than or equal to 105% of the maximum amount of Base Rental Payments payable by the District in any Rental Period, and (ii) has a useful life equal to or greater than the useful life of the Property, as constituted prior to such substitution or release;

(b) the District shall have obtained or caused to be obtained a CLTA or an ALTA title insurance policy or policies with respect to any substituted property in the amount of the fair market value of such substituted property of the type and with the endorsements described in Section 6.02 hereof; provided, however, that such fair market value shall have been determined by an independent certified real estate appraiser selected by the District, which appraiser shall have delivered a certificate to the District and the Trustee setting forth its findings;

(c) the District shall have certified to the Corporation and the Insurer that the substituted real property is of approximately the same degree of essentiality to the District as the portion of the Property for which it is being substituted;

(d) the District shall have provided the Trustee with an Opinion of Counsel to the effect that such substitution or release will not, in and of itself, cause the interest evidenced by the Certificates to be included in gross income for federal income tax purposes; and

(e) the District, the Corporation and the Trustee shall have executed, and the District shall have caused to be recorded with the San Bernardino County Recorder, any document necessary to reconvey to the District the portion of the Property being substituted or released and to include any substituted real property in the description of the Property contained herein and in the Ground Lease.

ARTICLE IX

MISCELLANEOUS

Section 9.01. Notices. All written notices, statements, demands, consents, approvals, authorizations, offers, designations, requests or other communications hereunder shall be given to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other parties in writing from time to time, namely:

If to the District: Rialto Unified School District
182 East Walnut Street
Rialto, California 92376
Attention: Lead Business Services Agent

If to the Corporation: Rialto Unified School District
School Facilities Corporation
182 East Walnut Street
Rialto, California 92376
Attention: Lead Business Services Agent

If to the Trustee: U.S. Bank Trust Company,
National Association
633 West Fifth Street, 24th Floor
Los Angeles, California 90071
Attention: Global Corporate Trust

If to the Insurer: _____

Attention: _____
Re: Policy Nos. _____
Telephone: _____
Telecopier: _____
E-mail: _____

In each case in which notice or other communication refers to an event of default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel of the Insurer and shall be marked to indicate “URGENT MATERIAL ENCLOSED” and shall also be sent to the attention of the General Counsel at the same address and at [_____] or at telecopier number [_____].

Each such notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication hereunder shall be deemed delivered to the party to whom it is addressed (a) if given by courier or delivery service or if personally served or delivered, upon delivery, (b) if given by registered or certified mail, return receipt requested, deposited with the United States mail postage prepaid, 72 hours after such notice is deposited with the United States mail, (c) if given by electronic mail, on the date sent, but only if confirmation of the receipt of such

electronic mail is received or if notice is concurrently sent by another means specified herein, and (d) if given by any other means, upon delivery at the address specified in this Section.

Section 9.02. Assignment to Trustee; Effect. The District understands and agrees that, upon the execution and delivery of the Assignment Agreement, which is occurring simultaneously with the execution and delivery hereof, substantially all of the right, title and interest of the Corporation in and to this Lease Agreement will be sold, assigned and transferred to the Trustee for the benefit of the Owners of the Certificates. The District hereby consents to such sale, assignment and transfer. Upon the execution and delivery of the Assignment Agreement, references in the operative provisions hereof to the Corporation shall be deemed to be references to the Trustee, as assignee of the Corporation.

Section 9.03. Rights of Insurer. As long as the Insurance Policy is in effect and the Insurer is not in default in respect of its payment obligations thereunder, the Insurer shall be deemed to be the sole and exclusive Owner of the Outstanding Certificates for purposes of all approvals, consents, waivers, institution of any action, and the direction of all remedies, including approval of or consent to any amendment of this Lease Agreement and the Ground Lease that requires the consent or approval of the Owners of a majority of the aggregate principal evidenced by the Certificates then Outstanding; provided, however, that the Insurer shall not be deemed to be the sole and exclusive Owner of the Outstanding Certificates with respect to any amendment of this Lease Agreement or the Ground Lease that seeks to amend this Lease Agreement or the Ground Lease for purposes set forth in clause (i) or (ii) of subsection (a) of Section 8.01 hereof, and, provided, further, that the Insurer shall not be deemed to be the sole and exclusive Owner of the Outstanding Certificates for such purposes, and shall not have the right to direct or consent to District, Corporation, Trustee or Owner action, during any period if:

- (a) the Insurer shall fail to make any payment under the Insurance Policy when due and such failure shall continue for three Business Days;
- (b) any material provision of the Insurance Policy shall be held to be invalid by a final, non-appealable order of a court of competent jurisdiction, or the validity or enforceability thereof shall be contested in writing by the Insurer; or
- (c) a proceeding shall have been instituted in a court having jurisdiction in the premises seeking an order for relief, rehabilitation, reorganization, conservation, liquidation or dissolution in respect of the Insurer under Article 16 of the Insurance Law of the State of New York or any successor provision thereto and such proceeding is not terminated for a period of 90 consecutive days or such court enters an order granting the relief sought in such proceeding.

Section 9.04. Third-Party Beneficiary. The Insurer is a third-party beneficiary of this Lease Agreement.

Section 9.05. Partial Invalidity. If any agreement, condition, covenant or term required herein to be observed or performed by or on the part of the District or the Corporation is, to any extent, held to be invalid or unenforceable in any jurisdiction, but the extent of such invalidity or unenforceability does not destroy the basis of the bargain between the parties as contained herein,

the remainder of the agreements, conditions, covenants or terms required herein to be observed or performed by or on the part of the District or the Corporation, or the application of such agreements, conditions, covenants or terms to Persons or circumstances other than those as to which such agreement, condition, covenant or term is held invalid or unenforceable, shall not be affected by such invalidity or unenforceability, and each remaining agreement, condition, covenant and term required herein to be observed or performed by or on the part of the District and the Corporation shall be valid and shall be enforced to the fullest extent permitted by law.

Section 9.06. Governing Law. This Lease Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

Section 9.07. Electronic Signatures. Each of the parties hereto agrees that the transaction consisting of this Lease Agreement may be conducted by electronic means. Each party agrees, and acknowledges that it is such party's intent, that if such party signs this Lease Agreement using an electronic signature, it is signing, adopting, and accepting this Lease Agreement and that signing this Lease Agreement using an electronic signature is the legal equivalent of having placed its handwritten signature on this Lease Agreement on paper. Each party acknowledges that it is being provided with an electronic or paper copy of this Lease Agreement in a usable format.

Section 9.08. Execution in Counterparts. This Lease Agreement may be simultaneously executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Lease Agreement to be executed by their respective officers thereunto duly authorized, all as of the day and year first written above.

**RIALTO UNIFIED SCHOOL
DISTRICT**

By: _____

**RIALTO UNIFIED SCHOOL
DISTRICT SCHOOL FACILITIES
CORPORATION**

By: _____

[Signature Page to Lease Agreement]

EXHIBIT A

MASTER DEFINITIONS

“Acquisition Costs” means all costs of acquiring, constructing and installing the Project, including:

(a) all costs that the Corporation or the District shall be required to pay to a seller or any other Person under the terms of any contract or contracts for the purchase of any portion of the Project;

(b) all costs that the Corporation or the District shall be required to pay a contractor or any other Person for the acquisition, construction and installation of any portion of the Project;

(c) obligations of the Corporation or the District incurred for services (including obligations payable to the Corporation or the District for actual out-of-pocket expenses of the Corporation or the District) in connection with the acquisition, construction and installation of the Project, including reimbursement to the Corporation or the District for all advances and payments made in connection with the Project prior to or after delivery of the Certificates;

(d) the actual out-of-pocket costs of the Corporation or the District for test borings, surveys, estimates and preliminary investigations therefor, as well as for the performance of all other duties required by or consequent to the proper acquisition, construction and installation of the Project, including administrative expenses under the Lease Agreement and under the Trust Agreement relating to the acquisition, construction and installation of the Project;

(e) Costs of Issuance, to the extent amounts for the payment thereof are not available in the Costs of Issuance Fund; and

(f) any sums required to reimburse the Corporation or the District for advances made by the Corporation or the District for any of the above items or for any other costs incurred and for work done by the Corporation or the District that are properly chargeable to the Project.

“Acquisition Fund” means the fund by that name established and held by the Trustee pursuant to Section 3.04 of the Trust Agreement.

“Additional Rental Payments” means all amounts payable by the District as Additional Rental Payments pursuant to Section 3.02 of the Lease Agreement.

“Applicable Laws” means any applicable law, regulation, code, order, rule, judgment or consent agreement of any governmental, quasi-governmental or other public or quasi-public authority or regulatory body, including those relating to zoning, building, use and occupancy, fire safety, health, sanitation, air pollution, ecological matters, environmental protection, hazardous or

toxic materials, substances or wastes, conservation, parking, architectural barriers to the handicapped, or restrictive covenants or other agreements affecting title to the Property.

“Asbestos Containing Materials” means material in friable form containing more than 1% of the asbestiform varieties of (a) chrysotile (serpentine), (b) crocidolite (ricbeckite), (c) amosite (cummington-itegrinerite), (d) anthophyllite, (e) tremolite and (f) actinolite.

“Assignment Agreement” means the Assignment Agreement, dated as of _____ 1, 2024, by and between the Corporation and the Trustee, as originally executed and as it may from time to time be amended, supplemented or otherwise modified in accordance with the provisions thereof.

“Authorized Corporation Representative” means the President of the Corporation, the Vice President of the Corporation, the Treasurer of the Corporation and the Secretary of the Corporation, and any other person authorized by the Board of Directors of the Corporation to act on behalf of the Corporation under or with respect to the Trust Agreement.

“Authorized Denominations” means \$5,000 or any integral multiple thereof.

“Authorized District Representative” means the Superintendent of the District, the Lead Business Services Agent of the District, and any other Person designated as an Authorized Representative of the District in a Written Certificate of the District filed with the Trustee.

“Base Rental Deposit Date” means the 15th day next preceding each Interest Payment Date.

“Base Rental Payment Fund” means the fund by that name established and held by the Trustee pursuant to Section 5.01 of the Trust Agreement.

“Base Rental Payment Schedule” means the schedule of Base Rental Payments payable to the Corporation from the District pursuant to Section 3.01 of the Lease Agreement and attached as Exhibit C to the Lease Agreement.

“Base Rental Payments” means all amounts payable to the Corporation by the District as Base Rental Payments pursuant to Section 3.01 of the Lease Agreement.

“Beneficial Owners” means those Persons for whom the Participants have caused the Depository to hold Book-Entry Certificates.

“Book-Entry Certificates” means the Certificates registered in the name of the nominee of DTC, or any successor securities depository for the Certificates, as the registered owner thereof pursuant to the terms and provisions of Section 2.08 of the Trust Agreement.

“Business Day” means a day other than (a) Saturday or Sunday, (b) a day on which banking institutions in the city or cities in which the Principal Office of the Trustee is located are authorized or required by law to be closed, or (c) a day on which the New York Stock Exchange is closed.

“**Cede & Co.**” means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Certificates.

“**Certificate Purchase Agreement**” means the Certificate Purchase Agreement, dated _____, 2024, by and between the Purchaser and the District relating to the Certificates.

“**Certificate Year**” means each twelve-month period beginning on June 1 in each year and extending to the next succeeding May 31, both dates inclusive, except that the first Certificate Year shall begin on the Delivery Date and end on May 31, 2025.

“**Certificates**” means the Rialto Unified School District Certificates of Participation (2024 Kitchen and Meeting Facilities Financing), executed and delivered by the Trustee pursuant to the Trust Agreement.

“**Code**” means the Internal Revenue Code of 1986.

“**Continuing Disclosure Agreement**” means the Continuing Disclosure Agreement, dated as of _____ 1, 2024, by and between the District and the Trustee, as originally executed and as it may from time to time be amended, supplemented or otherwise modified in accordance with the provisions thereof.

“**Corporation**” means the Rialto Unified School District School Facilities Corporation, a nonprofit public benefit corporation organized and existing under the laws of the State of California, and its successors.

“**Costs of Issuance**” means all the costs of executing and delivering the Certificates, including all printing and document preparation expenses in connection with the Trust Agreement, the Lease Agreement, the Ground Lease, the Assignment Agreement, the Certificates and the preliminary official statement and final official statement pertaining to the Certificates, rating agency fees, title insurance fees, market study fees, legal fees and expenses of counsel with respect to the execution and delivery of the Certificates, the fees and expenses of the Trustee, including fees and expenses of its counsel, the fees and expenses of any municipal advisor to the District, any premium for municipal bond insurance or a reserve surety, and other fees and expenses incurred in connection with the execution and delivery of the Certificates, to the extent such fees and expenses are approved by the District.

“**Costs of Issuance Fund**” means the fund by that name established and held by the Trustee pursuant to Section 3.03 of the Trust Agreement.

“**Defeasance Securities**” means (a) non-callable direct obligations of the United States of America (“United States Treasury Obligations”), (b) evidences of ownership of proportionate interests in future interest and principal payments on United States Treasury Obligations held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying United States Treasury Obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated, (c) subject to the prior written consent of the Insurer, pre-refunded municipal obligations rated “AAA” and “Aaa” by S&P and Moody’s, respectively,

or (d) subject to the prior written consent of the Insurer, securities eligible for “AAA” defeasance under then existing criteria of S&P, or any combination thereof.

“**Delivery Date**” means _____, 2024.

“**Depository**” means the securities depository acting as Depository pursuant to Section 2.08 of the Trust Agreement.

“**District**” means the Rialto Unified School District, a school district organized and existing under the laws of the State of California, and its successors.

“**DTC**” means The Depository Trust Company, New York, New York and its successors.

“**Environmental Regulations**” means all laws and regulations, now or hereafter in effect, with respect to Hazardous Materials, including the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. Section 9601, et seq.) (together with the regulations promulgated thereunder, “CERCLA”), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 6901, et seq.) (together with the regulations promulgated thereunder, “RCRA”), the Emergency Planning and Community Right-to-Know Act, as amended (42 U.S.C. Section 11001, et seq.) (together with the regulations promulgated thereunder, “Title III”), the Clean Water Act, as amended (33 U.S.C. Section 1321, et seq.) (together with the regulations promulgated thereunder, “CWA”), the Clean Air Act, as amended (42 U.S.C. Section 7401, et seq.) (together with the regulations promulgated thereunder, “CAA”) and the Toxic Substances Control Act, as amended (15 U.S.C. Section 2601 et seq.) (together with the regulations promulgated thereunder, “TSCA”), and any state or local similar laws and regulations and any so-called local, state or federal “superfund” or “superlien” law.

“**Event of Default**” means an event specified in Section 7.01 of the Trust Agreement described as constituting an Event of Default.

“**Fair Rental Value**” means, with respect to the Property, the annual fair rental value thereof, as set forth in Section 3.03 of the Lease Agreement.

“**Ground Lease**” means the Ground Lease, dated as of _____ 1, 2024, by and between the District and the Corporation, as originally executed and as it may from time to time be amended, supplemented or otherwise modified in accordance with the provisions thereof and of the Lease Agreement.

“**Hazardous Materials**” means flammable explosives, polychlorinated biphenyl compounds, heavy metals, chlorinated solvents, cyanide, radon, petroleum products, asbestos or any Asbestos Containing Materials, methane, radioactive materials, pollutants, hazardous materials, hazardous wastes, hazardous, toxic, or regulated substances or related materials, as defined in CERCLA, RCRA, CWA, CAA, TSCA and Title III, and the regulations promulgated pursuant thereto, and in all other Environmental Regulations applicable to the Corporation, the District, the Property or the business operations conducted by the Corporation or the District thereon.

“High School Property” means the property described under the caption “High School Property” in Exhibit B to the Lease Agreement.

“Independent Insurance Consultant” means a nationally recognized independent actuary, insurance company or broker acceptable to the Insurer that has actuarial personnel experienced in the area of insurance for which the District is to be self-insured, as may from time to time be designated by the District.

“Insolvency Proceeding” has the meaning ascribed to such term in Section 11.01(n) of the Trust Agreement.

“Insurance Business Day” means any day other than (a) a Saturday or Sunday, (b) any day on which the Principal Office of the Trustee or the principal office of the Insurer is closed, and (c) any day on which banking institutions are authorized or required by law, executive order or governmental decree to be closed in the City of New York.

“Insurance Policy” means the Municipal Bond Insurance Policy, and any endorsement thereto, issued by the Insurer guaranteeing the scheduled payment of the interest and principal evidenced by the Certificates when due, or any insurance policy substituted for said Municipal Bond Insurance Policy.

“Insurer” means [Insurer], or any successor thereto or assignee thereof.

“Insurer Rate” means [_____].

“Insurer’s Fiscal Agent” means a fiscal agent appointed by the Insurer for purposes of, and in accordance with the terms contained in, the Insurance Policy.

“Interest Fund” means the fund by that name established and held by the Trustee pursuant to Section 5.02 of the Trust Agreement.

“Interest Payment Date” means June 1 and December 1 of each year commencing [December 1, 2024].

“Lease Agreement” means the Lease Agreement, dated as of _____ 1, 2024, by and between the District and the Corporation, as originally executed and as it may from time to time be amended, supplemented or otherwise modified in accordance with the provisions thereof.

“Lease Default Event” means any failure or event specified in Section 7.01 of the Lease Agreement described as constituting a Lease Default Event.

“Letter of Representations” means the letter of the District delivered to and accepted by the Depository on or prior to the delivery of the Certificates as Book-Entry Certificates setting forth the basis on which the Depository serves as depository for such Book-Entry Certificates, as originally executed or as it may be amended or supplemented or replaced by a letter to a substitute Depository.

“Mandatory Sinking Account Payment” means the principal evidenced by the Certificates required to be paid on each Mandatory Sinking Account Payment Date pursuant to Section 4.01 of the Trust Agreement.

“Mandatory Sinking Account Payment Date” means (a) for the Certificates with a stated Principal Payment Date of June 1, 20__, June 1, 20__ and each June 1 thereafter continuing through and including June 1, 20__, and (b) for the Certificates with a stated Principal Payment Date of June 1, 20__, June 1, 20__ and each June 1 thereafter continuing through and including June 1, 20__.

“Moody’s” means Moody’s Investors Service, Inc., its successors and assigns, and, if Moody’s Investors Service, Inc., shall for any reason no longer perform the functions of a securities rating agency, “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by the District.

“Net Proceeds” means any insurance proceeds or condemnation award in excess of \$50,000 paid with respect to any of the Property, remaining after payment therefrom of all reasonable expenses incurred in the collection thereof.

“Nominee” means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 2.08 of the Trust Agreement.

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

“Outstanding” means, with respect to the Certificates, as of any date, Certificates theretofore or thereupon being executed and delivered under the Trust Agreement, except (a) Certificates canceled by the Trustee or delivered to the Trustee for cancellation on or prior to such date, (b) Certificates in lieu of which other Certificates have been executed and delivered, or that have been paid without surrender thereof pursuant to Section 2.10 of the Trust Agreement, and (c) Certificates paid or deemed to have been paid within the meaning of Section 10.02 of the Trust Agreement.

“Owner” means, with respect to a Certificate, the Person in whose name such Certificate is registered on the Registration Books.

“Participant” means any entity that is recognized as a participant by the Depository in the book-entry system of maintaining records with respect to Book-Entry Certificates.

“Participating Underwriter” has the meaning ascribed to such term in the Continuing Disclosure Agreement.

“Permitted Encumbrances” means, with respect to the Property, as of any particular time, (a) liens for general ad valorem taxes and assessments, if any, not then delinquent, or that the District may, pursuant to provisions of Section 5.09 of the Lease Agreement, permit to remain unpaid, (b) the Assignment Agreement, (c) the Lease Agreement, (d) the Ground Lease, (e) any right or claim of any mechanic, laborer, materialman, supplier or vendor not filed or perfected in the manner prescribed by law as normally would exist with respect to properties similar to the

Property for the purposes for which it was acquired or is held by the District, (f) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions that exist of record as of the Delivery Date that the District certifies in writing will not affect the intended use of the Property or impair the security granted to the Trustee for the benefit of the Owners of the Certificates by the Trust Agreement and the Assignment Agreement, and (g) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions established following the Delivery Date that the District certifies in writing do not affect the intended use of the Property or impair the security granted to the Trustee for the benefit of the Owners of the Certificates by the Trust Agreement and the Assignment Agreement and to which the Corporation and the Insurer consents in writing.

“Permitted Investments” means the following:

(a) direct general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America), and obligations of any agency, department or instrumentality of the United States of America the timely payment of principal of and interest on which are fully guaranteed by the United States of America (“Federal Securities”);

(b) any of the following direct or indirect obligations of the following agencies of the United States of America: (i) direct obligations of the Export-Import Bank; (ii) certificates of beneficial ownership issued by the Farmers Home Administration; (iii) participation certificates issued by the General Services Administration; (iv) mortgage-backed bonds or pass-through obligations issued and guaranteed by the Government National Mortgage Association, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation or the Federal Housing Administration; (v) project notes issued by the United States Department of Housing and Urban Development; and (vi) public housing notes and bonds guaranteed by the United States of America;

(c) interest-bearing demand deposit accounts or time deposits (including certificates of deposit) in a federal or state chartered bank (including the Trustee and its affiliates) or a state licensed branch of a foreign bank or a state or federal association (as defined in Section 5102 of the California Financial Code), provided that (i) the unsecured short-term obligations of such commercial bank or savings and loan association shall be rated A1 or better by S&P, or (ii) such demand deposit accounts or time deposits shall be fully insured by the Federal Deposit Insurance Corporation;

(d) commercial paper rated in the highest short-term rating category by S&P, issued by corporations that are organized and operating within the United States of America, and that matures not more than 180 days following the date of investment therein;

(e) bankers acceptances, consisting of bills of exchange or time drafts drawn on and accepted by a commercial bank whose short-term obligations are rated in the highest short-term rating category by S&P that mature not more than 270 days following the date of investment therein;

(f) obligations the interest on which is excludable from gross income pursuant to Section 103 of the Code and that are rated A or better by S&P;

(g) obligations issued by any corporation organized and operating within the United States of America having assets in excess of \$500,000,000, which obligations are rated A or better by S&P;

(h) money market funds that are rated Am or better by S&P, including funds for which the Trustee and its affiliates provide investment advisory or other management services;

(i) an investment agreement or guaranteed investment contract with, or guaranteed by, a financial institution or corporation, the long-term unsecured obligations of which are or, in the case of an insurance company, the long term financial strength of which is, rated “AA-” or better by S&P at the time of initial investment; provided, that the investment agreement shall be subject to a downgrade provision with at least the following requirements:

(1) the agreement shall provide that within ten Business Days after the financial institution’s long-term unsecured credit rating has been withdrawn, suspended, or reduced below “AA-” by S&P (such events referred to as “rating downgrades”) the financial institution shall give notice to the District and the Trustee and, within such ten-day period, and for as long as the rating downgrade is in effect, shall deliver in the name of the Trustee Federal Securities with an aggregate current market value equal to at least 105% of the principal amount of the investment agreement invested with the financial institution at that time, and shall deliver additional Federal Securities as needed to maintain an aggregate current market value equal to at least 105% of the principal amount of the investment agreement within three days after each evaluation date, which shall be at least weekly, and

(2) the agreement shall provide that, if the financial institution’s long-term unsecured credit rating is reduced below “A-” by S&P, the financial institution shall give notice of the downgrade to the District and the Trustee within five Business Days, and the Trustee may, upon five Business Days’ written notice to the financial institution, withdraw all amounts invested pursuant to the investment agreement, with accrued but unpaid interest thereon to the withdrawal date, and terminate the agreement.

(j) repurchase agreements with (i) any domestic bank, or domestic branch of a foreign bank, the long-term debt of which is rated at least “A” by S&P and Moody’s; (ii) any broker-dealer with “retail customers” or a related affiliate thereof, which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least “A” by S&P and Moody’s, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation; or (iii) any other entity (or entity whose obligations are guaranteed by an affiliate or parent company) rated at least “A” by S&P and Moody’s, provided that:

(1) the market value of the collateral is maintained at levels and upon such conditions as would be acceptable to S&P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach);

(2) the Trustee or a third party acting solely as agent therefor (the "Holder of the Collateral") has possession of the collateral or the collateral has been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferor's books);

(3) the repurchase agreement shall state and an opinion of counsel shall be rendered at the time such collateral is delivered that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

(4) all other requirements of S&P and Moody's in respect of repurchase agreements shall be met; and

(5) the repurchase agreement shall provide that if during its term the provider's rating by either S&P or Moody's is withdrawn or suspended or falls below "A-" or "A3" respectively, the provider must immediately notify the District and Trustee and the provider must, at the direction of the District or the Trustee, within 10 days of receipt of such direction, repurchase all collateral and terminate the agreement, with no penalty or premium to the District or Trustee.

"Persons" means an individual, corporation, firm, association, partnership, limited liability company, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

"Policy Payments Account" means the account by that name established and held by the Trustee pursuant to subsection (d) of Section 11.02 of the Trust Agreement.

"Preference Claim" has the meaning ascribed to such term in Section 11.01(n) of the Trust Agreement.

"Prepayment Fund" means the fund by that name established and held by the Trustee pursuant to Section 5.02 of the Trust Agreement.

"Principal Fund" means the fund by that name established and held by the Trustee pursuant to Section 5.02 of the Trust Agreement.

"Principal Office" means the Trustee's principal corporate trust office in St. Paul, Minnesota, or any other office designated by the Trustee.

"Principal Payment Date" means, with respect to a Certificate, the date on which the principal evidenced by such Certificate is scheduled, as of the date of execution and delivery of such Certificate, to become due and payable.

“Project” consists of the acquisition, construction, installation, improvement and equipping of District central kitchen and meeting facilities.

“Property” means the real property described in Exhibit B to the Lease Agreement and any improvements thereto, subject to the provisions of Section 2.02 of the Lease Agreement relating to the termination of the term of the Lease Agreement with respect to the High School Property.

“Purchaser” means, collectively, Piper Sandler & Co. and Loop Capital Markets LLC, as underwriters and purchasers of the Certificates pursuant to the Certificate Purchase Agreement.

“Rebate Fund” means the fund by that name established and held by the Trustee pursuant to Section 5.06 of the Trust Agreement.

“Rebate Requirement” has the meaning ascribed to such term in the Tax Certificate.

“Record Date” means, with respect to any Interest Payment Date, the fifteenth day of the calendar month immediately preceding such Interest Payment Date, whether or not such day is a Business Day.

“Registration Books” means the records maintained by the Trustee for the registration of ownership and registration of transfer of the Certificates pursuant to Section 2.06 of the Trust Agreement.

“Release” means to pump, spill, leak, dispose of, empty, discharge or release.

“Rental Payments” means, collectively, the Base Rental Payments and the Additional Rental Payments.

“Rental Period” means the period from the Delivery Date through June 30, 2025 and, thereafter, the twelve-month period commencing on July 1 of each year during the term of the Lease Agreement.

“Reserve Facility” means the Reserve Policy and any line of credit, letter of credit, insurance policy, surety bond or other credit source deposited with the Trustee pursuant to Section 5.05 of the Trust Agreement.

“Reserve Fund” means the fund by that name established in accordance with Section 5.05 of the Trust Agreement.

“Reserve Insurer” means [Insurer], or any successor thereto or assignee thereof.

“Reserve Policy” means the Municipal Bond Debt Service Reserve Insurance Policy, and any endorsement thereto, issued by the Reserve Insurer under which claims may be made in order to provide moneys in the Reserve Fund available for the purposes thereof.

“Reserve Requirement” means, as of any date of calculation, an amount equal to the least of (a) “10% of the proceeds of the issue,” within the meaning of Section 148 of the Code, (b) the

maximum amount of principal and interest evidenced by the Certificates coming due in any Certificate Year, and (c) 125% of the average amount of principal and interest evidenced by the Certificates coming due in each Certificate Year.

“S&P” means S&P Global Ratings, a business unit of Standard and Poor’s Financial Services, LLC, its successors and assigns, and, if S&P Global Ratings shall for any reason no longer perform the functions of a securities rating agency, “S&P” shall be deemed to refer to any other nationally recognized securities rating agency designated by the District.

“Scheduled Termination Date” means June 1, 20[].

“Tax Certificate” means the Tax Certificate executed by the District at the time of execution and delivery of the Certificates relating to the requirements of Section 148 of the Code, as originally executed and as it may from time to time be amended in accordance with the provisions thereof.

“Trust Agreement” means the Trust Agreement, dated as of _____ 1, 2024, by and among U.S. Bank Trust Company, National Association, as trustee, the Corporation and the District, as originally executed and as it may from time to time be amended, supplemented or otherwise modified in accordance with the provisions thereof.

“Trustee” means U.S. Bank Trust Company, National Association, as trustee under the Trust Agreement, or any successor thereto as Trustee under the Trust Agreement substituted in its place as provided in the Trust Agreement.

“Verification Report” means, with respect to the deemed payment of Certificates pursuant to clause (ii) of subsection (a) of Section 10.02 of the Trust Agreement, a report of a nationally recognized certified public accountant, or firm of such accountants, verifying that the Defeasance Securities and cash, if any, deposited in connection with such deemed payment satisfy the requirements of clause (ii) of subsection (a) of Section 10.02 of the Trust Agreement.

“Written Certificate of the Corporation” means a written certificate signed in the name of the Corporation by an Authorized Corporation Representative. Any such certificate may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

“Written Certificate of the District” or **“Written Request of the District”** means, respectively, a written certificate or written request signed in the name of the District by an Authorized District Representative. Any such certificate or request may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

EXHIBIT B

DESCRIPTION OF THE PROPERTY

All that real property situated in the County of San Bernardino, State of California, described as follows, together with any improvements thereto:

High School Property*:

[To come]

Central Kitchen Property:

[To come]

[END OF LEGAL DESCRIPTION OF REAL PROPERTY]

The above-described parcels are commonly referred to as [Wilmer Amina Carter High School, located at 2630 N. Linden Avenue, Rialto, California 92377 and the land on which the central kitchen and meeting facilities of the District are to be constructed, located at 625 W. Foothill Blvd., Rialto, CA 92376].

* The Lease Agreement provides that, so long as no Lease Default Event shall have occurred and be continuing under the Lease Agreement, the term of the Lease Agreement with respect to the High School Property shall terminate on the date the Written Certificate of the District required by Section 3.04(c) of the Trust Agreement is filed with the Trustee, unless such term is sooner terminated as hereinafter provided, and, from and after the date of such termination (i) the description of the High School Property set forth in this Exhibit B shall be deemed to have been deleted herefrom and the term "Property" shall, for all purposes hereof, be deemed not to include the High School Property, and (ii) all right, title and interest in and to the portion of the High School Property shall vest in the District.

EXHIBIT C

BASE RENTAL PAYMENT SCHEDULE

<u>Interest Payment Date</u>	<u>Principal Component</u>	<u>Interest Component</u>	<u>Total Base Rental Payment</u>
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TRUST AGREEMENT

by and among

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,
AS TRUSTEE**

and

**RIALTO UNIFIED SCHOOL DISTRICT
SCHOOL FACILITIES CORPORATION**

and

RIALTO UNIFIED SCHOOL DISTRICT

Dated as of _____ 1, 2024

**Relating To
Rialto Unified School District
Certificates of Participation
(2024 Kitchen and Meeting Facilities Financing)**

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TRUST AGREEMENT

THIS TRUST AGREEMENT (this “Trust Agreement”), dated as of _____ 1, 2024, is by and among U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association organized and existing under and by virtue of the laws of the United States of America, as Trustee (the “Trustee”), the RIALTO UNIFIED SCHOOL DISTRICT SCHOOL FACILITIES CORPORATION, a nonprofit public benefit corporation organized and existing under the laws of the State of California (the “Corporation”), and the RIALTO UNIFIED SCHOOL DISTRICT, a school district organized and existing under the laws of the State of California (the “District”).

W I T N E S S E T H:

WHEREAS, the District desires to finance the acquisition, construction, installation, improvement and equipping of District central kitchen and meeting facilities (the “Project”);

WHEREAS, in order to finance the Project, the District will lease certain real property owned by the District and the improvements thereto (the “Property”) to the Corporation pursuant to a Ground Lease, dated as of the date hereof (the “Ground Lease”), and the District will sublease the Property back from the Corporation pursuant to a Lease Agreement, dated as of the date hereof (the “Lease Agreement”);

WHEREAS, the District and the Corporation have determined that it would be in the best interests of the District and the Corporation to provide a portion of the funds necessary to finance the Project through the sale and delivery, pursuant to this Trust Agreement, of the Rialto Unified School District Certificates of Participation (2024 Kitchen and Meeting Facilities Financing) (the “Certificates”) evidencing direct, fractional undivided interests in the base rental payments to be made by the District under the Lease Agreement;

WHEREAS, all rights to receive such base rental payments have been assigned without recourse by the Corporation to the Trustee pursuant to an Assignment Agreement, dated as of the date hereof;

WHEREAS, in consideration of such assignment and the execution of this Trust Agreement, the Trustee has agreed to execute and deliver the Certificates, each evidencing a direct, fractional undivided interest in such base rental payments; and

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

NOW, THEREFORE, in consideration of the premises and of the mutual agreements and covenants contained herein and for other valuable consideration, the receipt of which is hereby acknowledged, the parties hereto do hereby agree as follows:

ARTICLE I

DEFINITIONS; RULES OF CONSTRUCTION; EQUAL SECURITY

Section 1.01. Definitions. Certain terms are defined in Exhibit A attached hereto and by this reference incorporated herein. Unless the context otherwise requires, the terms defined in Exhibit A hereto shall, for all purposes hereof and of any certificate, opinion or other document mentioned herein or therein, have the meanings herein specified.

Section 1.02. Rules of Construction. (a) The terms defined herein expressed in the singular shall, unless the context otherwise indicates, include the plural and vice versa.

(b) The use herein of the masculine, feminine or neuter gender is for convenience only and shall be deemed and construed to include correlative words of the masculine, feminine or neuter gender, as appropriate.

(c) References herein to a document shall include all amendments, supplements or other modifications to such document, and any replacements, substitutions or novation of, that document.

(d) Any term defined herein by reference to another document shall continue to have the meaning ascribed thereto whether or not such other document remains in effect.

(e) The use herein of the words “including” and “includes,” and words of similar import, shall be deemed to be followed by the phrase “without limitation.”

(f) Headings of Articles and Sections herein and the table of contents hereof are solely for convenience of reference, do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(g) All references herein to designated “Articles,” “Sections,” “Exhibits,” “subsections,” “paragraphs,” “clauses,” and other subdivisions are to the designated Articles, Sections, Exhibits, subsections, paragraphs, clauses, and other subdivisions of this Trust Agreement.

(h) The words “hereof” (except when preceded by a specific Section or Article reference), “herein,” “hereby,” “hereunder,” “hereinabove,” “hereinafter,” and other equivalent words and phrases used herein refer to this Trust Agreement and not solely to the particular portion hereof in which any such word is used.

(i) Any reference to a Person, or a Person in a specified capacity, shall be construed to include such Person’s successors or such Person’s successors in such capacity, as the case may be.

Section 1.03. Equal Security. In consideration of the acceptance of the Certificates by the Owners, this Trust Agreement shall be deemed to be and shall constitute a contract between the Trustee and the Owners to secure the full and final payment of the interest and principal evidenced by the Certificates that may be executed and delivered hereunder, subject to each of the agreements, conditions, covenants and terms contained herein; and all agreements, conditions,

covenants and terms contained herein required to be observed or performed by or on behalf of the Trustee shall be for the equal and proportionate benefit, protection and security of all Owners without distinction, preference or priority as to security or otherwise of any Certificate over any other Certificate by reason of the number or date thereof or the time of execution or delivery thereof or for any cause whatsoever, except as expressly provided herein or therein.

ARTICLE II

TERMS AND CONDITIONS OF CERTIFICATES

Section 2.01. Preparation and Delivery of Certificates. The Trustee is hereby authorized and directed to prepare the Certificates and, upon the Written Request of the District, shall execute and deliver the Certificates in the aggregate amount of \$[Par Amount] evidencing the aggregate principal components of the Base Rental Payments and each evidencing a direct, fractional undivided interest in the Base Rental Payments. The Certificates shall be numbered, with or without prefixes, as directed by the Trustee. The Trustee is hereby authorized to deliver the Certificates to the Purchaser pursuant to the Certificate Purchase Agreement upon receipt of a Written Request of the District and upon receipt of the proceeds of sale thereof.

Section 2.02. Denomination, Medium and Dating of Certificates. The Certificates shall be designated “Rialto Unified School District Certificates of Participation (2024 Kitchen and Meeting Facilities Financing),” shall be prepared in the form of fully registered Certificates, without coupons, in Authorized Denominations and shall be payable in lawful money of the United States of America. The Certificates shall be dated the Delivery Date. Each Certificate shall evidence interest from the Interest Payment Date next preceding its date of execution to which interest has been paid in full, unless such date of execution shall be after a Record Date and on or prior to the following Interest Payment Date, in which case such Certificate shall evidence interest from such Interest Payment Date, or unless such date of execution shall be on or prior to [November 15, 2024], in which case such Certificate shall represent interest from the Delivery Date. Notwithstanding the foregoing, if, as shown by the records of the Trustee, interest evidenced by the Certificates shall be in default, each Certificate shall evidence interest from the last Interest Payment Date to which such interest has been paid in full or duly provided for.

Section 2.03. Payment Dates of Certificates; Interest Computation. *Method and Place of Payment.* (a) The principal evidenced by the Certificates shall become due and payable, subject to prior prepayment, on June 1 of the years, in the amounts, and shall accrue interest at the rates per annum set forth below, computed on the basis of a 360-day year consisting of twelve 30-day months:

<u>Principal Payment Date</u> <u>(June 1)</u>	<u>Principal</u> <u>Component</u>	<u>Interest</u> <u>Rate</u>
	\$	%

Except as otherwise provided in the Letter of Representations, payments of interest evidenced by the Certificates shall be made to the Owners thereof, as determined at the close of business on the Record Date next preceding the related Interest Payment Date, by check or draft of the Trustee mailed to the address of each such Owner as it appears on the Registration Books, or to such other address as may be furnished in writing to the Trustee by each such Owner. Except

as otherwise provided in the Letter of Representations, payment of principal and prepayment premium, if any, evidenced by the Certificates, on their stated Principal Payment Dates or on prepayment in whole or in part prior thereto, shall be made only upon presentation and surrender of the Certificates at the Principal Office of the Trustee.

(b) *Computation of Interest.* The interest evidenced by the Certificates shall be payable on each Interest Payment Date to and including their respective Principal Payment Dates or prepayment prior thereto, and shall represent the sum of the portions of the Base Rental Payments evidenced thereby designated as interest components coming due on the Interest Payment Dates in each year. The principal evidenced by the Certificates shall be payable on their respective Principal Payment Dates and Mandatory Sinking Account Payment Dates in each year and shall represent the sum of the portions of the Base Rental Payments designated as principal components coming due on the Principal Payment Dates and Mandatory Sinking Account Payment Dates in each year.

Section 2.04. Form of Certificates. The Certificates shall be in substantially the form of Exhibit B hereto, with necessary or appropriate insertions, omissions and variations as permitted or required hereby.

Section 2.05. Execution of Certificates. The Certificates shall be executed by the Trustee by the manual signature of an authorized signatory of the Trustee.

Section 2.06. Registration Books. (a) The Trustee shall keep at its Principal Office sufficient books for the registration and transfer of the Certificates, which books shall be available for inspection and copying by the District and the Insurer at reasonable hours and under reasonable conditions; and upon presentation for such purpose the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer the Certificates on such books as hereinabove provided.

(b) The Trustee may treat the Owner of any Certificate as the absolute owner of such Certificate for all purposes, whether or not the principal or interest evidenced by such Certificate shall be overdue, and the Trustee shall not be affected by any knowledge or notice to the contrary; and payment of the interest and principal evidenced by such Certificate shall be made only to such Owner, which payments shall be valid and effectual to satisfy and discharge the liability evidenced by such Certificate to the extent of the sum or sums so paid.

Section 2.07. Transfer and Payment of Certificates; Exchange of Certificates. (a) Each Certificate is transferable by the Owner thereof, in person or by such Owner's attorney duly authorized in writing, at the Principal Office of the Trustee, upon surrender of such Certificate for cancellation accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Trustee.

(b) Whenever any Certificate shall be surrendered for transfer, the Trustee shall execute and deliver a new Certificate or Certificates evidencing principal in the same aggregate amount and having the same stated Principal Payment Date. The Trustee shall require the payment by any Owner requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

(c) Each Certificate may be exchanged at the Principal Office of the Trustee for Certificates evidencing principal in a like aggregate amount and having the same stated Principal Payment Date in such Authorized Denominations as the Owner thereof may request. The Trustee shall require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

(d) The Trustee shall not be required to transfer or exchange any Certificate during the period commencing on the date five days before the date of selection of Certificates for prepayment and ending on the date of mailing notice of such prepayment, nor shall the Trustee be required to transfer or exchange any Certificate or portion thereof selected for prepayment from and after the date of mailing the notice of prepayment thereof.

Section 2.08. Book-Entry System. (a) The Certificates shall initially be executed and delivered as Book-Entry Certificates and the Certificates for each stated Principal Payment Date shall be in the form of a separate single fully registered Certificate (which may be typewritten). The ownership of each Book-Entry Certificate shall be registered in the Registration Books in the name of the Nominee, as nominee of the Depository. Payment of principal or interest evidenced by any Book-Entry Certificate registered in the name of the Nominee shall be made on the applicable payment date by wire transfer of New York clearing house or equivalent next day funds or by wire transfer of same day funds to the account of the Nominee. Such payments shall be made to the Nominee at the address that is, on the Record Date, shown for the Nominee in the Registration Books.

(b) With respect to Book-Entry Certificates, the District, the Corporation and the Trustee shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds an interest in such Book-Entry Certificates. Without limiting the immediately preceding sentence, the District, the Corporation and the Trustee shall have no responsibility or obligation with respect to (i) the accuracy of the records of the Depository, the Nominee or any Participant with respect to any ownership interest in Book-Entry Certificates, (ii) the delivery to any Participant or any other person, other than an Owner as shown in the Registration Books, of any notice with respect to Book-Entry Certificates, including any notice of prepayment, (iii) the selection by the Depository and its Participants of the beneficial interests in Book-Entry Certificates to be prepaid in the event Certificates are prepaid in part, (iv) the payment to any Participant or any other person, other than an Owner as shown in the Registration Books, of any amount with respect to principal, premium, if any, or interest evidenced by Book-Entry Certificates, or (v) any consent given or other action taken by the Depository as Owner.

(c) The District and the Trustee may treat and consider the person in whose name each Book-Entry Certificate is registered in the Registration Books as the absolute Owner of such Book-Entry Certificate for the purpose of payment of principal, prepayment premium, if any, and interest evidenced by such Certificate, for the purpose of selecting any Certificates, or portions thereof, to be prepaid, for the purpose of giving notices of prepayment and other matters with respect to such Certificate, for the purpose of registering transfers with respect to such Certificate, for the purpose of obtaining any consent or other action to be taken by Owners and for all other purposes whatsoever, and the District, the Corporation and the Trustee shall not be affected by any notice to the contrary.

(d) In the event of a prepayment of all or a portion of a Certificate, the Depository, in its discretion (i) may request the Trustee to execute and deliver a new Certificate, or (ii) if DTC is the sole Owner of such Certificate, shall make an appropriate notation on the Certificate indicating the date and amounts of the reduction in principal evidenced thereby resulting from such prepayment, except in the case of final payment, in which case such Certificate must be presented to the Trustee prior to payment.

(e) The Trustee shall pay all principal, premium, if any, and interest evidenced by the Certificates only to or “upon the order of” (as that term is used in the Uniform Commercial Code as adopted in the State of California) the respective Owner, as shown in the Registration Books, or such Owner’s respective attorney duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the obligations with respect to payment of principal, premium, if any, and interest evidenced by the Certificates to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Registration Books, shall receive a Certificate evidencing principal, premium, if any, and interest evidenced by the Certificates. Upon delivery by the Depository to the Owners, the Trustee and the District of written notice to the effect that the Depository has determined to substitute a new nominee in place of the Nominee, and subject to the provisions herein with respect to Record Dates, the word Nominee in this Trust Agreement shall refer to such nominee of the Depository.

(f) In order to qualify the Book-Entry Certificates for the Depository’s book-entry system, the District shall execute and deliver to the Depository a Letter of Representations. The execution and delivery of a Letter of Representations shall not in any way impose upon the Corporation, the District or the Trustee any obligation whatsoever with respect to persons having interests in such Book-Entry Certificates other than the Owners, as shown on the Registration Books. Such Letter of Representations may provide the time, form, content and manner of transmission, of notices to the Depository. In addition to the execution and delivery of a Letter of Representations by the District, the District, the Corporation and the Trustee shall take such other actions, not inconsistent with this Trust Agreement, as are reasonably necessary to qualify Book-Entry Certificates for the Depository’s book-entry program.

(g) In the event the District determines that it is in the best interests of the Beneficial Owners that they be able to obtain certificated Certificates and that such Certificates should therefore be made available and notifies the Depository and the Trustee of such determination, the Depository shall notify the Participants of the availability through the Depository of certificated Certificates. In such event, the Trustee shall transfer and exchange certificated Certificates as requested by the Depository and any other Owners in appropriate amounts. In the event (i) the Depository determines not to continue to act as securities depository for Book-Entry Certificates, or (ii) the Depository shall no longer so act and gives notice to the Trustee of such determination, then the District shall discontinue the Book-Entry system with the Depository. If the District determines to replace the Depository with another qualified securities depository, the District shall prepare or direct the preparation of a new single, separate, fully registered Certificate for each stated Principal Payment Date of such Book-Entry Certificates, registered in the name of such successor or substitute qualified securities depository or its nominee. If the District fails to identify another qualified securities depository to replace the Depository, then the Certificates shall no longer be restricted to being registered in the Registration Books in the name of the Nominee, but shall be registered in whatever name or names the Owners transferring or exchanging such

Certificates shall designate, in accordance with the provisions of Sections 2.07 and 2.08 hereof. Whenever the Depository requests the District to do so, the District shall cooperate with the Depository in taking appropriate action after reasonable notice (i) to make available one or more separate certificates evidencing the Book-Entry Certificates to any Participant having Book-Entry Certificates credited to its account with the Depository, and (ii) to arrange for another securities depository to maintain custody of certificates evidencing the Book-Entry Certificates.

(h) Notwithstanding any other provision of this Trust Agreement to the contrary, if DTC is the sole Owner of the Certificates, so long as any Book-Entry Certificate is registered in the Registration Books in the name of the Nominee, all payments of principal, premium, if any, and interest evidenced by such Certificate and all notices with respect to such Certificate shall be made and given, respectively, as provided in the Letter of Representations or as otherwise instructed by the Depository.

(i) In connection with any notice or other communication to be provided to Owners pursuant to this Trust Agreement by the District, the Corporation or the Trustee, with respect to any consent or other action to be taken by Owners, the Trustee shall establish a record date for such consent or other action and give the Depository notice of such record date no later than 15 calendar days in advance of such record date to the extent possible. Notice to the Depository shall be given only when DTC is the sole Owner of the Certificates.

Section 2.09. Temporary Certificates. The Certificates may be initially delivered in temporary form exchangeable for definitive Certificates when ready for delivery, which temporary Certificates shall be printed, lithographed or typewritten, shall be of such denominations as may be determined by the Trustee, shall be in fully registered form and shall contain such reference to any of the provisions hereof as may be appropriate. Every temporary Certificate shall be executed and delivered by the Trustee upon the same conditions and terms and in substantially the same manner as definitive Certificates. If the Trustee executes and delivers temporary Certificates, it shall prepare and execute definitive Certificates without delay, and thereupon the temporary Certificates may be surrendered at the Principal Office of the Trustee in exchange for such definitive Certificates, and until so exchanged such temporary Certificates shall be entitled to the same benefits hereunder as definitive Certificates executed and delivered hereunder.

Section 2.10. Certificates Mutilated, Lost, Destroyed or Stolen. If any Certificate shall become mutilated, the Trustee, at the expense of the Owner thereof, shall execute and deliver a new Certificate evidencing a like principal amount and having the same stated Principal Payment Date and number in exchange and substitution for the Certificate so mutilated, but only upon surrender to the Trustee of the Certificate so mutilated. Every mutilated Certificate so surrendered to the Trustee shall be canceled by it and disposed of in a manner deemed appropriate by the Trustee. If any Certificate shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the Trustee, and if such evidence is satisfactory to the Trustee and indemnity satisfactory to the Trustee shall be given, the Trustee, at the expense of the Owner thereof, shall execute and deliver a new Certificate evidencing a like principal amount and having the same stated Principal Payment Date, numbered as the Trustee shall determine, in lieu of and in substitution for the Certificate so lost, destroyed or stolen. The Trustee may require payment of a sum not exceeding the actual cost of preparing each new Certificate executed and delivered by it under this Section and of the expenses that may be incurred by it under this Section. Any

Certificate executed and delivered under the provisions of this Section in lieu of any Certificate alleged to be lost, destroyed or stolen shall be equally and proportionately entitled to the benefits hereof with all other Certificates executed and delivered hereunder, and the Trustee shall not be required to treat both the original Certificate and any replacement Certificate as being Outstanding for the purpose of determining the amount of Certificates that may be executed and delivered hereunder or for the purpose of determining any percentage of Certificates Outstanding hereunder, but both the original and replacement Certificate shall be treated as one and the same. Notwithstanding any other provision of this Section, in lieu of executing and delivering a new Certificate for a Certificate that has been lost, destroyed or stolen and that evidences principal that is then payable, the Trustee may make payment of such Certificate to the Owner thereof if so instructed by the District.

ARTICLE III

PROCEEDS OF CERTIFICATES

Section 3.01. Delivery of Certificates. The Trustee shall execute the Certificates and deliver the Certificates to the Purchaser upon receipt of a Written Request of the District and upon receipt of the proceeds of sale thereof in the amount specified in Section 3.02.

Section 3.02. Proceeds of Certificates. The proceeds of the Certificates shall be used by the Corporation to pay the District the rental payment due under the Ground Lease. The District hereby directs the Corporation to make such payment to the Trustee. The proceeds of the sale of the Certificates so received by the Trustee, \$[Net Purchase Price] (which constitutes the purchase price of the Certificates less the premium for the Insurance Policy (\$[Insurance Premium]) to be wired directly to the Insurer by the Purchaser, and less the premium for the Reserve Policy (\$[Reserve Premium]) to be wired directly to the Reserve Insurer by the Purchaser), shall be deposited by the Trustee as follows:

- (a) the Trustee shall deposit in the Costs of Issuance Fund established pursuant to Section 3.03 hereof the amount of \$[COI Fund Deposit];
- (b) the Trustee shall deposit in the Interest Fund established pursuant to Section 5.02 hereof the amount of \$[Interest Fund Deposit]; and
- (c) the Trustee shall deposit in the Acquisition Fund established pursuant to Section 3.04 hereof the amount of \$[Acquisition Fund Deposit].

The Trustee shall deposit in the Reserve Fund established pursuant to Section 5.05 hereof the Reserve Policy, in an amount equal to the Reserve Requirement.

The Trustee may establish and use temporary funds or accounts in its records to facilitate and record such deposit and transfer.

Section 3.03. Costs of Issuance Fund. (a) The Trustee shall establish and maintain a separate special fund to be held by the Trustee designated the “Costs of Issuance Fund.” On the Delivery Date, there shall be deposited in the Costs of Issuance Fund the amount required to be deposited therein pursuant to Section 3.02 hereof.

(b) The Trustee shall disburse moneys from the Costs of Issuance Fund on such dates and in such amounts as are necessary to pay Costs of Issuance, in each case upon the Written Request of the District, stating the person to whom payment is to be made, the amount to be paid, the purpose for which the obligation was incurred and that such payment is a proper charge against the Costs of Issuance Fund. On the last Business Day that is no later than six months after the Delivery Date, the Trustee shall transfer any amounts then remaining in the Costs of Issuance Fund to the Base Rental Payment Fund and the Trustee shall close the Costs of Issuance Fund.

Section 3.04. Acquisition Fund. (a) The Trustee shall establish and maintain a separate fund to be held by the Trustee designated the “Acquisition Fund.” On the Delivery Date, there shall be deposited in the Acquisition Fund the amount required to be deposited therein pursuant to

Section 3.02 hereof. All moneys in the Acquisition Fund shall be held by the Trustee in trust and applied by the Trustee, as provided in this Section, to the payment of Acquisition Costs.

(b) Upon receipt by the Trustee of a Written Request of the District requesting the Trustee to make a payment from the Acquisition Fund, which Written Request shall be in substantially the form of Exhibit C hereto, the Trustee shall pay the amount set forth in such Written Request as directed by the terms thereof.

(c) Upon the filing of a Written Certificate of the District stating (i) that the portion of the Project to be financed from the Acquisition Fund has been completed and that all costs of such Project have been paid, or (ii) that such portion of the Project has been substantially completed and that all remaining costs of such portion of the Project have been determined and specifying the amount to be retained therefor, the Trustee shall (A) if the amount remaining in the Acquisition Fund (less any such retention) is equal to or greater than \$50,000, transfer the portion of such amount equal to the largest integral multiple of \$5,000 that is not greater than such amount to the Prepayment Fund, to be applied to the prepayment of Certificates pursuant to Section 4.01(b) hereof, and (B) after making the transfer, if any, required to be made pursuant to the preceding clause (A), transfer all of the amount remaining in the Acquisition Fund (less any such retention) to the Interest Fund, to be applied to the payment of interest evidenced by the Certificates.

ARTICLE IV

PREPAYMENT OF CERTIFICATES

Section 4.01. Terms of Prepayment. (a) *Extraordinary Prepayment.* The Certificates are subject to prepayment prior to their stated Principal Payment Dates, on any date, in whole or in part, in Authorized Denominations, from and to the extent of any Net Proceeds received with respect to all or a portion of the Property, deposited by the Trustee in the Prepayment Fund pursuant to Sections 5.03 and 5.04 hereof, at a prepayment price equal to the principal evidenced by the Certificates to be prepaid, plus unpaid accrued interest, if any, evidenced thereby to the date fixed for prepayment, without premium.

(b) *Optional Prepayment.* [The Certificates maturing on or before June 1, 20__, are not subject to optional prepayment prior to their respective stated Principal Payment Dates. The Certificates maturing on or after June 1, 20__, are subject to optional prepayment prior to their respective stated Principal Payment Dates, on any date on or after June 1, 20__, at the prepayment prices set forth below expressed as percentages of the principal components of the Base Rental Payments subject to prepayment, in whole or in part, in Authorized Denominations, from and to the extent of prepaid Base Rental Payments paid pursuant to subsection (a) of Section 3.07 of the Lease Agreement, any such prepayment to be at a price equal to the principal evidenced by the Certificates to be prepaid, plus unpaid accrued interest evidenced thereby to the date fixed for prepayment.]

Prepayment Prices	Prepayment Date
[10_]%	June 1, 20__ to May 31 ,20__
[10_]%	June 1, 20__ to May 31 ,20__
[10_]%	June 1, 20__ to May 31 ,20__
100%	June 1, 20__ and thereafter]

(c) [Optional Prepayment. The Certificates maturing on or before June 1, 20__, are not subject to optional prepayment prior to their respective stated Principal Payment Dates. The Certificates are subject to optional prepayment prior to their respective stated Principal Payment Dates, on any date on or after June 1, 20__, in whole or in part, in Authorized Denominations, from and to the extent of prepaid Base Rental Payments paid pursuant to subsection (b) of Section 3.07 of the Lease Agreement, any such prepayment to be at a price equal to the principal evidenced by the Certificates to be prepaid, plus unpaid accrued interest evidenced thereby to the date fixed for prepayment, without premium.]

(d) *Mandatory Sinking Account Prepayment.* The Certificates with a stated Principal Payment Date of June 1, 20__ are subject to prepayment prior to such stated Principal Payment Date, in part, from Mandatory Sinking Account Payments, on each June 1 specified below, at a prepayment price equal to the principal evidenced thereby, plus accrued interest evidenced thereby to the date fixed for prepayment, without premium. The principal evidenced by such Certificates to be so prepaid and the dates therefor shall be as follows:

Prepayment Date
(June 1)

Principal
To Be Prepaid

*

*Stated Principal Payment Date

If some but not all of the principal evidenced by the Certificates with a stated Principal Payment Date of June 1, 20__ is prepaid pursuant to subsection (a) of Section 4.01 hereof, the principal evidenced by the Certificates with a stated Principal Payment Date of June 1, 20__ to be prepaid pursuant to subsection (d) of Section 4.01 hereof on any subsequent June 1 shall be reduced by the aggregate principal evidenced by the Certificates with a stated Principal Payment Date of June 1, 20__ so prepaid pursuant to subsection (a) of Section 4.01 hereof, such reduction to be allocated among prepayment dates in proportion to the amount by which the principal components of the Base Rental Payments evidenced by such Certificates payable on such prepayment dates are abated pursuant to Section 3.06 of the Lease Agreement as a result of the event that caused such Certificates to be prepaid pursuant to subsection (a) of Section 4.01 hereof in amounts of Authorized Denominations. If some but not all of the principal evidenced by the Certificates with a stated Principal Payment Date of June 1, 20__ is prepaid pursuant to subsection (b) or (c) of Section 4.01 hereof, the principal evidenced by the Certificates with a stated Principal Payment Date of June 1, 20__ to be prepaid pursuant to subsection (d) of Section 4.01 hereof on any subsequent June 1 shall be reduced by the aggregate principal evidenced by the Certificates with a stated Principal Payment Date of June 1, 20__ so prepaid pursuant to subsection (b) or (c) of Section 4.01 hereof, such reduction to be allocated among prepayment dates in amounts of Authorized Denominations to correspond to the prepaid Base Rental Payments elected by the District pursuant to Section 3.07 of the Lease Agreement.

The Certificates with a stated Principal Payment Date of June 1, 20__ are subject to prepayment prior to such stated Principal Payment Date, in part, from Mandatory Sinking Account Payments, on each June 1 specified below, at a prepayment price equal to the principal evidenced thereby, plus accrued interest evidenced thereby to the date fixed for prepayment, without premium. The principal evidenced by such Certificates to be so prepaid and the dates therefor shall be as follows:

Prepayment Date
(June 1)

Principal
To Be Prepaid

*

*Stated Principal Payment Date

If some but not all of the principal evidenced by the Certificates with a stated Principal Payment Date of June 1, 20__ is prepaid pursuant to subsection (a) of Section 4.01 hereof, the principal evidenced by the Certificates with a stated Principal Payment Date of June 1, 20__ to be prepaid pursuant to subsection (d) of Section 4.01 hereof on any subsequent June 1 shall be reduced by the aggregate principal evidenced by the Certificates with a stated Principal Payment Date of June 1, 20__ so prepaid pursuant to subsection (a) of Section 4.01 hereof, such reduction to be allocated among prepayment dates in proportion to the amount by which the principal components of the Base Rental Payments evidenced by such Certificates payable on such prepayment dates are abated pursuant to Section 3.06 of the Lease Agreement as a result of the event that caused such Certificates to be prepaid pursuant to subsection (a) of Section 4.01 hereof in amounts of Authorized Denominations. If some but not all of the principal evidenced by the Certificates with a stated Principal Payment Date of June 1, 20__ is prepaid pursuant to subsection (b) or (c) of Section 4.01 hereof, the principal evidenced by the Certificates with a stated Principal Payment Date of June 1, 20__ to be prepaid pursuant to subsection (d) of Section 4.01 hereof on any subsequent June 1 shall be reduced by the aggregate principal evidenced by the Certificates with a stated Principal Payment Date of June 1, 20__ so prepaid pursuant to subsection (b) or (c) of Section 4.01 hereof, such reduction to be allocated among prepayment dates in amounts of Authorized Denominations to correspond to the prepaid Base Rental Payments elected by the District pursuant to Section 3.07 of the Lease Agreement.

Section 4.02. Selection of Certificates for Prepayment. Whenever less than all the Outstanding Certificates are to be prepaid on any one date, the Trustee shall select the Certificates to be prepaid (a) with respect to any prepayment pursuant to subsection (a) of Section 4.01 hereof, among Certificates with different stated Principal Payment Dates in proportion to the amount by which the principal components of the Base Rental Payments evidenced by such Certificates are abated pursuant to Section 3.06 of the Lease Agreement, and (b) with respect to any prepayment pursuant to subsection (b) or (c) of Section 4.01 hereof, as directed in a Written Request of the District, and by lot among Certificates with the same stated Principal Payment Date in any manner that the Trustee deems fair and appropriate, which decision shall be final and binding upon the District and the Owners. The Trustee shall promptly notify the District in writing of the numbers of the Certificates so selected for prepayment on such date. For purposes of such selection, any Certificate may be prepaid in part in Authorized Denominations.

Section 4.03. Notice of Prepayment. (a) The Trustee shall mail (by first class mail) notice of any prepayment to the respective Owners of any Certificates designated for prepayment at their respective addresses appearing on the Registration Books at least 30 but not more than 60 days prior to the date fixed for prepayment. Such notice shall state the date of the notice, the prepayment date, the prepayment place and the prepayment price and shall designate the CUSIP numbers, if any, the Certificate numbers and the stated Principal Payment Date or Principal Payment Dates of the Certificates to be prepaid (except in the event of prepayment of all of the Certificates in whole), and shall require that such Certificates be then surrendered at the Principal Office of the Trustee for prepayment at the prepayment price, giving notice also that further interest evidenced by such Certificates will not accrue from and after the date fixed for prepayment. Neither the failure to receive any notice so mailed, nor any defect in such notice, shall affect the validity of the proceedings for the prepayment of the Certificates or the cessation of accrual of interest evidenced thereby from and after the date fixed for prepayment.

(b) With respect to any notice of any optional prepayment of Certificates, unless at the time such notice is given the Certificates to be prepaid shall be deemed to have been paid within the meaning of Section 10.02 hereof, such notice shall state that such prepayment is conditional upon receipt by the Trustee, on or prior to the date fixed for such prepayment, of moneys that, together with other available amounts held by the Trustee, are sufficient to pay the prepayment price of, and accrued interest evidenced by, the Certificates to be prepaid, and that if such moneys shall not have been so received said notice shall be of no force and effect and such Certificates shall not be required to be prepaid. In the event a notice of prepayment of Certificates contains such a condition and such moneys are not so received, the prepayment of Certificates as described in the conditional notice of prepayment shall not be made and the Trustee shall, within a reasonable time after the date on which such prepayment was to occur, give notice to the Persons and in the manner in which the notice of prepayment was given, that such moneys were not so received and that there shall be no prepayment of Certificates pursuant to such notice of prepayment.

Section 4.04. Partial Prepayment of Certificates. Upon surrender of any Certificate prepaid in part only, the Trustee shall execute and deliver to the Owner thereof a new Certificate or Certificates evidencing the unprepaid principal with respect to the Certificate surrendered.

Section 4.05. Effect of Prepayment. If notice of prepayment has been duly given as aforesaid and moneys for the payment of the prepayment price of the Certificates to be prepaid are held by the Trustee, then on the prepayment date designated in such notice, the Certificates so called for prepayment shall become payable at the prepayment price specified in such notice; and from and after the date so designated, interest evidenced by the Certificates so called for prepayment shall cease to accrue, such Certificates shall cease to be entitled to any benefit or security hereunder and the Owners of such Certificates shall have no rights in respect thereof except to receive payment of the prepayment price thereof, and such moneys shall be pledged to such prepayment. The Trustee shall, upon surrender for payment of any of the Certificates to be prepaid, pay such Certificates at the prepayment price thereof.

All Certificates prepaid pursuant to the provisions of this Article shall be canceled by the Trustee and shall not be redelivered.

ARTICLE V

FUNDS AND ACCOUNTS; RENTAL PAYMENTS

Section 5.01. Pledge; Base Rental Payment Fund. (a) Subject only to the provisions of this Trust Agreement permitting the application thereof for the purposes and on the terms and conditions set forth herein, in order to secure the District's obligations hereunder and under the Lease Agreement, the District hereby irrevocably pledges to the Owners, and grants a lien on and a security interest in, all of its right, title and interest, if any, in and to all amounts on deposit from time to time in the funds and accounts established hereunder (other than the Rebate Fund), which amounts shall be used for the payment of the Base Rental Payments in accordance with the terms hereof and of the Lease Agreement. Said pledge shall constitute a first lien on and security interest in such assets, which shall immediately attach to such assets and be effective, binding and enforceable against the District, its successors, purchasers of any of such assets, creditors and all others asserting rights therein, to the extent set forth in, and in accordance with, this Trust Agreement, irrespective of whether those parties have notice of the pledge of, lien on and security interest in such assets and without the need for any physical delivery, recordation, filing or further act.

(b) It is the intent of the parties hereto that the Corporation not have any right, title or interest in or to the amounts on deposit from time to time in the funds and accounts established hereunder. If, contrary to the intent of the parties hereto, the Corporation is found to have any right, title or interest in or to any such amounts, then, subject only to the provisions of this Trust Agreement permitting the application thereof for the purposes and on the terms and conditions set forth herein, the Corporation hereby irrevocably pledges to the Owners, and grants a lien on and a security interest in, all of its right, title and interest, if any, in and to all amounts on deposit from time to time in the funds and accounts established hereunder (other than the Rebate Fund). Said pledge shall constitute a first lien on and security interest in such assets, which shall immediately attach to such assets and be effective, binding and enforceable against the Corporation, its successors, purchasers of any of such assets, creditors and all others asserting rights therein, to the extent set forth in, and in accordance with, this Trust Agreement, irrespective of whether those parties have notice of the pledge of, lien on and security interest in such assets and without the need for any physical delivery, recordation, filing or further act.

(c) All Base Rental Payments shall be paid directly by the District to the Trustee, and if received by the Corporation at any time shall be deposited by the Corporation with the Trustee within one Business Day after the receipt thereof. All Base Rental Payments paid by the District shall be deposited by the Trustee in the Base Rental Payment Fund, which the Trustee shall establish and maintain until all required Base Rental Payments are paid in full pursuant to the Lease Agreement and until the first date upon which the Certificates are no longer Outstanding. The moneys in the Base Rental Payment Fund shall be held in trust by the Trustee and shall be disbursed only for the purposes and uses herein authorized. Any Net Proceeds of rental interruption insurance received with respect to the Property shall be deposited in the Base Rental Payment Fund.

(d) Pursuant to the Assignment Agreement, the Corporation has sold, assigned and transferred to the Trustee, irrevocably and absolutely, for the benefit of the Owners, substantially

all of its right, title and interest in and to the Ground Lease and the Lease Agreement, including its right to receive Base Rental Payments to be paid by the District under and pursuant to the Lease Agreement; provided, however, that the Corporation has retained the rights to indemnifications and to payment or reimbursement of its reasonable costs and expenses under the Lease Agreement. The Corporation shall not have any obligation or liability to the Owners with respect to the payment when due of the Base Rental Payments by the District, or with respect to the performance by the District of the other agreements and covenants required to be performed by it contained in the Ground Lease, the Lease Agreement or herein, or with respect to the performance by the Trustee of any right or obligation required to be performed by it contained herein.

Section 5.02. Deposit of Base Rental Payments. The Trustee shall transfer the amounts on deposit in the Base Rental Payment Fund, at the times and in the manner hereinafter provided, to the following respective funds, each of which the Trustee hereby agrees to establish and maintain until all required Base Rental Payments are paid in full pursuant to the Lease Agreement and until the first date upon which the Certificates are no longer Outstanding. The moneys in each of such funds shall be held in trust by the Trustee and shall be disbursed only for the purposes and uses herein authorized.

(a) *Interest Fund.* The Trustee, on each Interest Payment Date, shall deposit in the Interest Fund that amount of moneys representing the portion of the Base Rental Payments designated as the interest component coming due on such Interest Payment Date. On each Interest Payment Date, the Trustee shall withdraw from the Interest Fund, for payment to the Owners, the interest evidenced by the Certificates coming due on such Interest Payment Date.

(b) *Principal Fund.* The Trustee, on each Principal Payment Date and each Mandatory Sinking Account Payment Date, shall deposit in the Principal Fund that amount of moneys representing the portion of the Base Rental Payments designated as the principal component coming due on such Principal Payment Date or Mandatory Sinking Account Payment Date. On each Principal Payment Date and each Mandatory Sinking Account Payment Date, the Trustee shall withdraw from the Principal Fund, for payment to the Owners, the principal evidenced by the Certificates due and payable on such Principal Payment Date or Mandatory Sinking Account Payment Date.

(c) *Prepayment Fund.* The Trustee, on the prepayment date specified in the Written Request of the District filed with the Trustee at the time that any prepaid Base Rental Payment is paid to the Trustee pursuant to the Lease Agreement, shall deposit in the Prepayment Fund that amount of moneys representing the portion of the Base Rental Payments designated as prepaid Base Rental Payments. Additionally, the Trustee shall deposit in the Prepayment Fund any amounts required to be deposited therein pursuant to Section 3.04, Section 5.03 or Section 5.04 hereof. Moneys in the Prepayment Fund shall be used by the Trustee for the purpose of paying the interest, premium, if any, and principal evidenced by the Certificates to be prepaid. All moneys held by the Trustee in the Prepayment Fund shall either be held uninvested or invested in Defeasance Securities that mature in sufficient amounts and on the dates needed to make the prepayments of Certificates for which such moneys were deposited.

Section 5.03. Application of Net Proceeds. If the Property or any portion thereof shall be damaged or destroyed, subject to the further requirements of this Section, the District shall, as

expeditiously as possible, continuously and diligently prosecute or cause to be prosecuted the repair or replacement thereof, unless the District elects not to repair or replace the Property or the affected portion thereof in accordance with the provisions hereof.

The Net Proceeds of any insurance (other than Net Proceeds of rental interruption insurance), including the proceeds of any self-insurance, received on account of any damage or destruction of the Property or a portion thereof shall as soon as possible be deposited with the Trustee and be held by the Trustee in a special account to be established by the Trustee, as an account subject to the provisions of this Trust Agreement, and made available for and, to the extent necessary, shall be applied to the cost of repair or replacement of the Property or the affected portion thereof upon receipt of a Written Request of the District, together with invoices therefor. Pending such application, such proceeds may be invested by the Trustee as directed by the District in Permitted Investments that mature not later than such times as moneys are expected to be needed to pay such costs of repair or replacement.

Notwithstanding the foregoing, the District shall, within 60 days of the occurrence of the event of damage or destruction, notify the Trustee and the Insurer in writing as to whether the District intends to replace or repair the Property or the portions of the Property that were damaged or destroyed. If the District does intend to replace or repair the Property or portions thereof, the District shall deposit with the Trustee the full amount of any insurance deductible to be deposited to the special account.

If such damage, destruction or loss was such that there resulted a substantial interference with the District's right to the use or occupancy of the Property and an abatement in whole or in part of Rental Payments would result from such damage or destruction pursuant to Section 3.06 of the Lease Agreement (disregarding, for the purpose of determining whether such an abatement would result, the provisions of subsection (b) of Section 3.06 of the Lease Agreement), then the District shall be required either to (a) apply sufficient funds from the insurance proceeds and other legally available funds to the replacement or repair of the Property or the portions thereof that have been damaged to the condition that existed prior to such damage or destruction, or (b) apply sufficient funds from the insurance proceeds and other legally available funds to the prepayment, as set forth in subsection (a) of Section 4.01 hereof, in full of all the Outstanding Certificates or all of those Outstanding Certificates that would have been payable from that portion of the Base Rental Payments that would be abated as a result of the damage or destruction (disregarding, for the purpose of determining what portion of the Base Rental Payments would be so abated, the provisions of subsection (b) of Section 3.06 of the Lease Agreement). Funds to be applied to the prepayment of Certificates in accordance with clause (b) above shall be deposited in the Prepayment Fund. Any proceeds of any insurance, including the proceeds of any self-insurance remaining after the portion of the Property that was damaged or destroyed is restored to and made available to the District in substantially the same condition and annual fair rental value as that which existed prior to the damage or destruction as required by clause (a) above or the prepayment of Certificates as required by clause (b) above, in each case as evidenced by a Written Certificate of the District to such effect, shall be deposited in the Reserve Fund to the extent that the amount therein is less than the Reserve Requirement (taking into account amounts available under any Reserve Facility). If the District is not required to replace or repair the Property, or the affected portion thereof, as set forth in clause (a) above or to use such amounts to prepay Certificates as set forth in clause (b) above, then such proceeds shall be deposited in the Reserve Fund to the extent

that the amount therein is less than the Reserve Requirement (taking into account amounts available under any Reserve Facility). Any amounts not required to be so deposited into the Reserve Fund shall, if there is first delivered to the Trustee and the Insurer a Written Certificate of the District to the effect that the annual fair rental value of the Property after such damage or destruction, and after any repairs or replacements made as a result of such damage or destruction, is at least equal to 100% of the maximum amount of Base Rental Payments becoming due under the Lease Agreement in the then current Rental Period or any subsequent Rental Period and the fair replacement value of the Property after such damage or destruction is at least equal to the sum of the then unpaid principal components of Base Rental Payments, be paid to the District to be used for any lawful purpose.

The proceeds of any award in eminent domain with respect to the Property shall be deposited by the Trustee in the Prepayment Fund and applied to the prepayment of Outstanding Certificates pursuant to subsection (a) of Section 4.01 hereof.

Section 5.04. Title Insurance. Proceeds of any policy of title insurance received by the Trustee in respect of the Property shall be applied and disbursed by the Trustee as follows:

(a) if the District determines (and sets forth in a Written Certificate of the District) that the title defect giving rise to such proceeds has not substantially interfered with its use and occupancy of the Property and will not result in an abatement of Rental Payments payable by the District under the Lease Agreement, such proceeds shall, with the written approval of the Insurer, be remitted to the District and used for any lawful purpose thereof; or

(b) if the District determines that the title defect giving rise to such proceeds has substantially interfered with its use and occupancy of the Property and would result in an abatement in whole or in part of Rental Payments payable by the District under the Lease (disregarding, for the purpose of determining whether such an abatement would result, the provisions of subsection (b) of Section 3.06 of the Lease Agreement), then the District shall, in a Written Request of the District, direct the Trustee to, and the Trustee shall, immediately deposit such proceeds in the Prepayment Fund and such proceeds shall, with the written approval of the Insurer, be applied to the prepayment of Certificates in the manner provided in subsection (a) of Section 4.01 hereof.

Section 5.05. Reserve Fund. (a) The Trustee shall establish and maintain the Reserve Fund until all required Base Rental Payments are paid in full pursuant to the Lease Agreement and until the first date upon which the Certificates are no longer Outstanding. There shall be deposited in the Reserve Fund on the Delivery Date the Reserve Policy pursuant to Section 3.02 hereof. The moneys in the Reserve Fund and any Reserve Facility shall be held in trust by the Trustee and shall be used and disbursed only for the purposes and uses herein authorized.

(b) The District may substitute a Reserve Facility for all or a part of the Reserve Facility then on deposit in the Reserve Fund by depositing such substitute Reserve Facility with the Trustee so long as, at the time of such substitution, the amount on deposit in the Reserve Fund, together with the amount available under such Reserve Facility and any previously substituted Reserve Facilities, shall be at least equal to the Reserve Requirement; provided, however, that, prior to any

such substitution, the Trustee shall have received the written consent of the Insurer (so long as the Insurer is not in default in its payment obligations under the Insurance Policy). The District shall not substitute any Reserve Facility in lieu of all or any portion of moneys on deposit in the Reserve Fund without the prior written consent of the Insurer (so long as the Insurer is not in default in its payment obligations under the Insurance Policy). Moneys for which a Reserve Facility has been substituted as provided herein shall be transferred, at the election of the District, to the Base Rental Payment Fund, or upon receipt of an Opinion of Counsel to the effect that such transfer, in and of itself, will not adversely affect the exclusion of interest evidenced by the Certificates from gross income for federal income tax purposes, to a special account to be held by the Trustee and applied to the payment of capital costs of the District, as directed in a Written Request of the District. Any amounts paid pursuant to any Reserve Facility shall be deposited in the Reserve Fund.

(c) Amounts on deposit in the Reserve Fund that were not derived from payments under any Reserve Facility credited to the Reserve Fund to satisfy a portion of the Reserve Requirement shall be used and withdrawn by the Trustee prior to using and withdrawing any amounts derived from payments under any such Reserve Facility. In order to accomplish such use and withdrawal of such amounts not derived from payments under any such Reserve Facility, the Trustee shall, as and to the extent necessary, liquidate any investments purchased with such amounts. If and to the extent that, more than one Reserve Facility is credited to the Reserve Fund to satisfy a portion of the Reserve Requirement, drawings thereunder, and repayment of expenses with respect thereto, shall be made on a *pro-rata* basis (calculated by reference to the policy limits available thereunder without regard to the legal or financial ability or willingness of any Reserve Facility provider to honor a claim or draw thereon or the failure of such provider to honor any such claim or draw).

If, on any Interest Payment Date, the amount on deposit in the Interest Fund is insufficient to pay the interest evidenced by the Certificates payable on such Interest Payment Date, the Trustee shall transfer from the Reserve Fund and deposit in the Interest Fund an amount sufficient to make up such deficiency. If a Reserve Facility is credited to the Reserve Fund to satisfy a portion of the Reserve Requirement, the Trustee shall make a claim for payment under such Reserve Facility, in accordance with the provisions thereof, in an amount that, together with other available moneys in the Reserve Fund, will be sufficient to make said deposit in the Interest Fund.

If, on any Principal Payment Date or Mandatory Sinking Account Payment Date, the amount on deposit in the Principal Fund is insufficient to pay the principal evidenced by the Certificates payable on such Principal Payment Date or Mandatory Sinking Account Payment Date, the Trustee shall transfer from the Reserve Fund and deposit in the Principal Fund an amount sufficient to make up such deficiency. If a Reserve Facility is credited to the Reserve Fund to satisfy a portion of the Reserve Requirement, the Trustee shall make a claim for payment under such Reserve Facility, in accordance with the provisions thereof, in an amount that, together with other available moneys in the Reserve Fund, will be sufficient to make said deposit in the Principal Fund.

Moneys, if any, on deposit in the Reserve Fund shall be withdrawn and applied by the Trustee for the final payment of principal and interest evidenced by the Certificates.

(d) In the event of any transfer from the Reserve Fund or the making of any claim under any Reserve Facility, the Trustee shall, within five days thereafter, provide written notice to the District of the amount and the date of such transfer or claim.

(e) To the extent that proceeds of a payment under the Reserve Policy are applied to the payment of interest or principal evidenced by a Certificate, the Reserve Insurer shall become the Owner of such portion of such Certificate and the right to receive payment of such interest or principal and shall be fully subrogated to all of the Owner's rights thereunder to the extent of such payment, including the Owner's rights to payment thereof. To evidence such subrogation (i) in the case of subrogation as to claims for interest, the Trustee shall note the Reserve Insurer's rights as subrogee on the Registration Books, and (ii) in the case of subrogation as to claims for principal, the Trustee shall note the Reserve Insurer's rights as subrogee on the Registration Books upon surrender of the Certificate evidencing such principal by the Owner thereof to the Trustee.

(f) If, as a result of the District's non-payment, when due, of all or a portion of a Base Rental Payment (other than a non-payment caused by an abatement of Rental Payments pursuant to Section 3.06 of the Lease Agreement), a claim has been made under the Reserve Policy and the Reserve Insurer has paid such claim, the first of Base Rental Payments, including the interest component thereof, calculated at the Insurer Rate as provided in Section 3.04 of the Lease Agreement, thereafter received from the District under the Lease Agreement and not needed to pay the principal or interest evidenced by the Certificates on the next Interest Payment Date, Principal Payment Date or Mandatory Sinking Account Payment Date shall be paid to the Reserve Insurer, as the Owner of the Certificates (or portions thereof) evidencing such delinquent Base Rental Payment, in repayment of such payment by the Reserve Insurer until such payment is paid in full. If as a result of the District's non-payment of all or a portion of a Base Rental Payment (which non-payment is caused by an abatement of Rental Payments pursuant to Section 3.06 of the Lease Agreement), a claim has been made on the Reserve Policy and the Reserve Insurer has paid such claim, the Reserve Insurer, as the Owner of the Certificates (or portions thereof) evidencing such abated Base Rental Payment, shall be entitled to receive, during the extension of the term of the Lease Agreement provided for in Section 2.02 of the Lease Agreement, any amounts paid in respect of such abated and unpaid Base Rental Payment pursuant to subsection (b) of Section 3.01 and Section 3.04 of the Lease Agreement. Any such payment by the District pursuant to this Section shall be applied first to the interest component of such delinquent Base Rental Payment due the Reserve Insurer and second to the principal components of such delinquent Base Rental Payment due the Reserve Insurer.

(g) If (i) the sum of the amount on deposit in the Reserve Fund, plus the amount available under all available Reserve Facilities, is less than the Reserve Fund Requirement, (ii) there are no amounts then due to the Reserve Insurer under the Reserve Policy, and (iii) there are no amounts then due to the provider of any other Reserve Facility under such Reserve Facility, the first of Base Rental Payments thereafter received from the District under the Lease Agreement and not needed to pay the principal or interest evidenced by the Certificates on the next Interest Payment Date, Principal Payment Date or Mandatory Sinking Account Payment Date shall be used, first, to reinstate the amounts available under the Reserve Facilities that have been drawn upon and, second, to increase the amount on deposit in the Reserve Fund, so that the amount available under the Reserve Facilities, when added to the amount on deposit in the Reserve Fund, shall equal the Reserve Requirement.

(h) If, as a result of the payment of principal or interest evidenced by the Certificates or otherwise, the Reserve Requirement is reduced, amounts on deposit in the Reserve Fund in excess of such reduced Reserve Requirement shall be transferred to the Base Rental Payment Fund.

(i) On any date on which Certificates are defeased in accordance with Section 10.02 hereof, the Trustee shall, if so directed in a Written Request of the District, transfer any moneys in the Reserve Fund in excess of the Reserve Requirement resulting from such defeasance to the entity or fund so specified in such Written Request of the District, to be applied to such defeasance.

Section 5.06. Rebate Fund. (a) In addition to the other funds and accounts created pursuant hereto, the Trustee shall establish and maintain the “Rebate Fund.” There shall be deposited in the Rebate Fund such amounts as are required to be deposited therein pursuant to the Tax Certificate. All money at any time deposited in the Rebate Fund shall be held by the Trustee in trust, to the extent required to satisfy the Rebate Requirement, for payment to the United States of America. Notwithstanding defeasance of the Certificates pursuant to Article X hereof or anything to the contrary contained herein, all amounts required to be deposited into or on deposit in the Rebate Fund shall be governed exclusively by this Section and by the Tax Certificate (which is incorporated herein by reference). The Trustee shall have no liability or responsibility to enforce compliance by the District with the terms of the Tax Certificate. The Trustee may conclusively rely upon the District’s determinations, calculations and certifications required by the Tax Certificate. The Trustee shall have no responsibility to independently make any calculation or determination or to review the District’s calculations.

(b) Any funds remaining in the Rebate Fund after payment in full of all of the principal and interest evidenced by the Certificates and after payment of any amounts described in this Section, shall be withdrawn by the Trustee and remitted to the District.

Section 5.07. Investments. (a) *General.* Except as otherwise provided herein, all moneys in any of the funds or accounts established pursuant to this Trust Agreement and held by the Trustee shall be invested by the Trustee solely in Permitted Investments, as directed in writing by the District two Business Days prior to the making of such investment. Moneys in all funds and accounts held by the Trustee shall be invested in Permitted Investments maturing not later than the date on which it is estimated that such moneys will be required for the purposes specified in this Trust Agreement; provided, however, that Permitted Investments in which moneys in the Reserve Fund are so invested shall mature no later than the earlier of five years from the date of investment or the final stated Principal Payment Date of the Certificates; provided, further, that if such Permitted Investments may be redeemed at par so as to be available on each Interest Payment Date, any amount in the Reserve Fund may be invested in such redeemable Permitted Investments maturing on any date on or prior to the final stated Principal Payment Date of the Certificates. Absent timely written direction from the District, the Trustee shall invest any funds held by it in Permitted Investments described in clause (h) of the definition thereof.

(b) *Role and Responsibilities of the Trustee.* The Trustee or an affiliate thereof may act as principal or agent in the acquisition or disposition of any such Permitted Investment and shall be entitled to a customary and reasonable fee therefor. The Trustee shall not be liable or responsible for any loss suffered in connection with any such investment made by it under the terms of and in accordance with this Trust Agreement. The Trustee shall sell or present for redemption any

obligations so purchased whenever it shall be necessary in order to provide moneys to meet any payment of the funds so invested, and the Trustee shall not be liable or responsible for any losses resulting from any such investment sold or presented for redemption.

The District acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the District the right to receive brokerage confirmations of security transactions as they occur, the District will not receive such confirmation to the extent permitted by law. The Trustee shall furnish the District periodic cash transaction statements, which shall include detail for all investment transactions made by the Trustee hereunder. The Trustee may make any investments hereunder through its own bond or investment department or trust investment department, or those of its parent or any affiliate. The Trustee or any of its affiliates may act as sponsor, advisor or manage in connection with any investments made by the Trustee hereunder.

(c) *Valuation.* Investments (except investment agreements) in any fund or account established hereunder shall be valued, exclusive of accrued interest (i) not less often than semi-annually no later than February 15 and August 15 or more frequently if deemed necessary by the Insurer but not more often than monthly, and (ii) upon any draw upon the Reserve Fund. All investments of amounts deposited in any fund or account established hereunder shall be valued at the market value thereof.

(d) *Earnings.* Subject to the provisions of Section 5.06 hereof, any interest or profits received with respect to investments held in any of the funds or accounts established hereunder (other than the Reserve Fund) shall be retained therein. Subject to the provisions of Section 5.06 hereof, any interest or profits received with respect to investments held in the Reserve Fund shall, prior to the date on which a Written Certificate of the District is filed with the Trustee pursuant to Section 3.04(c) hereof, to be transferred to the Acquisition Fund and, thereafter, be transferred to the Base Rental Payment Fund. Notwithstanding the foregoing, any such transfer shall be made from the Reserve Fund only if and to the extent that, after such transfer, the amount on deposit in the Reserve Fund, together with amounts available to be drawn on all Reserve Facilities, if any, available therein, is at least equal to the Reserve Requirement.

ARTICLE VI

COVENANTS; LIMITATIONS ON LIABILITY

Section 6.01. Compliance with Trust Agreement. The Trustee shall execute and deliver the Certificates only in accordance with the provisions hereof, and each of the Corporation and the District shall faithfully comply with, keep, observe and perform all the agreements, conditions, covenants and terms contained in this Trust Agreement required to be complied with, kept, observed and performed by it.

Section 6.02. Compliance with Ground Lease and Lease Agreement. Each of the Corporation and the District shall faithfully comply with, keep, observe and perform all the agreements, conditions, covenants and terms contained in the Ground Lease and the Lease Agreement required to be complied with, kept, observed and performed by it and, together with the Trustee, shall enforce the Ground Lease and the Lease Agreement against the other party thereto in accordance with their respective terms.

Section 6.03. Observance of Laws and Regulations. The Corporation, the District and the Trustee shall faithfully comply with, keep, observe and perform all valid and lawful obligations or regulations now or hereafter imposed on them by contract, or prescribed by any law of the United States of America or of the State of California, or by any officer, board or commission having jurisdiction or control, as a condition of the continued enjoyment of each and every franchise, right or privilege now owned or hereafter acquired by them, including their right to exist and carry on their respective businesses, to the end that such franchises, rights and privileges shall be maintained and preserved and shall not become abandoned, forfeited or in any manner impaired.

Section 6.04. Other Liens. The District shall keep the Property and all parts thereof free from judgments and materialmen's and mechanics' liens and free from all claims, demands, encumbrances and other liens of whatever nature or character, other than Permitted Encumbrances, and free from any claim or liability that materially impairs the District in conducting its business or utilizing the Property, and the Trustee at its option (after first giving the District ten days' written notice to comply therewith and failure of the District to so comply within such ten-day period) may defend against any and all actions or proceedings, or may pay or, with the written consent of the Insurer, compromise any claim or demand asserted in any such actions or proceedings; provided, however, that, in defending against any such actions or proceedings or in paying or compromising any such claims or demands, the Trustee shall not in any event be deemed to have waived or released the District from liability for or on account of any of its agreements and covenants contained herein, or from its obligation hereunder to perform such agreements and covenants. The Trustee shall have no liability with respect to any determination made in good faith to proceed or decline to defend, pay or compromise any such claim or demand.

So long as any Certificates are Outstanding, neither the Trustee nor the District shall create or suffer to be created any pledge of or lien on the amounts on deposit in any of the funds or accounts created hereunder, other than the pledge and lien hereof.

The Trustee shall not encumber the Property other than in accordance with the Ground Lease, the Lease Agreement, this Trust Agreement and the Assignment Agreement.

Section 6.05. Prosecution and Defense of Suits. The District shall promptly, upon request of the Trustee, the Insurer or any Owner, take such action from time to time as may be necessary or proper to remedy or cure any cloud upon or defect in the title to the Property or any part thereof, whether now existing or hereafter developing, shall prosecute all actions, suits or other proceedings as may be appropriate for such purpose and shall indemnify and save the Trustee, the Insurer and every Owner harmless from all cost, damage, expense or loss, including attorneys' fees, that they or any of them may incur by reason of any such cloud, defect, action, suit or other proceeding.

Section 6.06. Recordation. The District shall record, or cause to be recorded, with the San Bernardino County Recorder, the Lease Agreement, the Ground Lease and the Assignment Agreement, or memoranda thereof.

Section 6.07. Tax Covenants. (a) The District shall not take any action, or fail to take any action, if such action or failure to take such action would adversely affect the exclusion from gross income of interest evidenced by the Certificates under Section 103 of the Code. Without limiting the generality of the foregoing, the District shall comply with the requirements of the Tax Certificate, which is incorporated herein as if fully set forth herein. This covenant shall survive payment in full or defeasance of the Certificates.

(b) In the event that at any time the District is of the opinion that for purposes of this Section it is necessary or helpful to restrict or limit the yield on the investment of any moneys held by the Trustee in any of the funds or accounts established hereunder, the District shall so instruct the Trustee in writing, and the Trustee shall take such action as may be necessary in accordance with such instructions.

(c) Notwithstanding any provisions of this Section, if the District shall provide to the Trustee an Opinion of Counsel to the effect that any specified action required under this Section is no longer required or that some further or different action is required to maintain the exclusion from federal income tax of interest evidenced by the Certificates, the Trustee may conclusively rely on such opinion in complying with the requirements of this Section and of the Tax Certificate, and the covenants hereunder shall be deemed to be modified to that extent.

Section 6.08. Continuing Disclosure. Each of the District and the Trustee shall comply with and carry out all of the provisions of the Continuing Disclosure Agreement applicable to it. Notwithstanding any other provision of this Trust Agreement, failure of the District or the Trustee to comply with the Continuing Disclosure Agreement shall not constitute an Event of Default hereunder; provided, however, that the Trustee may (and, at the written direction of any Participating Underwriter or the Owners of at least 25% of the aggregate amount of principal evidenced by Outstanding Certificates and upon being indemnified to its reasonable satisfaction, shall) or any Owner or Beneficial Owner of the Certificates may take such actions as may be necessary and appropriate to compel performance, including seeking mandate or specific performance by court order.

Section 6.09. No Liability by the Corporation to the Owners. The Corporation shall not have any obligation or liability to the Owners with respect to the payment when due of the Base Rental Payments by the District, or with respect to the performance by the District of the

other agreements and covenants required to be performed by it contained in the Lease Agreement, the Ground Lease or herein, or with respect to the performance by the Trustee of any right or obligation required to be performed by it contained herein.

Section 6.10. No Liability by the District to the Owners. Except for the payment when due of the Base Rental Payments and the performance of the other agreements and covenants required to be performed by it contained in the Lease Agreement, the Ground Lease or herein, the District shall not have any obligation or liability to the Owners with respect to the Trust Agreement or the preparation, execution, delivery or transfer of the Certificates or the disbursement of the Base Rental Payments by the Trustee to the Owners, or with respect to the performance by the Trustee of any right or obligation required to be performed by it contained herein.

Section 6.11. No Liability of the Trustee to the Owners. Except as expressly provided herein, the Trustee shall not have any obligation or liability to the Owners with respect to the payment when due of the Base Rental Payments by the District, or with respect to the performance by the Corporation or the District of the other agreements and covenants required to be performed by them, respectively, contained in the Lease Agreement, the Ground Lease or herein.

Section 6.12. Further Assurances. Whenever and so often as requested to do so by the Trustee, the Insurer or any Owner, the Corporation and the District shall promptly execute and deliver or cause to be executed and delivered all such other and further assurances, documents or instruments and promptly do or cause to be done all such other and further things as may be necessary or reasonably required in order to further and more fully vest in the Trustee, the Insurer and the Owners all advantages, benefits, interests, powers, privileges and rights conferred or intended to be conferred upon them hereby or by the Assignment Agreement, the Ground Lease or the Lease Agreement.

ARTICLE VII

EVENTS OF DEFAULT AND REMEDIES

Section 7.01. Action on Default. If a Lease Default Event shall occur and be continuing, such Lease Default Event shall constitute an Event of Default hereunder. In each and every case during the continuance of an Event of Default, the Trustee (a) may, with the prior written consent of the Insurer, at the direction of the Owners of not less than a majority of the aggregate principal evidenced by Certificates then Outstanding, and (b) shall, upon being indemnified to its reasonable satisfaction, so long as the Insurer is not in default in its payment obligations under the Insurance Policy, at the direction of the Insurer, upon notice in writing to the District and the Corporation, exercise any of the remedies granted to the Corporation under the Lease Agreement and, in addition, with the written consent or at the written direction of the Insurer, take whatever action at law or in equity may appear necessary or desirable to enforce its rights as assignee pursuant to the Assignment Agreement or to protect and enforce any of the rights vested in the Trustee or the Owners by this Trust Agreement or by the Certificates, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement or for the enforcement of any other legal or equitable right, including any one or more of the remedies set forth in Section 7.02 hereof.

Section 7.02. Other Remedies of the Trustee. If an Event of Default shall have occurred and be continuing, the Trustee shall have the right:

- (a) by mandamus or other action or proceeding or suit at law or in equity to enforce its rights against the District or any member, director, officer or employee thereof, and to compel the District or any such member, director, officer or employee to perform or carry out such Person's duties under law and the agreements and covenants required to be performed by such Person contained herein;
- (b) by suit in equity to enjoin any acts or things that are unlawful or violate the rights of the Trustee or the Owners; or
- (c) by suit, action or proceeding in any court of competent jurisdiction, to require the District to account as if it were the trustee of an express trust.

Section 7.03. Non-Waiver. So long as the Insurer is not in default in its payment obligations under the Insurance Policy, the Trustee shall not waive any default or breach of duty or contract hereunder without the prior written consent of the Insurer. A waiver of any default or breach of duty or contract by the Trustee shall not affect any subsequent default or breach of duty or contract or impair any rights or remedies on any such subsequent default or breach of duty or contract. No delay or omission by the Trustee to exercise any right or remedy accruing upon any default or breach of duty or contract shall impair any such right or remedy or shall be construed to be a waiver of any such default or breach of duty or contract or an acquiescence therein, and every right or remedy conferred upon the Trustee by law or by this Article may be enforced and exercised from time to time and as often the Trustee shall deem expedient.

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

Section 7.04. Remedies Not Exclusive. No remedy herein conferred upon or reserved to the Trustee is intended to be exclusive of any other remedy, and each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing in law or in equity or by statute or otherwise and may be exercised without exhausting and without regard to any other remedy conferred by any law. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 7.05. Application of Amounts After Event of Default. If an Event of Default shall occur and be continuing, all payments received by the Trustee with respect to the rental of the Property as a result thereof, including any proceeds received in connection with the sale, assignment or sublease of the Corporation's right, title and interest in the Ground Lease, and all damages or other payments received by the Trustee for the enforcement of any rights and powers of the Trustee under Article VII of the Lease Agreement, shall be deposited into the Base Rental Payment Fund and as soon as practicable thereafter applied:

- (a) to the payment of all amounts due the Trustee under Section 8.07 hereof;
- (b) to the payment of all amounts then due for interest evidenced by the Certificates, in respect of which, or for the benefit of which, money has been collected (other than Certificates that have become payable prior to such Event of Default and money for the payment of which is held by the Trustee), ratably without preference or priority of any kind, according to the amounts of interest evidenced by such Certificates due and payable;
- (c) to the payment of all amounts then due for principal evidenced by the Certificates, in respect of which, or for the benefit of which, money has been collected (other than Certificates that have become payable prior to such Event of Default and money for the payment of which is held by the Trustee), ratably without preference or priority of any kind, according to the amounts of principal evidenced by such Certificates due and payable; and
- (d) to the extent not included in clause (b) or clause (c) above, to the payment of all amounts then due hereunder to the Insurer and to any issuer of a Reserve Facility.

Section 7.06. Trustee May Enforce Claims Without Possession of Certificates. All rights of action and claims under this Trust Agreement or the Certificates may be prosecuted and enforced by the Trustee without the possession of any of the Certificates or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances

of the Trustee, its agents and counsel, be for the ratable benefit of the Owners of the Certificates in respect of which such judgment has been recovered.

Section 7.07. Limitation on Suits. No Owner of any Certificate shall have any right to institute any proceeding, judicial or otherwise, with respect to this Trust Agreement, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless (a) such Owner shall have previously given written notice to the Trustee of a continuing Event of Default, (b) so long as the Insurer is not in default in its payment obligations under the Insurance Policy, such Owner shall have obtained the Insurer's consent to such institution or appointment, (c) the Owners of not less than 25% of the aggregate amount of principal evidenced by Certificates then Outstanding shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder, (d) such Owner or Owners shall have afforded to the Trustee indemnity reasonably satisfactory to the Trustee against the costs, expenses and liabilities to be incurred in compliance with such request, (e) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity shall have failed to institute any such proceedings, and (f) no direction inconsistent with such written request shall have been given to the Trustee during such 60 day period by the Owners of a majority of the aggregate amount of principal evidenced by Certificates then Outstanding; it being understood and intended that no one or more Owners of Certificates shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Trust Agreement to affect, disturb or prejudice the rights of any other Owner of Certificates, or to obtain or seek to obtain priority or preference over any other Owner or to enforce any right under this Trust Agreement, except in the manner herein provided and for the equal and ratable benefit of all the Owners of Certificates.

ARTICLE VIII

THE TRUSTEE

Section 8.01. Duties and Liabilities of Trustee. The Trustee shall, prior to an Event of Default, and after the curing or waiver of all Events of Default that may have occurred, perform such duties and only such duties as are expressly and specifically set forth in this Trust Agreement. The Trustee shall, during the existence of any Event of Default that has not been cured or waived, exercise such of the rights and powers vested in it by this Trust Agreement, and use the same degree of care and skill in their exercise, as a prudent person would exercise or use under the circumstances in the conduct of such person's own affairs.

Section 8.02. Qualifications; Removal and Resignation; Successors. (a) The Trustee initially a party hereto and any successor thereto shall at all times be a trust company, national banking association or bank having trust powers in good standing in or incorporated under the laws of the United States or any state thereof, that is (or if such trust company, national banking association or bank is a member of a bank holding company system, its parent bank holding company is) (i) a national banking association that is supervised by the Office of the Comptroller of the Currency and has at least \$250 million of assets, (ii) a state-chartered commercial bank that is a member of the Federal Reserve System and has at least \$1 billion of assets, or (iii) otherwise approved by the Insurer in writing. If such trust company, national banking association or bank publishes a report of condition at least annually, pursuant to law or to the requirements of any supervising or examining agency above referred to, then for the purpose of this subsection the combined capital and surplus of such trust company, national banking association or bank shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published.

(b) The District may, by an instrument in writing, upon at least 30 days' notice to the Trustee, remove the Trustee initially a party hereto and any successor thereto unless an Event of Default shall have occurred and then be continuing, and shall remove the Trustee initially a party hereto and any successor thereto if at any time (i) requested to do so by the Insurer (as long as the Insurer is not in default in its payment obligations under the Insurance Policy) or by an instrument or concurrent instruments in writing signed by the Owners of not less than a majority of the aggregate amount of principal evidenced by the Certificates at the time Outstanding (or their attorneys duly authorized in writing), or (ii) the Trustee shall cease to be eligible in accordance with subsection (a) of this Section, or shall become incapable of acting, or shall be adjudged a bankrupt or insolvent, or a receiver of the Trustee or its property shall be appointed, or any public officer shall take control or charge of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation, in each case by giving written notice of such removal to the Trustee.

(c) The Trustee may at any time resign by giving written notice of such resignation by first class mail, postage prepaid, to the District, the Corporation and the Insurer, and to the Owners at the respective addresses shown on the Registration Books. In case at any time the Trustee shall cease to be eligible in accordance with the provisions of subsection (a) of this Section, the Trustee shall resign immediately in the manner and with the effect specified in this Section.

(d) Upon removal or resignation of the Trustee, the District shall promptly appoint a successor Trustee by an instrument in writing, which appointment shall be subject to the prior written approval of the Insurer. Any removal or resignation of the Trustee and appointment of a successor Trustee shall become effective upon acceptance of appointment by the successor Trustee; provided, however, that any successor Trustee shall be qualified as provided in subsection (a) of this Section. If no qualified successor Trustee shall have been appointed and have accepted appointment within 45 days following notice of removal or notice of resignation as aforesaid, the removed or resigning Trustee or any Owner (on behalf of such Owner and all other Owners) may petition any court of competent jurisdiction for the appointment of a successor Trustee, and such court may thereupon, after such notice, if any, as it may deem proper, appoint such successor Trustee. Any successor Trustee appointed under this Trust Agreement shall signify its acceptance of such appointment by executing and delivering to the District, the Corporation and its predecessor Trustee a written acceptance thereof, and thereupon such successor Trustee, without any further act, deed or conveyance, shall become vested with all the moneys, estates, properties, rights, powers, trusts, duties and obligations of such predecessor Trustee, with like effect as if originally named Trustee herein; but, nevertheless at the written request of the District, the Corporation or the successor Trustee, such predecessor Trustee shall execute and deliver any and all instruments of conveyance or further assurance and do such other things as may reasonably be required for more fully and certainly vesting in and confirming to such successor Trustee all the right, title and interest of such predecessor Trustee in and to any property held by it under this Trust Agreement and shall pay over, transfer, assign and deliver to the successor Trustee any money or other property subject to the trusts and conditions herein set forth. Upon acceptance of appointment by a successor Trustee as provided in this subsection, the successor Trustee shall, within 15 days after such acceptance, mail, by first class mail postage prepaid, a notice of the succession of such Trustee to the trusts hereunder to the Owners at the addresses shown on the Registration Books.

(e) Any trust company, national banking association or bank into which the Trustee may be merged or converted or with which it may be consolidated or any trust company, national banking association or bank resulting from any merger, conversion or consolidation to which it shall be a party or any trust company, national banking association or bank to which the Trustee may sell or transfer all or substantially all of its corporate trust business, provided such trust company, national banking association or bank shall be eligible under subsection (a) of this Section, shall be the successor to such Trustee, without the execution or filing of any paper or any further act, anything herein to the contrary notwithstanding.

Section 8.03. Liabilities of the Trustee. (a) The recitals of facts herein shall be taken as statements of the District, and the Trustee shall not assume responsibility for the correctness of the same. The Trustee shall, however, be responsible for its representations contained in the Certificates.

(b) The Trustee makes no representations as to the validity or sufficiency of this Trust Agreement, the Lease Agreement or the Ground Lease, or of the assignment made to it by the Assignment Agreement, or in respect of the security afforded by this Trust Agreement, and the Trustee shall incur no responsibility in respect thereof. The Trustee shall be under no responsibility or duty with respect to (i) the delivery of the Certificates for value, (ii) the application of the proceeds thereof except to the extent that such proceeds are received by it in its capacity as Trustee,

or (iii) the application of any moneys paid to the District or others in accordance with this Trust Agreement, except as to the application of any moneys paid to it in its capacity as Trustee.

(c) The Trustee shall not be liable in connection with the performance of its duties hereunder, except for its own negligence or willful misconduct.

(d) No provision of this Trust Agreement or any other document related hereto shall require the Trustee to risk or advance its own funds.

(e) The Trustee may execute any of its powers or duties hereunder through attorneys, agents or receivers and shall not be answerable for the actions of such attorneys, agents or receivers if selected by it with reasonable care.

(f) The Trustee shall not be liable for any error of judgment made in good faith by a responsible officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts.

(g) The immunities and protections extended to the Trustee also extend to its directors, officers, employees and agents.

(h) Before taking action under Article VII, under this Article or upon the direction of the Owners, the Trustee may require indemnity satisfactory to the Trustee be furnished to it to protect it against all fees and expenses, including those of its attorneys and advisors, and protect it against all liability it may incur.

(i) The Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction of the Owners of not less than a majority in aggregate amount of principal evidenced by the Certificates at the time Outstanding relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee under this Trust Agreement.

(j) The Trustee may become the Owner of Certificates with the same rights it would have if it were not Trustee and, to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as a member of, or in any other capacity with respect to, any committee formed to protect the rights of Owners, whether or not such committee shall represent the Owners of a majority in aggregate amount of principal evidenced by the Certificates then Outstanding.

(k) The Trustee shall have no responsibility with respect to any information, statement, or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Certificates.

(l) The Trustee shall not be liable for the failure to take any action required to be taken by it hereunder if and to the extent that the Trustee's taking such action is prevented by reason of an act of God, terrorism, war, riot, strike, fire, flood, earthquake, epidemic or other, similar occurrence that is beyond the control of the Trustee and could not have been avoided by exercising due care.

(m) The Trustee shall not be deemed to have knowledge of an Event of Default hereunder unless it has actual knowledge thereof.

(n) The permissive right of the Trustee to do things enumerated in this Trust Agreement shall not be construed as a duty and it shall not be answerable for other than its negligence or willful misconduct.

(o) The Trustee shall not be responsible for or accountable to anyone for the subsequent use or application of any moneys that shall be released or withdrawn in accordance with the provisions hereof.

Section 8.04. Right to Rely on Documents and Opinions. (a) The Trustee shall be protected in acting upon any notice, resolution, request, consent, order, certificate, report, opinion, bonds or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties.

(b) Whenever in the administration of the duties imposed upon it by this Trust Agreement, the Trustee shall deem it necessary or desirable that a matter be proved or established prior to taking or suffering any action hereunder, such matter, unless other evidence in respect thereof be herein specifically prescribed, may be deemed to be conclusively proved and established by a Written Certificate of the District, and such Written Certificate of the District shall be full warrant to the Trustee for any action taken or suffered in good faith under the provisions of this Trust Agreement in reliance upon such Written Certificate of the District, but in its discretion the Trustee may, in lieu thereof, accept other evidence of such matter or may require such additional evidence as it may deem reasonable.

(c) The Trustee may consult with counsel, who may be counsel to the District or the Corporation, with regard to legal questions, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it hereunder in good faith and in accordance therewith.

Section 8.05. Accounting Records and Financial Statements. The Trustee shall at all times keep, or cause to be kept, proper books of record and account, prepared in accordance with prudent corporate trust industry standards, in which accurate entries shall be made of all transactions made by it relating to the proceeds of the Certificates, the Base Rental Payments received by it and all funds and accounts established by it pursuant to this Trust Agreement. Such books of record and account shall be available for inspection by the District, the Corporation and the Insurer during regular business hours and upon reasonable notice and under reasonable circumstances as agreed to by the Trustee. The Trustee shall deliver to the District a monthly accounting of the funds and accounts it holds under this Trust Agreement; provided, however, that the Trustee shall not be obligated to deliver an accounting for any fund or account that (a) has a balance of zero, and (b) has not had any activity since the last reporting date.

Section 8.06. Preservation and Inspection of Documents. All documents received by the Trustee under the provisions of this Trust Agreement shall be retained in its possession and shall be subject during business hours and upon reasonable notice to the inspection of the District, the Corporation, the Owners and their agents and representatives duly authorized in writing.

Section 8.07. Compensation and Indemnification. The District shall pay to the Trustee from time to time all reasonable compensation pursuant to a pre-approved fee letter for all services rendered under this Trust Agreement, and also all reasonable expenses, charges, legal and consulting fees pursuant to a pre-approved fee letter and other disbursements pursuant to a pre-approved fee letter and those of its attorneys, agents and employees, incurred in and about the performance of their powers and duties under this Trust Agreement. The District shall, to the extent permitted by law, indemnify and save the Trustee harmless against any costs, claims, expenses, including fees and expenses of its counsel, and liabilities that it may incur in the exercise and performance of its powers and duties hereunder, including the enforcement of any remedies and the defense of any suit, and that are not due to its negligence or its willful misconduct. The duty of the District to indemnify the Trustee shall survive the resignation or removal of the Trustee and the termination and discharge of this Trust Agreement.

ARTICLE IX

AMENDMENT OF OR SUPPLEMENT TO TRUST AGREEMENT

Section 9.01. Amendment or Supplement. (a) This Trust Agreement and the rights and obligations of the District, the Corporation, if any, the Owners and the Trustee hereunder may be amended or supplemented at any time by an amendment hereof or supplement hereto, which shall become binding when the prior written consents of the Insurer (so long as the Insurer is not in default in its payment obligations under the Insurance Policy) and the Owners of a majority of the aggregate amount of principal evidenced by the Certificates then Outstanding, exclusive of Certificates disqualified as provided in Section 9.02 hereof, are filed with the Trustee. No such amendment or supplement shall (i) extend the stated Principal Payment Date of any Certificate or reduce the rate of interest applicable to the interest evidenced thereby or extend the time of payment of such interest or reduce the amount of principal evidenced thereby or reduce the amount of any Mandatory Sinking Account Payment or change the prepayment terms and provisions or the provisions regarding delivery of notice of prepayment without the prior written consent of the Owner of each Certificate so affected and the Insurer (so long as the Insurer is not in default in its payment obligations under the Insurance Policy), (ii) permit any pledge of, or the creation of any lien on, security interest in or charge or other encumbrance upon the assets pledged under this Trust Agreement prior to or on a parity with the pledge contained in, and the lien and security interest created by, this Trust Agreement or deprive the Owners of the pledge contained in, and the lien and security interest created by, this Trust Agreement, except as expressly provided in this Trust Agreement, without the consent of the Owners of all of the Certificates then Outstanding and the Insurer (so long as the Insurer is not in default in its payment obligations under the Insurance Policy), (iii) modify any of the rights or obligations of the Trustee without the prior written consent of the Trustee, or (iv) amend this Section without the prior written consent of the Owners of all Certificates then Outstanding and the Insurer (so long as the Insurer is not in default in its payment obligations under the Insurance Policy).

(b) This Trust Agreement and the rights and obligations of the District, the Corporation, if any, the Owners and the Trustee hereunder may also be amended or supplemented at any time by an amendment hereof or supplement hereto, which shall become binding upon execution, with the prior written consent of the Insurer (so long as the Insurer is not in default in its payment obligations under the Insurance Policy), but without the written consents of any Owners and only for any one or more of the following purposes:

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

(ii) to make such provisions for the purpose of curing any ambiguity or of correcting, curing or supplementing any defective provision contained herein or in regard to questions arising hereunder that the District may deem desirable or necessary and not inconsistent herewith;

(iii) to make such additions, deletions or modifications as may be necessary or appropriate to assure the exclusion from gross income for federal income tax purposes of interest evidenced by the Certificates; or

(iv) for any other reason, provided such amendment or supplement does not adversely affect the rights or interests of the Owners.

The Trustee is not obligated to enter into any amendment or supplement that adversely affects the rights or obligations of the Trustee.

The Insurer shall be provided with a full original transcript of all proceedings relating to the amendment of or supplement to this Trust Agreement pursuant to this Section.

(c) Promptly after the execution by the Corporation, the District and the Trustee of any amendment of or supplement to this Trust Agreement, the Trustee shall mail a notice, by first class mail postage prepaid, setting forth in general terms the substance of such amendment or supplement, to the Owners at the respective addresses shown on the Registration Books. Any failure to give such notice, or any defect therein, shall not, however, in any way impair or affect the validity of any such amendment or supplement.

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

Section 9.03. Endorsement or Replacement of Certificates After Amendment or Supplement. After the effective date of any action taken as hereinabove provided in this Article, the Trustee may determine that the Certificates may bear a notation by endorsement in form approved by the Trustee as to such action, and in that case upon demand of the Owner of any Outstanding Certificate and presentation of such Certificate for such purpose at the Principal Office of the Trustee a suitable notation as to such action shall be made on such Certificate. If the Trustee shall receive an Opinion of Counsel advising that new Certificates modified to conform to such action are necessary, modified Certificates shall be prepared, and in that case upon demand of the Owner of any Outstanding Certificates such new Certificates shall be exchanged at the Principal Office of the Trustee without cost to each Owner for Certificates then Outstanding upon surrender of such Outstanding Certificates.

Section 9.04. Amendment by Mutual Consent. Subject to the receipt of the prior written consent of the Insurer as provided in Section 9.01 hereof, the provisions of this Article shall not prevent any Owner from accepting any amendment as to the particular Certificates owned by such Owner, provided that due notation thereof is made on such Certificates.

ARTICLE X

DEFEASANCE

Section 10.01. Discharge of Trust Agreement. (a) If there shall be paid (i) to the Owners of all Outstanding Certificates the principal, interest and premium, if any, evidenced thereby at the times and in the manner stipulated herein and therein, and (ii) all other amounts due hereunder and under the Lease Agreement, then the Owners shall cease to be entitled to the pledge of the assets provided for herein, and all agreements, covenants and other obligations of the Corporation and the District hereunder shall thereupon cease, terminate and become void and this Trust Agreement shall be discharged and satisfied. In such event, the Trustee shall execute and deliver to the Corporation and the District all such instruments as may be necessary or desirable to evidence such discharge and satisfaction, and the Trustee shall pay over or deliver to the District all money or securities held by it pursuant hereto that are not required for the payment of the principal, interest and premium, if any, evidenced by the Certificates.

(b) Subject to the provisions of subsection (a) of this Section, when any Certificate shall have been paid and if, at the time of such payment, each of the Corporation and the District shall have kept, performed and observed all of the covenants and promises in this Trust Agreement and the Lease Agreement required or contemplated to be kept, performed and observed by it or on its part on or prior to that time, then this Trust Agreement shall be considered to have been discharged in respect of such Certificate and such Certificate shall cease to be entitled to the pledge of the assets provided herein, and all agreements, covenants and other obligations of the Corporation and the District hereunder shall cease, terminate, become void and be completely discharged and satisfied as to such Certificate.

(c) Notwithstanding the discharge and satisfaction of this Trust Agreement or the discharge and satisfaction of this Trust Agreement in respect of any Certificate, those provisions of this Trust Agreement relating to the payment of the principal, interest and premium, if any, evidenced by Certificates, exchange and transfer of Certificates, replacement of mutilated, destroyed, lost or stolen Certificates, the safekeeping and cancellation of Certificates, and the duties of the Trustee in connection with all of the foregoing, shall remain in effect and shall be binding upon the Trustee and the Owners of such Certificate, and the Trustee shall continue to be obligated to hold in trust any moneys or investments then held by the Trustee for the payment of the principal, interest and premium, if any, evidenced by such Certificate, and to pay to the Owner of such Certificate the funds so held by the Trustee as and when such payment becomes due.

Section 10.02. Certificates Deemed To Have Been Paid. (a) If moneys shall have been set aside and held by the Trustee for the payment or prepayment of the principal evidenced by any Certificate and the payment of the interest evidenced thereby to the stated Principal Payment Date or prepayment date thereof, such Certificate shall be deemed to have been paid within the meaning and with the effect provided in Section 10.01 hereof. Any Outstanding Certificate shall prior to its stated Principal Payment Date or the prepayment date thereof be deemed to have been paid within the meaning of and with the effect expressed in Section 10.01 hereof if (i) in case any of such Certificates is to be prepaid on any date prior to its stated Principal Payment Date, the District shall have given to the Trustee in form satisfactory to it irrevocable instructions to mail, on a date in accordance with the provisions of Section 4.03 hereof, notice of prepayment of such Certificate on

said prepayment date, said notice to be given in accordance with Section 4.03 hereof, (ii) there shall have been deposited with the Trustee either (A) money in an amount that shall be sufficient, or (B) Defeasance Securities, the principal of and the interest on which when due, and without any reinvestment thereof, will provide moneys that shall be sufficient to pay when due the interest evidenced by such Certificate to become due on and prior to its stated Principal Payment Date or the prepayment date thereof, as the case may be, and the principal and premium, if any, evidenced by such Certificate, and (iii) in the event such Certificate is not by its terms subject to prepayment within the next succeeding 60 days, the District shall have given the Trustee in form satisfactory to it irrevocable instructions to mail as soon as practicable, a notice to the Owner of such Certificate that the deposit required by clause (ii) above has been made with the Trustee and that such Certificate is deemed to have been paid in accordance with this Section and stating stated Principal Payment Date or prepayment date upon which money is to be available for the payment of the principal and premium, if any, evidenced by such Certificate.

(b) No Certificate shall be deemed to have been paid pursuant to clause (ii) of subsection (a) of this Section unless (i) all amounts currently due to the Insurer under the Insurance Policy and to the Reserve Insurer under the Reserve Policy shall have been paid in full, and (ii) the District shall have caused to be delivered to the District and the Trustee (A) an executed copy of a Verification Report with respect to such deemed payment, addressed to the District, the Insurer and the Trustee, in form and in substance acceptable to the District and the Insurer, (B) a copy of the escrow agreement entered into in connection with the deposit pursuant to clause (ii)(B) of subsection (a) of this Section resulting in such deemed payment, which escrow agreement shall provide that no substitution of Defeasance Securities shall be permitted except with other Defeasance Securities and upon delivery of a new Verification Report and no reinvestment of Defeasance Securities shall be permitted except as contemplated by the original Verification Report or upon delivery of a new Verification Report, in form and substance acceptable to the Insurer, and (C) a copy of an Opinion of Counsel, dated the date of such deemed payment and addressed to the District, the Insurer and the Trustee, in form and in substance acceptable to the District and the Insurer, to the effect that such Certificate has been paid within the meaning and with the effect expressed in this Trust Agreement, this Trust Agreement has been discharged in respect of such Certificate and all agreements, covenants and other obligations of the District and the Corporation hereunder as to such Certificate have ceased, terminated, become void and been completely discharged and satisfied. In the event a forward purchase agreement is to be employed in connection with the Defeasance Securities purchased to defease Certificates, such agreement shall be subject to the approval of the Insurer and shall be accompanied by such opinions of counsel as may be required by the Insurer. The Insurer shall be provided with final drafts of the above-referenced documentation not less than three Business Days prior to the funding of the escrow.

Section 10.03. Unclaimed Moneys. Any moneys held by the Trustee in trust for the payment and discharge of the principal, premium or interest evidenced by any of the Certificates that remain unclaimed for the earlier of (a) two years after the date when such principal, premium or interest has become payable, if such moneys were held by the Trustee at such date, or for two years after the date of deposit of such moneys if deposited with the Trustee after the date when such principal, premium or interest become payable, or (b) two months prior to the applicable statutory escheat period shall, at the Written Request of the District be repaid by the Trustee to the District as its absolute property free from trust, and the Trustee shall thereupon be released and

discharged with respect thereto and the Owners shall look only to the District for the payment of the interest and principal evidenced by such Certificates.

ARTICLE XI

INSURANCE POLICY AND RESERVE POLICY PROVISIONS

Section 11.01. Insurer To Be Deemed Owner; Rights of the Insurer; Payments by the Insurer; Notices. (a) The provisions of this Article shall apply notwithstanding any other provision of this Trust Agreement to the contrary so long as the Insurer is not in default in its payment obligations under the Insurance Policy.

(b) The Insurer shall at all times be deemed the sole and exclusive Owner of the Outstanding Certificates for the purposes of all approvals, consents, waivers, institution of any action, and the direction of all remedies, including approval of or consent to any amendment of or supplement to this Trust Agreement that requires the consent or approval of the Owners of a majority of the aggregate principal evidenced by the Certificates then Outstanding; provided, however, that the Insurer shall not be deemed to be the sole and exclusive Owner of the Outstanding Certificates with respect to any amendment of or supplement to this Trust Agreement that seeks to amend or supplement this Trust Agreement for the purposes set forth in clauses (i), (ii) or (iv) of subsection (a) of Section 9.01 hereof, and, provided, further, that the Insurer shall not be deemed the sole and exclusive Owner of the Outstanding Certificates with respect to any amendment of or supplement to this Trust Agreement, and shall not have the right to direct or consent to District, Corporation, Trustee or Owner action as provided herein, if:

(i) the Insurer shall be in payment default under the Insurance Policy and such failure shall continue for three Business Days;

(ii) any material provision of the Insurance Policy shall be held to be invalid by a final, non-appealable order of a court of competent jurisdiction, or the validity or enforceability thereof shall be contested in writing by the Insurer; or

(iii) a proceeding shall have been instituted in a court having jurisdiction in the premises seeking an order for relief, rehabilitation, reorganization, conservation, liquidation or dissolution in respect of the Insurer under Article 16 of the Insurance Law of the State of New York or any successor provision thereto and such proceeding is not terminated for a period of 90 consecutive days or such court enters an order granting the relief sought in such proceeding.

(c) To the extent that the Insurer makes payment of any interest or principal evidenced by a Certificate, it shall become the Owner of such portion of such Certificate and the right to receive payment of such interest or principal and shall be fully subrogated to all of the Owner's rights thereunder in accordance with the terms of the Insurance Policy to the extent of such payment, including the Owner's rights to payment thereof, which subrogation rights shall include the rights of any such Owner in connection with any Insolvency Proceeding. To evidence such subrogation (i) in the case of subrogation as to claims for past due interest, the Trustee shall note the Insurer's rights as subrogee on the Registration Books upon receipt of proof from the Insurer as to payment of such interest to the Owner of the Certificate evidencing such interest, and (ii) in the case of subrogation as to claims for past due principal, the Trustee shall note the Insurer's rights

as subrogee on the Registration Books upon surrender of the Certificate evidencing such principal by the Owner thereof to the Trustee.

(d) In the event that the interest or principal evidenced by a Certificate shall be paid by the Insurer pursuant to the terms of the Insurance Policy, (i) such Certificate shall continue to be Outstanding under this Trust Agreement, (ii) the pledge of the amounts on deposit in the funds and accounts established hereunder and all covenants, agreements and other obligations of the District hereunder and under the Lease Agreement shall continue to exist, (iii) the Insurer shall be fully subrogated to all of the rights of such Owner in accordance with the terms and conditions of subsection (c) of this Section and the Insurance Policy, and (iv) neither this Trust Agreement nor the Lease Agreement shall be discharged unless and until all amounts due to the Insurer have been paid in full.

(e) If an Event of Default shall have occurred and be continuing, the Insurer may, regardless of whether a claim has been made under the Insurance Policy, at any time and at its sole option, pay to the Owners all or any portion of the interest or principal evidenced by the Certificates then due, prior to the stated Principal Payment Dates thereof; provided, however, that such payment by the Insurer shall not accelerate the District's obligation to make Rental Payments under the Lease Agreement. The Trustee shall accept such payments on behalf of the Owners and the Insurer's obligations under the Insurance Policy shall be discharged to the extent of such payments.

(f) The Insurer shall be notified (i) by the District at least 30 days, or such lesser time as agreed by the Insurer, in advance of the execution of any amendment of or supplement to this Trust Agreement and of any amendment of the Lease Agreement or the Ground Lease in the event consent of the Owners is not required for such amendment or supplement, (ii) by the Trustee within two Insurance Business Days of the Trustee's having knowledge of the occurrence of any Event of Default, and (iii) by the Trustee of any prepayment of Certificates, which notice shall include the principal evidenced by, and the CUSIP numbers of, such Certificates to be prepaid, at the same time that the Owners of the Certificates to be prepaid are notified. In addition, all notices, reports, certificates and opinions (i) to be delivered to or by the Trustee or to the Owners or available at the request of the Owners pursuant to this Trust Agreement, or (ii) to be delivered by the District pursuant to the Lease Agreement or the Assignment Agreement shall also be delivered to the Insurer.

(g) The Trustee shall also notify the Insurer (i) immediately, upon the withdrawal of amounts on deposit in the Reserve Fund, other than amounts comprising investment earnings thereon that may be withdrawn in accordance with the terms of this Trust Agreement, upon a claim being made under any Reserve Facility or upon the determination that a deficiency in the Reserve Fund exists as a result of fluctuations in the market value of investments held therein, and (ii) immediately upon the resignation or removal of the Trustee or the appointment of a successor Trustee.

(h) No contract shall be entered into or any action taken by which the rights of the Insurer or security for or sources of payment of the Certificates may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of the Insurer.

(i) Subject to and conditioned upon payment of any interest or principal evidenced by the Certificates by or on behalf of the Insurer, each Owner, by its purchase of Certificates, hereby assigns to the Insurer, but only to the extent of all payments made by the Insurer, all rights to the payment of interest or principal evidenced by the Certificates, including, without limitation, any amounts due to the Owners in respect of securities law violations arising from the offer and sale of the Certificates that are then due for payment. The Insurer may exercise any option, vote, right, power or the like with respect to Certificates to the extent it has made a payment of principal evidenced by Certificates pursuant to the Insurance Policy. The foregoing assignment is in addition to, and not in limitation of, rights of subrogation otherwise available to the Insurer in respect of such payments. The Trustee shall take such action and deliver such instruments as may be reasonably requested or required by the Insurer to effectuate the purpose or provisions of this subsection.

(j) The Insurer shall have the right to advance any payment required to be made by the District in order to prevent an Event of Default under this Trust Agreement and the Trustee shall be required to accept such advance. The District shall, upon demand, reimburse the Insurer for any such advance.

(k) The rights granted under this Trust Agreement, the Lease Agreement or the Ground Lease to the Insurer to request, consent to or direct any action are rights granted to the Insurer in consideration of its issuance of the Insurance Policy. Any exercise by the Insurer of such rights is merely an exercise of the Insurer's contractual rights and shall not be construed or deemed to be taken for the benefit of or on behalf of the Owners, nor does such action evidence any position of the Insurer, positive or negative, as to whether Owner consent is required in addition to consent of the Insurer.

(l) The District hereby agrees, to the extent permitted by law, to pay or reimburse the Insurer any and all charges, fees, costs and expenses that the Insurer may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in this Trust Agreement, the Lease Agreement, the Ground Lease or the Assignment Agreement, (ii) the pursuit of any remedies under this Trust Agreement, the Lease Agreement, the Ground Lease or the Assignment Agreement, or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, this Trust Agreement, the Lease Agreement, the Ground Lease or the Assignment Agreement, whether or not executed or completed, or (iv) any litigation or other dispute in connection with this Trust Agreement, the Lease Agreement, the Ground Lease or the Assignment Agreement, or the transactions contemplated hereby or thereby, other than costs resulting from the failure of the Insurer to honor its obligations under the Insurance Policy. The Insurer reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of this Trust Agreement, the Lease Agreement, the Ground Lease or the Assignment Agreement. The failure of the District to pay such costs and expenses on a timely basis shall result in the accrual of interest on the unpaid amount at the Insurer Rate, compounded semi-annually, from the date that payment is first due to the Insurer until the date the Insurer is paid in full.

(m) The Insurer shall be entitled to pay principal or interest evidenced by the Certificates that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the District (as such terms are defined in the Insurance Policy) thereof in accordance with this

Trust Agreement, whether or not the Insurer has received a Notice (as defined in the Insurance Policy) of Nonpayment or a claim upon the Insurance Policy.

(n) The Trustee shall promptly notify the Insurer of either of the following as to which it has actual knowledge: (i) the commencement of any proceeding by or against the District or the Corporation commenced under the United States Bankruptcy Code or any successor statute or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an “Insolvency Proceeding”), and (ii) the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer (a “Preference Claim”) of any payment of interest or principal evidenced by the Certificates. Each Owner, by its purchase of Certificates, and the Trustee hereby agrees that the Insurer may at any time during the continuation of an Insolvency Proceeding direct all matters relating to such Insolvency Proceeding, including, without limitation, (i) all matters relating to any Insolvency Proceeding or Preference Claim, (ii) the direction of any appeal of any order relating to any Insolvency Proceeding or Preference Claim, (iii) the posting of any surety, supersedes or performance bond pending any such appeal, and (iv) to accept or reject any plan of adjustment. In addition, the Trustee, solely with respect to the Certificates, and each Owner delegate and assign to the Insurer, to the fullest extent permitted by law, the rights of the Trustee and each Owner in the conduct of any Insolvency Proceeding, including, without limitation, any rights of any party to an adversary proceeding action with respect to any court order issued in connection with any such Insolvency Proceedings.

(o) In determining whether any amendment, consent, waiver or other action to be taken, or any failure to take action, under this Trust Agreement would adversely affect the security for the Certificates or the rights of the Owners, the Trustee shall consider the effect of any such amendment, consent, waiver, action or inaction as if there were no Insurance Policy.

(p) Any reorganization or liquidation plan with respect to the District must be acceptable to the Insurer. In the event of any such reorganization or liquidation, the Insurer shall have the right to vote on behalf of all Owners (so long as the Insurer is not in default in its payment obligations under the Insurance Policy).

(q) The District shall permit the Insurer to discuss the affairs, finances and accounts of the District or any information the Insurer may reasonably request regarding the security for the Certificates with appropriate officers of the District and shall use commercially reasonable efforts to enable the Insurer to have access to the facilities, books and records of the District on any Business Day upon reasonable prior notice.

(r) The obligations set forth in subsections (l) and (n) of this Section shall survive discharge or termination of this Trust Agreement and the Lease Agreement.

Section 11.02. Deposits to Policy Payments Account; Payments Under the Insurance Policy. (a) So long as the Insurance Policy shall be in full force and effect, the District and the Trustee hereby agree to comply with the provisions of this Section.

(b) If, on the third Insurance Business Day prior to a Principal Payment Date, Mandatory Sinking Account Payment Date or Interest Payment Date there is not on deposit with the Trustee, after making all transfers and deposits required under the Trust Agreement, moneys

sufficient to pay the interest or principal evidenced by the Certificates due on such Principal Payment Date, Mandatory Sinking Account Payment Date or Interest Payment Date, the Trustee shall give notice to the Insurer and to the Insurer's Fiscal Agent (if any) by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Insurance Business Day. If, on the second Insurance Business Day prior to such Principal Payment Date, Mandatory Sinking Account Payment Date or Interest Payment Date, there continues to be a deficiency in the amount available to pay the interest or principal evidenced by the Certificates due on such Principal Payment Date, Mandatory Sinking Account Payment Date or Interest Payment Date, the Trustee shall make a claim under the Insurance Policy and give notice to the Insurer and the Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay the interest evidenced by the Certificates and the amount required to pay principal evidenced by the Certificates, confirmed in writing to the Insurer and the Insurer's Fiscal Agent (if any) by 12:00 noon, New York City time, on such second Insurance Business Day by filling in the form of Notice of Claim and Certificate delivered with the Insurance Policy.

(c) The Trustee shall designate any portion of principal evidenced by Certificates paid by the Insurer, whether by virtue of the Mandatory Sinking Account Payment Date, the stated Principal Payment Date or the Insurer's election to pay said amounts prior to the stated Principal Payment Date pursuant to subsection (f) of Section 11.01 hereof, on its books as a reduction in the principal evidenced by Certificates registered to the then current Owners, whether DTC or its nominee or otherwise, and shall issue a replacement Certificate to the Insurer, registered in the name of [Insurer], evidencing principal in an amount equal to the principal so paid (without regard to Authorized Denominations); provided that the Trustee's failure to so designate any payment or issue any replacement Certificate shall have no effect on the amount of principal or interest evidenced by any Certificate payable by the District or the subrogation rights of the Insurer.

(d) The Trustee shall keep a complete and accurate record of all funds deposited by the Insurer into the Policy Payments Account (defined below) and the allocation of such funds to payment of the interest and principal evidenced by any Certificate. The Insurer shall have the right to inspect such records at reasonable times upon reasonable notice to the Trustee.

Upon payment of a claim under the Insurance Policy, the Trustee shall establish a separate special purpose trust account for the benefit of Owners known as the "Policy Payments Account" and over which the Trustee shall have exclusive control and sole right of withdrawal. The Trustee shall receive any amount paid under the Insurance Policy in trust on behalf of Owners and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Trustee to Owners in the same manner as payments of interest and principal evidenced by the Certificates are to be made with respect to the Certificates under the provisions hereof. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to make payments of interest and principal with other funds available to make such payments.

If, as a result of the District's non-payment, when due, of all or a portion of a Base Rental Payment (other than a non-payment caused by an abatement of Rental Payments pursuant to Section 3.06 of the Lease Agreement), the Insurer has paid interest or principal evidenced by the

Certificates pursuant to the Insurance Policy (i) the first of Base Rental Payments thereafter received from the District under the Lease Agreement that are not required to be paid to the Reserve Insurer pursuant to subsection (f) of Section 5.05 hereof, and (ii) the interest payable with respect to such delinquent Base Rental Payments, calculated at the Insurer Rate as provided in Section 3.04 of the Lease Agreement, shall be paid to the Insurer, as the Owner of the Certificates (or portions thereof) evidencing such delinquent Base Rental Payment in repayment of such payment by the Insurer until such payment is paid in full. If, as a result of the District's non-payment of all or a portion of a Base Rental Payment (which non-payment is caused by an abatement of Rental Payments pursuant to Section 3.06 of the Lease Agreement), the Insurer has paid interest or principal evidenced by the Certificates pursuant to the Insurance Policy, the Insurer, as the Owner of the Certificates (or portions thereof) representing such abated Base Rental Payment, shall be entitled to receive, during the extension of the term of the Lease Agreement provided for in Section 2.02 of the Lease Agreement, any amounts paid in respect of such abated and unpaid Base Rental Payment pursuant to subsection (b) of Section 3.01 and Section 3.04 of the Lease Agreement that are not required to be paid to the Reserve Insurer pursuant to subsection (f) of Section 5.05 hereof. Any such payment by the District pursuant to this Section shall be applied first to the interest component of such delinquent Base Rental Payment due the Insurer and second to the principal components of such delinquent Base Rental Payment due the Insurer.

(e) Funds held in the Policy Payments Account shall not be invested by the Trustee and may not be applied to satisfy any costs, expenses or liabilities of the Trustee. Any funds remaining in the Policy Payments Account following a Principal Payment Date, Mandatory Sinking Account Payment Date or Interest Payment Date shall promptly be remitted to the Insurer.

Section 11.03. Reporting Requirements. (a) The District shall provide to the Insurer (i) within 180 days after the end of each fiscal year of the District, a Written Certificate of the District certifying that the District is not aware of any Lease Default Event or of any default hereunder or under the Lease Agreement, (ii) within 180 days after the end of each fiscal year of the District, audited financial statements for such fiscal year, (iii) within 30 days after the approval thereof, each annual budget of the District, and (iv) from time to time, such other information, data or reports as the Insurer may reasonably request.

(b) The Trustee shall provide the Insurer with notice of any Event of Default or any default hereunder or under the Lease Agreement within five Business Days of obtaining knowledge thereof. The District shall provide the Insurer with notice of any Lease Default Event or default hereunder or under the Lease Agreement within five Business Days of obtaining knowledge thereof.

(c) The District shall provide the Insurer with prior notice of the advance refunding or prepayment of any of the Certificates, including the principal amount, maturities and CUSIP numbers thereof.

(d) The District shall provide the Insurer with notice of the resignation or removal of the Trustee or the Depository, and the appointment of, and acceptance of duties by, any successor thereto.

(e) Each of the District and the Trustee agrees that it will, if it has actual knowledge thereof, promptly notify the Insurer of (i) the commencement of any Insolvency Proceeding by or against the District, and (ii) the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal or interest evidenced by the Certificate.

(f) The Trustee shall, at the time any report, notice or correspondence is delivered to Owners of the Certificates pursuant to the provisions hereof, deliver a copy of such report, notice or correspondence to the Insurer.

(g) The District shall provide the Insurer with all information furnished pursuant to the Continuing Disclosure Agreement simultaneously with the furnishing of such information.

(h) The Trustee shall notify the Insurer of any failure of the District to provide notices, certificates and other information under this Trust Agreement or the Lease Agreement.

Section 11.04. Reserve Policy Provisions. (a) As long as the Reserve Policy shall be in full force and effect, the Trustee agrees to comply with the following provisions:

(b) If, on the fifth Insurance Business Day prior to a Principal Payment Date, Mandatory Sinking Account Payment Date or Interest Payment Date moneys on deposit in the Base Rental Payment Fund, the Interest Fund and/or the Principal Fund, as applicable, plus all amounts on deposit in and credited to the Reserve Fund in excess of the amount of the Reserve Policy, are insufficient to pay the amount of principal and interest coming due, the Trustee shall give notice to the Reserve Insurer by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such Business Day.

(c) The District hereby agrees, to the extent permitted by law, to pay or reimburse the Reserve Insurer any and all charges, fees, costs and expenses that the Reserve Insurer may reasonably pay or incur, including fees and expenses of attorneys, accountants, consultants, appraisers and auditors and reasonable costs of investigations, in connection with any actions taken to facilitate payments under the Reserve Policy or the administration (including waivers and consents, if any), enforcement, defense, exercise or preservation of any rights and remedies in respect of this Trust Agreement or the Lease Agreement. For purposes of the foregoing, costs and expenses shall include a reasonable allocation of compensation with the actions described in the preceding sentence. The District agrees that failure to pay such costs and expenses on a timely basis will result in the accrual of interest on the unpaid amount at the Insurer Rate, compounded semi-annually, from the date that payment is first due to the Reserve Insurer until the date the Reserve Insurer is paid in full. The obligations set forth in this subsection shall survive discharge or termination of this Trust Agreement and the Lease Agreement.

ARTICLE XII

MISCELLANEOUS

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

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

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

(b) The ownership of any Certificates and the amount, payment date, number and date of owning the same may be proved by the Registration Books.

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

Section 12.04. Waiver of Personal Liability. Notwithstanding anything contained herein to the contrary, no member, officer or employee of the District shall be individually or personally liable for the payment of any moneys, including without limitation, the interest or principal evidenced by the Certificates, but nothing contained herein shall relieve any member, officer or employee of the District from the performance of any official duty provided by any applicable provisions of law, by the Lease Agreement or hereby.

Section 12.05. Acquisition of Certificates by District. All Certificates acquired by the District, whether by purchase or gift or otherwise, shall be surrendered to the Trustee for cancellation.

Section 12.06. Content of Certificates. (a) Every Written Certificate of the District and every Written Certificate of the Corporation with respect to compliance with any agreement, condition, covenant or term contained herein shall include (i) a statement that the person making or giving such certificate has read such agreement, condition, covenant or term and the definitions herein relating thereto, (ii) a brief statement as to the nature and scope of the examination or investigation upon which the statements contained in such certificate are based, (iii) a statement that, in the opinion of the signer, the signer has made or caused to be made such examination or investigation as is necessary to enable the signer to express an informed opinion as to whether or not such agreement, condition, covenant or term has been complied with, and (iv) a statement as to whether, in the opinion of the signer, such agreement, condition, covenant or term has been complied with.

(b) Any Written Certificate of the District and any Written Certificate of the Corporation may be based, insofar as it relates to legal matters, upon an Opinion of Counsel, unless the person making or giving such certificate knows that the Opinion of Counsel with respect to the matters upon which each person's certificate may be based, as aforesaid, is erroneous, or in the exercise of reasonable care should have known that the same was erroneous. Any Opinion of Counsel may be based, insofar as it relates to factual matters, upon information that is in the possession of the District or the Corporation upon a representation by an officer or officers of the District or the Corporation, as the case may be, unless the counsel executing such Opinion of Counsel knows that the representation with respect to the matters upon which such counsel's opinion may be based, as aforesaid, is erroneous, or in the exercise of reasonable care should have known that the same was erroneous.

Section 12.07. Funds and Accounts. (a) Any fund or account required to be established and maintained herein by the Trustee may be established and maintained in the accounting records of the Trustee either as an account or a fund, and may, for the purposes of such accounting records, any audits thereof and any reports or statements with respect thereto, be treated either as an account or a fund, but all such records with respect to all such funds and accounts shall at all times be maintained in accordance with sound accounting practice and with due regard for the protection of the security of the Certificates and the rights of the Owners.

(b) The Trustee may commingle any of the moneys held by it hereunder for investment purposes only; provided, however, that the Trustee shall account separately for the moneys in each fund or account established pursuant to this Trust Agreement.

Section 12.08. Third-Party Beneficiary. The Insurer is a third-party beneficiary of this Trust Agreement.

Section 12.09. Partial Invalidity. If any agreement, condition, covenant or term required herein to be observed or performed by or on the part of the Corporation, the District or the Trustee is, to any extent, held to be invalid or unenforceable in any jurisdiction, but the extent of such invalidity or unenforceability does not destroy the basis of the bargain among the parties as contained herein, the remainder of the agreements, conditions, covenants or terms required herein to be observed or performed by or on the part of the Corporation, the District or the Trustee, or the application of such agreements, conditions, covenants or terms to Persons or circumstances other than those as to which such agreement, condition, covenant or term is held invalid or

unenforceable, shall not be affected by such invalidity or unenforceability, and each remaining agreement, condition, covenant and term required herein to be observed or performed by or on the part of the Corporation, the District and the Trustee shall be valid and shall be enforced to the fullest extent permitted by law.

Section 12.10. Notices. All written notices, statements, demands, consents, approvals, authorizations, offers, designations, requests or other communications hereunder shall be given to the party entitled thereto at its address set forth below, or at such other address as such party may provide to the other parties in writing from time to time, namely:

If to the District: Rialto Unified School District
182 East Walnut Avenue
Rialto, California 92376
Attention: Lead Business Services Agent

If to the Corporation: Rialto Unified School District
School Facilities Corporation
182 East Walnut Avenue
Rialto, California 92376
Attention: Lead Business Services Agent

If to the Trustee: U.S. Bank Trust Company,
National Association
633 West Fifth Street, 24th Floor
Los Angeles, California 90071
Attention: Global Corporate Trust

If to the Insurer: _____

Attention: _____
Re: Policy Nos. _____
Telephone: _____
Telecopier: _____
E-mail: _____

In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of the General Counsel of the Insurer and shall be marked to indicate “URGENT MATERIAL ENCLOSED” and shall also be sent to the attention of the General Counsel at the same address and at [_____] or at telecopier number [_____].

Each such notice, statement, demand, consent, approval, authorization, offer, designation, request or other communication hereunder shall be deemed delivered to the party to whom it is addressed (a) if given by courier or delivery service or if personally served or delivered, upon delivery, (b) if given by registered or certified mail, return receipt requested, deposited with the United States mail postage prepaid, 72 hours after such notice is deposited with the United States

mail, (c) if given by electronic mail, on the date sent, but only if confirmation of the receipt of such electronic mail is received or if notice is concurrently sent by another means specified herein, and (d) if given by any other means, upon delivery at the address specified in this Section.

Section 12.11. Electronic Signatures. Each of the parties hereto agrees that the transaction consisting of this Trust Agreement may be conducted by electronic means. Each party agrees, and acknowledges that it is such party's intent, that if such party signs this Trust Agreement using an electronic signature, it is signing, adopting, and accepting this Trust Agreement and that signing this Trust Agreement using an electronic signature is the legal equivalent of having placed its handwritten signature on this Trust Agreement on paper. Each party acknowledges that it is being provided with an electronic or paper copy of this Trust Agreement in a usable format.

Section 12.12. Governing Law. This Trust Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of California.

Section 12.13. Execution in Counterparts. This Trust Agreement may be simultaneously executed in several counterparts, each of which shall be deemed an original, and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this Trust Agreement to be executed by their respective officers thereunto duly authorized, all as of the day and year first written above.

**U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION, AS
TRUSTEE**

By: _____
Authorized Officer

**RIALTO UNIFIED SCHOOL
DISTRICT SCHOOL FACILITIES
CORPORATION**

By: _____

**RIALTO UNIFIED SCHOOL
DISTRICT**

By: _____

[Signature Page to Trust Agreement]

EXHIBIT A

MASTER DEFINITIONS

“Acquisition Costs” means all costs of acquiring, constructing and installing the Project, including:

(a) all costs that the Corporation or the District shall be required to pay to a seller or any other Person under the terms of any contract or contracts for the purchase of any portion of the Project;

(b) all costs that the Corporation or the District shall be required to pay a contractor or any other Person for the acquisition, construction and installation of any portion of the Project;

(c) obligations of the Corporation or the District incurred for services (including obligations payable to the Corporation or the District for actual out-of-pocket expenses of the Corporation or the District) in connection with the acquisition, construction and installation of the Project, including reimbursement to the Corporation or the District for all advances and payments made in connection with the Project prior to or after delivery of the Certificates;

(d) the actual out-of-pocket costs of the Corporation or the District for test borings, surveys, estimates and preliminary investigations therefor, as well as for the performance of all other duties required by or consequent to the proper acquisition, construction and installation of the Project, including administrative expenses under the Lease Agreement and under the Trust Agreement relating to the acquisition, construction and installation of the Project;

(e) Costs of Issuance, to the extent amounts for the payment thereof are not available in the Costs of Issuance Fund; and

(f) any sums required to reimburse the Corporation or the District for advances made by the Corporation or the District for any of the above items or for any other costs incurred and for work done by the Corporation or the District that are properly chargeable to the Project.

“Acquisition Fund” means the fund by that name established and held by the Trustee pursuant to Section 3.04 of the Trust Agreement.

“Additional Rental Payments” means all amounts payable by the District as Additional Rental Payments pursuant to Section 3.02 of the Lease Agreement.

“Applicable Laws” means any applicable law, regulation, code, order, rule, judgment or consent agreement of any governmental, quasi-governmental or other public or quasi-public authority or regulatory body, including those relating to zoning, building, use and occupancy, fire safety, health, sanitation, air pollution, ecological matters, environmental protection, hazardous or

toxic materials, substances or wastes, conservation, parking, architectural barriers to the handicapped, or restrictive covenants or other agreements affecting title to the Property.

“Asbestos Containing Materials” means material in friable form containing more than 1% of the asbestiform varieties of (a) chrysotile (serpentine), (b) crocidolite (riebeckite), (c) amosite (cummington-itegrinerite), (d) anthophyllite, (e) tremolite and (f) actinolite.

“Assignment Agreement” means the Assignment Agreement, dated as of _____ 1, 2024, by and between the Corporation and the Trustee, as originally executed and as it may from time to time be amended, supplemented or otherwise modified in accordance with the provisions thereof.

“Authorized Corporation Representative” means the President of the Corporation, the Vice President of the Corporation, the Treasurer of the Corporation and the Secretary of the Corporation, and any other person authorized by the Board of Directors of the Corporation to act on behalf of the Corporation under or with respect to the Trust Agreement.

“Authorized Denominations” means \$5,000 or any integral multiple thereof.

“Authorized District Representative” means the Superintendent of the District, the Lead Business Services Agent of the District, and any other Person designated as an Authorized Representative of the District in a Written Certificate of the District filed with the Trustee.

“Base Rental Deposit Date” means the 15th day next preceding each Interest Payment Date.

“Base Rental Payment Fund” means the fund by that name established and held by the Trustee pursuant to Section 5.01 of the Trust Agreement.

“Base Rental Payment Schedule” means the schedule of Base Rental Payments payable to the Corporation from the District pursuant to Section 3.01 of the Lease Agreement and attached as Exhibit C to the Lease Agreement.

“Base Rental Payments” means all amounts payable to the Corporation by the District as Base Rental Payments pursuant to Section 3.01 of the Lease Agreement.

“Beneficial Owners” means those Persons for whom the Participants have caused the Depository to hold Book-Entry Certificates.

“Book-Entry Certificates” means the Certificates registered in the name of the nominee of DTC, or any successor securities depository for the Certificates, as the registered owner thereof pursuant to the terms and provisions of Section 2.08 of the Trust Agreement.

“Business Day” means a day other than (a) Saturday or Sunday, (b) a day on which banking institutions in the city or cities in which the Principal Office of the Trustee is located are authorized or required by law to be closed, or (c) a day on which the New York Stock Exchange is closed.

“**Cede & Co.**” means Cede & Co., the nominee of DTC, and any successor nominee of DTC with respect to the Certificates.

“**Certificate Purchase Agreement**” means the Certificate Purchase Agreement, dated _____, 2024, by and between the Purchaser and the District relating to the Certificates.

“**Certificate Year**” means each twelve-month period beginning on June 1 in each year and extending to the next succeeding May 31, both dates inclusive, except that the first Certificate Year shall begin on the Delivery Date and end on May 31, 2025.

“**Certificates**” means the Rialto Unified School District Certificates of Participation (2024 Kitchen and Meeting Facilities Financing), executed and delivered by the Trustee pursuant to the Trust Agreement.

“**Code**” means the Internal Revenue Code of 1986.

“**Continuing Disclosure Agreement**” means the Continuing Disclosure Agreement, dated as of _____ 1, 2024, by and between the District and the Trustee, as originally executed and as it may from time to time be amended, supplemented or otherwise modified in accordance with the provisions thereof.

“**Corporation**” means the Rialto Unified School District School Facilities Corporation, a nonprofit public benefit corporation organized and existing under the laws of the State of California, and its successors.

“**Costs of Issuance**” means all the costs of executing and delivering the Certificates, including all printing and document preparation expenses in connection with the Trust Agreement, the Lease Agreement, the Ground Lease, the Assignment Agreement, the Certificates and the preliminary official statement and final official statement pertaining to the Certificates, rating agency fees, title insurance fees, market study fees, legal fees and expenses of counsel with respect to the execution and delivery of the Certificates, the fees and expenses of the Trustee, including fees and expenses of its counsel, the fees and expenses of any municipal advisor to the District, any premium for municipal bond insurance or a reserve surety, and other fees and expenses incurred in connection with the execution and delivery of the Certificates, to the extent such fees and expenses are approved by the District.

“**Costs of Issuance Fund**” means the fund by that name established and held by the Trustee pursuant to Section 3.03 of the Trust Agreement.

“**Defeasance Securities**” means (a) non-callable direct obligations of the United States of America (“United States Treasury Obligations”), (b) evidences of ownership of proportionate interests in future interest and principal payments on United States Treasury Obligations held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor and the underlying United States Treasury Obligations are not available to any person claiming through the custodian or to whom the custodian may be obligated, (c) subject to the prior written consent of the Insurer, pre-refunded municipal obligations rated “AAA” and “Aaa” by S&P and Moody’s, respectively,

or (d) subject to the prior written consent of the Insurer, securities eligible for “AAA” defeasance under then existing criteria of S&P, or any combination thereof.

“**Delivery Date**” means _____, 2024.

“**Depository**” means the securities depository acting as Depository pursuant to Section 2.08 of the Trust Agreement.

“**District**” means the Rialto Unified School District, a school district organized and existing under the laws of the State of California, and its successors.

“**DTC**” means The Depository Trust Company, New York, New York and its successors.

“**Environmental Regulations**” means all laws and regulations, now or hereafter in effect, with respect to Hazardous Materials, including the Comprehensive Environmental Response, Compensation, and Liability Act, as amended (42 U.S.C. Section 9601, et seq.) (together with the regulations promulgated thereunder, “CERCLA”), the Resource Conservation and Recovery Act, as amended (42 U.S.C. Section 6901, et seq.) (together with the regulations promulgated thereunder, “RCRA”), the Emergency Planning and Community Right-to-Know Act, as amended (42 U.S.C. Section 11001, et seq.) (together with the regulations promulgated thereunder, “Title III”), the Clean Water Act, as amended (33 U.S.C. Section 1321, et seq.) (together with the regulations promulgated thereunder, “CWA”), the Clean Air Act, as amended (42 U.S.C. Section 7401, et seq.) (together with the regulations promulgated thereunder, “CAA”) and the Toxic Substances Control Act, as amended (15 U.S.C. Section 2601 et seq.) (together with the regulations promulgated thereunder, “TSCA”), and any state or local similar laws and regulations and any so-called local, state or federal “superfund” or “superlien” law.

“**Event of Default**” means an event specified in Section 7.01 of the Trust Agreement described as constituting an Event of Default.

“**Fair Rental Value**” means, with respect to the Property, the annual fair rental value thereof, as set forth in Section 3.03 of the Lease Agreement.

“**Ground Lease**” means the Ground Lease, dated as of _____ 1, 2024, by and between the District and the Corporation, as originally executed and as it may from time to time be amended, supplemented or otherwise modified in accordance with the provisions thereof and of the Lease Agreement.

“**Hazardous Materials**” means flammable explosives, polychlorinated biphenyl compounds, heavy metals, chlorinated solvents, cyanide, radon, petroleum products, asbestos or any Asbestos Containing Materials, methane, radioactive materials, pollutants, hazardous materials, hazardous wastes, hazardous, toxic, or regulated substances or related materials, as defined in CERCLA, RCRA, CWA, CAA, TSCA and Title III, and the regulations promulgated pursuant thereto, and in all other Environmental Regulations applicable to the Corporation, the District, the Property or the business operations conducted by the Corporation or the District thereon.

“High School Property” means the property described under the caption “High School Property” in Exhibit B to the Lease Agreement.

“Independent Insurance Consultant” means a nationally recognized independent actuary, insurance company or broker acceptable to the Insurer that has actuarial personnel experienced in the area of insurance for which the District is to be self-insured, as may from time to time be designated by the District.

“Insolvency Proceeding” has the meaning ascribed to such term in Section 11.01(n) of the Trust Agreement.

“Insurance Business Day” means any day other than (a) a Saturday or Sunday, (b) any day on which the Principal Office of the Trustee or the principal office of the Insurer is closed, and (c) any day on which banking institutions are authorized or required by law, executive order or governmental decree to be closed in the City of New York.

“Insurance Policy” means the Municipal Bond Insurance Policy, and any endorsement thereto, issued by the Insurer guaranteeing the scheduled payment of the interest and principal evidenced by the Certificates when due, or any insurance policy substituted for said Municipal Bond Insurance Policy.

“Insurer” means [Insurer], or any successor thereto or assignee thereof.

“Insurer Rate” means [_____].

“Insurer’s Fiscal Agent” means a fiscal agent appointed by the Insurer for purposes of, and in accordance with the terms contained in, the Insurance Policy.

“Interest Fund” means the fund by that name established and held by the Trustee pursuant to Section 5.02 of the Trust Agreement.

“Interest Payment Date” means June 1 and December 1 of each year commencing [December 1, 2024].

“Lease Agreement” means the Lease Agreement, dated as of _____ 1, 2024, by and between the District and the Corporation, as originally executed and as it may from time to time be amended, supplemented or otherwise modified in accordance with the provisions thereof.

“Lease Default Event” means any failure or event specified in Section 7.01 of the Lease Agreement described as constituting a Lease Default Event.

“Letter of Representations” means the letter of the District delivered to and accepted by the Depository on or prior to the delivery of the Certificates as Book-Entry Certificates setting forth the basis on which the Depository serves as depository for such Book-Entry Certificates, as originally executed or as it may be amended or supplemented or replaced by a letter to a substitute Depository.

“Mandatory Sinking Account Payment” means the principal evidenced by the Certificates required to be paid on each Mandatory Sinking Account Payment Date pursuant to Section 4.01 of the Trust Agreement.

“Mandatory Sinking Account Payment Date” means (a) for the Certificates with a stated Principal Payment Date of June 1, 20__, June 1, 20__ and each June 1 thereafter continuing through and including June 1, 20__, and (b) for the Certificates with a stated Principal Payment Date of June 1, 20__, June 1, 20__ and each June 1 thereafter continuing through and including June 1, 20__.

“Moody’s” means Moody’s Investors Service, Inc., its successors and assigns, and, if Moody’s Investors Service, Inc., shall for any reason no longer perform the functions of a securities rating agency, “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency designated by the District.

“Net Proceeds” means any insurance proceeds or condemnation award in excess of \$50,000 paid with respect to any of the Property, remaining after payment therefrom of all reasonable expenses incurred in the collection thereof.

“Nominee” means the nominee of the Depository, which may be the Depository, as determined from time to time pursuant to Section 2.08 of the Trust Agreement.

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

“Outstanding” means, with respect to the Certificates, as of any date, Certificates theretofore or thereupon being executed and delivered under the Trust Agreement, except (a) Certificates canceled by the Trustee or delivered to the Trustee for cancellation on or prior to such date, (b) Certificates in lieu of which other Certificates have been executed and delivered, or that have been paid without surrender thereof pursuant to Section 2.10 of the Trust Agreement, and (c) Certificates paid or deemed to have been paid within the meaning of Section 10.02 of the Trust Agreement.

“Owner” means, with respect to a Certificate, the Person in whose name such Certificate is registered on the Registration Books.

“Participant” means any entity that is recognized as a participant by the Depository in the book-entry system of maintaining records with respect to Book-Entry Certificates.

“Participating Underwriter” has the meaning ascribed to such term in the Continuing Disclosure Agreement.

“Permitted Encumbrances” means, with respect to the Property, as of any particular time, (a) liens for general ad valorem taxes and assessments, if any, not then delinquent, or that the District may, pursuant to provisions of Section 5.09 of the Lease Agreement, permit to remain unpaid, (b) the Assignment Agreement, (c) the Lease Agreement, (d) the Ground Lease, (e) any right or claim of any mechanic, laborer, materialman, supplier or vendor not filed or perfected in the manner prescribed by law as normally would exist with respect to properties similar to the

Property for the purposes for which it was acquired or is held by the District, (f) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions that exist of record as of the Delivery Date that the District certifies in writing will not affect the intended use of the Property or impair the security granted to the Trustee for the benefit of the Owners of the Certificates by the Trust Agreement and the Assignment Agreement, and (g) easements, rights of way, mineral rights, drilling rights and other rights, reservations, covenants, conditions or restrictions established following the Delivery Date that the District certifies in writing do not affect the intended use of the Property or impair the security granted to the Trustee for the benefit of the Owners of the Certificates by the Trust Agreement and the Assignment Agreement and to which the Corporation and the Insurer consents in writing.

“Permitted Investments” means the following:

(a) direct general obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of the Treasury of the United States of America), and obligations of any agency, department or instrumentality of the United States of America the timely payment of principal of and interest on which are fully guaranteed by the United States of America (“Federal Securities”);

(b) any of the following direct or indirect obligations of the following agencies of the United States of America: (i) direct obligations of the Export-Import Bank; (ii) certificates of beneficial ownership issued by the Farmers Home Administration; (iii) participation certificates issued by the General Services Administration; (iv) mortgage-backed bonds or pass-through obligations issued and guaranteed by the Government National Mortgage Association, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation or the Federal Housing Administration; (v) project notes issued by the United States Department of Housing and Urban Development; and (vi) public housing notes and bonds guaranteed by the United States of America;

(c) interest-bearing demand deposit accounts or time deposits (including certificates of deposit) in a federal or state chartered bank (including the Trustee and its affiliates) or a state licensed branch of a foreign bank or a state or federal association (as defined in Section 5102 of the California Financial Code), provided that (i) the unsecured short-term obligations of such commercial bank or savings and loan association shall be rated A1 or better by S&P, or (ii) such demand deposit accounts or time deposits shall be fully insured by the Federal Deposit Insurance Corporation;

(d) commercial paper rated in the highest short-term rating category by S&P, issued by corporations that are organized and operating within the United States of America, and that matures not more than 180 days following the date of investment therein;

(e) bankers acceptances, consisting of bills of exchange or time drafts drawn on and accepted by a commercial bank whose short-term obligations are rated in the highest short-term rating category by S&P that mature not more than 270 days following the date of investment therein;

(f) obligations the interest on which is excludable from gross income pursuant to Section 103 of the Code and that are rated A or better by S&P;

(g) obligations issued by any corporation organized and operating within the United States of America having assets in excess of \$500,000,000, which obligations are rated A or better by S&P;

(h) money market funds that are rated Am or better by S&P, including funds for which the Trustee and its affiliates provide investment advisory or other management services;

(i) an investment agreement or guaranteed investment contract with, or guaranteed by, a financial institution or corporation, the long-term unsecured obligations of which are or, in the case of an insurance company, the long term financial strength of which is, rated “AA-” or better by S&P at the time of initial investment; provided, that the investment agreement shall be subject to a downgrade provision with at least the following requirements:

(1) the agreement shall provide that within ten Business Days after the financial institution’s long-term unsecured credit rating has been withdrawn, suspended, or reduced below “AA-” by S&P (such events referred to as “rating downgrades”) the financial institution shall give notice to the District and the Trustee and, within such ten-day period, and for as long as the rating downgrade is in effect, shall deliver in the name of the Trustee Federal Securities with an aggregate current market value equal to at least 105% of the principal amount of the investment agreement invested with the financial institution at that time, and shall deliver additional Federal Securities as needed to maintain an aggregate current market value equal to at least 105% of the principal amount of the investment agreement within three days after each evaluation date, which shall be at least weekly, and

(2) the agreement shall provide that, if the financial institution’s long-term unsecured credit rating is reduced below “A-” by S&P, the financial institution shall give notice of the downgrade to the District and the Trustee within five Business Days, and the Trustee may, upon five Business Days’ written notice to the financial institution, withdraw all amounts invested pursuant to the investment agreement, with accrued but unpaid interest thereon to the withdrawal date, and terminate the agreement.

(j) repurchase agreements with (i) any domestic bank, or domestic branch of a foreign bank, the long-term debt of which is rated at least “A” by S&P and Moody’s; (ii) any broker-dealer with “retail customers” or a related affiliate thereof, which broker-dealer has, or the parent company (which guarantees the provider) of which has, long-term debt rated at least “A” by S&P and Moody’s, which broker-dealer falls under the jurisdiction of the Securities Investors Protection Corporation; or (iii) any other entity (or entity whose obligations are guaranteed by an affiliate or parent company) rated at least “A” by S&P and Moody’s, provided that:

(1) the market value of the collateral is maintained at levels and upon such conditions as would be acceptable to S&P and Moody's to maintain an "A" rating in an "A" rated structured financing (with a market value approach);

(2) the Trustee or a third party acting solely as agent therefor (the "Holder of the Collateral") has possession of the collateral or the collateral has been transferred to the Holder of the Collateral in accordance with applicable state and federal laws (other than by means of entries on the transferor's books);

(3) the repurchase agreement shall state and an opinion of counsel shall be rendered at the time such collateral is delivered that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

(4) all other requirements of S&P and Moody's in respect of repurchase agreements shall be met; and

(5) the repurchase agreement shall provide that if during its term the provider's rating by either S&P or Moody's is withdrawn or suspended or falls below "A-" or "A3" respectively, the provider must immediately notify the District and Trustee and the provider must, at the direction of the District or the Trustee, within 10 days of receipt of such direction, repurchase all collateral and terminate the agreement, with no penalty or premium to the District or Trustee.

"Persons" means an individual, corporation, firm, association, partnership, limited liability company, trust, or other legal entity or group of entities, including a governmental entity or any agency or political subdivision thereof.

"Policy Payments Account" means the account by that name established and held by the Trustee pursuant to subsection (d) of Section 11.02 of the Trust Agreement.

"Preference Claim" has the meaning ascribed to such term in Section 11.01(n) of the Trust Agreement.

"Prepayment Fund" means the fund by that name established and held by the Trustee pursuant to Section 5.02 of the Trust Agreement.

"Principal Fund" means the fund by that name established and held by the Trustee pursuant to Section 5.02 of the Trust Agreement.

"Principal Office" means the Trustee's principal corporate trust office in St. Paul, Minnesota, or any other office designated by the Trustee.

"Principal Payment Date" means, with respect to a Certificate, the date on which the principal evidenced by such Certificate is scheduled, as of the date of execution and delivery of such Certificate, to become due and payable.

“Project” consists of the acquisition, construction, installation, improvement and equipping of District central kitchen and meeting facilities.

“Property” means the real property described in Exhibit B to the Lease Agreement and any improvements thereto, subject to the provisions of Section 2.02 of the Lease Agreement relating to the termination of the term of the Lease Agreement with respect to the High School Property.

“Purchaser” means, collectively, Piper Sandler & Co. and Loop Capital Markets LLC, as underwriters and purchasers of the Certificates pursuant to the Certificate Purchase Agreement.

“Rebate Fund” means the fund by that name established and held by the Trustee pursuant to Section 5.06 of the Trust Agreement.

“Rebate Requirement” has the meaning ascribed to such term in the Tax Certificate.

“Record Date” means, with respect to any Interest Payment Date, the fifteenth day of the calendar month immediately preceding such Interest Payment Date, whether or not such day is a Business Day.

“Registration Books” means the records maintained by the Trustee for the registration of ownership and registration of transfer of the Certificates pursuant to Section 2.06 of the Trust Agreement.

“Release” means to pump, spill, leak, dispose of, empty, discharge or release.

“Rental Payments” means, collectively, the Base Rental Payments and the Additional Rental Payments.

“Rental Period” means the period from the Delivery Date through June 30, 2025 and, thereafter, the twelve-month period commencing on July 1 of each year during the term of the Lease Agreement.

“Reserve Facility” means the Reserve Policy and any line of credit, letter of credit, insurance policy, surety bond or other credit source deposited with the Trustee pursuant to Section 5.05 of the Trust Agreement.

“Reserve Fund” means the fund by that name established in accordance with Section 5.05 of the Trust Agreement.

“Reserve Insurer” means [Insurer], or any successor thereto or assignee thereof.

“Reserve Policy” means the Municipal Bond Debt Service Reserve Insurance Policy, and any endorsement thereto, issued by the Reserve Insurer under which claims may be made in order to provide moneys in the Reserve Fund available for the purposes thereof.

“Reserve Requirement” means, as of any date of calculation, an amount equal to the least of (a) “10% of the proceeds of the issue,” within the meaning of Section 148 of the Code, (b) the

maximum amount of principal and interest evidenced by the Certificates coming due in any Certificate Year, and (c) 125% of the average amount of principal and interest evidenced by the Certificates coming due in each Certificate Year.

“S&P” means S&P Global Ratings, a business unit of Standard and Poor’s Financial Services, LLC, its successors and assigns, and, if S&P Global Ratings shall for any reason no longer perform the functions of a securities rating agency, “S&P” shall be deemed to refer to any other nationally recognized securities rating agency designated by the District.

“Scheduled Termination Date” means June 1, 20[___].

“Tax Certificate” means the Tax Certificate executed by the District at the time of execution and delivery of the Certificates relating to the requirements of Section 148 of the Code, as originally executed and as it may from time to time be amended in accordance with the provisions thereof.

“Trust Agreement” means the Trust Agreement, dated as of _____ 1, 2024, by and among U.S. Bank Trust Company, National Association, as trustee, the Corporation and the District, as originally executed and as it may from time to time be amended, supplemented or otherwise modified in accordance with the provisions thereof.

“Trustee” means U.S. Bank Trust Company, National Association, as trustee under the Trust Agreement, or any successor thereto as Trustee under the Trust Agreement substituted in its place as provided in the Trust Agreement.

“Verification Report” means, with respect to the deemed payment of Certificates pursuant to clause (ii) of subsection (a) of Section 10.02 of the Trust Agreement, a report of a nationally recognized certified public accountant, or firm of such accountants, verifying that the Defeasance Securities and cash, if any, deposited in connection with such deemed payment satisfy the requirements of clause (ii) of subsection (a) of Section 10.02 of the Trust Agreement.

“Written Certificate of the Corporation” means a written certificate signed in the name of the Corporation by an Authorized Corporation Representative. Any such certificate may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

“Written Certificate of the District” or **“Written Request of the District”** means, respectively, a written certificate or written request signed in the name of the District by an Authorized District Representative. Any such certificate or request may, but need not, be combined in a single instrument with any other instrument, opinion or representation, and the two or more so combined shall be read and construed as a single instrument.

EXHIBIT B

FORM OF CERTIFICATE

No. R-

\$

**RIALTO UNIFIED SCHOOL DISTRICT
CERTIFICATE OF PARTICIPATION
(2024 KITCHEN AND MEETING FACILITIES FINANCING)**

PAYMENT DATE	INTEREST RATE	DATED DATE	CUSIP NO.
June 1, 20__	_____ %	_____, 2024	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: _____ **DOLLARS**

THIS IS TO CERTIFY that the Registered Owner of this Certificate of Participation (the “Certificate”), as identified above, is the owner of a direct, fractional undivided interest in certain base rental payments (“Base Rental Payments”) payable under and pursuant to the Lease Agreement, dated as of _____ 1, 2024 (the “Lease Agreement”), by and between the Rialto Unified School District (the “District”), a school district organized and existing under the laws of the State of California, as lessee, and the Rialto Unified School District School Facilities Corporation (the “Corporation”), a nonprofit public benefit corporation organized and existing under the laws of the State of California, as lessor. Substantially all of the rights of the Corporation under the Lease Agreement, including the right to receive the Base Rental Payments, have been sold, assigned and transferred, irrevocably and absolutely, without recourse, by the Corporation to U.S. Bank Trust Company, National Association, a national banking association duly organized and existing under and by virtue of the laws of the United States of America, as trustee (the “Trustee”), under the Trust Agreement, dated as of _____ 1, 2024 (the “Trust Agreement”), by and among the Trustee, the Corporation and the District. Capitalized undefined terms used herein shall have the meanings ascribed thereto in the Trust Agreement.

This Certificate is one of the duly authorized Rialto Unified School District Certificates of Participation (2024 Kitchen and Meeting Facilities Financing) (the “Certificates”), evidencing principal in the aggregate amount of \$[Par Amount], executed pursuant to the terms of the Trust Agreement. The Certificates evidence direct, fractional undivided interests in Base Rental Payments payable under the Lease Agreement. The Certificates are being executed and delivered to finance the acquisition, construction, installation, improvement and equipping of District’s central kitchen and meeting facilities.

Reference is hereby made to the Trust Agreement and to any and all amendments thereof and supplements thereto for a description of the agreements, conditions, covenants and terms with

respect to the Certificates, for the nature, extent and manner of enforcement of such agreements, conditions, covenants and terms, for the rights, duties and immunities of the Trustee, for the rights and remedies of the registered owners of the Certificates with respect thereto and for the other agreements, conditions, covenants and terms upon which the Certificates are executed and delivered thereunder, to all of which provisions the Registered Owner by acceptance hereof, assents and agrees, and the provisions of the Trust Agreement are hereby incorporated into this Certificate as though fully set forth herein.

The Registered Owner of this Certificate is entitled to receive, subject to the terms of the Trust Agreement and any right of prepayment as provided herein or therein, on the Payment Date set forth above, upon surrender of this Certificate at the Principal Office of the Trustee, the Principal Amount specified above, evidencing the Registered Owner's interest in the Base Rental Payments designated as principal components coming due on the Payment Date, and to receive on June 1 and December 1 of each year, commencing on [December 1, 2024] (the "Interest Payment Dates"), interest accrued thereon at the Interest Rate specified above, computed on the basis of a 360-day year consisting of twelve 30-day months, until said Principal Amount is paid in full, evidencing the Registered Owner's interest in the Base Rental Payments designated as interest components coming due on each of said dates.

This Certificate shall evidence interest from the Interest Payment Date next preceding its date of execution to which interest has been paid in full, unless such date of execution shall be after the fifteenth day of the month next preceding an Interest Payment Date, whether or not such day is a business day (each such date, a "Record Date"), and on or prior to the following Interest Payment Date, in which case this Certificate shall evidence interest from such Interest Payment Date, or unless such date of execution shall be on or prior to [November 15, 2024], in which case this Certificate shall evidence interest from the Dated Date specified above. Notwithstanding the foregoing, if, as shown by the records of the Trustee, interest evidenced by the Certificates shall be in default, this Certificate shall evidence interest from the last Interest Payment Date to which such interest has been paid in full or duly provided for.

Except as otherwise provided in the Letter of Representations, payments of interest evidenced by the Certificates shall be made to the Owners thereof (as determined at the close of business on the Record Date next preceding the related Interest Payment Date) by check or draft of the Trustee mailed to the address of each such Owner as it appears on the Registration Books, or to such other address as may be furnished in writing to the Trustee by each such Owner. Except as otherwise provided in the Letter of Representations, payment of principal and prepayment premium, if any, evidenced by the Certificates, on their stated Principal Payment Dates or on prepayment in whole or in part prior thereto, shall be made only upon presentation and surrender of the Certificates at the Principal Office of the Trustee. All such amounts are payable in lawful money of the United States of America.

The Certificates are authorized to be executed and delivered in the form of fully registered certificates in denominations of \$5,000 or any integral multiple thereof ("Authorized Denominations").

This Certificate may be transferred or exchanged by the Registered Owner hereof, in person or by such Registered Owner's attorney duly authorized in writing, at the Principal Office

of the Trustee, but only in the manner, subject to the limitations and upon payment of the charges provided in the Trust Agreement.

The Certificates evidence and represent a fractional undivided interest in Base Rental Payments and enjoy the benefits of a security interest in the moneys held in the funds and accounts established pursuant to the Trust Agreement, subject to the provisions of the Trust Agreement permitting the disbursement thereof for or to the purposes and on the conditions and terms set forth therein.

The Certificates are subject to prepayment on the dates, at the prepayment prices and pursuant to the terms set forth in the Trust Agreement. Notice of prepayment of any Certificate or any portion thereof shall be given as provided in the Trust Agreement.

The Trust Agreement, and the rights and obligations of the Corporation, the District, the Trustee and the Owners may be amended or supplemented in the manner, to the extent, and upon the terms provided in the Trust Agreement.

The Trust Agreement contains provisions permitting the District to make provision for the payment of the principal, interest and premium, if any, evidenced by any of the Certificates so that such Certificates shall no longer be deemed to be Outstanding under the terms of the Trust Agreement.

Unless this Certificate is presented by an authorized representative of The Depository Trust Company to the Trustee for registration of transfer, exchange or payment, and any Certificate issued is registered in the name of Cede & Co. or such other name as requested by an authorized representative of The Depository Trust Company and any payment is made to Cede & Co., ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL since the registered owner hereof, Cede & Co., has an interest herein.

The Corporation and the District have certified that all acts, conditions and things required by the statutes of the State of California and by the Trust Agreement to exist, to have happened and to have been performed precedent to and in connection with the execution and delivery of this Certificate do exist, have happened and have been performed in regular and due time, form and manner as required by law, and that the Trustee is duly authorized to execute and deliver this Certificate.

IN WITNESS WHEREOF, this Certificate has been executed by the manual signature of an authorized signatory of the Trustee as of the date set forth below.

Date: _____, 2024

**U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION,
AS TRUSTEE**

By: _____
Authorized Officer

STATEMENT OF INSURANCE

[To come]

ASSIGNMENT

For value received the undersigned hereby sells, assigns and transfers unto _____, whose address and social security or other tax identifying number is _____, the within-mentioned Certificate and hereby irrevocably constitute(s) and appoint(s) _____, attorney, to transfer the same on the registration books of the Trustee with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

Note: Signature guarantee shall be made by a guarantor institution participating in the Securities Transfer Agents Medallion Program or in such other guarantee program acceptable to the Trustee.

Note: The signature(s) on this Assignment must correspond with the name(s) as written on the face of the within Certificate in every particular without alteration or enlargement or any change whatsoever.

EXHIBIT C

**FORM OF WRITTEN REQUEST FOR DISBURSEMENTS
FROM THE ACQUISITION FUND**

**WRITTEN REQUEST NO. _____
FOR DISBURSEMENTS FROM THE ACQUISITION FUND**

The Rialto Unified School District, a school district organized and existing under the laws of the State of California (the “District”), hereby states and certifies:

(a) that the undersigned is the duly [appointed/elected], qualified and acting _____ of the District, and, as such, is a duly designated “Authorized District Representative” as such term is defined in the Trust Agreement, dated as of _____ 1, 2024 (the “Trust Agreement”), by and among U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), the Rialto Unified School District School Facilities Corporation (the “Corporation”) and the District, and is familiar with the facts herein certified and is authorized and qualified to certify the same;

(b) that the Trustee is hereby requested to disburse from the Acquisition Fund, established pursuant to Section 3.04 of the Trust Agreement, to the payees set forth on Schedule 1 attached hereto and by this reference incorporated herein, the amount set forth on Schedule 1 opposite each such payee, for payment of such costs identified on said Schedule 1;

(c) that each item of cost identified on Schedule 1 has been properly incurred and the amounts to be disbursed from the Acquisition Fund pursuant to this Written Request are for Acquisition Costs properly chargeable to the Acquisition Fund by the District or the Corporation, as the case may be, and no amounts to be disbursed pursuant to this Written Request have been the subject of a previous Written Request for disbursement from the Acquisition Fund; and

(d) that an invoice for each item of cost identified on Schedule 1 is attached hereto.

Capitalized undefined terms used herein have the meanings ascribed thereto in the Trust Agreement.

Dated: _____

**RIALTO UNIFIED SCHOOL
DISTRICT**

By: _____

Name:

Title:

SCHEDULE 1
ACQUISITION FUND DISBURSEMENTS

<u>Payee Name and Address</u>	<u>Purpose of Obligation</u>	<u>Amount</u>
-------------------------------	------------------------------	---------------

**[\$Par Amount]
RIALTO UNIFIED SCHOOL DISTRICT
CERTIFICATES OF PARTICIPATION
(2024 KITCHEN AND MEETING FACILITIES FINANCING)**

CERTIFICATE PURCHASE AGREEMENT

[Sale Date]

Rialto Unified School District
182 E. Walnut Avenue
Rialto, California 92376

Ladies and Gentlemen:

The undersigned, Piper Sandler & Co., as representative (the “Representative”) on behalf of itself and on behalf of Loop Capital Markets LLC (together, the “Underwriters”), hereby offers to enter into this Certificate Purchase Agreement (the “Purchase Agreement”) with the Rialto Unified School District (the “District”) for the purchase by the Underwriters of \$[Par Amount] aggregate principal amount of Rialto Unified School District Certificates of Participation (2024 Kitchen and Meeting Facilities Financing) (the “Certificates”). Upon acceptance of this offer by the District, this Purchase Agreement will be binding upon the District and the Underwriters. The offer made hereby is subject to acceptance by the District (by delivery to the Underwriters of an executed counterpart hereof by the District) at or before 11:59 p.m., California time, on the date hereof or at such later time and date as shall have been consented to by the Underwriters.

The District acknowledges and agrees that: (a) the purchase and sale of the Certificates pursuant to this Purchase Agreement is an arm’s-length commercial transaction between the District and the Underwriters; (b) each Underwriter is acting solely as underwriter and principal in connection with the matters contemplated by and with respect to all communications under this Purchase Agreement, including the process leading thereto, and is not acting as the agent or fiduciary of the District or as Municipal Advisor (as defined in Section 15B of the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) of the District and its advisors in connection with the matters contemplated by this Purchase Agreement; (c) each Underwriter has financial and other interests that differ from those of the District; (d) each Underwriter has neither assumed an advisory or fiduciary responsibility in favor of the District with respect to the offering of the Certificates or the process leading thereto (whether or not such Underwriter, or any affiliate of such Underwriter, has advised or is currently advising the District on other matters) nor has it assumed any other obligation to the District except the obligations expressly set forth in this Purchase Agreement; and (e) in connection with the purchase and sale of the Certificates, the District has consulted its own financial, legal and other advisors to the extent it has deemed appropriate. The District also acknowledges that it previously received from each Underwriter a letter regarding the Municipal Securities Rulemaking Board (“MSRB”) Rule G-17 Disclosures, and that it has provided to each Underwriter an acknowledgement of such letter.

The Certificates are being executed and delivered pursuant to a Trust Agreement, dated as of _____ 1, 2024 (the “Trust Agreement”), by and among U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), the Rialto Unified School District School Facilities Corporation (the “Corporation”) and the District. Capitalized but undefined terms used herein shall have the meanings ascribed thereto in the Preliminary Official Statement (defined below).

Section 1. Purchase and Purchase Price; Terms of Certificates. (a) Upon the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the District agrees to cause the Trustee to execute and deliver to the Underwriters, and the Underwriters agree to purchase, all (but not less than all) of the Certificates at an aggregate purchase price of \$[Purchase Price] (representing the aggregate principal amount evidenced by the Certificates of \$[Par Amount].00, [plus/less] original issue [premium/discount] of \$[Premium/Discount], less an Underwriters’ discount of \$[UW Discount]).

(b) From such aggregate purchase price for the Certificates, the Underwriters shall withhold and agree to wire on the date of Closing (as defined below) \$[Insurance Premium] in immediately available funds to the Certificate Insurer (defined herein) and \$[Reserve Premium] in immediately available funds to the Reserve Insurer (defined herein), which amounts represent the premiums and fees for the Insurance Policy (as defined below) and the Reserve Policy (as defined below), respectively. The remaining amount of the aggregate purchase price for the Certificates (\$[Trustee Deposit]) shall be wired in immediately available funds to the Trustee to be applied pursuant to the Trust Agreement.

(c) The Certificates shall be dated the date of their delivery. The Certificates shall have the principal payment dates, evidence interest at the rates per annum, and be subject to prepayment as provided in the Official Statement and as set forth in Exhibit C hereto.

(d) The Certificates shall be substantially in the form described in, shall be executed and delivered under and pursuant to, and shall be payable and subject to prepayment as provided in, the Trust Agreement, substantially in the form previously submitted to the Underwriters, with only such changes therein as shall be mutually agreed upon by the Underwriters, the District and the Corporation.

(e) The proceeds of the Certificates will be used to (i) finance the acquisition, construction, installation, improvement and equipping of central kitchen and meeting facilities located within the District, (ii) purchase a municipal bond insurance policy for the Certificates, (iii) purchase a debt service reserve policy to satisfy the reserve requirement for the Certificates, and (iv) pay the costs incurred in connection with the execution and delivery of the Certificates.

(f) Payment of the principal and interest evidenced by the Certificates shall be insured by [Insurer] (the “Certificate Insurer”), which shall issue its municipal bond insurance policy (the “Insurance Policy”) guaranteeing such payment. The District will also obtain and cause to be deposited in the Reserve Fund established by the Trust Agreement a municipal bond debt service reserve insurance policy issued by [Insurer] (the “Reserve Insurer”) in an amount equal to the Reserve Requirement (the “Reserve Policy”).

(g) The District hereby ratifies, confirms and approves the use by the Underwriters, prior to the date hereof, of the Preliminary Official Statement of the District, dated [POS Date], relating to the Certificates (the “Preliminary Official Statement”), which Preliminary Official Statement the District deemed final and so certified as of its date for purposes of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (“Rule 15c2-12”), except for information permitted to be omitted therefrom by Rule 15c2-12. The District hereby agrees to deliver or cause to be delivered to the Underwriters, within seven business days after the date hereof, copies of the final Official Statement substantially in the form of the Preliminary Official Statement and with only such additions thereto, deletions therefrom and changes therein as the Underwriters shall approve (the “Official Statement”), (i) in “designated electronic format” (as defined in Rule G-32 of the Municipal Securities Rulemaking Board), and (ii) in printed form in such reasonable quantity as the Underwriters shall request. The District hereby approves of the use and distribution by the Underwriters of the Preliminary Official Statement and the Official Statement in connection with the offer and sale of the Certificates. The District will undertake, pursuant to the Trust Agreement and the Continuing Disclosure Agreement (defined herein), to provide certain annual financial information and notices of the occurrence of certain enumerated events. A description of such undertaking is set forth in the Official Statement.

(h) The District hereby further authorizes the Underwriters to use, in connection with the offer and sale of the Certificates, the Trust Agreement, the Lease Agreement dated as of _____ 1, 2024 (the “Lease Agreement”), by and between the Corporation and the District, the Ground Lease dated as of _____ 1, 2024 (the “Ground Lease”), by and between the District and the Corporation, the Assignment Agreement dated as of _____ 1, 2024 (the “Assignment Agreement”), by and between the Corporation and the Trustee, and the Continuing Disclosure Agreement of the District, dated as of _____ 1, 2024, executed by the District, and accepted and agreed to by the Trustee (the “Continuing Disclosure Agreement” and, together with the Lease Agreement, the Ground Lease, the Assignment Agreement, the Trust Agreement, and the Certificates, the “Certificate Documents”).

Section 2. Public Offering of the Certificates. The Underwriters agree to make a bona fide initial public offering of all the Certificates at prices no higher than, or yields not lower than, those set forth on Exhibit C hereto. Subsequent to such initial public offering but subject to the provisions set forth in Section 3 below, the Underwriters reserve the right to lower such initial offering prices as the Underwriters deem necessary in connection with the marketing of the Certificates; provided, however, that the Underwriters shall not change the interest rates set forth in Exhibit C. Subject to the provisions set forth in Section 3 below, the Underwriters may offer and sell the Certificates to certain dealers (including dealers depositing the Certificates into investment trusts) and others at prices lower than the initial public offering price or prices set forth on Exhibit C hereto. The Underwriters also reserve the right to: (i) over-allot or effect transactions which stabilize or maintain the market price of the Certificates at levels above those that might otherwise prevail in the open market and (ii) discontinue such stabilizing, if commenced, at any time without prior notice.

Section 3. Establishment of Issue Price. (a) The Representative, on behalf of the Underwriters, agrees to assist the District in establishing the issue price of the Certificates and shall execute and deliver to the District at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached

hereto as Exhibit D, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Representative, the District and Special Counsel (as defined herein), to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Certificates. All actions to be taken by the District under this section to establish the issue price of the Certificates may be taken on behalf of the District by the District's municipal advisor, California Financial Services (the "Municipal Advisor"), and any notice or report to be provided to the District may be provided to the District's Municipal Advisor.

(b) Except as otherwise set forth in Exhibit C attached hereto, the District will treat the first price (meaning single) at which 10% of each maturity of the Certificates (the "10% test") is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Purchase Agreement, each Underwriter shall report to the District the price or prices at which it has sold to the public each maturity of Certificates. If at that time the 10% test has not been satisfied as to any maturity of the Certificates, unless the hold-the-offering-price rule (described below) applies, each Underwriter agrees to promptly report to the District the prices at which it sells the unsold Certificates of that maturity to the public. Unless the hold-the-offering-price rule (described below) applies, that reporting obligation shall continue, whether or not the date of Closing (as defined herein) has occurred, until either (i) the Underwriters have sold all Certificates of that maturity or (ii) the 10% test has been satisfied as to the Certificates of that maturity, provided that, the Underwriters' reporting obligation after the date of Closing may be at reasonable periodic intervals or otherwise upon request of the District or Special Counsel (as defined herein). For purposes of this Section, if Certificates mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Certificates.

(c) The Underwriters confirm that they have offered the Certificates to the public on or before the date of this Purchase Agreement at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit C attached hereto, except as otherwise set forth therein. Exhibit C also sets forth, as of the date of this Purchase Agreement, the maturities, if any, of the Certificates for which the Underwriters represent that (i) the 10% test has been satisfied (assuming orders are confirmed by the end of the day immediately following the day of execution of this Purchase Agreement) and (ii) the 10% test has not been satisfied and for which the District and the Underwriters agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Certificates, the Underwriters will neither offer nor sell unsold Certificates of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (1) the close of the fifth (5th) business day after the sale date; or
- (2) the date on which the Underwriters have sold at least 10% of that maturity of the Certificates to the public at a price that is no higher than the initial offering price to the public.

Each Underwriter will advise the District promptly after the close of the fifth (5th) business day after the sale date whether it has sold 10% of that maturity of the Certificates to the public at a price that is no higher than the initial offering price to the public.

(d) Each Underwriter confirms that:

(1) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Certificates to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(i) (A) unless the hold-the-offering-price rule applies to a maturity, to report the prices at which it sells to the public the unsold Certificates of each maturity allocated to it, whether or not the date of Closing has occurred, until either all Certificates of that maturity allocated to it have been sold or it is notified by the Underwriters that the 10% test has been satisfied as to the Certificates of that maturity, provided that, the reporting obligation after the date of Closing may be at reasonable periodic intervals or otherwise upon request of the Underwriters, and (B) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriters,

(ii) to promptly notify the Underwriters of any sales of Certificates that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Certificates to the public (each such term being used as defined below), and

(iii) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriters shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(2) any selling group agreement relating to the initial sale of the Certificates to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party distribution agreement to be employed in connection with the initial sale of the Certificates to the public to require each broker-dealer that is a party to such third-party distribution agreement to (A) unless the hold-the-offering-price rule applies to a maturity, report the prices at which it sells to the public the unsold Certificates of each maturity allocated to it, whether or not the date of Closing has occurred, until either all Certificates of that maturity allocated to it have been sold or it is notified by the Underwriters or the dealer that the 10% test has been satisfied as to the Certificates of that maturity, provided that, the reporting obligation after the date of Closing may be at reasonable periodic intervals or otherwise upon request of the Underwriters or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriters or the dealer and as set forth in the related pricing wires.

(e) The District acknowledges that, in making the representations set forth in this section, the Underwriters will rely on (i) in the event a selling group has been created in connection with the initial sale of the Certificates to the public, the agreement of each dealer who is a member of the selling group to comply with the requirements for establishing issue price of the Certificates, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Certificates, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement was employed in connection with the initial sale of the Certificates to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the requirements for establishing issue price of the Certificates, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Certificates, as set forth in the third-party distribution agreement and the related pricing wires.

(f) The Underwriters acknowledge that sales of any Certificates to any person that is a related party to an underwriter participating in the initial sale of the Certificates to the public (each such term being used as defined below) shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(1) “public” means any person other than an underwriter or a related party;

(2) “underwriter” means (A) any person that agrees pursuant to a written contract with the District (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Certificates to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) to participate in the initial sale of the Certificates to the public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Certificates to the public);

(3) a purchaser of any of the Certificates is a “related party” to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other); and

(4) “sale date” means the date of execution of this Purchase Agreement by all parties.

Section 4. Closing; Certificates. At 9:00 a.m. California Time, on [Closing Date], or at such other time or on such other date as shall have been mutually agreed upon by the parties hereto (the “Closing”), the District will, subject to the terms and conditions hereof, deliver or cause the Certificates to be delivered through the facilities of The Depository Trust Company (“DTC”), duly executed in accordance with the provisions of the Trust Agreement. Subject to the terms and

conditions hereof, upon receipt of proof of such delivery through DTC, the Underwriters will pay the purchase price of the Certificates as set forth in Section 1 hereof in federal or other immediately available funds. The Certificates shall be delivered as aforesaid through the facilities of DTC or at such other place as the Underwriters and the District mutually agree upon. On the date of Closing, the District will deliver or cause to be delivered the other documents mentioned herein at the offices of Orrick, Herrington & Sutcliffe LLP (“Special Counsel”) in Los Angeles, California, or at such other place as shall have been mutually agreed upon by the Underwriters and the District.

The Certificates (bearing CUSIP numbers) shall be in fully registered form, initially registered in the name of Cede & Co., as nominee of DTC, and shall be subject to a book-entry system of registration and transfer as described in the Official Statement. The Certificates shall be made available to the Underwriters for purposes of inspection for a reasonable period prior to the date of Closing in New York, New York, or at such other place as shall have been mutually agreed upon by the District and the Underwriters.

Section 5. Covenants, Representations and Warranties of the District. The District hereby covenants, represents and warrants to the Underwriters that:

(a) The District is a school district duly organized and validly existing under the constitution and laws of the State of California (the “State”). The District has all necessary power and authority and has taken all official actions necessary for the Board of Education of the District (the “Board of Education”) to adopt the resolution authorizing the execution and delivery of the Certificate Documents to which the District is a party and other matters pertaining thereto (the “District Resolution”), execute and deliver the Official Statement and to execute, deliver and perform its duties under this Purchase Agreement and each of the Certificate Documents to which it is a party, and this Purchase Agreement and each of the Certificate Documents to which the District is a party has been duly authorized, has or will be executed and delivered by the District and, assuming the due authorization, execution and delivery by the other respective parties thereto, when executed and delivered by the District will constitute legally valid and binding obligations of the District enforceable against the District in accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or limiting creditors’ rights generally or principles of equity involving judicial discretion.

(b) The District is not in material breach of, or default under, any applicable constitutional provision, law or administrative rule or regulation of the State or the United States of America material to the conduct of its governmental or financial functions or any applicable judgment or decree or any loan agreement, indenture, bond, certificate, note, resolution or other agreement or instrument to which the District is a party or to which the District or any of its properties is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any of the foregoing; and the authorization, execution and delivery of this Purchase Agreement, the Certificate Documents to which the District is a party and the Certificates, and compliance with the provisions hereof and thereof, will not conflict with or constitute a material breach of or default under any constitutional provision, law, administrative rule or regulation, or any judgment, decree, license, permit, loan agreement, indenture, bond, certificate, note, resolution, agreement or other instrument to which the District (or any of its officers in their

respective capacities as such) is subject or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument except as may be provided by the Certificates or the Certificate Documents.

(c) To the best knowledge of the District, there is no consent, approval, authorization or other order of, or filing with, or certification by, any regulatory entity having jurisdiction over the District required for the execution and delivery of this Purchase Agreement or the Certificate Documents to which the District is a party, or the execution and sale of the Certificates or the consummation by the District of the transactions contemplated herein, in the Official Statement or in the Certificate Documents, which has not been duly obtained or made on or prior to the date hereof.

(d) Except as disclosed in the Preliminary Official Statement and Official Statement, there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or governmental or public entity pending or, to the best knowledge of the District, threatened against the District which affects or seeks to prohibit, restrain or enjoin the execution or delivery of the Certificates or the Certificate Documents, or contesting the validity of this Purchase Agreement, the Certificates or any of the Certificate Documents to which the District is party or the powers of the District to enter into or perform its obligations under this Purchase Agreement or the Certificate Documents to which it is a party or the existence or powers of the District, or which, if determined adversely to the District, would (i) materially impair the District's ability to meet its obligations under the Lease Agreement or materially and adversely affect the District's financial condition, or (ii) adversely affect the exclusion of the interest evidenced by the Certificates from gross income for federal income tax purposes and the exemption of interest evidenced by the Certificates from State personal income taxation.

(e) The preparation and distribution of the Preliminary Official Statement and the Official Statement has been duly authorized by the District and the statements and information contained therein (except for statements and information regarding DTC, the Certificate Insurer, the Insurance Policy, the Reserve Insurer or the Reserve Policy) are true and correct in all material respects and such statements and information do not contain any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

(f) The District agrees that, for a period of 25 days after the end of the "underwriting period" (as defined in Rule 15c2-12), if any event of which it has actual knowledge occurs as a result of which the information in the Official Statement as then in existence would include any untrue or misleading statement of a material fact or omit to state any material fact necessary to make the statements therein not misleading, the District shall promptly prepare, or cooperate in the preparation of, an amendment or supplement to the Official Statement which will correct such statement or omission. The District shall advise the Underwriters promptly of any proposal to so amend or supplement the Official Statement and shall effect such amendment or supplement, at its expense, in a form and manner approved by the Underwriters, and furnish copies of such supplement or amendment to the Underwriters in such numbers as the Representative may reasonably request. The District shall promptly advise the Underwriters of the commencement of

any action, suit, proceeding, inquiry or investigation seeking to prohibit, restrain or otherwise affect the use of the Official Statement in connection with the offering, sale or distribution of the Certificates. Unless the Underwriters otherwise advise the District that the end of the underwriting period shall be another specified date, the end of the underwriting period shall be the date of Closing.

(g) The proceeds from the sale to the Underwriters of the Certificates will be applied in the manner and for the purposes specified in the Trust Agreement.

(h) Any certificate signed by any official of the District and delivered in connection with the transactions contemplated by the Official Statement and this Purchase Agreement shall be deemed to be a representation by the District to the Underwriters as to the statements made therein.

(i) The District agrees to cooperate with the Underwriters in endeavoring to qualify the Certificates for offer and sale under the securities or Blue Sky laws of such jurisdictions of the United States as the Underwriters may reasonably request; provided, however, that the District will not be required to consent to service of process in any such jurisdiction or to qualify as a foreign corporation in connection with any such qualification in any jurisdiction and that the Underwriters shall be solely responsible for the cost of such qualification.

(j) The District has complied with the Internal Revenue Code of 1986, as amended (the "Code"), with respect to the Certificates.

(k) The financial statements of, and other financial information regarding, the District contained in the Official Statement fairly present the financial position and results of the operations of the District as of the dates and for the periods therein set forth, and, to the best of the District's knowledge, (i) the audited financial statements have been prepared in accordance with generally accepted accounting principles consistently applied, and (ii) the other financial information has been determined on a basis substantially consistent with that of the District's audited financial statements included in the Official Statement.

(l) Based on a review of its prior undertakings with respect to Rule 15c2-12, except as described in the Official Statement, in the five preceding years, the District has never failed to comply with any continuing disclosure obligation entered into pursuant to Rule 15c2-12.

(m) Between the date of this Purchase Agreement and the date of Closing, the District will not, without prior written notice to the Underwriters, and except as disclosed in the Official Statement, offer or issue any certificates, notes or other obligations for borrowed money, or incur any material liabilities, direct or contingent, secured by or payable from the District's general fund.

(n) Pursuant to Section 17150.1(a) of the California Education Code, the District caused notice of the proposed execution and delivery of the Certificates to be provided to the San Bernardino County Superintendent of Schools and the San Bernardino County Auditor-Controller, and the District provided information necessary to assess the anticipated effect of the execution and delivery of the Certificates, including the repayment schedules for the base rental payments evidenced by the Certificates, evidence of the ability of the District to repay such base rental

payments, and the delivery costs of the Certificates, to the San Bernardino County Superintendent of Schools, the San Bernardino County Auditor-Controller, the Board of Education and the public.

(o) The District did not file, and the San Bernardino County Superintendent of Schools did not reclassify, in the current fiscal year or immediately preceding fiscal year, in connection with the submission of any interim financial report, a qualified or negative certification of its financial health.

Section 6. Conditions to the Obligations of the Underwriters. (a) The obligation of the Underwriters to accept delivery of and pay for the Certificates on the date of Closing shall be subject, at the option of the Underwriters, to the accuracy in all material respects of the representations, warranties and agreements on the part of the District contained herein as of the date hereof and as of the date of Closing, to the accuracy in all material respects of the statements of the officers and other officials of the District, the Corporation and the Trustee made in any certificates or other documents furnished pursuant to the provisions hereof or the Certificate Documents, and to the performance by the District, the Corporation and the Trustee of their respective obligations to be performed hereunder and under the Certificate Documents at or prior to the date of Closing, and to the following additional conditions:

(1) At the date of Closing, the Certificates, the Certificate Documents and the Official Statement shall have been duly authorized, executed and delivered by the respective parties thereto, in substantially the forms heretofore submitted to the Underwriters with only such changes as shall have been agreed to by the Underwriters, and said documents shall not have been amended, modified or supplemented, except as may have been agreed to by the Underwriters, and there shall have been taken in connection therewith, with the execution and delivery of the Certificates and with the transactions contemplated thereby and by this Purchase Agreement, all such actions as Orrick Herrington & Sutcliffe LLP, Special Counsel, shall deem to be necessary and appropriate;

(2) The representations and warranties of the District contained in this Purchase Agreement shall be true, correct and complete in all material respects on the date hereof and on the date of Closing, as if made again on the date of Closing, and the Official Statement (as the same may be supplemented or amended with the written approval of the Underwriters) shall be true, correct and complete in all material respects and such information shall not contain any untrue statement of fact or omit to state any fact required to be stated therein or necessary to make the statements therein relating to the District, in the light of the circumstances under which such statements were made, not misleading;

(3) Between the date hereof and the Closing, the market price for the Certificates, or the market for or marketability or the ability of the Underwriters to enforce contracts for the sale of the Certificates at the initial offering prices set forth in the Official Statement, shall not have been materially adversely affected, in the reasonable judgment of the Underwriters, by reason of any of the following:

(i) legislation enacted by the Congress of the United States, or by the legislature of the State, or introduced in the Congress or recommended for passage by the President of the United States (by press release, other form of notice or

otherwise), or a decision rendered by a court of the United States or the State or by the United States Tax Court, or an order, ruling, regulation (final, temporary or proposed) or official statement issued or made:

(A) by or on behalf of the United States Treasury Department, or by or on behalf of the Internal Revenue Service or other federal or State authority, which would have the purpose or effect of changing, directly or indirectly, the federal income tax consequences of interest on obligations of the general character of the Certificates in the hands of the holders thereof or State tax consequences of interest on obligations of the general character of the Certificates in the hands of the holders thereof; or

(B) by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, to the effect that the Certificates, or obligations of the general character of the Certificates, including any and all underlying arrangements, are not exempt from registration under the Securities Act of 1933, as amended, or that the Trust Agreement is not exempt from qualification under the Trust Indenture Act of 1939, as amended;

(ii) there shall have occurred (1) an outbreak or escalation of hostilities or the declaration by the United States of a national emergency or war or (2) any other calamity or crisis in the financial markets of the United States or elsewhere or the escalation of such calamity or crisis;

(iii) the declaration of a general banking moratorium by federal, New York or State authorities having jurisdiction, or the general suspension of trading on any national securities exchange or fixing of minimum or maximum prices for trading or maximum ranges for prices for securities on any national securities exchange, whether by virtue or a determination by that exchange or by order of the Securities and Exchange Commission or any other governmental authority having jurisdiction;

(iv) the imposition by the New York Stock Exchange, other national securities exchange, or any governmental authority, of any material restrictions not now in force with respect to the Certificates, or obligations of the general character of the Certificates, or securities generally, or the material increase of any such restrictions now in force, including those relating to the extension of credit by, or a change to the net capital requirements of, either Underwriter;

(v) an order, decree or injunction of any court of competent jurisdiction, or order, filing, regulation or official statement by the Securities and Exchange Commission, or any other governmental agency having jurisdiction over the subject matter thereof, issued or made to the effect that the execution and delivery, offering or sale of obligations of the general character of the Certificates, or the execution and delivery, offering or sale of the Certificates, as contemplated hereby or by the

Official Statement, is or would be in violation of the federal securities laws, as amended and then in effect;

(vi) the withdrawal or downgrading, or any notice of intended withdrawal or downgrading, of any underlying rating or credit watch status or outlook of the District's outstanding indebtedness by a national rating agency or the occurrence of any adverse change of a material nature of the financial condition, results of operation or properties of the District;

(vii) any event occurring, or information becoming known which, in the reasonable judgment of the Underwriters, makes untrue in any material adverse respect any statement or information set forth in the Official Statement, or has the effect that the Official Statement contains any untrue statement of a material fact or omits to state a material fact required to be stated therein or necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

(viii) a material disruption in securities settlement, payment or clearance services or the marketability of the Certificates or the market price thereof, in the opinion of the Underwriters, has been materially and adversely affected by disruptive events, occurrences or conditions in the securities or debt markets; or

(ix) the purchase of and payment for the Certificates by the Underwriters, or the resale of the Certificates by the Underwriters, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission.

(4) At or prior to the Closing, the Underwriters shall have received the following documents, in each case dated as of the date of Closing and satisfactory in form and substance to the Underwriters:

(i) the Official Statement and each Certificate Document, duly executed and delivered by the respective parties thereto, with such amendments, modifications or supplements as may have been agreed to by the Underwriters;

(ii) the unqualified approving opinion of Special Counsel, substantially in the form attached as Appendix C to the Official Statement, relating to the Certificates, and addressed to the District, and a letter of Special Counsel, addressed to the Representative and the Certificate Insurer, to the effect that such opinion may be relied upon by the Underwriters and the Certificate Insurer to the same extent as if such opinion was addressed to it;

(iii) the supplemental opinion of Special Counsel, addressed to the Representative, substantially to the effect that (A) the Certificates are not subject to the registration requirements of the Securities Act of 1933, as amended, and the Trust Agreement is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended, except that no opinion need to be expressed with respect to the Insurance Policy or the Reserve Policy, (B) assuming due authorization,

execution and delivery by all of the parties thereto other than the District and the Corporation, this Purchase Agreement and the Continuing Disclosure Agreement have each been duly executed and delivered by, and constitute valid and binding agreements of the District, except as enforcement thereof may be limited by bankruptcy, insolvency, reorganization, receivership, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting creditors' rights, to the application of equitable principles, to the exercise of judicial discretion in appropriate cases and to the limitations on legal remedies against governmental entities such as school districts in the State (provided that no opinion need be rendered regarding the adequacy of the Continuing Disclosure Agreement for purposes of Rule 15c2-12), and (C) the statements contained in the Official Statement under the captions "THE CERTIFICATES" (excluding any and all information under the subheading "—Book-Entry Only System"), "SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES," "TAX MATTERS" and in APPENDIX A – "SUMMARY OF PRINCIPAL LEGAL DOCUMENTS," excluding any material that may be treated as included under such captions by cross-reference or reference to other documents or sources, insofar as such statements expressly summarize certain provisions of the Certificates, the Ground Lease, the Lease Agreement, the Assignment Agreement, the Trust Agreement or certain matters addressed in Special Counsel's final approving opinion, are accurate in all material respects;

(iv) an opinion of Atkinson, Andelson, Loya, Ruud & Romo, A Professional Law Corporation, Irvine, California, as counsel to the District, in substantially the form of Exhibit A attached hereto, addressed to the District, the Underwriters, the Trustee, the Certificate Insurer and the Reserve Insurer, in form and substance satisfactory to Special Counsel, the Underwriters, the Certificate Insurer and the Reserve Insurer;

(v) an opinion of Atkinson, Andelson, Loya, Ruud & Romo, A Professional Law Corporation, Irvine, California, as counsel to the Corporation, in substantially the form of Exhibit B attached hereto, addressed to the Corporation, the District, the Underwriters, the Trustee, the Certificate Insurer and the Reserve Insurer, in form and substance satisfactory to Special Counsel, the Underwriters, the Certificate Insurer and the Reserve Insurer;

(vi) an opinion of the Counsel to the Certificate Insurer, addressed to the District, the Trustee and the Underwriters, in form and substance satisfactory to Special Counsel and the Underwriters;

(vii) an opinion of Dorsey & Whitney LLP, as counsel to the Trustee, in substantially the form of Exhibit E attached hereto, addressed to the District, the Underwriters, the Certificate Insurer and the Reserve Insurer, in form and substance satisfactory to Special Counsel, the Underwriters, the Certificate Insurer and the Reserve Insurer;

(viii) the letters of Orrick, Herrington & Sutcliffe LLP, as disclosure counsel to the District (“Disclosure Counsel”), separately addressed to the Underwriters and the District, to the effect that, based on Disclosure Counsel’s participation in conferences with representatives of the Underwriters, its counsel, the District, the Corporation, counsel to the District and the Corporation, the Municipal Advisor to the District, the Trustee, and others, during which the contents of the Official Statement and related matters were discussed, and based on Disclosure Counsel’s participation in the above-mentioned conferences (which did not extend beyond the date of the Official Statement), and in reliance thereon, on oral and written statements and representations of the District and others and on the records, documents, certificates opinions and matters described therein, Disclosure Counsel advises the Underwriters and the District as a matter of fact and not opinion that, during the course of Disclosure Counsel’s engagement as Disclosure Counsel with respect to the Certificates, no facts came to the attention of Disclosure Counsel’s attorneys rendering legal services in connection with such representation with respect to the Certificates which caused Disclosure Counsel to believe that the Official Statement as of its date and as of the date of Closing (except for any CUSIP numbers, financial, accounting, statistical, economic, demographic data or forecasts, numbers, charts, tables, graphs, estimates, projections, assumptions or expressions of opinion, any management discussions and analysis, any information about relationships among the parties, real estate or environmental matters, The Depository Trust Company or its book-entry system, Cede & Co., litigation, ratings, rating agencies, the Municipal Advisor, the Underwriters or underwriting, the Certificate Insurer, the Insurance Policy, the Reserve Insurer or the Reserve Policy, any statements about compliance with prior continuing disclosure undertakings, and Appendices B, E, F, G and H, included or referred to therein or omitted therefrom, as to which Disclosure Counsel may expressly exclude from the scope of its letter and as to which Disclosure Counsel may express no opinion or view) contained or contains any untrue statement of a material fact or omitted or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ix) a certificate of the Trustee, signed by a duly authorized officer of the Trustee, to the effect that (A) the Trustee is a national banking association organized and existing under and by virtue of the laws of the United States, having the full power and being qualified to enter into and perform its duties under the Trust Agreement and the Assignment Agreement and to execute and deliver the Certificates to the Underwriters pursuant to the Trust Agreement, (B) when delivered to and paid for by the Underwriters on the date of Closing, the Certificates will have been duly executed and delivered by the Trustee, (C) the execution and delivery of the Trust Agreement and the Assignment Agreement, and compliance with the provisions on the Trustee’s part contained therein, will not conflict in any material respect with or constitute a breach of or default under any law, administrative regulation, judgment, decree, material agreement, or other material instrument to which the Trustee is a party or is otherwise subject (except that no representation, warranty or agreement is made with respect to any federal or state securities or blue sky laws or regulations), nor will any such execution, delivery,

adoption or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of the properties or assets held by the Trustee pursuant to the lien created by the Trust Agreement under the terms of any such law, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument, except as provided by the Trust Agreement, and (D) there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, governmental or public entity pending or, to the best knowledge of the Trustee, threatened against the Trustee, affecting the existence of the Trustee, or the titles of its officers to their respective offices or seeking to prohibit, restrain or enjoin the execution and delivery of the Certificates, or in any way contesting or affecting the validity or enforceability of the Trust Agreement and the Assignment Agreement, or contesting the powers of the Trustee or its authority to enter into, adopt or perform its obligations under any of the foregoing to which it is a party, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Trust Agreement or the Assignment Agreement or the ability of the Trustee to perform its obligations thereunder;

(x) a certificate of the District, signed by an authorized officer thereof, to the effect that (A) the Authorized Officers of the District (as defined in the District Resolution) are authorized to execute this Purchase Agreement, (B) the representations and warranties of the District contained in the Purchase Agreement and in the Certificate Documents to which it is a party are true and correct in all material respects as of the date of Closing as if made on the date of Closing, and (C) to the District's knowledge, no event affecting the District has occurred since the date of the Official Statement which either makes untrue or incorrect in any material respect as of the date of Closing the statements or information (except for statements and information regarding DTC, the Certificate Insurer, Insurance Policy, the Reserve Insurer or the Reserve Policy) contained in the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make the statements and information (except for statements and information regarding DTC, the Certificate Insurer, the Insurance Policy, the Reserve Insurer or the Reserve Policy) therein not misleading in any material respect;

(xi) a certificate of the Corporation, signed by an authorized officer thereof, to the effect that (A) the Corporation is a nonprofit public benefit corporation duly organized and validly existing under the laws of the State, (B) the Corporation has all necessary power and authority and has taken all official actions necessary to adopt the resolution of its Board of Directors authorizing the execution and delivery of the Certificate Documents to which the District is a party and other matters pertaining thereto, to execute, deliver and perform its duties under each of the Certificate Documents to which it is a party, and each of the Certificate Documents to which the Corporation is a party has been duly authorized, executed and delivered by the Corporation and, assuming the due authorization, execution and delivery by the other respective parties thereto, will constitute legally valid and binding obligations of the Corporation enforceable against the Corporation in

accordance with their respective terms, except as enforcement may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws relating to or limiting creditors' rights generally or principles of equity involving judicial discretion, (C) the Corporation is not in material breach of, or default under, any applicable constitutional provision, law or administrative rule or regulation of the State or the United States of America material to the conduct of its functions or any applicable judgment or decree or any loan agreement, indenture, bond, certificate, note, resolution or other agreement or instrument to which the Corporation is a party or to which the Corporation or any of its properties is otherwise subject, and no event has occurred and is continuing which, with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any of the foregoing; and the authorization, execution and delivery of the Certificate Documents to which the Corporation is a party, and compliance with the provisions thereof, will not conflict with or constitute a breach of or default under any constitutional provision, law, administrative rule or regulation, or any judgment, decree, license, permit, loan agreement, indenture, bond, certificate, note, resolution, agreement or other instrument to which the Corporation (or any of its officers in their respective capacities as such) is subject or by which it or any of its properties is bound, nor will any such authorization, execution, delivery or compliance result in the creation or imposition of any lien, charge or other security interest or encumbrance of any nature whatsoever upon any of its assets or properties or under the terms of any such law, regulation or instrument except as may be provided by the Certificate Documents, (D) there is no consent, approval, authorization or other order of, or filing with, or certification by, any regulatory entity having jurisdiction over the Corporation required for the execution and delivery of the Certificate Documents to which the Corporation is a party, or the consummation by the Corporation of the transactions contemplated in the Official Statement or in the Certificate Documents, which has not been duly obtained or made on or prior to the date hereof, (E) there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or governmental or public entity pending or, to the knowledge of the Corporation, threatened against the Corporation which affects or seeks to prohibit, restrain or enjoin the execution or delivery of the Certificates or any of the Certificate Documents, or contesting the validity of the Certificates or any of the Certificate Documents or the powers of the Corporation to enter into or perform its obligations under the Certificate Documents to which it is a party or the existence or powers of the Corporation, and (F) no event affecting the Corporation has occurred since the date of the Official Statement which either makes untrue or incorrect in any material respect as of the date of Closing the statements or information regarding the Corporation contained in the Official Statement or is not reflected in the Official Statement but should be reflected therein in order to make the statements and information therein regarding the Corporation not misleading in any material respect;

(xii) a certificate of the Certificate Insurer, signed by an authorized officer thereof as to such matters as the Underwriters may reasonably request;

(xiii) a certificate of the Reserve Insurer, signed by an authorized officer thereof as to such matters as the Underwriters may reasonably request;

(xiv) a tax certificate of the District relating to the Certificates in form and substance acceptable to Special Counsel;

(xv) a certified copy of the District Resolution authorizing the execution and delivery of the Certificate Documents to which the District is a party and other matters pertaining thereto;

(xvi) a certified copy of the Resolution of the governing board of the Corporation authorizing the execution and delivery of the Certificate Documents to which the Corporation is a party and other matters pertaining thereto;

(xvii) a copy of the Certificate of Status issued by the Secretary of State of the State, a certified copy of the articles of incorporation of the Corporation, and a certified copy of the Bylaws of the Corporation, and a good standing entity status letter from the California Franchise Tax Board;

(xviii) a certified copy of the general resolution of the Trustee authorizing the execution and delivery of the Certificate Documents to which the Trustee is a party;

(xix) evidence that any ratings described in the Official Statement are in full force and effect as of the date of Closing;

(xx) a copy of the Notices of Sale required to be delivered to the California Debt and Investment Advisory Commission pursuant to Section 8855 of the California Government Code;

(xxi) evidence of arrangements for the issuance of a binder for a CLTA or ALTA title insurance policy or policies (with western regional exceptions) providing the title insurance required by the Lease Agreement, in form and substance acceptable to the Certificate Insurer and the Underwriters;

(xxii) a copy of the Insurance Policy issued by the Certificate Insurer, which policy guarantees the scheduled payment when due of the principal and interest evidenced by the Certificates, as described in the Official Statement;

(xxiii) a copy of the Reserve Policy issued by the Reserve Insurer, which policy will be in an amount no less than the Reserve Requirement as of the date of Closing;

(xxiv) evidence of the insurance policy or policies maintained by the District as required pursuant to Section 6.01 of the Lease Agreement;

(xxv) an opinion of Norton Rose Fulbright US LLP, as counsel to the Underwriters, addressed to the Underwriters in form reasonably satisfactory to the Underwriters; and

(xxvi) such additional legal opinions, certificates, proceedings, instruments and other documents as the Underwriters or Special Counsel may reasonably request to evidence compliance by the Trustee, the Certificate Insurer, the Corporation and the District with legal requirements, the truth and accuracy, as of the Closing, of the representations of the Trustee, the Certificate Insurer, the Corporation and the District, and the due performance or satisfaction by the Trustee, the Certificate Insurer, the Corporation and the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by the Trustee, the Corporation and the District.

(b) If the District shall be unable to satisfy the conditions to the Underwriters' obligations contained in this Purchase Agreement or if the Underwriters' obligations shall be terminated for any reason permitted herein, all obligations of the Underwriters hereunder may be terminated by the Underwriters at, or at any time prior to, the date of Closing by written notice to the District and the Underwriters shall have no further obligations hereunder.

Section 7. Fees and Expenses. Except as provided in the following paragraph, the District shall pay all costs and expenses incurred in connection with or relating to the execution and sale of the Certificates, including but not limited to (a) the fees and expenses of the District's Municipal Advisor, (b) the fees and expenses of Orrick, Herrington & Sutcliffe LLP, for services rendered as Special Counsel and as Disclosure Counsel, (c) the fees and expenses of counsel to the District and the Corporation, (d) all expenses and costs of the District incident to the performance of its obligations hereunder and in connection with the authorization, execution and sale of the Certificates, (e) the costs of printing, distributing and delivering the Preliminary Official Statement and the Official Statement, (f) the fees and expenses of the Trustee and its counsel, (g) rating agency fees for rating the Certificates, (h) the fees and expenses of the Certificate Insurer, (i) the fees and expenses of the Reserve Insurer, and (j) the fees and expenses relating to title insurance.

The Underwriters shall pay any advertising expenses incurred in connection with the public offering of the Certificates, the fees of the California Debt and Investment Advisory Commission, CUSIP Service Bureau fees, fees of the Municipal Securities Rulemaking Board and, except as provided in the preceding paragraph, all other expenses incurred by the Underwriters in connection with the public offering and sale of the Certificates, including the fees and disbursements of its counsel.

The District acknowledges that it has had an opportunity, with such advisors as it may deem appropriate, if any, to review the fees and expenses being incurred as part of the execution and delivery of the Certificates.

Section 8. Notices. All notices, certificates and other communications provided for hereunder shall be in writing and, if to the District, mailed, certified, return receipt requested, or delivered to it, addressed to it at:

Rialto Unified School District
182 East Walnut Avenue
Rialto, California 92376
Attention: Lead Business Services Agent

and if to the Underwriters, mailed, certified, return receipt requested, or delivered to each thereof, addressed thereto at:

Piper Sandler & Co.
2321 Rosecrans Avenue, Suite 3200
El Segundo, California 90245
Attention: Mark Adler, Managing Director

Loop Capital Markets LLC
500 California Street, 16th Floor
San Francisco, California 94104
Attention: Robert Larkins, Managing Director

or such other address as shall be designated by any such party in a written notice to each of the other parties.

Section 9. Survival of Representations, Warranties and Agreements. All representations, warranties and agreements of the District in this Purchase Agreement shall remain operative and in full force and effect regardless of any investigation made by or on behalf of the Underwriters and shall survive the delivery of the Certificates hereunder.

Section 10. Electronic Signature. Each of the parties hereto agrees that the transaction consisting of this Purchase Agreement may be conducted by electronic means. Each party agrees, and acknowledges that it is such party's intent, that if such party signs this Purchase Agreement using an electronic signature, it is signing, adopting and accepting this Purchase Agreement and that signing this Purchase Agreement using an electronic signature is the legal equivalent of having placed the undersigned officer's handwritten signature on this Purchase Agreement on paper. Each party acknowledges that it is being provided with an electronic or paper copy of this Purchase Agreement in a usable format.

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

Section 12. Effectiveness. This Purchase Agreement shall become effective upon its execution by duly authorized officers of the Underwriters and the District and shall be valid and enforceable from and after the time of such execution.

[Remainder of page left intentionally blank.]

Section 13. Counterparts. This Purchase Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

PIPER SANDLER & CO., as
Representative on behalf of itself and
LOOP CAPITAL MARKETS LLC

By: _____
Authorized Representative

ACCEPTED:

**RIALTO UNIFIED SCHOOL
DISTRICT**

Date | Time: _____

By: _____
Diane Romo
Lead Business Services Agent

EXHIBIT A
FORM OF OPINION
OF COUNSEL TO THE DISTRICT

[Closing Date]

Rialto Unified School District
Rialto, California

U.S. Bank Trust Company, National Association
Los Angeles, California

Piper Sandler & Co.
El Segundo, California

Loop Capital Markets LLC
San Francisco, California

[Insurer]
New York, New York

Re: Rialto Unified School District
Certificates of Participation (2024 Kitchen and Meeting Facilities Financing)

Ladies and Gentlemen:

We have acted as counsel to the Rialto Unified School District (the “District”), in connection with the execution and delivery of \$[Par Amount] aggregate principal amount of Rialto Unified School District Certificates of Participation (2024 Kitchen and Meeting Facilities Financing) (the “Certificates”).

In connection with rendering this opinion, we have examined documents, obtained certificates and undertaken other actions as we have determined necessary to render this opinion. We have examined the following documents: a Lease Agreement, dated as of _____ 1, 2024 (the “Lease Agreement”), by and between the District and the Rialto Unified School District School Facilities Corporation (the “Corporation”); a Ground Lease, dated as of _____ 1, 2024 (the “Ground Lease”), by and between the District and the Corporation; a Trust Agreement, dated as of _____ 1, 2024 (the “Trust Agreement”), by and among U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), the Corporation and the District; a Continuing Disclosure Agreement, dated as of _____ 1, 2024 (the “Continuing Disclosure Agreement”), executed by the District; a Certificate Purchase Agreement, dated [Sale Date] (the “Purchase Agreement”), by and between the District and Piper Sandler & Co., as representative (the “Representative”), on behalf of itself and Loop Capital Markets LLC (together, the “Underwriters”); a Resolution adopted by the Board of Education of the District on August 14, 2024 (the “Resolution”) relating to the Certificates; an Official Statement, dated [Sale Date] (the “Official Statement”), which describes, among other things, the Certificates and the District; the

Certificates; and the certificates and certifications of the District, the Trustee, the Corporation and others as to certain factual matters and such other documents and matters to the extent we deemed necessary to render the opinions set forth herein.

The opinions expressed herein are based on an analysis of existing laws, regulations, rulings and court decisions. The opinions may be affected by actions or events occurring (or not occurring) after the date hereof. We have not undertaken to determine, or to inform any person, whether (or not) any such actions or events have occurred. As to questions of fact material to our opinions, we have relied upon the documents and matters referred to above, and we have not undertaken any independent investigation to verify the authenticity of signatures or the accuracy of the factual matters represented, warranted or certified therein. We have assumed, without investigation, the authenticity of all documents submitted to us as originals, the conformity to original documents of all documents submitted to us as certified or photostatic copies, and the authenticity of the originals from which such copies were made. In examining the documents referenced herein, we have assumed that each party to the documents referenced herein, other than the District, has the power to enter into and perform its obligations thereunder, has duly authorized, executed and delivered such documents, and that such documents constitute legal, valid and binding obligations of such party.

It is to be understood that the rights and obligations of the District under the Resolution and District Documents (as defined in Section 1 below), are subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights and remedies heretofore or hereafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to exercise of judicial discretion in appropriate cases and to limitations on legal remedies against school districts in the State of California ("State") and to the application of equitable principles.

We express no opinion as to whether interest evidenced by the Ground Lease, the Lease Agreement, or the Trust Agreement is excludable from gross income for federal income tax purposes or is exempt from State personal income tax, or with respect to any other federal or State tax consequences related to the accrual or receipt of such interest under the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder (the "Code") or State law. No opinion is expressed regarding any tax implications of the Ground Lease, the Lease Agreement, or the Trust Agreement.

We undertake no responsibility for the accuracy, completeness or fairness of the Official Statement or other offering material relating to the Certificates and express no opinion with respect thereto.

Based on the foregoing and without having made independent inquiry, we are of the opinion that:

1. The District is a school district duly organized and validly existing under the Constitution and laws of the State of California with full legal right, power and authority to execute, deliver and perform all of its obligations under the Purchase Agreement, the Trust Agreement, the Lease Agreement, the Ground Lease, and the Continuing Disclosure Agreement

(collectively, the “District Documents”), and to participate in the transactions contemplated by the Official Statement.

2. The Resolution was duly adopted at a meeting of the Board of Education of the District, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout, and the Resolution is in full force and has not been modified, amended or rescinded.

3. The District has duly authorized the distribution of the Official Statement and the District Documents have been duly authorized, executed and delivered and, assuming due authorization, execution and delivery by the other parties thereto, constitute the legally valid and binding obligations of the District enforceable against the District in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditors’ rights generally and by the application of equitable principles, if equitable remedies are sought.

4. To the best of our knowledge, there is no action, suit, proceeding, inquiry or investigation at law or in equity, before or by any court, government agency, public board or body, pending or, to our knowledge, threatened: (a) which would materially adversely affect the financial position of the District; (b) affecting, contesting or seeking to prohibit, restrain or enjoin the execution and delivery of the Certificates or in any way contesting or affecting the validity of or security of the Certificates or the District Documents or the consummation of the transactions contemplated thereby, or contesting the powers of the District or its authority to execute and deliver the District Documents or perform its obligations thereunder; or (c) contesting the completeness or accuracy of the Official Statement, or any supplement or amendment thereto or asserting that the Official Statement contains any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstance under which they were made, not misleading.

5. To the best of our knowledge, the District is not in material breach of or default under any applicable constitutional provision, law or administrative regulation of the State of California or the United States of America or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is a party or to which it or any of its property or assets is otherwise subject; no event has occurred or is continuing which with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument; and the execution and delivery by the District of the District Documents, and compliance with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the District a breach of or default under any agreement or other instrument to which the District is a party or by which it is bound or any existing law, regulation, court order or consent decree to which the District is subject.

6. No authorization, approval, consent or order of the State of California or any other governmental authority or agency within the State of California, other than the Board of Education of the District, is required for the valid authorization, execution and delivery by the District of the District Documents and the performance by the District of its obligations thereunder or for the approval of the Official Statement.

We express no opinion with respect to the effect of laws, other than the laws and regulations of the State in full force and effect on the date hereof upon any matter set forth in this opinion. We express no opinion, express or implied, regarding the adequacy of the Continuing Disclosure Agreement for purposes of Securities and Exchange Commission Rule 15c2-12 and no such opinion should be inferred from this opinion letter.

We have not undertaken any duty and expressly disclaim any responsibility to advise you as to events occurring after the date hereof with respect to the Certificates or other matters discussed in the Official Statement. Further, future acts or omissions of the parties may serve to modify, alter or change the circumstances under which this opinion letter was prepared and upon which the opinions herein were rendered. Actions, conduct or omissions by a party may also create a situation of waiver, estoppel or novation which would supplant the opinions set forth in this opinion letter.

This opinion is limited to the matters expressly set forth above, and no opinion is implied or may be inferred beyond the matters expressly so stated. This opinion is issued with all the exclusions and limitations set forth herein. This opinion is furnished by us as District Counsel. No attorney-client relationship existed or exists between our firm and the addressees hereto other than the District in connection with the execution and delivery of the Certificates or related matters thereto. This opinion is not to be used, circulated, quoted or otherwise referred to by you for any other purpose whatsoever or delivered to any other person without our prior written consent, though a copy may be included in the transcript relating to the execution and delivery of the Certificates.

Respectfully submitted,

EXHIBIT B
FORM OF OPINION
OF COUNSEL TO THE CORPORATION

[Closing Date]

Rialto Unified School District School Facilities Corporation
Rialto, California

Rialto Unified School District
Rialto, California

U.S. Bank Trust Company, National Association
Los Angeles, California

Piper Sandler & Co.
El Segundo, California

Loop Capital Markets LLC
San Francisco, California

[Insurer]
New York, New York

Re: Rialto Unified School District Certificates of Participation (2024 Kitchen and Meeting Facilities Financing)

Ladies and Gentlemen:

We have acted as counsel to the Rialto Unified School District School Facilities Corporation (the “Corporation”) in connection with the execution and delivery of \$[Par Amount] aggregate principal amount of Rialto Unified School District Certificates of Participation (2024 Kitchen and Meeting Facilities Financing) (the “Certificates”).

In connection with rendering this opinion, we have examined documents, obtained certificates and undertaken other actions as we have determined necessary to render this opinion. We have examined the following documents: a Resolution of the Board of Directors of the Corporation, adopted on August 14, 2024 (the “Resolution”) relating to the Certificates; the Ground Lease, dated as of _____ 1, 2024 (the “Ground Lease”), by and between the Rialto Unified School District (the “District”) and the Corporation; the Lease Agreement, dated as of _____ 1, 2024 (the “Lease Agreement”), by and between the District and the Corporation; the Assignment Agreement, dated as of _____ 1, 2024 (the “Assignment Agreement”), by and between the Corporation and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”); the Trust Agreement, dated as of _____ 1, 2024 (the “Trust Agreement”), by and among the District, the Corporation and Trustee; an Official Statement, dated [Sale Date] (the “Official Statement”), which describes, among other things, the Certificates and the Corporation;

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the Certificates; certificates and certifications of the District, the Trustee, the Corporation and others as to certain factual matters; and such other documents and matters to the extent we deemed necessary to render the opinions set forth herein.

Based on the foregoing, we are of the opinion that:

1. The Corporation is a nonprofit public benefit corporation organized and existing under and by virtue of the laws and the Constitution of the State of California and has full legal power and lawful authority to execute and deliver and perform all obligations under the Ground Lease, the Lease Agreement, the Assignment Agreement and the Trust Agreement (collectively, the "Corporation Documents") and to participate in the transactions contemplated by the Official Statement.

2. The Resolution has been duly adopted at a meeting of the Board of Directors of the Corporation, which was called and held pursuant to law and with all public notice required by law and at which a quorum was present and acting throughout and the Resolution is in full force and effect and has not been modified, amended or rescinded.

3. The Corporation has duly authorized, executed and delivered the Corporation Documents and, assuming due authorization, execution and delivery by the parties thereto other than the Corporation, the Corporation Documents constitute the legally valid and binding obligations of the Corporation enforceable against the Corporation in accordance with their respective terms, except as the enforcement thereof may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting the enforcement of creditors' rights generally and by the application of equitable principles, if equitable remedies are sought.

4. There is no action, suit, proceeding, inquiry or investigation at law or in equity, before or by any court, government agency, public board or body, pending or, to our knowledge after reasonable investigation, threatened:

(a) which would materially adversely affect the financial position of the Corporation;

(b) affecting, contesting or seeking to prohibit, restrain or enjoin the execution and delivery of any of the Certificates or the Corporation Documents, or in any way contesting or affecting the validity of or security for the Certificates or the Corporation Documents or the consummation of the transactions contemplated thereby, or contesting the powers of the Corporation or its authority to execute and deliver the Corporation Documents or perform its obligations thereunder; or

(c) contesting the completeness or accuracy of the Official Statement or asserting that the Official Statement contains any untrue statement of a material fact or omits to state any material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading;

and to our knowledge there is no basis for any action, suit, proceeding, inquiry or investigation of the nature described in subparagraphs (a) through (c) of this Paragraph 4.

5. The Corporation is not in material breach of or default under any applicable constitutional provision, law or administrative regulation of the State of California or the United States of America or any applicable judgment or decree or any loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the Corporation is a party or to which the Corporation or any of its property or assets is otherwise subject, and no event has occurred or is continuing which with the passage of time or the giving of notice, or both, would constitute a default or an event of default under any such instrument; and the execution and delivery of the Corporation Documents and compliance with the provisions thereof by the Corporation, will not result in a violation of, a breach of, or a default under the articles of incorporation or bylaws of the Corporation or any statute, indenture, mortgage, deed of trust, note agreement, or other agreement or instrument to which the Corporation is a party or by which it or any of its property is bound, or any order, rule, law or regulation of any court or other governmental body having jurisdiction of the Corporation.

6. No authorization, approval, consent or order of the State of California or any other governmental authority or agency within the State of California, other than the governing body of the Corporation, is required for the valid authorization, execution and delivery by the Corporation of the Corporation Documents and the performance by the Corporation of its obligations thereunder or for the approval of the Official Statement.

7. As of the date hereof, nothing has come to our attention causing us to believe that the information contained in the Official Statement relating to the Corporation under the caption "THE CORPORATION" as of its date or as of the date hereof contained any untrue statement of material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

Respectfully submitted,

EXHIBIT C

**[\$[PAR AMOUNT]]
 RIALTO UNIFIED SCHOOL DISTRICT
 CERTIFICATES OF PARTICIPATION
 (2024 KITCHEN AND MEETING FACILITIES FINANCING)**

\$ _____ Serial Certificates

<u>Maturity Date (June 1,)</u>	<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Yield</u>	<u>Price</u>	<u>10% Test Satisfied*</u>	<u>10% Test Not Satisfied</u>	<u>Subject to Hold-the- Offering- Price Rule</u>
2025							
2026							
2027							
2028							
2029							
2030							
2031							
2032							
2033							
2034							
2035			C				
2036			C				
2037			C				
2038			C				
2039			C				
2040			C				
2041			C				
2042			C				

\$ _____ % Term Certificates due June 1, 20__ Yield _____ %^C; Price _____

* At the time of the execution of this Purchase Agreement and assuming orders are confirmed immediately after the execution of this Purchase Agreement.

^C Yield to call at par on June 1, 20__.

PREPAYMENT

Optional Prepayment. [The Certificates maturing on or before June 1, 20__, are not subject to optional prepayment prior to their respective stated Principal Payment Dates. The Certificates maturing on or after June 1, 20__, are subject to optional prepayment prior to their respective stated Principal Payment Dates, on any date on or after June 1, 20__, at the prepayment prices set forth below expressed as percentages of the principal components of the Base Rental Payments subject to prepayment, in whole or in part, in Authorized Denominations, from and to the extent of prepaid Base Rental Payments paid pursuant to the Lease Agreement, any such prepayment to be at a price equal to the principal evidenced by the Certificates to be prepaid, plus unpaid accrued interest evidenced thereby to the date fixed for prepayment.]

Prepayment Prices	Prepayment Date
[10_]%	June 1, 20__ to May 31, 20__
[10_]%	June 1, 20__ to May 31, 20__
[10_]%	June 1, 20__ to May 31, 20__
100%	June 1, 20__ and thereafter]

[**Optional Prepayment.** The Certificates maturing on or before June 1, 20__, are not subject to optional prepayment prior to their respective stated Principal Payment Dates. The Certificates are subject to optional prepayment prior to their respective stated Principal Payment Dates, on any date on or after June 1, 20__, in whole or in part, in Authorized Denominations, from and to the extent of prepaid Base Rental Payments paid pursuant to the Lease Agreement, any such prepayment to be at a price equal to the principal evidenced by the Certificates to be prepaid, plus unpaid accrued interest evidenced thereby to the date fixed for prepayment, without premium.]

Extraordinary Prepayment. The Certificates are subject to extraordinary prepayment prior to their stated Principal Payment Dates, on any date, in whole or in part, in Authorized Denominations, from and to the extent of any insurance proceeds or condemnation award in excess of \$50,000 paid with respect to any of the Property, remaining after payment therefrom of all reasonable expenses incurred in the collection thereof (the "Net Proceeds") received with respect to any of the Property, deposited by the Trustee in the Prepayment Fund pursuant to the Trust Agreement, at a prepayment price equal to the principal evidenced by the Certificates to be prepaid, plus unpaid accrued interest, if any, evidenced thereby to the date fixed for prepayment, without premium.

Mandatory Sinking Account Prepayment. The Certificates with a stated Principal Payment Date of June 1, 20__ are subject to prepayment prior to such stated Principal Payment Date, in part, from Mandatory Sinking Account Payments, on each June 1 specified below, at a prepayment price equal to the principal evidenced thereby, plus accrued interest evidenced thereby to the date fixed for prepayment, without premium. The principal evidenced by such Certificates to be so prepaid and the dates therefor shall be as follows:

Prepayment Date
(June 1)

Principal
To Be Prepaid

*

*Stated Principal Payment Date

If some but not all of the principal evidenced by the Certificates with a stated Principal Payment Date of June 1, 20__ is prepaid pursuant to the extraordinary prepayment provisions as described herein under the caption “– *Extraordinary Prepayment*,” the principal evidenced by such Certificates to be prepaid pursuant to Mandatory Sinking Account Payments on any subsequent June 1 will be reduced by the aggregate principal evidenced by such Certificates so prepaid pursuant to the extraordinary prepayment provisions, such reduction to be allocated among prepayment dates in proportion to the amount by which the principal components of the Base Rental Payments evidenced by such Certificates payable on such prepayment dates are abated pursuant to the Lease Agreement as a result of the event that caused such Certificates to be prepaid pursuant to the extraordinary prepayment provisions, in amounts of Authorized Denominations.

If some but not all of the principal evidenced by the Certificates with a stated Principal Payment Date of June 1, 20__ is prepaid pursuant to the optional prepayment provisions as described herein under the caption “– *Optional Prepayment*,” the principal evidenced by such Certificates to be prepaid pursuant to Mandatory Sinking Account Payments on any subsequent June 1 will be reduced by the aggregate principal evidenced by such Certificates so prepaid pursuant to the optional prepayment provisions, such reduction to be allocated among prepayment dates in amounts of Authorized Denominations, as designated by the District.

The Certificates with a stated Principal Payment Date of June 1, 20__ are subject to prepayment prior to such stated Principal Payment Date, in part, from Mandatory Sinking Account Payments, on each June 1 specified below, at a prepayment price equal to the principal evidenced thereby, plus accrued interest evidenced thereby to the date fixed for prepayment, without premium. The principal evidenced by such Certificates to be so prepaid and the dates therefor shall be as follows:

Prepayment Date
(June 1)

Principal
To Be Prepaid

*

*Stated Principal Payment Date

If some but not all of the principal evidenced by the Certificates with a stated Principal Payment Date of June 1, 20__ is prepaid pursuant to the extraordinary prepayment provisions as described herein under the caption “– *Extraordinary Prepayment*,” the principal evidenced by such Certificates to be prepaid pursuant to Mandatory Sinking Account Payments on any subsequent June 1 will be reduced by the aggregate principal evidenced by such Certificates so prepaid pursuant to the extraordinary prepayment provisions, such reduction to be allocated among prepayment dates in proportion to the amount by which the principal components of the Base Rental Payments evidenced by such Certificates payable on such prepayment dates are abated pursuant to the Lease Agreement as a result of the event that caused such Certificates to be prepaid pursuant to the extraordinary prepayment provisions, in amounts of Authorized Denominations.

If some but not all of the principal evidenced by the Certificates with a stated Principal Payment Date of June 1, 20__ is prepaid pursuant to the optional prepayment provisions as described herein under the caption “– *Optional Prepayment*,” the principal evidenced by such Certificates to be prepaid pursuant to Mandatory Sinking Account Payments on any subsequent June 1 will be reduced by the aggregate principal evidenced by such Certificates so prepaid pursuant to the optional prepayment provisions, such reduction to be allocated among prepayment dates in amounts of Authorized Denominations, as designated by the District.

EXHIBIT D

CERTIFICATE OF THE REPRESENTATIVE

Piper Sandler & Co. (“Piper”) has acted as the representative on behalf of itself and on behalf of Loop Capital Markets LLC (together, the “Underwriting Group”) in connection with the execution and delivery by the Rialto Unified School District (the “Issuer”) of its \$[Par Amount] Certificates of Participation (2024 Kitchen and Meeting Facilities Financing) (the “Certificates”), being executed and delivered on the date hereof, and Piper, based on information available to it, hereby certifies and represents the following:

1. Issue Price.

As of the date hereof, other than the Certificates listed on Exhibit C to the Certificate Purchase Agreement, dated [Sale Date] (the “Purchase Agreement”), by and between Piper and the Issuer, as Subject to Hold-the-Offering-Price Rule (the “Undersold Maturities”), the first price or yield at which at least 10% of each Maturity of the Certificates was sold by the Underwriting Group to the Public was the respective Initial Offering Price set forth on Exhibit C attached to the Purchase Agreement. Attached hereto as Schedule 1 is a copy of the final pricing wire for each Undersold Maturity or an equivalent communication. With respect to the Undersold Maturities, as agreed to in writing by the Underwriting Group in the Purchase Agreement, the Underwriting Group has not offered or sold any of the Undersold Maturities to any person at a price higher than or a yield lower than the respective Initial Offering Price for a period of time starting on the Sale Date and ending on the earlier of (a) the date on which 10% of the respective Undersold Maturity was sold at one or more prices no higher than or yields no lower than the Initial Offering Price by the Underwriting Group or (b) the close of the fifth business day following the Sale Date.

2. Qualified Guarantee.

Piper has calculated that the present value of the amounts paid to [Insurer] (“[Insurer]”) to obtain the municipal bond insurance policy and municipal bond debt service reserve insurance policy (collectively, the “Policies”) securing the Certificates is less than the present value of the debt service reasonably expected to be saved as a result of having the Policies, using as the discount factor for this purpose the expected Yield with respect to the Certificates treating the fees paid as interest with respect to the Certificates.

To the best of Piper’s knowledge, the fees paid to [Insurer] to obtain the Policies were determined in arm’s-length negotiations and were required as a condition to the issuance by [Insurer] of the Policies.

3. Reasonably Required Reserve Fund.

The funding of the Reserve Fund for the Certificates with a municipal bond debt service reserve insurance policy issued by [Insurer] is reasonably required; it was a material factor in marketing the Certificates at yields (given other characteristics of the Certificates) comparable to that of similar issues of governmental obligations; and it is reasonable and customary in marketing similar issues of governmental obligations.

4. Defined Terms.

“*Initial Offering Price*” means the prices or yields set forth on the inside cover page of the Issuer’s Official Statement in respect of such Certificates dated [Sale Date].

“*Maturity*” means Certificates with the same credit and payment terms. Certificates with different maturity dates, or Certificates with the same maturity date but different stated interest rates, are treated as separate Maturities.

“*Public*” means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter.

“*Related Party*” means any entity if an Underwriter and such entity are subject, directly or indirectly, to (i) more than 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profit interests, if both entities are partnerships (including direct ownership by one partnership of another), or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interests by one entity of the other).

“*Underwriter*” means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Certificates to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Certificates to the Public (including a member of a selling group or a party to a third-party distribution agreement participating in the initial sale of the Certificates to the Public).

Piper understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate to which this certificate is included as Exhibit A (this “Issue Price Certificate”) and with respect to compliance with the federal income tax rules affecting the Certificates, and by Orrick, Herrington & Sutcliffe LLP, in connection with its opinion as to the exclusion of interest on the Certificates from federal gross income, the preparation of the Internal Revenue Service Form 8038-G, and other federal income tax advice that it may give to the Issuer from time to time relating to the Certificates. Except as expressly set forth above, the certifications set forth herein may not be relied upon or used by any third party for any other purposes. Piper is certifying only as to facts in existence on the date hereof. Nothing herein represents Piper’s interpretation of any laws; in particular the Treasury Regulations under the Internal Revenue Code of 1986, or the application of any laws to these facts. The certifications contained herein are not necessarily based on personal knowledge, but may instead be based on either inquiry deemed adequate by the undersigned or institutional knowledge (or both) regarding the matters set forth herein. Accordingly, Piper makes no representation as to the legal sufficiency of having the factual matters set forth herein. Except as expressly set forth above, the certifications set forth herein may not be relied upon or used by any third party or for any other purpose.

Piper agrees that this Issue Price Certificate may be executed by electronic means, and further agrees and acknowledges that it is Piper's intent (i) that, by Piper signing this Issue Price Certificate using an electronic signature, it is signing, adopting and accepting this Issue Price Certificate, and (ii) that signing this Issue Price Certificate using an electronic signature is the legal equivalent of having placed the undersigned officer's handwritten signature on this Issue Price Certificate on paper. Piper acknowledges that it has been provided with an electronic or paper copy of this Issue Price Certificate in a usable format.

Dated: [Closing Date]

PIPER SANDLER & CO.

By: _____
Authorized Signatory

EXHIBIT E

FORM OF OPINION OF COUNSEL TO THE TRUSTEE

[Closing Date]

Rialto Unified School District
Rialto, California

Piper Sandler & Co.
El Segundo, California

Loop Capital Markets LLC
San Francisco, California

[Insurer]
New York, New York

Re: Rialto Unified School District
Certificates of Participation (2024 Kitchen and Meeting Facilities Financing)

Ladies and Gentlemen:

We have acted as counsel for U.S. Bank Trust Company, National Association, a national banking association (the “Trustee”), in connection with the Trust Agreement, dated as of _____ 1, 2024 (the “Trust Agreement”), by and among the Trustee, as trustee, the Rialto Unified School District School Facilities Corporation and the Rialto Unified School District, related to the above-referenced certificates of participation (the “Certificates”). We are generally familiar with the Articles of Association and the Bylaws of the Trustee and are also familiar with the corporate proceedings of the Trustee with regard to its authorization, execution and delivery of the Trust Agreement and the Assignment Agreement. Capitalized terms used herein shall have the respective meanings ascribed to them in the Trust Agreement, except as otherwise defined herein. The Trust Agreement and the Assignment Agreement are referred to herein, together, as the “Trustee Documents.”

We have examined such documents and have reviewed such questions of law as we have considered necessary and appropriate for purposes of this opinion. In such review, we have assumed the genuineness of all signatures, the authenticity of all documents submitted to us as originals, and the conformity with originals of all documents submitted to us as copies. Where our opinions expressed below are qualified as being limited “to our knowledge,” such words, as used herein, mean that prior to or during the course of this firm’s representation of the Trustee in connection with the specific transactions contemplated by the Trustee Documents, no contrary information came to the attention of Mark Jutsen, Fanny Renault or Michael K. Pignato, the attorneys in our firm who have principally represented the Trustee in connection with the transactions contemplated by the Trustee Documents and the preparation of this opinion.

Where questions of fact material to our opinions expressed below were not established independently, we have relied upon statements of officers of the Trustee as contained in certificates of officers of the Trustee.

Based upon the foregoing, we are of the opinion that:

1. The Trustee is a national banking association duly organized, validly existing and in good standing under the laws of the United States of America and is authorized to exercise trust powers.

2. The Trustee has all requisite corporate power, authority and legal right to execute and deliver the Trustee Documents.

3. The Trustee has duly authorized, executed and delivered the Trustee Documents. Assuming the due authorization, execution and delivery thereof by the other parties thereto, the Trustee Documents are the legal, valid and binding agreements of the Trustee, enforceable in accordance with their terms against the Trustee.

4. The Trustee has duly executed and delivered the Certificates in its capacity as trustee under the Trust Agreement.

5. To our knowledge, no authorization, approval, consent, or order of any governmental agency or regulatory authority having jurisdiction over the Trustee that has not been obtained by the Trustee is required for the authorization, execution, delivery and performance by the Trustee of the Trustee Documents.

6. The execution and delivery of the Trustee Documents by the Trustee and the performance of its duties as a trustee pursuant to the Trustee Documents will not violate or cause a breach of any statute of the United States or the State of California, or any rule or regulation of any governmental authority or regulatory body of the United States or the State of California.

The opinions set forth above are subject to the following qualifications and exceptions:

(a) the opinions are subject to the effect of any applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or other similar laws of general application affecting creditors' rights; and

(b) the opinions are subject to the effect of general principles of equity, including (without limitation) concepts of materiality, reasonableness, good faith and fair dealing, and other similar doctrines affecting the enforceability of agreements generally (regardless of whether considered in a proceeding in equity or at law).

Our opinions expressed above are limited to the laws of the State of California and the federal laws of the United States of America.

The foregoing opinions are being furnished to you solely for your benefit and may not be relied upon by, nor may copies be delivered to, any other person without our prior written consent;

provided, however, copies of this letter may be included in the transcript of documents compiled with respect to the execution and delivery of the Certificates.

Very truly yours,

PRELIMINARY OFFICIAL STATEMENT DATED AUGUST [], 2024NEW ISSUE
FULL BOOK-ENTRYRATINGS: S&P (Insured): “[]”
Moody’s (Underlying): “[]”
S&P (Underlying): “[]”
(See “RATINGS” herein)

In the opinion of Orrick, Herrington & Sutcliffe LLP, Special Counsel to the District, based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, the portion of each Base Rental Payment designated as and constituting interest paid by the District under the Lease Agreement and received by the Owners of the Certificates is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 and is exempt from State of California personal income taxes. In the further opinion of Special Counsel, interest evidenced by the Certificates is not a specific preference item for purposes of the federal individual alternative minimum tax. Special Counsel observes that interest evidenced by the Certificates included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Special Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of the Certificates, or the amount, accrual or receipt of the portion of each Base Rental Payment constituting interest. See “TAX MATTERS.”

[\$Par Amount]^{1*}
RIALTO UNIFIED SCHOOL DISTRICT
CERTIFICATES OF PARTICIPATION
(2024 KITCHEN AND MEETING FACILITIES FINANCING)

Dated: Date of Delivery**Due: June 1, as described herein**

This cover page contains information for reference only. Investors must read the entire Official Statement to obtain information essential in making an informed investment decision. Capitalized terms used in this cover page shall have the meanings given such terms herein.

The Rialto Unified School District Certificates of Participation (2024 Kitchen and Meeting Facilities Financing) (the “Certificates”) in the aggregate principal amount of \$[Par Amount] evidence direct, fractional undivided interests of the Owners thereof in certain Base Rental Payments (which include principal components and interest components) (collectively, the “Base Rental Payments”) to be made by the Rialto Unified School District (the “District”) for the use of certain real property and the improvements thereon (the “Property”) pursuant to a Lease Agreement, dated as of September 1, 2024 (the “Lease Agreement”), by and between the District, as lessee, and the Rialto Unified School District School Facilities Corporation (the “Corporation”), as lessor. The proceeds of the Certificates will be used to (i) finance the acquisition, construction, installation, improvement and equipping of District central kitchen and meeting facilities, (ii) purchase a municipal bond insurance policy for the Certificates, (iii) purchase a debt service reserve policy to satisfy the reserve requirement for the Certificates, and (iv) pay the costs incurred in connection with the execution and delivery of the Certificates.

The District has covenanted under the Lease Agreement to make all Base Rental Payments and Additional Rental Payments (collectively, the “Rental Payments”) provided for therein, to include all such Rental Payments as a separate line item in its annual budgets, and to make the necessary annual appropriations for all such Rental Payments. The District’s obligation to make Base Rental Payments is subject to abatement during any period in which, by reason of material damage to, or destruction or condemnation of, the Property, or any defect in title to the Property, there is substantial interference with the District’s right to use and occupy any portion of the Property. See “RISK FACTORS – Abatement.”

Interest evidenced by the Certificates is payable semiannually on June 1 and December 1 of each year, commencing on December 1, 2024. See “THE CERTIFICATES” herein.

The Certificates will be initially delivered only in book-entry form and will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Certificates. Individual purchases of the Certificates will be made in book-entry form only. Purchasers of Certificates will not receive certificates representing their ownership interests in the Certificates purchased. The Certificates will be delivered in denominations of \$5,000 or any integral multiple thereof. Principal and interest payments evidenced by the Certificates will be paid directly to DTC by U.S. Bank Trust Company, National Association, as trustee for the Certificates. Upon receipt of payments of principal and interest, DTC will in turn distribute such payments to DTC Participants for subsequent disbursement to the beneficial owners of the Certificates. See “THE CERTIFICATES – Book-Entry Only System” herein.

The Certificates are subject to prepayment prior to maturity as described herein.* See “THE CERTIFICATES – Prepayment.”

The obligation of the District to make the Base Rental Payments does not constitute a debt of the District or of the State of California or of any political subdivision thereof within the meaning of any constitutional or statutory debt limit or restriction, and does not constitute an obligation for which the District or the State of California is obligated to levy or pledge any form of taxation or for which the District or the State of California has levied or pledged any form of taxation.

The scheduled payment of principal and interest evidenced by the Certificates when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the execution and delivery of the Certificates by [INSURER].

[Insert [Insurer] Logo]

See “RISK FACTORS” for a discussion of factors that should be considered, in addition to the other matters set forth herein, in evaluating the investment quality of the Certificates.

* Preliminary; subject to change.

MATURITY SCHEDULE – See Inside Cover

The Certificates will be offered when, as and if executed, delivered and received by the Underwriters, subject to the approval of legality by Orrick, Herrington & Sutcliffe LLP, Los Angeles, California, Special Counsel to the District. Certain legal matters will be passed upon for the District by Orrick, Herrington & Sutcliffe LLP, Los Angeles, California, as Disclosure Counsel to the District; for the Underwriters by Norton Rose Fulbright US LLP, Los Angeles, California, as counsel to the Underwriters; for the District and the Corporation by Atkinson, Andelson, Loya, Ruud & Romo, A Professional Law Corporation, Irvine, California, as counsel to the District and the Corporation. It is anticipated that the Certificates in book-entry form will be available for delivery through the facilities of DTC on or about _____, 2024.

[Piper Sandler & Co. Logo]

[Loop Capital Markets Logo]

Dated: _____, 2024.

MATURITY SCHEDULE^{2*}
BASE CUSIP[†]: 762494

[\$[PAR AMOUNT]*
RIALTO UNIFIED SCHOOL DISTRICT
CERTIFICATES OF PARTICIPATION
(2024 KITCHEN AND MEETING FACILITIES FINANCING)

\$ _____ Serial Certificates				
Maturity Date (June 1)	Principal Amount	Interest Rate	Yield	CUSIP ^{3†} Suffix
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
2041				
2042				

\$ _____ % Term Certificates due June 1, 20__ Yield _____ % CUSIP[†] Suffix _____

* Preliminary; subject to change.

† CUSIP® is a registered trademark of the American Bankers Association. CUSIP Global Services (CGS) is managed on behalf of the American Bankers Association by FactSet Research Systems Inc. Copyright© 2024 CUSIP Global Services. All rights reserved. CUSIP® data herein is provided by CGS database. This data is not intended to create a database and does not serve in any way as a substitute for the CGS database. CUSIP® numbers are provided for convenience of reference only. None of the District, the Corporation, the Underwriters or their agents or counsel assume responsibility for the accuracy of such numbers.

**RIALTO UNIFIED SCHOOL DISTRICT
(SAN BERNARDINO COUNTY, CALIFORNIA)**

BOARD OF EDUCATION

Joseph W. Martinez (Area 4), *President*
Edgar Montes (Area 3), *Vice President*
Evelyn P. Dominguez (Area 5), *Clerk*
Nancy G. O'Kelley (Area 1), *Member*
Stephanie E. Lewis (Area 2), *Member*

DISTRICT ADMINISTRATORS

Edward D'Souza, Ph.D, *Acting Superintendent*
Diane Romo, *Lead Business Services Agent*

PROFESSIONAL SERVICES

Special Counsel and Disclosure Counsel

Orrick, Herrington & Sutcliffe LLP
Los Angeles, California

Municipal Advisor

California Financial Services
Ladera Ranch, California

Counsel to the District and the Corporation

Atkinson, Andelson, Loya, Ruud & Romo,
A Professional Law Corporation
Irvine, California

Trustee

U.S. Bank Trust Company,
National Association
Los Angeles, California

Counsel to the Underwriters

Norton Rose Fulbright US LLP
Los Angeles, California

This Official Statement does not constitute an offering of any security other than the original execution and delivery of the Certificates. No dealer, broker, salesperson or other person has been authorized by the District to give any information or to make any representations other than as contained in this Official Statement, and if given or made, such other information or representation not so authorized should not be relied upon as having been given or authorized by the District.

The Certificates are exempt from registration under the Securities Act of 1933, as amended, pursuant to Section 3(a)(2) thereof. This Official Statement does not constitute an offer to sell or a solicitation of an offer to buy Certificates in any state in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so, or to any person to whom it is unlawful to make such offer or solicitation.

The information set forth herein other than that furnished by the District, although obtained from sources which are believed by the District to be reliable, is not guaranteed as to accuracy or completeness, and is not to be construed as a representation by the District. The information and expressions of opinions herein are subject to change without notice and neither delivery of this Official Statement nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the District since the date hereof. This Official Statement is submitted in connection with the execution and delivery of the Certificates referred to herein and may not be reproduced or used, in whole or in part, for any other purpose.

The Underwriters have provided the following sentence for inclusion in this Official Statement: The Underwriters have reviewed the information in this Official Statement in accordance with, and as a part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

[Insurer] (“[Insurer]”) makes no representation regarding the Certificates or the advisability of investing in the Certificates. In addition, [Insurer] has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding [Insurer], supplied by [Insurer] and presented under the heading “CERTIFICATE INSURANCE,” APPENDIX G – “SPECIMEN MUNICIPAL BOND INSURANCE POLICY” and APPENDIX H – “SPECIMEN MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY.”

Certain statements included or incorporated by reference in this Official Statement constitute “forward-looking statements.” Such statements are generally identifiable by the terminology used, such as “plan,” “expect,” “estimate,” “budget,” “intend” or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The District does not plan to issue any updates or revisions to those forward-looking statements if or when their expectations, or events, conditions or circumstances on which such statements are based, occur.

The District maintains a website and certain social media accounts. However, the information presented there is not part of this Official Statement and should not be relied upon in making an investment decision with respect to the Certificates.

In connection with this offering, the Underwriters may overallocate or effect transactions which stabilize or maintain the market prices of the Certificates at levels above those that which might otherwise prevail in the open market. Such stabilizing, if commenced, may be discontinued at any time. The Underwriters may offer and sell the Certificates to certain securities dealers and dealer banks and banks acting as agent at prices lower than the public offering prices stated on the inside front cover page hereof and said public offering prices may be changed from time to time by the Underwriters.

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OFFICIAL STATEMENT

[\$[PAR AMOUNT]]^{4*}
RIALTO UNIFIED SCHOOL DISTRICT
CERTIFICATES OF PARTICIPATION
(2024 KITCHEN AND MEETING FACILITIES FINANCING)

INTRODUCTION

This Official Statement (which includes the cover page, inside cover page, and Appendices hereto) (this “Official Statement”), provides certain information concerning the execution and delivery of Rialto Unified School District Certificates of Participation (2024 Kitchen and Meeting Facilities Financing) in the aggregate principal amount of \$[Par Amount]* (the “Certificates”). The Certificates evidence direct, fractional undivided interests of the registered owners (the “Owners”) thereof in certain base rental payments (the “Base Rental Payments”) to be made by the Rialto Unified School District (the “District”) for the use of certain real property and the improvements thereon (the “Property”), as more fully described under the caption “THE PROPERTY” herein. The Property will be leased by the District from the Rialto Unified School District School Facilities Corporation (the “Corporation”) pursuant to a Lease Agreement, dated as of September 1, 2024 (the “Lease Agreement”), by and between the District and the Corporation.

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover page, inside cover page, and appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The execution and delivery of the Certificates to potential investors is made only by means of this Official Statement.

The District

The District was founded in 1891 and has operated as a unified school district since 1964. The District provides preschool, elementary and secondary educational services to residents of an area of the County encompassing approximately 55 square miles that includes the City of Rialto, the western portion of the City of San Bernardino, small segments of the cities of Colton and Fontana and some unincorporated County territory.

The District currently operates 19 elementary schools, five middle schools, three comprehensive high schools, one continuation high school, one virtual academy, and one adult education school. Total enrollment in the District was approximately 23,188 students in fiscal year 2023-24. As of the preparation of the District’s fiscal year 2024-25 original adopted budget (the “Fiscal Year 2024-25 Budget”), total enrollment in the District is budgeted to be approximately 22,792 students in fiscal year 2024-25. The District operates under the jurisdiction of the San Bernardino County Superintendent of Schools.

For additional information about the District, see “DISTRICT HISTORY, OPERATION AND FINANCIAL INFORMATION” and APPENDIX B – “FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2023.”

* Preliminary; subject to change.

Security and Sources of Payment for the Certificates

The Certificates will be executed and delivered pursuant to a Trust Agreement, dated as of September 1, 2024 (the “Trust Agreement”), by and among U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), the Corporation and the District, and evidence direct, fractional undivided interests in the Base Rental Payments to be made by the District under the Lease Agreement for the use of the Property. See “THE PROPERTY.”

The District will enter into a Ground Lease, dated as of September 1, 2024 (the “Ground Lease”) pursuant to which the District will lease the Property to the Corporation. The Corporation will then sublease the Property back to the District pursuant to the Lease Agreement. The Lease Agreement will obligate the District to make Base Rental Payments and Additional Rental Payments (which include taxes and assessments affecting the Property, reasonable administrative costs of the Corporation relating to the Property, fees and expenses of the Trustee, insurance premiums and other amounts payable under the Lease Agreement and the Trust Agreement as further described herein). Base Rental Payments and Additional Rental Payments are collectively referred to as “Rental Payments.”

The Trustee and the Corporation will enter into an Assignment Agreement, dated as of September 1, 2024 (the “Assignment Agreement”), pursuant to which the Corporation will sell, assign and transfer to the Trustee for the benefit of the Owners substantially all of the Corporation’s right, title and interest in and to the Ground Lease and the Lease Agreement, including its right to receive the Base Rental Payments due under the Lease Agreement, provided that the Corporation will retain the right to indemnification and to payment of its reasonable costs and expenses under the Lease Agreement.

The District covenants under the Lease Agreement to take such action as may be necessary to include all Base Rental Payments and Additional Rental Payments due under the Lease Agreement as a separate line item in its annual budgets and to make the necessary annual appropriations therefor.

Base Rental Payments are subject to complete or partial abatement during any period in which, by reason of material damage to, or destruction or condemnation of, the Property, or any defect in title to the Property, there is substantial interference with the District’s right to use and occupy any portion of the Property. See “RISK FACTORS – Abatement.” Abatement of Base Rental Payments under the Lease Agreement, to the extent payment is not made from alternative sources as set forth below, could result in all Owners receiving less than the full amount of principal and interest evidenced by the Certificates. To the extent proceeds of insurance are available or there are amounts available in the Reserve Fund (as defined herein) or other funds established under the Trust Agreement (as described below), Base Rental Payments (or a portion thereof) may be made during periods of abatement.

THE OBLIGATION OF THE DISTRICT TO MAKE THE BASE RENTAL PAYMENTS DOES NOT CONSTITUTE A DEBT OF THE DISTRICT OR OF THE STATE OF CALIFORNIA (THE “STATE”) OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMIT OR RESTRICTION, AND DOES NOT CONSTITUTE AN OBLIGATION FOR WHICH THE DISTRICT OR THE STATE IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE DISTRICT OR THE STATE HAS LEVIED OR PLEDGED ANY FORM OF TAXATION.

For more complete and detailed information, see “SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES.” For a discussion of certain risks associated with the District’s ability to make Base Rental Payments for the Property, see “RISK FACTORS.”

Certificate Insurance

Concurrently with the execution and delivery of the Certificates, [Insurer] (“[Insurer]” or “Insurer”) will issue its Municipal Bond Insurance Policy (the “Insurance Policy”) for the Certificates. The Insurance Policy guarantees the scheduled payment of principal and interest evidenced by the Certificates when due as set forth in the form of the Insurance Policy included as Appendix G to this Official Statement. See “CERTIFICATE INSURANCE” and APPENDIX G – “SPECIMEN MUNICIPAL BOND INSURANCE POLICY.” The Insurance Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law. For additional considerations regarding ratings and the Insurance Policy, see “RATINGS.”

Reserve Fund; Reserve Policy

The Reserve Fund has been established for the benefit of the Owners. Upon the execution and delivery of the Certificates, a municipal bond debt service reserve insurance policy (the “Reserve Policy”), in an amount equal to the initial Reserve Requirement, issued by [Insurer] (in such capacity, the “Reserve Insurer”), will be deposited in the Reserve Fund for the Certificates. See “SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES – Reserve Fund” and APPENDIX H – “SPECIMEN MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY.”

Purpose of the Certificates

The proceeds of the Certificates will be used to (i) finance the acquisition, construction, installation, improvement and equipping of District central kitchen and meeting facilities (the “Project”), (ii) purchase a municipal bond insurance policy for the Certificates, (iii) purchase the Reserve Policy, and (iv) pay the costs incurred in connection with the execution and delivery of the Certificates. See “PLAN OF FINANCE” and “ESTIMATED SOURCES AND USES OF FUNDS.”

Description of the Certificates

The Certificates will be executed and delivered in book-entry form only and, when delivered, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), which will act as securities depository for the Certificates. Individual purchases of the Certificates will be made in book-entry form only. Purchasers of the Certificates will not receive certificates representing their ownership interests in the Certificates purchased. The Certificates will be delivered in denominations of \$5,000 or any integral multiple thereof. Principal and interest payments evidenced by the Certificates are payable directly to DTC by the Trustee for the Certificates. Upon receipt of payments of principal and interest, DTC will in turn distribute such payments to DTC Participants for subsequent disbursement to the Beneficial Owners of the Certificates. See “THE CERTIFICATES – General” and APPENDIX F – “BOOK-ENTRY ONLY SYSTEM.”

Interest evidenced by the Certificates is payable semiannually on June 1 and December 1 of each year, commencing on December 1, 2024. See “THE CERTIFICATES – General.”

The Certificates are subject to prepayment prior to maturity as described herein.⁵ See “THE CERTIFICATES – Prepayment.”

For a more complete description of the Certificates and the basic documentation pursuant to which they are being sold and delivered, see “THE CERTIFICATES,” “SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES” and APPENDIX A – “SUMMARY OF PRINCIPAL LEGAL DOCUMENTS.” The summaries and descriptions in this Official Statement of the Trust Agreement, the

⁵ Preliminary; subject to change.

Lease Agreement, the Ground Lease, the Assignment Agreement, the Continuing Disclosure Agreement and other agreements relating to the Certificates are qualified in their entirety by the respective form thereof and the information with respect thereto included in such documents. All capitalized terms used in this Official Statement (unless otherwise defined herein) which are defined in the Trust Agreement or the Lease Agreement shall have the same meanings assigned to such terms as set forth therein. See APPENDIX A – “SUMMARY OF PRINCIPAL LEGAL DOCUMENTS – DEFINITIONS.”

Offering and Delivery of the Certificates

The Certificates will be offered when, as and if executed, delivered and received by the Underwriters, subject to the approval of legality by Orrick, Herrington & Sutcliffe LLP, Special Counsel to the District, and the satisfaction of certain other conditions. It is anticipated that the Certificates will be available in book-entry form for delivery through the facilities of DTC on or about September 18, 2024⁶ (the “Delivery Date”).

Certificate Owners’ Risks

Certain events could affect the ability of the District to make the Base Rental Payments when due. See “RISK FACTORS” for a discussion of certain factors that should be considered, in addition to other matters set forth herein, in evaluating an investment in the Certificates.

Continuing Disclosure

The District will covenant under the Continuing Disclosure Agreement to provide, or to cause to be provided, to the Municipal Securities Rulemaking Board through its Electronic Municipal Market Access system or such other electronic system designated by the Municipal Securities Rulemaking Board (the “EMMA System”) certain annual financial information and operating data relating to the District (the “Annual Report”) by the first day of the month following the ninth month after the end of the District’s fiscal year (currently ending June 30), commencing with the report for fiscal year 2023-24 (such initial Annual Report due no later than April 1, 2025) and notice of the occurrence of certain enumerated events (“Notice Events”) in a timely manner not in excess of ten business days after the occurrence of such a Notice Event. The specific nature of the information to be contained in the Annual Report and the notices of Notice Events is set forth in APPENDIX D – “FORM OF CONTINUING DISCLOSURE AGREEMENT.” These covenants have been made for the benefit of the holders and Beneficial Owners of the Certificates in order to assist the Underwriters in complying with Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the “Rule”).

[The District is not aware of any instances in which it has failed to comply in any material respect with any previous undertakings in regard to the Rule to file annual reports or notices of events required by its continuing disclosure undertakings within the past five years.

KNN Public Finance, LLC currently serves as the District’s dissemination agent in connection with each of the District’s prior continuing disclosure undertakings pursuant to the Rule and will serve as dissemination agent in connection with the continuing disclosure undertaking pursuant to the Rule relating to the Certificates.]

Forward-Looking Statements

⁶ Preliminary; subject to change.

Certain statements included or incorporated by reference in this Official Statement constitute “forward-looking statements.” Such statements are generally identifiable by the terminology used, such as “plan,” “expect,” “estimate,” “budget,” “intend” or other similar words. The achievement of certain results or other expectations contained in such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance or achievements described to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The District does not plan to issue any updates or revisions to those forward-looking statements if or when their expectations, or events, conditions or circumstances on which such statements are based, occur.

Other Information

This Official Statement is current only as of its date, and the information contained herein is subject to change. Copies of the Ground Lease, the Lease Agreement, the Assignment Agreement, the Trust Agreement and the Continuing Disclosure Agreement are available for inspection at the District at 182 East Walnut Avenue, Rialto, CA 92376, by request to the Lead Business Services Agent, and, following delivery of the Certificates, will be on file at the offices of the Trustee in Los Angeles, California.

THE CERTIFICATES

General

The Certificates evidence and represent direct, fractional undivided interests of the Owners thereof in the principal and interest components of Base Rental Payments to be made by the District pursuant to the Lease Agreement.

The Certificates are dated the date of original delivery thereof and will be executed and delivered in denominations of \$5,000 or any integral multiple thereof (“Authorized Denominations”). The interest components evidenced by the Certificates will be due and payable semiannually on June 1 and December 1 of each year, commencing December 1, 2024 (each an “Interest Payment Date”). The interest evidenced by the Certificates will be payable on each Interest Payment Date to and including their respective Principal Payment Dates or prepayment prior thereto, and will represent the sum of the portions of the Base Rental Payments evidenced thereby designated as interest components coming due on the Interest Payment Dates in each year.

The interest evidenced by the Certificates will be computed on the basis of a 360-day year consisting of twelve, 30-day months. Each Certificate evidences interest from the Interest Payment Date next preceding its date of execution to which interest has been paid in full, unless such date of execution is after the 15th day of the calendar month immediately preceding such Interest Payment Date, whether or not such day is a Business Day (a “Record Date”) and on or prior to the following Interest Payment Date, in which case such Certificate evidences interest from such Interest Payment Date, or unless such date of execution is on or prior to November 15, 2024, in which case such Certificate evidences interest from the Delivery Date. Notwithstanding the foregoing, if, as shown by the records of the Trustee, interest evidenced by the Certificates is in default, each Certificate will evidence interest from the last Interest Payment Date to which such interest has been paid in full or duly provided for.

The Base Rental Payments evidenced by the Certificates will be payable by the District and deposited with the Trustee no later than the 15th day next preceding each Interest Payment Date (each a “Base Rental Deposit Date”). The principal components of the Base Rental Payments will evidence interest components calculated at the rates per annum, all as set forth on the front inside cover page of this

Official Statement. The principal evidenced by the Certificates will be payable on their respective Principal Payment Dates and Mandatory Sinking Account Payment Dates in each year and shall represent the sum of the portions of the Base Rental Payments designated as principal components coming due on the Principal Payment Dates and Mandatory Sinking Account Payment Dates in each year.

The Certificates will be subject to the Book-Entry System of registration, transfer and payment, and each Certificate will initially be registered in the name of Cede & Co., as nominee of DTC. As part of such Book-Entry System, DTC has been appointed securities depository for the Certificates, and registered ownership may not thereafter be transferred except as provided in the Trust Agreement. The Certificates are being delivered in book-entry form only. Purchasers will not receive securities certificates representing their interests in the Certificates. Rather, in accordance with the Book-Entry System, purchasers of each Certificate will have beneficial ownership interests in the purchased Certificates through DTC Participants. For more information concerning the Book-Entry System, see “THE CERTIFICATES – Book-Entry Only System.”

While the Certificates are subject to the Book-Entry System, payments of principal and interest evidenced by the Certificates will be made by the Trustee directly to DTC. DTC in turn is obligated to remit such principal and interest to its DTC Participants for subsequent disbursement to Beneficial Owners of the Certificates as described herein. See “THE CERTIFICATES – Book-Entry Only System” and APPENDIX F – “BOOK-ENTRY ONLY SYSTEM.”

Prepayment^{7*}

Optional Prepayment. [The Certificates maturing on or before June 1, 20__, are not subject to optional prepayment prior to their respective stated Principal Payment Dates. The Certificates maturing on or after June 1, 20__ are subject to optional prepayment prior to their respective stated Principal Payment Dates, on any date on or after June 1, 20__, at the prepayment prices set forth below expressed as percentages of the principal components of the Base Rental Payments subject to prepayment, in whole or in part, in Authorized Denominations, from and to the extent of prepaid Base Rental Payments paid pursuant to the Lease Agreement, any such prepayment to be at a price equal to the principal evidenced by the Certificates to be prepaid, plus unpaid accrued interest evidenced thereby to the date fixed for prepayment.

Prepayment Prices	Prepayment Date
[10_]%	June 1, 20__ to May 31 ,20__
[10_]%	June 1, 20__ to May 31 ,20__
[10_]%	June 1, 20__ to May 31 ,20__
100%	June 1, 20__ and thereafter]

[**Optional Prepayment.** The Certificates maturing on or before June 1, 20__, are not subject to optional prepayment prior to their respective stated Principal Payment Dates. The Certificates maturing on or after June 1, 20__ are subject to optional prepayment prior to their respective stated Principal Payment Dates, on any date on or after June 1, 20__, in whole or in part, in Authorized Denominations, from and to the extent of prepaid Base Rental Payments paid pursuant to the Lease Agreement, any such prepayment to be at a price equal to the principal evidenced by the Certificates to be prepaid, plus unpaid accrued interest evidenced thereby to the date fixed for prepayment, without premium.]

* Preliminary; subject to change.

Extraordinary Prepayment. The Certificates are subject to extraordinary prepayment prior to their stated Principal Payment Dates, on any date, in whole or in part, in Authorized Denominations, from and to the extent of any insurance proceeds or condemnation award in excess of \$50,000 paid with respect to any of the Property, remaining after payment therefrom of all reasonable expenses incurred in the collection thereof (the “Net Proceeds”) received with respect to any of the Property, deposited by the Trustee in the Prepayment Fund pursuant to the Trust Agreement, at a prepayment price equal to the principal evidenced by the Certificates to be prepaid, plus unpaid accrued interest, if any, evidenced thereby to the date fixed for prepayment, without premium.

Prepayments of Certificates pursuant to extraordinary prepayment that were purchased at a price greater than the applicable redemption price could reduce the otherwise expected yield on such Certificates. See “RISK FACTORS – Extraordinary Prepayment of the Certificates” herein.

Mandatory Sinking Account Prepayment. The Certificates with a stated Principal Payment Date of June 1, 20__ are subject to prepayment prior to such stated Principal Payment Date, in part, from Mandatory Sinking Account Payments, on June 1 of the years and in the aggregate principal amounts as set forth in the table shown below, any such Mandatory Sinking Account Payments to be at a prepayment price equal to the principal evidenced by the Certificates to be prepaid, plus accrued interest evidenced thereby to the date fixed for prepayment, without premium:

Prepayment Date (June 1)	Principal To Be Prepaid
†	
†	

† Stated Principal Payment Date

If some but not all of the principal evidenced by the Certificates with a stated Principal Payment Date of June 1, 20__ is prepaid pursuant to the extraordinary prepayment provisions as described herein under the caption “– *Extraordinary Prepayment*,” the principal evidenced by such Certificates to be prepaid pursuant to Mandatory Sinking Account Payments on any subsequent June 1 will be reduced by the aggregate principal evidenced by such Certificates so prepaid pursuant to the extraordinary prepayment provisions, such reduction to be allocated among prepayment dates in proportion to the amount by which the principal components of the Base Rental Payments evidenced by such Certificates payable on such prepayment dates are abated pursuant to the Lease Agreement as a result of the event that caused such Certificates to be prepaid pursuant to the extraordinary prepayment provisions, in amounts of Authorized Denominations.

If some but not all of the principal evidenced by the Certificates with a stated Principal Payment Date of June 1, 20__ is prepaid pursuant to the optional prepayment provisions as described herein under the caption “– *Optional Prepayment*,” the principal evidenced by such Certificates to be prepaid pursuant to Mandatory Sinking Account Payments on any subsequent June 1 will be reduced by the aggregate principal evidenced by such Certificates so prepaid pursuant to the optional prepayment provisions, such reduction to be allocated among prepayment dates in amounts of Authorized Denominations, as designated by the District.

Selection of Certificates for Prepayment. Whenever less than all the Outstanding Certificates are to be prepaid on any one date, the Trustee will select the Certificates to be prepaid (a) with respect to any

prepayment as described above under the caption “– *Extraordinary Prepayment*,” among Certificates with different stated Principal Payment Dates in proportion to the amount by which the principal components of the Base Rental Payments evidenced by such Certificates are abated pursuant to the Lease Agreement; and (b) with respect to any optional prepayment described above under the caption “– *Optional Prepayment*,” as directed in a Written Request of the District, and by lot among Certificates with the same stated Principal Payment Date in any manner that the Trustee deems fair and appropriate, which decision will be final and binding upon the District and the Owners. The Trustee will promptly notify the District in writing of the numbers of the Certificates so selected for prepayment on such date. For purposes of such selection, any Certificate may be prepaid in part in Authorized Denominations.

Notice of Prepayment. The Trustee will mail (by first class mail) notice of any prepayment to the respective Owners of any Certificates designated for prepayment at their respective addresses appearing on the records maintained by the Trustee for the registration of ownership and registration of transfer of the Certificates pursuant to the Trust Agreement, at least 30 but not more than 60 days prior to the date fixed for prepayment. Such notice will state the date of the notice, the prepayment date, the prepayment place and the prepayment price and will designate the CUSIP numbers, if any, the Certificate numbers and the stated Principal Payment Date or Principal Payment Dates of the Certificates to be prepaid (except in the event of prepayment of all of the Certificates in whole), and will require that such Certificates be then surrendered at the Principal Office of the Trustee for prepayment at the prepayment price, giving notice also that further interest evidenced by such Certificates will not accrue from and after the date fixed for prepayment. Neither the failure to receive any notice so mailed, nor any defect in such notice, will affect the validity of the proceedings for the prepayment of the Certificates or the cessation of accrual of interest evidenced thereby from and after the date fixed for prepayment.

With respect to any notice of any optional prepayment of Certificates, unless at the time such notice is given the Certificates to be prepaid will be deemed to have been paid within the meaning of the Trust Agreement, such notice will state that such prepayment is conditional upon receipt by the Trustee, on or prior to the date fixed for such prepayment, of moneys that, together with other available amounts held by the Trustee, are sufficient to pay the prepayment price of, and accrued interest evidenced by, the Certificates to be prepaid, and that if such moneys are not received said notice will be of no force and effect and such Certificates will not be required to be prepaid. In the event a notice of prepayment of Certificates contains such a condition and such moneys are not so received, the prepayment of Certificates as described in the conditional notice of prepayment will not be made and the Trustee will, within a reasonable time after the date on which such prepayment was to occur, give notice to the Persons and in the manner in which the notice of prepayment was given, that such moneys were not so received and that there will be no prepayment of Certificates pursuant to such notice of prepayment.

While the Certificates are subject to the Book-Entry System, the Trustee will not be required to give any notice of prepayment to any person or entity other than DTC and as required by the Continuing Disclosure Agreement. DTC and the DTC Participants will have sole responsibility for providing any such notice of prepayment to the Beneficial Owners of the Certificates to be prepaid. Any failure at DTC to notify any DTC Participant, or any failure of a DTC Participant to notify the Beneficial Owner of any Certificates to be prepaid, of a notice of prepayment or its content or effect will not affect the validity of the notice of prepayment, or alter the effect of prepayment described below under “Effect of Prepayment.”

Partial Prepayment of Certificates. Upon surrender of any Certificate prepaid in part only, the Trustee will execute and deliver to the Owner thereof a new Certificate or Certificates evidencing the unprepaid principal with respect to the Certificate surrendered.

Effect of Prepayment. When notice of prepayment has been duly given as provided in the Trust Agreement and moneys for the payment of the prepayment price of the Certificates to be prepaid are held by the Trustee, then on the prepayment date designated in such notice, the Certificates so called for prepayment will become payable at the prepayment price specified in such notice; and from and after the date so designated, interest evidenced by such Certificates will cease to accrue and such Certificates will cease to be entitled to any benefit or security under the Trust Agreement and the Owners of such Certificates will have no rights in respect thereof except to receive payment of the prepayment price thereof, and such moneys shall be pledged to such prepayment. The Trustee will, upon surrender for payment of any of such Certificates, pay such Certificates at the prepayment price thereof.

Book-Entry Only System

General. DTC will act as securities depository for the Certificates. The Certificates will be executed and delivered as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Certificate will be issued for each stated Principal Payment Date of the Certificates, each in the aggregate amount of the principal evidenced by Certificates with such stated Principal Payment Date, and will be deposited with DTC. See APPENDIX F – "BOOK-ENTRY ONLY SYSTEM."

Discontinuance of DTC Service. In the event that (a) DTC determines not to continue to act as securities depository for the Certificates or (b) the District determines to remove DTC from its functions as a depository, DTC's role as securities depository for the Certificates and use of the book-entry system will be discontinued. If the District fails to select a qualified securities depository to replace DTC, the District will cause the Trustee to execute and deliver new Certificates in fully registered form in such denominations numbered in the manner determined by the Trustee and registered in the names of such persons as are requested by the Beneficial Owners thereof. Upon such registration, such persons in whose names the Certificates are registered will become the registered Owners of the Certificates for all purposes.

The following provisions regarding the exchange and transfer of the Certificates apply only during any period in which the Certificates are not subject to DTC's book-entry system. While the Certificates are subject to DTC's book-entry system, their exchange and transfer will be effected through DTC and the Participants and will be subject to the procedures, rules and requirements established by DTC.

All Certificates are transferable by the Owner thereof, in person or by his or her attorney duly authorized in writing, at the Principal Office of the Trustee on the registration books maintained by the Trustee pursuant to the provisions of the Trust Agreement, upon surrender of such Certificates for cancellation accompanied by delivery of a duly executed written instrument of transfer in a form approved by the Trustee. The Trustee may treat the Owner of any Certificate as the absolute owner of such Certificate for all purposes, whether or not the principal or interest evidenced by such Certificate is overdue, and the Trustee will not be affected by any knowledge or notice to the contrary; and payment of the principal and interest evidenced by such Certificate will be made only to such Owner, which payments will be valid and effectual to satisfy and discharge the liability evidenced by such Certificate to the extent of the sum or sums so paid.

Whenever any Certificate or Certificates will be surrendered for transfer, the Trustee will execute and deliver a new Certificate or Certificates evidencing principal in the same aggregate amount and having the same stated Principal Payment Date. The Trustee will require the payment by any Owner

requesting such transfer of any tax or other governmental charge required to be paid with respect to such transfer.

Certificates may be exchanged at the Principal Office of the Trustee for Certificates evidencing principal in a like aggregate amount having the same stated Principal Payment Date in such Authorized Denominations as the Owner may request. The Trustee will require the payment by the Owner requesting such exchange of any tax or other governmental charge required to be paid with respect to such exchange.

The Trustee will not be required to transfer or exchange any Certificate during the period commencing five days before the date of selection of the Certificates for prepayment and ending on the date of mailing notice of such prepayment, nor will the Trustee be required to transfer or exchange any Certificate or portion thereof selected for prepayment from and after the date of mailing the notice of prepayment thereof.

SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES

Nature of the Certificates

Each Certificate evidences a direct, fractional undivided interest in the principal component of the Base Rental Payment due under the Lease Agreement on the payment date or prepayment date of such Certificate, and the interest component of all Base Rental Payments (based on the stated interest rate with respect to such Certificate) to accrue from the date of delivery to its payment date or prepayment date, as the case may be.

The Corporation, pursuant to the Assignment Agreement, will sell, assign and transfer to the Trustee for the benefit of the Owners substantially all of the Corporation's right, title and interest in and to the Ground Lease and the Lease Agreement, including, its right to receive Base Rental Payments to be paid by the District under and pursuant to the Lease Agreement; provided that the Corporation will retain the rights to indemnification and to payment or reimbursement of its reasonable costs and expenses under the Lease Agreement. The District will pay Base Rental Payments directly to the Trustee, as assignee of the Corporation. See "– Base Rental Payments" below.

Base Rental Payments

For the use and possession of the Property, the Lease Agreement requires the District to make Base Rental Payments. The Base Rental Payments evidenced by the Certificates will be payable no later than the Base Rental Deposit Date. To secure the payment of the Base Rental Payments, the District is required to pay to the Trustee, for deposit into the Base Rental Payment Fund, on the Base Rental Deposit Date, an amount sufficient to pay the Base Rental Payment then due.

Pursuant to the Trust Agreement, the Trustee will on each Interest Payment Date, deposit in the Interest Fund that amount of moneys representing the portion of the Base Rental Payments designated as the interest component coming due on such Interest Payment Date. On each Interest Payment Date, the Trustee will withdraw from the Interest Fund, for payment to the Owners, the interest evidenced by the Certificates coming due on such Interest Payment Date.

Pursuant to the Trust Agreement, the Trustee will on each Principal Payment Date and on each Mandatory Sinking Account Payment Date, deposit in the Principal Fund that amount of moneys representing the portion of the Base Rental Payments designated as the principal component coming due on such Principal Payment Date or on each Mandatory Sinking Account Payment Date. On each Principal Payment Date and on each Mandatory Sinking Account Payment Date, the Trustee will

withdraw from the Principal Fund, for payment to the Owners, the principal evidenced by the Certificates due and payable on such Principal Payment Date or Mandatory Sinking Account Payment Date.

THE OBLIGATION OF THE DISTRICT TO MAKE THE BASE RENTAL PAYMENTS DOES NOT CONSTITUTE A DEBT OF THE DISTRICT OR OF THE STATE OR OF ANY POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMIT OR RESTRICTION, AND DOES NOT CONSTITUTE AN OBLIGATION FOR WHICH THE DISTRICT OR THE STATE IS OBLIGATED TO LEVY OR PLEDGE ANY FORM OF TAXATION OR FOR WHICH THE DISTRICT OR THE STATE HAS LEVIED OR PLEDGED ANY FORM OF TAXATION.

Base Rental Payments Schedule

The Lease Agreement requires that Base Rental Payments be made on or before each Base Rental Deposit Date, assuming no early prepayment by the District, which is 15 days prior to each of the following Interest Payment Dates:

Interest Payment Date	Base Rental Payments		
	Principal Component	Interest Component	Total Base Rental Payment

Total: _____

Additional Rental Payments

The Lease Agreement requires the District to pay, as Additional Rental Payments thereunder in addition to the Base Rental Payments, such amounts as required for the payment of all taxes and assessments of any type or nature charged to the Corporation or the District or affecting the Property or

the respective interests or estates of the Corporation or the District in the Property; all reasonable administrative costs of the Corporation relating to the Property, the Certificates or the Trust Agreement, including without limitation all expenses, compensation and indemnification of the Trustee payable by the Corporation under the Trust Agreement, insurance premiums payable under the Lease Agreement, any amounts with respect to the Lease Agreement, the Trust Agreement or the Certificates required to be rebated to the federal government, reimbursements and payments due to the Insurer or Reserve Insurer pursuant the Insurance Policy or Reserve Policy, and all other payments not constituting Base Rental Payments required to be paid by the District under the Lease Agreement or the Trust Agreement.

Covenant to Appropriate Funds

The District covenants under the Lease Agreement to take such action as may be necessary to include all Base Rental Payments and Additional Rental Payments due under the Lease Agreement as a separate line item in its annual budgets and to make the necessary annual appropriations therefor.

Abatement

Base Rental Payments are paid by the District in each Rental Period for the District's right to use and occupy the Property for such Rental Period. The obligation of the District to pay Rental Payments will be abated during any period in which by reason of material damage to, or destruction or condemnation of, the Property, or any defect in title to the Property, there is substantial interference with the District's right to use and occupy any portion of the Property. The Rental Payments will be abated proportionately. The District and the Corporation will, in a reasonable manner and in good faith, determine the amount of such abatement; provided, however, that the Rental Payments due for any Rental Period may not exceed the annual fair rental value of that portion of the Property available for use and occupancy by the District during such Rental Period. Such abatement will continue for the period commencing with the date of interference resulting from such damage, destruction, condemnation or title defect and, with respect to damage or destruction of the Property, ending with the substantial completion of the work of repair or replacement of the Property, or the portion thereof so damaged or destroyed, and to the extent necessary to pay unpaid Rental Payments, the term of the Lease Agreement will be extended as provided in the Lease Agreement, except that the term will in no event be extended more than 10 years beyond the Scheduled Termination Date; provided, however, that during abatement, to the extent that moneys are available for the payment of Rental Payments in any of the funds and accounts established under the Trust Agreement, Rental Payments will not be abated as provided above but, instead, will be payable by the District as a special obligation payable solely from said funds and accounts. For information regarding rental interruption insurance, see “– Insurance” below.

Abatement of Rental Payments is not an event of default under the Lease Agreement and does not permit the Trustee to take any action or avail itself of any remedy against the District. For a description of abatement resulting from condemnation of all or part of the Property, see APPENDIX A – “SUMMARY OF PRINCIPAL LEGAL DOCUMENTS – THE LEASE AGREEMENT – Rental Payments – Rental Abatement.”

Reserve Fund

A reserve fund (the “Reserve Fund”) is established by the Trust Agreement and is required to be funded, as of any date of calculation, in an amount equal to the least of (a) “10% of the proceeds of the issue,” within the meaning of Section 148 of the Code (as defined herein), (b) the maximum amount of principal and interest evidenced by the Certificates coming due in any Certificate Year and (c) 125% of the average amount of principal and interest evidenced by the Certificates coming due in each Certificate Year (the “Reserve Requirement”). “Certificate Year” means each twelve-month period beginning on

June 1 in each year and extending to the next succeeding May 31, both dates inclusive, except that the first Certificate Year will begin on the Delivery Date and end on May 31, 2025. Upon the execution and delivery of the Certificates, the Reserve Policy in the stated amount of \$ _____, an amount equal to the initial Reserve Requirement, issued by the Reserve Insurer will be deposited in the Reserve Fund for the Certificates. The Reserve Fund is required to be maintained until all Base Rental Payments are paid in full pursuant to the Lease Agreement and until the first date upon which the Certificates are no longer Outstanding. See APPENDIX A – “SUMMARY OF PRINCIPAL LEGAL DOCUMENTS.”

Amounts available in the Reserve Fund are to be used to make delinquent Base Rental Payments to the extent that the moneys available in the Interest Fund and Principal Fund do not equal the amount of the principal and interest evidenced by the Certificates then coming due. In addition, moneys, if any, on deposit in the Reserve Fund will be withdrawn and applied by the Trustee for the final Base Rental Payment.

The District may substitute a line of credit, letter of credit, insurance policy, surety bond or other credit source (each, a “Reserve Facility”) for all or a part of the Reserve Policy or Reserve Facility then on deposit in the Reserve Fund by depositing such substitute Reserve Facility with the Trustee so long as, at the time of such substitution, the amount on deposit in the Reserve Fund, together with the amount available under such Reserve Facility and any previously substituted Reserve Facilities, will be at least equal to the Reserve Requirement; provided, however, that, prior to any such substitution, the Trustee will have received the written consent of the Insurer (so long as the Insurer is not in default on its payment obligations under the Insurance Policy).

If at any time the balance in the Reserve Fund is reduced below the Reserve Requirement, the first Base Rental Payments thereafter received from the District under the Lease Agreement and not needed to pay the interest or principal evidenced by Certificates payable to the Owners on the next Interest Payment Date, Principal Payment Date will be used to increase the balance in the Reserve Fund to the Reserve Requirement.

Insurance

The Lease Agreement requires the District to cause to be maintained casualty insurance insuring the Property against fire and all other risks covered by an extended coverage endorsement (excluding earthquake and flood), subject to a \$100,000 loss deductible provision (unless some other deductible is acceptable to the Insurer), in an amount equal to the full insurable value of the Property. The full insurable value of the Property will not be less than the principal evidenced by the outstanding Certificates.

The casualty insurance required by the Lease Agreement may be maintained in the form of self-insurance by the District, in compliance with the terms of the Lease Agreement.

The Lease Agreement requires the District to cause to be maintained, throughout the term of the Lease Agreement, rental interruption insurance to cover the Corporation’s loss, total or partial, of Base Rental Payments caused by perils covered by the casualty insurance described above, in an amount equal to the lesser of (a) the amount sufficient at all times to pay an amount not less than the product of two times the maximum amount of Base Rental Payments scheduled to be paid during any Rental Period, or (b) such lesser amount as may be agreed to by the Insurer. The District may not self-insure for rental interruption insurance.

The District is also required to obtain certain public liability and property damage insurance coverage in protection of the Corporation and the District and worker’s compensation insurance as

described under APPENDIX A – “SUMMARY OF PRINCIPAL LEGAL DOCUMENTS – THE LEASE AGREEMENT – Insurance – Property Casualty Insurance; Rental Interruption Insurance.”

The District is required under the Lease Agreement to obtain title insurance on the Property, in the aggregate amount of not less than the initial aggregate amount of principal evidenced by the Certificates, subject only to Permitted Encumbrances, as defined in the Lease Agreement.

Action on Default

Should the District default under the Lease Agreement, the Trustee, as assignee of the Corporation under the Assignment Agreement, has the option to (subject to the restrictions described below) terminate the Lease Agreement. In the event of such termination, the District agrees to surrender immediately possession of the Property, without let or hindrance, and to pay to the Trustee, as assignee of the Corporation, all damages recoverable at law that the Corporation may incur by reason of default by the District, including, without limitation, any costs, loss or damage whatsoever arising out of, in connection with, or incident to any such re-entry upon the Property and removal and storage of such property by the Corporation or its duly authorized agents in accordance with the provisions contained in the Lease Agreement.

Without terminating the Lease Agreement, the Trustee will be permitted (a) to collect each installment of Base Rental Payments as the same become due and enforce any other terms or provisions of the Lease Agreement to be kept or performed by the District, regardless of whether or not the District has abandoned the Property, or (b) to exercise any and all rights of entry and re-entry upon the Property. In the event the Corporation does not elect to terminate the Lease Agreement in the manner provided for therein, the District remains liable and will keep or perform all covenants and conditions contained in the Lease Agreement to be kept or performed by the District and, if the Property is not re-let, will pay the full amount of the Rental Payments to the end of the term of the Lease Agreement or, if the Property is re-let, will pay any deficiency in Rental Payments that results therefrom; and will pay said Rental Payments and/or Rental Payment deficiency punctually at the same time and in the same manner as provided for the payment of Rental Payments under the Lease Agreement, notwithstanding the fact that the Corporation may have received in previous years or may receive thereafter in subsequent years Rental Payments in excess of the Rental Payments specified in the Lease Agreement, and notwithstanding any entry or re-entry by the Corporation or suit in unlawful detainer, or otherwise, brought by the Corporation for the purpose of effecting such re-entry or obtaining possession of the Property. See “RISK FACTORS.”

The Lease Agreement provides that, so long as the Insurer is not in default in its payment obligations under the Insurance Policy, the Insurer will control all remedies upon an event of default under the Lease Agreement. For a description of the events of default and permitted remedies of the Trustee (as assignee of the Corporation) contained in the Lease Agreement and the Trust Agreement, see APPENDIX A – “SUMMARY OF PRINCIPAL LEGAL DOCUMENTS – THE LEASE AGREEMENT – Defaults and Remedies” and “– THE TRUST AGREEMENT – Default and Limitations of Liability – Action on Default.”

CERTIFICATE INSURANCE

Bond Insurance Policy

Concurrently with the execution and delivery of the Certificates, [Insurer] will issue its Insurance Policy for the Certificates. The Insurance Policy guarantees the scheduled payment of principal and interest evidenced by the Certificates when due as set forth in the form of the Insurance Policy included as Appendix G to this Official Statement.

The Insurance Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

There follows under this caption certain information concerning the terms of the Insurance Policy and [Insurer] that has been supplied by [Insurer] for inclusion in the Official Statement. No representation is made by the District as to the accuracy, completeness or adequacy of such information, nor as to the absence of material adverse changes in such information subsequent to the date hereof. The District has not made any independent investigation of [Insurer] or the Insurance Policy, and reference is made to the information set forth below and in Appendix G hereto for a description thereof.

[Insurer]

[To come]

THE PROPERTY

General

The Property leased pursuant to the Lease Agreement consists of the real property on which the District's Wilmer Amina Carter High School (the "High School Property") and central kitchen and meeting facilities (the "Central Kitchen Property" and, together with the High School Property, the "Property") are or will be located in Rialto, California, together with the buildings and improvements located thereon.

Wilmer Amina Carter High School, constructed in [____], is located at 2630 N. Linden Avenue, Rialto, California 92377. Wilmer Amina Carter High School is currently serving approximately [2,027] students in ninth through twelfth grades. Wilmer Amina Carter High School consists of approximately [__] buildings, totaling approximately [____] square feet, and includes [__] total classrooms, with [__] being permanent classrooms and [__] being portable classrooms. Wilmer Amina Carter High School also includes a library, a cafeteria, athletic fields, multi-purpose room, and [__] parking areas. Wilmer Amina Carter High School is located on an approximately [__.]-acre site.

The District's Central Kitchen Property are to be acquired and constructed as set forth below. See "PLAN OF FINANCE."

Upon completion of the Project, the High School Property is expected to be automatically released from among the leased property under the Lease Agreement and the Ground Lease. The Lease Agreement provides that so long as no Lease Default Event shall have occurred and be continuing under the Lease Agreement, the term of the Lease Agreement with respect to the High School Property shall terminate on the date the District certifies in a Written Certificate of the District filed with the Trustee, (i) that the Project has been completed and that all costs of the Project have been paid, or (ii) that the Project has been substantially completed and that all remaining costs of the Project are to be paid from the Acquisition Fund, established pursuant to the Trust Agreement (the "Acquisition Fund"). The Lease Agreement provides that from and after the date of such termination (i) the description of the High School Property shall be deemed to have been deleted from the property leased under the Ground Lease and the Lease Agreement and the term "Property" shall, for all purposes thereof, be deemed not to include the High School Property, and (ii) all right, title and interest in and to the High School Property shall vest in the District (in connection with which, the Corporation and the Trustee shall execute such conveyances, deeds and other documents as may be necessary to effect such vesting of record).

The insured aggregate value of the Property will not be less than the principal evidenced by the outstanding Certificates.

Substitution or Release

The Lease Agreement provides that, with the consent of the Insurer and compliance with the other conditions specified therein, the District may release from the Lease Agreement a portion of the Property or substitute alternate real property for any portion of the Property. Any such substitution or release of any portion of the Property will be subject to certain specific conditions set forth in the Lease Agreement, among which are that an independent certified real estate appraiser selected by the District will have found that the Property, as constituted after such substitution or release, has an annual fair rental value greater than or equal to 105% of the maximum amount of Base Rental Payments payable by the District in any Rental Period; provided, however, that such conditions shall not apply to a release of the High School Property as described herein under the caption “THE PROPERTY.” Thus, a portion of the property comprising the Property could be replaced with less valuable property, or could be released altogether, so long as, among other things, the Property, as constituted after such substitution or release, has an annual fair rental value greater than or equal to 105% of the maximum amount of Base Rental Payments payable by the District in any Rental Period. See “RISK FACTORS – Substitution or Release of Property” and APPENDIX A – “SUMMARY OF PRINCIPAL LEGAL DOCUMENTS – THE LEASE AGREEMENT – No Consequential Damages; Use of the Property; Substitution or Release – Substitution or Release of the Property.”

PLAN OF FINANCE

A portion of the proceeds of the Certificates will fund the Project, which consists of the acquisition, construction, installation, improvement and equipping of the District’s central kitchen and meeting facility. The District’s central kitchen and meeting facility (the “Facility”) will be located at 625 West Foothill Boulevard, Rialto, California, 92376. The Facility is expected to consist of a single three-story kitchen facility with approximately 60,000 to 75,000 square feet of usable space. The first floor is expected to house the main central kitchen operations and equipment. The second and third floors are expected to house the central kitchen administrative staff and to provide facilities for a “Community Engagement Conference Center” to host community engagement opportunities to strengthen relationships with families.

The remaining proceeds of the Certificates will be used to purchase the Reserve Policy, and to pay the costs incurred in connection with the execution and delivery of the Certificates. See “ESTIMATED SOURCES AND USES OF FUNDS” herein.

ESTIMATED SOURCES AND USES OF FUNDS

The estimated sources and uses of funds with respect to the Certificates and other available funds are set forth below.

SOURCES

Principal Amount of Certificates	\$
[Plus/Less] [Net] Original Issue	_____
[Premium/Discount]	
Total Sources	\$ _____

USES

Deposit to Acquisition Fund	\$
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Deposit to Costs of Issuance Fund⁽¹⁾

Underwriters' Discount

Total Uses

\$ _____

⁽¹⁾ Includes legal fees, Municipal Advisor fees, Underwriters' discount, rating agency fee, printing costs, Insurance Policy and Reserve Policy premiums and fees, and other fees and miscellaneous costs of issuance.

RISK FACTORS

The following factors, along with the other information in this Official Statement, should be considered by potential investors in evaluating the purchase of the Certificates. However, they do not purport to be an exhaustive listing of risks and other considerations which may be relevant to an investment in the Certificates. In addition, the order in which the following factors are presented is not intended to reflect the relative importance of any such risks.

General Considerations and Other Obligations

The obligation of the District to make the Base Rental Payments does not constitute a debt of the District or of the State or of any political subdivision thereof within the meaning of any constitutional or statutory debt limit or restriction, and does not constitute an obligation for which the District or the State is obligated to levy or pledge any form of taxation or for which the District or the State has levied or pledged any form of taxation.

Although the Lease Agreement does not create a pledge, lien or encumbrance upon the funds of the District, the District is obligated under the Lease Agreement to pay the Base Rental Payments from any source of legally available funds and the District has covenanted in the Lease Agreement that it will take such action as may be necessary to include all Base Rental Payments in its annual budgets and to make necessary annual appropriations therefor.

The District is currently liable and may become liable on other obligations payable from its general fund, such as employee salaries and benefits, some of which may have a priority over Base Rental Payments. For a discussion of certain other obligations of the District, including its liability with respect to post-employment benefits, see "DISTRICT HISTORY, OPERATION AND FINANCIAL INFORMATION – District Debt Structure" herein. The District has the capacity to enter into other obligations which may constitute additional charges against its revenues. To the extent that additional obligations are incurred by the District, the funds available to make Base Rental Payments may be decreased. In the event the District's revenue sources are less than its total obligations, the District could choose to fund other activities before making Base Rental Payments and other payments due under the Lease Agreement.

Extraordinary Prepayment of Certificates

Extraordinary Prepayment of the Certificates could be made as provided in the Trust Agreement, and the resulting prepayment of Certificates that were purchased at a price greater than the applicable prepayment price could reduce the otherwise expected yield on such Certificates. See "THE CERTIFICATES – Prepayment."

Limited Recourse on Default

If the District defaults on its obligations to make Base Rental Payments, the Trustee, as assignee of the Corporation, may (subject to the restrictions described below) retain the Lease Agreement and hold the District liable for all Base Rental Payments on an annual basis and will have the right to reenter and re-let the Property. In the event such re-letting occurs, the District would be liable for any resulting deficiency in Base Rental Payments. Alternatively, the Trustee may (subject to the restrictions described below) terminate the Lease Agreement with respect to the Property and proceed against the District to recover damages pursuant to the Lease Agreement.

The Lease Agreement provides that, so long as the Insurer is not in default under the Insurance Policy, the Insurer will control all remedies upon an event of default under the Lease Agreement.

Due to the specialized nature of the Property, no assurance can be given that the Trustee will be able to re-let any portion of the Property so as to provide rental income sufficient to make payments of principal and interest evidenced by the Certificates in a timely manner, and the Trustee is not empowered to sell the Property for the benefit of the Owners of the Certificates. In addition, due to the governmental function of the Property, it is not certain whether a court would permit the exercise of the remedies of repossession and re-letting with respect thereto. Any suit for money damages would be subject to limitations on legal remedies against school districts in the State, including a limitation on enforcement of judgments against funds needed to serve the public welfare and interest. Moreover, there can be no assurance that such re-letting will not adversely affect the exclusion of any interest component of Base Rental Payments evidenced by the Certificates from federal or state income taxation.

No Acceleration Upon Default

In the event of a default, there is no available remedy of acceleration of the Base Rental Payments due over the term of the Lease Agreement. The District will only be liable for Base Rental Payments on an annual basis, and the Trustee would be required to seek a separate judgment in each fiscal year for that fiscal year's Base Rental Payments.

No Liability of Corporation to the Owners

Except as expressly provided in the Trust Agreement, the Corporation will not have any obligation or liability to the Owners of the Certificates with respect to the payment when due of the Base Rental Payments by the District, or with respect to the performance by the District of other agreements and covenants required to be performed by it contained in the Lease Agreement, the Ground Lease, or the Trust Agreement, or with respect to the performance by the Trustee of any right or obligation required to be performed by it contained in the Trust Agreement.

Bankruptcy

Generally. In addition to the limitations on remedies contained in the Lease Agreement and the Trust Agreement, the rights and remedies provided in the Lease Agreement and the Trust Agreement may be limited by and are subject to provisions of federal bankruptcy laws, as now or hereafter enacted, and to other laws or equitable principles that may affect the enforcement of creditors' rights.

The obligations of the Insurer under the Insurance Policy and the Reserve Policy are contractual obligations and in an event of default by the Insurer, the rights and remedies available may be limited by and subject to provisions of federal or State insolvency laws, as now or hereafter enacted, and to other laws or equitable principles that may affect the enforcement of creditors' rights. Should the Insurer encounter financial difficulties, there could be adverse effects on the Owners of the Certificates. The applicable regulators can order an insurance company to stop paying claims, or to pay claims only with

the permission of the regulators, even before the insurance company becomes the subject of a formal insolvency proceeding. An insolvent financial guaranty insurer may be able to retain its rights to control remedies and direct the Trustee, and its rights to consent to amendments of the documents, even though it is insolvent or not paying claims as required by the financial guaranty policy. An insolvent financial guaranty insurer may also be able to require the District to reimburse the Insurer before paying amounts due on the Certificates, regardless of what the documents provide. There may be other possible effects of the financial distress of the Insurer that could result in delays or reductions in payments on the Certificates, or result in losses to the Owners of the Certificates. Regardless of any specific adverse determinations, the fact of the financial distress of the Insurer could have an adverse effect on the liquidity and value of the Certificates.

Bankruptcy of District. The District may be eligible to become a debtor in a Chapter 9 bankruptcy case. If the District were to go into bankruptcy, it may be able to reject the Ground Lease or the Lease Agreement or assume the Ground Lease or the Lease Agreement, despite any provision of the Ground Lease or the Lease Agreement that makes the bankruptcy or insolvency of the District an event of default thereunder.

If the District rejects the Lease Agreement, the District's obligation to pay Base Rental Payments and Additional Rental Payments will terminate. The Trustee on behalf of the Owners of the Certificates will have a claim for damages in the bankruptcy case, but this claim for damages may be significantly limited. While the Corporation may be able to recover possession of the Property and re-let it, no assurance can be given that the new lease will provide for the same level of payments as the Lease Agreement or that the new lessee will be as desirable. The Owners of the Certificates could suffer substantial losses.

If the District rejects the Ground Lease, the rights of the Trustee and the Owners of the Certificates to receive Base Rental Payments and Additional Rental Payments may terminate, even if the District remains in possession of the Property. While the Trustee on behalf of the Owners of the Certificates may have a claim in the District's bankruptcy, this claim for damages may be significantly limited, and the Owners of the Certificates could suffer substantial losses.

If the District assumes the Lease Agreement, it may be able to assign it to a third party, notwithstanding the provisions of the transaction documents. The District would no longer be obligated to pay Base Rental Payments and Additional Payments. The third party assignee would be obligated to make such payments. While there must be adequate assurances of the future performance of the assignee, that determination is made by the bankruptcy court, not the Trustee or the Owners of the Certificates, and the determination may turn out to have been wrong. Any such assignee may be a less desirable sublessee and may expose the holders of the Certificates to additional or different risks, including risks of non-payment. There may be adverse tax consequences of such an assignment.

If the District is in bankruptcy, the parties (including the Trustee and the Owners of the Certificates) may be prohibited from taking any action to collect any amount from the District or to enforce any obligation of the District, unless the permission of the bankruptcy court is obtained. These restrictions may also prevent the Trustee from making payments to the Owners of the Certificates from funds in the Trustee's possession.

The District may be able to obtain authorization from the bankruptcy court to sell the Property to a third party, free and clear of the Ground Lease, the Lease Agreement, and the rights of the Trustee and the Owners of the Certificates. Under such circumstances, the Owners of the Certificates may suffer substantial losses.

The District may be able, without the consent and over the objection of the Trustee and the Owners of the Certificates, to alter the priority, interest rate, principal amount, payment terms, collateral, maturity dates, payment sources, covenants (including tax-related covenants), and other terms or provisions of the Lease Agreement, the Trust Agreement, the Certificates, and other transaction documents, as long as the bankruptcy court determines that the alterations are fair and equitable.

The District could threaten to take any of the actions described above as part of negotiations to alter its obligations under the Lease Agreement, the Ground Lease, or other transaction documents.

Actions could be taken in a bankruptcy of the District that could adversely affect the exclusion of interest evidenced by the Certificates from gross income for federal income tax purposes. In addition, there may be other possible effects of the bankruptcy of the District that could result in delays or reductions in payments of the principal and interest evidenced by the Certificates, or in other losses to the Owners of the Certificates. There may be delays in payments on the Certificates while the court considers any of these issues.

Regardless of any specific adverse determinations in a bankruptcy case of the District, the fact of such a bankruptcy case could have an adverse effect on the liquidity and value of the Certificates.

Bankruptcy of Corporation. The Corporation is not a special-purpose bankruptcy-remote entity, and could become a debtor in a bankruptcy case. The District and the Corporation intend the assignment to the Trustee of all of Corporation's right, title, and interest to receive the Base Rental Payments and Additional Rental Payments to be an absolute sale and not the grant of a security interest in such property to secure a borrowing of the Corporation. Nonetheless, if the Corporation were to become a debtor in a bankruptcy case, and a party in interest (including the Corporation itself) was to take the position that the transfer of the Base Rental Payments and Additional Rental Payments to the Trustee should be recharacterized as the grant of a security interest in such property, then delays in payments on the Certificates could result. If a court were to adopt such position, then delays or reductions in payments evidenced by the Certificates, or other losses to the Owners of the Certificates, could result.

Because the Corporation is not assigning all its rights under the Ground Lease and the Lease Agreement, it may be able to reject the Ground Lease and the Lease Agreement despite any provision of the Ground Lease or the Lease Agreement which makes the bankruptcy or insolvency of the Corporation an event of default thereunder. If the Corporation rejects the Ground Lease, the rights of the Trustee and the Owners of the Certificates to receive Base Rental Payments and Additional Rental Payments may terminate, even if the District remains in possession of the Property. Under such circumstances, the Owners of the Certificates could suffer substantial losses, and any claim for damages may be significantly limited.

If the Corporation rejects the Lease Agreement, the District will have the option to either treat the Lease Agreement as terminated or to remain in possession. If the District treats the Lease Agreement as terminated, the District's obligation to pay Base Rental Payments and Additional Payments will terminate, but the Corporation or the District may still be able to use the Property. Under such circumstances, the Owners of the Certificates could suffer substantial losses.

If the Corporation is in bankruptcy, the parties (including the Trustee and the Owners of the Certificates) may be prohibited from taking any action to collect any amount from the Corporation or to enforce any obligation of the Corporation, unless the permission of the bankruptcy court is obtained. These restrictions may also prevent the Trustee from making payments to the Owners of the Certificates from funds in the Trustee's possession. In addition, the provisions of the transaction documents that

require the District to make payments directly to the Trustee, rather than to the Corporation, may no longer be enforceable, and all payments may be required to be made to the Corporation.

The Corporation may be able to obtain authorization from the bankruptcy court to sell or assign its leasehold estate in the Property to a third party, free and clear of the Lease Agreement and the rights of the Trustee and the Owners of the Certificates. Under such circumstances, the Owners of the Certificates may suffer substantial losses.

The Corporation may be able, without the consent and over the objection of the Trustee and the Owners of the Certificates, to alter the priority, interest rate, principal amount, payment terms, collateral, maturity dates, payment sources, covenants (including tax-related covenants), and other terms or provisions of the Trust Agreement, the Certificates, and the other transaction documents as long as the bankruptcy court determines that the alterations are fair and equitable.

The Corporation could threaten to take any of the actions described above as part of negotiations to alter its obligations under the Ground Lease, the Lease Agreement, the Trust Agreement, or other transaction documents.

Actions could be taken in a bankruptcy case of the Corporation which could adversely affect the exclusion of interest evidenced by the Certificates from gross income for federal income tax purposes. In addition, there may be other possible effects of the bankruptcy of the Corporation that could result in delays or reductions in payments of the principal and interest evidenced by the Certificates, or in other losses to the Owners of the Certificates. There may be delays in payments on the Certificates while the court considers any of these issues.

Regardless of any specific adverse determinations in a bankruptcy case of the Corporation, the fact of such a bankruptcy case could have an adverse effect on the liquidity and value of the Certificates.

Loss of Tax Exemption

As discussed under the heading "TAX MATTERS," certain acts or omissions of the District in violation of its covenants in the Trust Agreement and the Lease Agreement, as well as certain other matters, could result in the interest evidenced by the Certificates being includable in gross income for purposes of federal income taxation retroactive to the date of delivery of the Certificates. Should such an event of taxability occur, the Certificates would not be subject to a special prepayment and would remain Outstanding until maturity or until prepaid under the provisions contained in the Trust Agreement.

Abatement

In the event of substantial interference with the District's right to use and occupy any portion of the Property by reason of material damage to, or destruction or condemnation of, the Property, or any defect in title to the Property, Rental Payments will be subject to abatement. See "SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES – Abatement." The Rental Payments will be abated proportionately. In the event that such portion of the Property, if damaged or destroyed by an insured casualty, could not be replaced during the period of time in which proceeds of the District's rental interruption insurance will be available in lieu of Base Rental Payments, plus the period for which funds are available from the Reserve Fund or other funds and accounts established under the Trust Agreement (including proceeds of the Insurance Policy), or in the event that casualty insurance proceeds or condemnation proceeds are insufficient to provide for complete repair or replacement of such portion of the Property or prepayment of the Certificates, there could be insufficient funds to make payments to Owners in full.

However, during abatement, to the extent that moneys are available for the payment of Rental Payments in any of the funds and accounts established under the Trust Agreement, Rental Payments will not be abated as described above but, instead, will be payable by the District as a special obligation payable solely from said funds and accounts.

Substitution or Release of Property

The Lease Agreement provides that, upon the consent of the Insurer and satisfaction of the other conditions specified therein, the District may release from the Lease Agreement a portion of the Property or substitute alternate real property for any portion of the Property; provided, however, that such conditions shall not apply to a release of the High School Property as described herein under the caption “THE PROPERTY.” Thus, a portion of the property comprising the Property could be replaced with less valuable property, or could be released altogether. Such a replacement or release could have an adverse impact on the security for the Certificates, particularly if an event requiring abatement of Base Rental Payments were to occur subsequent to such substitution or release. See APPENDIX A – “SUMMARY OF PRINCIPAL LEGAL DOCUMENTS – THE LEASE AGREEMENT – No Consequential Damages; Use of the Property; Substitution or Release – Substitution or Release of the Property.”

Natural Disasters, Seismic Activity, and Drought

Earthquakes. The District, like most regions in the State, and the Property are located in an area of seismic activity from movements along active fault zones and, therefore, could be subject to potentially destructive earthquakes. The notable earthquake faults include the San Andreas and San Jacinto faults. Although the Property has been designed and constructed pursuant to earthquake-resistant standards in accordance with the Field Act (Section 17280 *et seq.* of the California Education Code), damage from an earthquake could be substantial. The occurrence of severe seismic activity in the area of the Property could result in substantial damage and interference with the District’s right to use and occupy all or a portion of the Property, which could result in the Base Rental Payments being subject to abatement. See “– Abatement” above. The District is not required by the Lease Agreement or otherwise to obtain or maintain earthquake insurance for the Property. See “SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES – Insurance.”

Wildfires and Flooding. Property damage due to wildfire could result in a significant damage to, destruction of, and significant decreases in the assessed value of taxable property within the boundaries of the District, as well as in damage to or destruction of District facilities and property, including the Property. In recent years, portions of California, including the County and adjacent counties, have experienced wildfires that have burned thousands of acres and destroyed thousands of homes and structures. Notable incidents that have impacted the County and adjacent counties in recent years include the Cranston Fire, Taboose Fire, Apple Fire, Lake Fire, El Dorado Fire, Blue Ridge Fire and Silverado Fire. Within the boundaries of the District, no facilities or property was damaged or destroyed by said wildfires or other recent wildfires. The adjacent counties of Inyo, Los Angeles, Orange and Riverside have also been impacted by the wildfires mentioned above. The Lease Agreement requires the District to cause to be maintained casualty insurance insuring the Property against fire and all other risks covered by an extended coverage endorsement (excluding earthquake and flood), subject to a \$100,000 loss deductible provision (unless some other deductible is acceptable to the Insurer), in an amount equal to the full insurable value of the Property. See “SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES – Insurance.”

In addition, portions of the State, including the County, have experienced flooding. According to the U.S. Department of Homeland Security’s Federal Emergency Management Agency, which compiles flood history data, the Property is in an area of minimal flood hazard. However, the occurrence of severe

flooding in the area of the District could result in substantial damage and interference with the District's right to use and occupy all or a portion of the Property, which could result in the Base Rental Payments being subject to abatement. See “– Abatement” above.

Property damage due to wildfire or flooding could result in a significant decrease in the assessed value of property in the District. See “DISTRICT HISTORY, OPERATION AND FINANCIAL INFORMATION – Local Property Taxation” for more information. As is true for all school districts in the State, the District's operating income consists primarily of two components: a State portion funded from the State's general fund in accordance with the Local Control Funding Formula and a local portion derived from the District's share of the 1% local *ad valorem* tax authorized by the Constitution of the State of California (the “California Constitution”). To the extent that the assessed value of property in the District decreases as a result of damage caused by a wildfire and the District's corresponding share of the 1% local *ad valorem* tax decreases, the District will receive additional State funding in accordance with the Local Control Funding Formula to meet certain minimum funding requirements for public education pursuant to Proposition 98. Nonetheless, wildfires may impact the desirability of residents to stay in a given community and thus result in residents moving. Shifts in population caused by wildfires, flooding and other natural disasters can impact enrollment in the District, which in turn could impact the District's funding under the Local Control Funding Formula. For more information on the State funding of education, District enrollment, and the local sources of education funding, see “DISTRICT HISTORY, OPERATION AND FINANCIAL INFORMATION – State Funding of Education; State Budget Process” and “– Local Sources of Education Funding.”

Drought. In recent years the State has experienced severe drought conditions. In January 2014, the Governor declared a Statewide Drought State of Emergency due to the State facing serious water shortfalls due to the driest year in recorded history in the State and the resultant record low levels measured in State rivers and reservoirs. The California State Water Resources Control Board (the “State Water Board”) subsequently issued a Statewide notice of water shortages and potential future curtailment of water right diversions. In April 2017, the Governor of the State lifted the drought emergency declaration, while retaining a prohibition on wasteful practices and advancing conservation measures.

On March 5, 2021, the Secretary of the United States Department of Agriculture designated 50 of 58 counties in California, as primary natural disaster areas due to drought. On April 21, 2021, the Governor issued a drought emergency proclamation (the “April Drought Proclamation”) which applied to two counties within the State. On May 10, 2021, the Governor declared a State of Emergency due to the State facing serious water shortfalls, and ordered State and local agency implementation of certain provisions to adequately respond to drought conditions, significantly expanding the April Drought Proclamation to 41 counties within the State. On July 8, 2021, the Governor expanded the declaration further to include an additional nine counties in the State. On October 19, 2021, the Governor extended the declaration to include the remaining counties such that the drought state of emergency was then in effect Statewide. However, increased rainfall in late 2022 and early 2023 led to the rescission of certain of these restrictions, including in the County, as described in the following section “– 2022-23 Winter Storms.”

It is not possible for the District to make any representation regarding the extent to which drought conditions could impact economic activity within the boundaries of the District or the extent to which drought conditions may impact District facilities or the assessed value of taxable property within the District.

2022-23 Winter Storms. The State experienced an unexpected increase in the amount of winter storms and increased rainfall and snowpack, leading to an unseasonably wet winter in late 2022 and early 2023, which impacted communities across the State (the “2022-23 Winter Storms”). The increased

rainfall caused by the 2022-23 Winter Storms has eased drought conditions across the State considerably. Accordingly, in March 2023, the Governor rescinded some of the State’s drought restrictions, including restrictions in the County. In addition, in January 2023, the Governor announced an extension of its tax filing deadline for residents and businesses in counties which were impacted by the 2022-23 Winter Storms and the resulting mudslides and flooding (the “2023 Winter Storm Tax Extension”). Most counties in the State were included in the 2023 Winter Storm Tax Extension, such that certain individual and business tax payments which would have typically been due at various times between January and September 2023 were then due on October 16, 2023. The potential results of this extension on the 2024-25 State Budget are discussed in “DISTRICT HISTORY, OPERATION AND FINANCIAL INFORMATION – State Funding of Education; State Budget Process.”

2023-24 Winter Storms. Portions of the State experienced an unexpected increase in the amount of winter storms and increased rainfall and snowpack, leading to an unseasonably wet winter in late 2023 and early 2024, which impacted communities within the State (the “2023-24 Winter Storms”). In particular, portions of the County experienced severe storms and snowfall.

It is not possible for the District to make any representation regarding the extent to which the 2022-23 Winter Storms, the 2023-24 Winter Storms or any future winter storms, or related increased rainfall, mudslides or flooding conditions, could cause reduced economic activity within the boundaries of the District or the extent to which such conditions may impact District facilities or the assessed value of taxable property within the District.

Events of Force Majeure. Operation of the Property may also be at risk from other events of force majeure, such as damaging storms, floods, fires and explosions, strikes, sabotage, riots and spills of hazardous substances, among other events. None of the facilities comprising the Property are located within a 100-year flood plain. The District cannot predict what force majeure events may occur in the future. For additional information regarding the required insurance coverages under the Lease Agreement, See APPENDIX A – “SUMMARY OF PRINCIPAL LEGAL DOCUMENTS – THE LEASE AGREEMENT.”

Climate Change and Sea Level Rise

The direct risks posed by climate change currently include or are expected to include more extreme heat events, rising sea levels, changes in precipitation levels, flooding, and more intense storms. In order to address these risks, California law (the Global Warming Solutions Act) requires the State to significantly reduce its emissions of greenhouse gases (GHGs), which contribute to climate change.

Sources of GHG emissions in the District include cars and trucks, electricity and natural gas use in buildings, decomposition of solid waste, landscaping and construction equipment, and water and wastewater distribution, treatment, and use. On-road vehicle use represents the largest source of GHGs, followed by energy use in residential and nonresidential buildings. As a part of the State’s effort to reduce GHG emissions, the California Air Resources Board approved a regulation to rapidly scale down emissions from cars starting with the 2026 model year through the 2035 model year, at which time all new car sales in the State must be zero-emission vehicles. Going forward, the GHG emissions within the District will continue to change due to new policies, technological improvements, and population growth and new development.

Current science indicates that sea level rise is directly linked to climate change, and sea level is expected to increase over time. Sea level rise threatens even inland areas by exacerbating flooding from very high tides, and by contributing to flooding from extreme rainfall events. The various scientific studies that forecast the amount and timing of adverse impacts of climate change are based on

assumptions contained in such studies, but actual events may vary materially. In addition, the scientific understanding of climate change and its effects continues to evolve. Accordingly, the District cannot predict the timing, extent, or severity of climate change, GHG emissions or sea level rise, and the impact on the District and the Property, and on the State and local economies.

Absence of Earthquake and Flood Insurance

The District is not required under the Lease Agreement to maintain earthquake or flood insurance on the Property. See “SECURITY AND SOURCES OF PAYMENT FOR THE CERTIFICATES – Insurance.” The District does not currently insure against the risks of earthquake or flood with respect to the Property and does not anticipate obtaining such insurance in the future.

Hazardous Substances

The existence or discovery of hazardous materials may limit the beneficial use of the Property. In general, the owners and lessees of the Property may be required by law to remedy conditions of such parcel relating to release or threatened releases of hazardous substances. The federal Comprehensive Environmental Response, Compensation and Liability Act of 1980, sometimes referred to as “CERCLA” or the “Superfund Act,” is the most well-known and widely applicable of these laws, but California laws with regard to hazardous substances are also similarly stringent. Under many of these laws, the owner or lessee is obligated to remedy a hazardous substance condition of the property whether or not the owner or lessee had anything to do with creating or handling the hazardous substance.

Further it is possible that the beneficial use of the Property may be limited in the future resulting from the current existence on the Property of a substance currently classified as hazardous but which has not been released or the release of which is not presently threatened, or may arise in the future resulting from the current existence on the Property of a substance not presently classified as hazardous but which may in the future be so classified. Further, such liabilities may arise not simply from the existence of a hazardous substance but from the method in which it is handled. All of these possibilities could significantly limit the beneficial use of the Property.

The District is unaware of the existence of hazardous substances on the Property sites which would materially interfere with the beneficial use thereof.

Economic Conditions in California

State income tax and other receipts can fluctuate significantly from year to year, depending on economic conditions in the State and the nation. Because much of the District’s revenues derive from State funding under the local control funding formula (the “Local Control Funding Formula” or “LCFF”), the District’s revenues can vary significantly from year to year, even in the absence of significant education policy changes. Decreases in the State’s general fund revenues may significantly affect appropriations made by the State to school districts, including the District. See “DISTRICT HISTORY, OPERATION AND FINANCIAL INFORMATION – State Funding of Education; State Budget Process” and “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS.”

While the California Constitution contains certain minimum funding requirements for public education pursuant to Proposition 98, State funding can be affected by a number of factors, including poor performance of the California economy and State budget shortfalls. At times since the implementation of Proposition 98, the State has sought to preserve general fund cash while avoiding increases in the base guaranteed amount through various mechanisms: by treating any excess appropriations as advances

against subsequent years' Proposition 98 minimum funding levels rather than current year increases; by deferring apportionments of Proposition 98 funds from one fiscal year to the next, as the State did in fiscal years 2019-20 and 2020-21; by suspending Proposition 98, as the State did in fiscal year 2004-05, fiscal year 2010-11, fiscal year 2011-12 and fiscal year 2012-13; and by proposing to amend the California Constitution's definition of the guaranteed amount and settle-up requirement under certain circumstances.

The State and national economy reflect an economic slowdown that could push the State and national economy into a recession. In the event the State or national economy experiences a recession during the term to maturity or earlier prepayment of the Certificates, there may continue to be adverse effects on the budgets of school districts caused by the general economic slowdowns in the State and the State's own budget difficulties. See "DISTRICT HISTORY, OPERATION AND FINANCIAL INFORMATION – State Funding of Education; State Budget Process – 2024-25 State Budget." Other events resulting in changing economic conditions, including the failure by Congress to increase the federal debt limit, may also impact State revenue sources and have negative effects upon the amount of and the manner in which the District receives money from the State. The District cannot predict whether events that may result in changing economic conditions will occur or the extent that a change in economic conditions will impact the financial outlook of the State or the District from year to year.

Information about the State budget and State spending for education is regularly available at various State-maintained websites. Text of proposed and adopted budgets may be found at the website of the Department of Finance, www.dof.ca.gov, under the heading "California Budget." An impartial analysis of the budget is posted by the Office of the Legislative Analyst at www.lao.ca.gov. In addition, various State official statements, many of which contain a summary of the current and past State budgets and the impact of those budgets on school districts in the State, may be found at the website of the State Treasurer, www.treasurer.ca.gov. The information referred to is prepared by the respective State agency maintaining each website and not by the District, and the District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted there, and such information is not incorporated herein by these references. See "DISTRICT HISTORY, OPERATION AND FINANCIAL INFORMATION – State Funding of Education; State Budget Process."

Risks Related to COVID-19

The outbreak of the novel strain of coronavirus called COVID-19, which was previously designated a global pandemic by the World Health Organization, impacted local and global economies, as governments, businesses, and citizens reacted to, planned for, and tried to prevent or slow further transmission of the virus. Financial markets, including both the bond and stock markets in the United States and globally, have experienced significant recent volatility that has been attributed to coronavirus concerns. The United States Centers for Disease Control and Prevention and the California Department of Public Health have been providing regular updates and guidelines to the public and to State and local governments. On March 4, 2020, as part of the State's response to address the outbreak, the Governor declared a state of emergency. On March 13, 2020, then President Donald Trump declared a national emergency, freeing up funding for federal assistance to state and local governments. Many school districts across the State temporarily closed some or all school campuses in response to local and state directives or guidance.

On March 27, 2020, the U.S. House of Representatives approved and then President Trump signed into law the Coronavirus Aid, Relief and Economic Security Act (the "CARES Act"). The CARES Act appropriated \$30 billion to education, of which \$3 billion was allocated to state governors to

be used at their discretion to address the emergency, \$13.5 billion was allocated for K-12 education, and \$14.25 billion was allocated for postsecondary institutions.

On December 27, 2020, the United States Congress approved and then President Trump signed into law the Consolidated Appropriations Act, 2021 (“HR 133”), which included a \$900 billion COVID-19 relief package. HR 133 provided \$81.9 billion to education, specifically \$4.1 billion allocated to state governors to be used at their discretion to address the emergency, of which \$2.75 billion was reserved for private K-12 education, \$54.3 billion for K-12 education, \$22.7 billion for postsecondary institutions, and \$819 million for outlying areas and Bureau of Indian Affairs schools.

On March 12, 2021, the United States Congress approved and President Biden signed into law the American Rescue Plan Act of 2021 (“HR 1319”), a \$1.9 trillion COVID-19 relief package. HR 1319 provided direct payments to individuals, extended unemployment benefits, provided funding to distribute COVID-19 vaccines and provided funding for schools, higher education institutions, state, tribal governments and businesses.

On March 5, 2021, the Governor signed into law Assembly Bill 86 (“AB 86”), providing \$6.6 billion in State funding relating to COVID-19 relief, including \$2 billion in incentives to expedite reopening schools and \$4.6 billion to address the COVID-19 pandemic’s impact on learning. The majority of such funding was to be apportioned through the Local Control Funding Formula (as defined herein). AB 86 provided, in part, in-person instruction grants to incentivize schools to offer in-person instruction. The \$2 billion in incentives were to be utilized by school districts to reopen schools for in-person instruction for its most high-needs students.

The District received approximately \$[_____] million in federal and State funding, including allocations from CARES Act funding from Elementary and Secondary School relief (ESSER) I, HR 133, ESSER II, HR 1319, ESSER III, and AB 86. The aforementioned federal and State funding is considered one-time, restricted, emergency relief funding to address the impact COVID-19 has had on elementary and secondary schools. To date, the District has expended approximately \$[_____] million, and expects to expend the remaining \$[_____] million by [September 30, 2024].

School Re-opening for In-Person Instruction. The District closed for in-person instruction in March 2020. Commencing August 2021, the District reopened classrooms for in-person instruction to students who wished to return to campus for an onsite/online hybrid instructional model. The District operated the 2023-24 school year in-person, and expects to operate the 2024-25 school year in-person.

California fully reopened the economy on June 15, 2021. The District cannot provide any assurance that under certain circumstances, additional State measures may be put back into place or updated California Department of Public Health Orders may be issued due to variants, a significant increase in the number of COVID-19 cases, updated guidance by the Centers for Disease Control and Prevention, or other factors.

The District has in the past, and may again in the future, receive guidance on the COVID-19 pandemic from County health officials and the County Superintendent of Schools, which may monitor the coronavirus situation in accordance with coronavirus guidelines for schools published by the Centers for Disease Control and Prevention.

Cybersecurity

School districts, like other governmental and business entities, face significant risks relating to the use and application of computer software and hardware for educational and operational and

management purposes. The District also collects, processes, and distributes an enormous amount of private, protected and personal information on students, staff, parents, visitors, vendors and contractors. As the custodian of such information, the District may face cybersecurity threats from time to time. In August 2020, the District experienced a cybersecurity incident that prevented the District from accessing its servers and systems, including access to user accounts, email, and software applications. In response to such incident, the District engaged third-party forensic auditors and information technology professionals to investigate, contain, and remediate the incident. The District also notified and collaborated with local and federal law enforcement agencies in the investigation of the incident. Although the District was not able to identify the threat actor, the District was able to identify, contain, and remediate the malware, and it has not found evidence of additional malware related to the incident or any other persistent malicious activity on its network or systems. In September 2020, the District restored access to its servers and systems, including access to user accounts, email, and software applications. The District's third-party forensic auditor determined that there was no breach of personal data as a result of the incident. Further, the District did not pay a ransom in connection with the incident.

Since the incident occurred during the height of the COVID-19 pandemic, the District was providing instruction exclusively through distance learning. Because students required access to the District's information technology systems to engage in distance learning, students were unable to receive instruction during the time that the District's systems were suspended. The District received a waiver from the State for lost instructional time during the month of August 2020 and was not penalized during such time. Due to the different information technology systems used in grade levels TK through eight, students in such grades were able to resume distance learning by the end of August 2020. In September 2020, however, the District lost approximately four days of instructional time for grade levels nine through twelve as a result of the incident. While the District applied for a waiver for the four days of lost instructional time, the State initially only waived two of the four days of lost instructional time, which resulted in a loss of approximately \$1.08 million in LCFF funding during fiscal year 2020-21 as described in the related audit finding in the District's audited financial statements for fiscal year 2021-22. Subsequent to the preparation of the District's audited financial statements for fiscal year 2021-22, the State waived the District's reimbursement of approximately \$1.08 million that would otherwise be required for the lost instructional time. Further, staff had limited functionality without access to the District's servers and systems, and access was prioritized to staff providing critical business functions to maintain certain administrative operations.

The District has since implemented next generation protocols to protect against future cybersecurity incidents. As a result, the District expects that any such disruptions caused by a cybersecurity incident would be temporary in nature. In addition, the District has implemented internal cybersecurity training for District employees and policies to reinforce the District's security systems. The District currently maintains cyber liability insurance through Southern California ReLIEF ("SCR"). For more information on SCR, see "DISTRICT HISTORY, OPERATION AND FINANCIAL MATTERS – Insurance, Risk Pooling and Joint Powers Agreements and Joint Ventures." There can be no assurance that a future cybersecurity incident or attempted cybersecurity incident would not compromise the personal information that the District collects, processes and stores or cause a disruption in District operations.

THE CORPORATION

The Rialto Unified School District School Facilities Corporation was incorporated on July 3, 1990, as a California nonprofit public benefit corporation. The Corporation was formed for the specific purpose of benefiting the District by participating with the District in projects to maintain, improve and assist the educational activities of the District by acquiring, purchasing, selling, leasing or otherwise transferring real and personal property in connection with such projects, as well as assisting the District in

financing, acquiring and constructing such projects. The directors of the Corporation receive no compensation. The Corporation has no financial liability to the Owners of the Certificates with respect to the payment of Base Rental Payments by the District or with respect to the performance by the District of the other agreements and covenants it is required to perform.

The Corporation is not obligated in any manner whatsoever to make Base Rental Payments. The Corporation’s articles of incorporation and by-laws empower the Corporation to act as lessee under the Ground Lease and lessor under the Lease Agreement.

DISTRICT HISTORY, OPERATION AND FINANCIAL INFORMATION

Introduction

The District was founded in 1891 and has operated as a unified school district since 1964. The District provides preschool, elementary and secondary educational services to residents of an area of the County encompassing approximately 55 square miles that includes the City of Rialto, the western portion of the City of San Bernardino, small segments of the cities of Colton and Fontana and some unincorporated County territory.

The District currently operates 19 elementary schools, five middle schools, three comprehensive high schools, one continuation high school, one virtual academy, and one adult education school. Total enrollment in the District was approximately 23,188 students in fiscal year 2023-24. As of the preparation of the District’s fiscal year 2024-25 original adopted budget (the “Fiscal Year 2024-25 Budget”), total enrollment in the District is budgeted to be approximately 22,792 students in fiscal year 2024-25. The District operates under the jurisdiction of the San Bernardino County Superintendent of Schools.

Board of Education

The District is governed by a five-member Board of Education (the “Board of Education”), each member of which is a voting member. The members are elected by voters within their “area” of the District to four-year terms in alternate slates of two and three, and elections are held every two years. Each December, the Board of Education elects a President, a Vice President, and a Clerk to serve one-year terms. Current voting members of the Board of Education, together with their office, their trustee area and the date their current term expires, are listed below.

RIALTO UNIFIED SCHOOL DISTRICT (San Bernardino County, California)

Board of Education

<u>Name</u>	<u>Office</u>	<u>Trustee Area</u>	<u>Current Term Expires</u>
Joseph W. Martinez	President	Area 4	December 2024
Edgar Montes	Vice President	Area 3	December 2026
Evelyn P. Dominguez	Clerk	Area 5	December 2026
Nancy G. O’Kelley	Member	Area 1	December 2024
Stephanie E. Lewis	Member	Area 2	December 2024

Superintendent and Business Services Personnel

General. The Superintendent of the District is appointed by the Board of Education. The Superintendent reports directly to the Board of Education. The Lead Business Services Agent is hired by and reports directly to the Superintendent. The Superintendent is responsible for management of the District's day-to-day operations and supervises the work of other key District administrators, including the Lead Business Services Agent. The current Acting Superintendent, Dr. Edward D'Souza, has served in this position since May 2024. The Lead Business Services Agent is responsible for management of the District's finances and business operations. Diane Romo has served as the Lead Business Services Agent since April 2021.

Dr. Edward D'Souza, Acting Superintendent. Dr. D'Souza has served the District for nearly four decades, and prior to serving as Acting Superintendent, he served as the Lead Academic Agent of Math and Early College Programs in Education Services for the District. Dr. D'Souza also previously served the District in various roles, including as Assistant Superintendent of Secondary Education, Senior Director of Professional Development and Induction, Principal of Kolb Middle School, Director II of Mathematics and Science, Assistant Principal of Kucera Middle School, and Dean of Students at Eisenhower High School. Dr. D'Souza earned a Doctorate degree in Math Education and two Master of Arts degrees from The Claremont Graduate School and Azusa Pacific University, as well as a Bachelor of Arts degree in Physics/Mathematics from Grinnell College.

Diane Romo, Lead Business Services Agent. Prior to joining the District in 2011, Mrs. Romo served as a financial auditor for an accounting firm that specialized in school districts. Mrs. Romo began her career with the District in 2011 as Fiscal Services Supervisor until 2014, when she became Lead Fiscal Services Agent. In 2021, Mrs. Romo began serving in her current role as Lead Business Services Agent. Mrs. Romo earned her Bachelor of Science degree in Accounting from the University of Redlands and her Chief Business Official Certification through California Association of School Business Officials. She is also a licensed Certified Public Accountant.

State Funding of Education; State Budget Process

General. As is true for all school districts in the State, the District's operating income consists primarily of two components: a State portion funded from the State's general fund in accordance with the Local Control Funding Formula (see "*Allocation of State Funding to School Districts; Local Control Funding Formula*") and a local portion derived from the District's share of the 1% local *ad valorem* tax authorized by the California Constitution (see "*Local Sources of Education Funding*"). In addition, school districts may be eligible for other special categorical funding from State and federal government programs. As of the District's fiscal year 2023-24 estimated actuals (the "Fiscal Year 2023-24 Estimated Actuals"), the District estimates it will receive approximately 71.4% of its general fund revenues from State funds (not including the local portion derived from the District's share of the local *ad valorem* tax), estimated at approximately \$376.8 million in fiscal year 2023-24. As of the Fiscal Year 2024-25 Budget, the District budgets it will receive approximately 74.9% of its general fund revenues from State funds (not including the local portion derived from the District's share of the local *ad valorem* tax), budgeted at approximately \$369.4 million in fiscal year 2024-25. Such amount for each fiscal year includes both the State funding provided under the LCFF as well as other State revenues (see "*Allocation of State Funding to School Districts; Local Control Funding Formula*," "*Enrollment, A.D.A. and LCFF*" and "*Other District Revenues – Other State Revenues*" below). As a result, decreases or deferrals in State revenues, or in State legislative appropriations made to fund education, may significantly affect the District's revenues and operations, and, consequently, the District's ability to pay Base Rental Payments.

Under Proposition 98, a constitutional and statutory amendment adopted by voters of the State in 1988 and amended by Proposition 111 in 1990 (now found at Article XVI, Sections 8 and 8.5 of the California Constitution), a minimum level of funding is guaranteed to school districts, community college

districts, and other State agencies that provide direct elementary and secondary instructional programs. Recent years have seen frequent disruptions in State personal income taxes, sales and use taxes, and corporate taxes, making it increasingly difficult for the State to meet its Proposition 98 funding mandate, which normally commands nearly half of all State general fund revenues, while providing for other fixed State costs and priority programs and services. Because education funding constitutes such a large part of the State's general fund expenditures, it is generally at the center of annual budget negotiations and adjustments.

In connection with the State Budget Act for fiscal year 2013-14, the State and local education agencies therein implemented the LCFF. Funding from the LCFF replaced the revenue limit funding system and most categorical programs. See “– *Allocation of State Funding to School Districts; Local Control Funding Formula*” for more information.

State Budget Process. According to the State Constitution, the Governor must propose a budget to the State Legislature no later than January 10 of each year, and a final budget must be adopted no later than June 15. Historically, the budget required a two-thirds vote of each house of the State Legislature for passage. However, on November 2, 2010, the State's voters approved Proposition 25, which amended the State Constitution to lower the vote requirement necessary for each house of the State Legislature to pass a budget bill and send it to the Governor. Specifically, the vote requirement was lowered from two-thirds to a simple majority (50% plus one) of each house of the State Legislature. The lower vote requirement would also apply to trailer bills that appropriate funds and are identified by the State Legislature as “related to the budget in the budget bill.” The budget becomes law upon the signature of the Governor, who may veto specific items of expenditure. Under Proposition 25, a two-thirds vote of the State Legislature is still required to override any veto by the Governor. School district budgets must generally be adopted by July 1, and revised by the school board within 45 days after the Governor signs the budget act to reflect any changes in budgeted revenues and expenditures made necessary by the adopted State budget. The Governor signed the fiscal year 2024-25 State budget on June 29, 2024.

When the State budget is not adopted on time, basic appropriations and the categorical funding portion of each school district's State funding are affected differently. Under the rule of *White v. Davis* (also referred to as *Jarvis v. Connell*), a California Court of Appeal decision reached in 2002, there is no constitutional mandate for appropriations to school districts without an adopted budget or emergency appropriation, and funds for State programs cannot be disbursed by the State Controller until that time, unless the expenditure is (i) authorized by a continuing appropriation found in statute, (ii) mandated by the California Constitution (such as appropriations for salaries of elected State officers), or (iii) mandated by federal law (such as payments to State workers at no more than minimum wage). The State Controller has consistently stated that basic State funding for schools is continuously appropriated by statute, but that special and categorical funds may not be appropriated without an adopted budget. Should the State Legislature fail to pass a budget or emergency appropriation before the start of any fiscal year, the District might experience delays in receiving certain expected revenues. The District is authorized to borrow temporary funds to cover its annual cash flow deficits, and as a result of the *White v. Davis* decision, the District might find it necessary to increase the size or frequency of its cash flow borrowings, or to borrow earlier in the fiscal year. The District does not expect the *White v. Davis* decision to have any long-term effect on its operating budgets.

Aggregate State Education Funding. The Proposition 98 guaranteed amount for education is based on prior-year funding, as adjusted through various formulas and tests that take into account State proceeds of taxes, local property tax proceeds, school enrollment, per capita personal income, and other factors. The State's share of the guaranteed amount is based on State general fund tax proceeds and is not based on the general fund in total or on the State budget. The local share of the guaranteed amount is funded from local property taxes. The total guaranteed amount varies from year to year and throughout

the stages of any given fiscal year's budget, from the Governor's initial budget proposal to actual expenditures to post-year-end revisions, as better information regarding the various factors becomes available. Over the long run, the guaranteed amount will increase as enrollment and per capita personal income grow.

If, at year-end, the guaranteed amount is calculated to be higher than the amount actually appropriated in that year, the difference becomes an additional education funding obligation, referred to as "settle-up." If the amount appropriated is higher than the guaranteed amount in any year, that higher funding level permanently increases the base guaranteed amount in future years. The Proposition 98 guaranteed amount is reduced in years when general fund revenue growth lags personal income growth, and may be suspended for one year at a time by enactment of an urgency statute. In either case, in subsequent years when State general fund revenues grow faster than personal income (or sooner, as the Legislature may determine), the funding level must be restored to the guaranteed amount, the obligation to do so being referred to as "maintenance factor."

Although the California Constitution requires the State to approve a balanced State Budget Act each fiscal year, the State's response to fiscal difficulties in some years has had a significant impact upon the Proposition 98 minimum guarantee and the treatment of settle-up payments with respect to years in which the Proposition 98 minimum guarantee was suspended. The State has sought to avoid or delay paying settle-up amounts when funding has lagged the guaranteed amount. In response, teachers' unions, the State Superintendent and others sued the State or Governor in 1995, 2005, 2009 and 2011 to force them to fund schools in the full amount required. The settlement of the 1995 and 2005 lawsuits has so far resulted in over \$4 billion in accrued State settle-up obligations. However, legislation enacted to pay down the obligations through additional education funding over time, including the Quality Education Investment Act of 2006, have also become part of annual budget negotiations, resulting in repeated adjustments and deferrals of the settle-up amounts.

The State has also sought to preserve general fund cash while avoiding increases in the base guaranteed amount through various mechanisms: by treating any excess appropriations as advances against subsequent years' Proposition 98 minimum funding levels rather than current year increases; by deferring apportionments of Proposition 98 funds from one fiscal year to the next, as the State did in fiscal years 2019-20 and 2020-21; by suspending Proposition 98, as the State did in fiscal year 2004-05, fiscal year 2010-11, fiscal year 2011-12 and fiscal year 2012-13; and by proposing to amend the California Constitution's definition of the guaranteed amount and settle-up requirement under certain circumstances.

The District cannot predict how State income or State education funding will vary over the term to the final Principal Payment Date of the Certificates, and the District takes no responsibility for informing owners of the Certificates as to actions the State Legislature or Governor may take affecting the current year's budget after its adoption. Information about the State budget and State spending for education is regularly available at various State-maintained websites. Text of proposed and adopted budgets may be found at the website of the Department of Finance, www.dof.ca.gov, under the heading "California Budget." An impartial analysis of the budget is posted by the Office of the Legislative Analyst at www.lao.ca.gov. In addition, various State of California official statements, many of which contain a summary of the current and past State budgets and the impact of those budgets on school districts in the State, may be found at the website of the State Treasurer, www.treasurer.ca.gov. The information referred to is prepared by the respective State agency maintaining each website and not by the District, and the District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted there, and such information is not incorporated herein by these references.

2024-25 State Budget. The Governor signed the fiscal year 2024-25 State budget on June 29, 2024, which was amended through a series of legislative trailer bills (the “2024-25 State Budget”). The 2024-25 State Budget notes that the State has experienced significant revenue volatility – seeing unprecedented revenue growth that was quickly followed by a sharp and deep correction back toward historical trends. The 2024-25 State Budget also notes that the unprecedented Internal Revenue Service tax filing and payment postponement in 2023 significantly clouded the State’s revenue forecast, and indicates that, with the revenue picture now clearer, the 2024-25 State Budget takes steps to ensure the State is on sound fiscal footing by setting the State on a fiscally responsible long-term path that protects vital programs.

In this regard, the 2024-25 State Budget includes provisions intended to address a budget deficit of approximately \$46.8 billion while also creating a positive fund balance in the Special Fund for Economic Uncertainties (the “SFEU”) in fiscal years 2024-25 and 2025-26 and maintaining core programs for vulnerable populations. The 2024-25 State Budget includes approximately \$16.0 billion in budgetary reductions, comprising (a) an approximately 7.95% reduction in the State’s operations budget resulting in State general fund savings of approximately \$2.2 billion, (b) a \$1.5 billion permanent reduction in State departments’ budgets for vacant positions, (c) a reduction of approximately \$358.0 million in the State Department of Corrections and Rehabilitation budget in fiscal year 2024-25 and a total reduction of approximately \$750.0 million in fiscal years 2022-23 through 2024-25, (d) a \$500.0 million reduction to the State Student Housing Revolving Loan Program (e) a \$485.0 million reduction in unspent one-time Learning-Aligned Employment Program resources, (f) an ongoing reduction of \$110.0 million to the Middle Class Scholarship Program, beginning in fiscal year 2025-26, (g) a \$1.1 billion reduction in various affordable housing programs, and (h) a \$746.1 million reduction for various healthcare workforce programs. The 2024-25 State Budget includes a \$13.6 billion increase in revenues by means of additional revenue sources and internal borrowing from special funds, which incorporates suspension of net operating loss deductions for companies with over \$1.0 million in taxable income and limits business tax credits to \$5.0 million in fiscal years 2023-24 through 2025-26, which is projected to increase revenues by \$5.95 billion in fiscal year 2024-25, \$5.5 billion in fiscal year 2025-26 and \$3.4 billion in fiscal year 2026-27. Additionally, the 2024-25 State Budget includes an increased managed care organization tax generating approximately \$5.1 billion in fiscal year 2024-25, \$4.6 billion in fiscal year 2025-26, and \$4.0 billion in fiscal year 2026-27. Significantly, the 2024-25 State Budget provides for the withdrawal of approximately \$12.2 billion from the State Rainy Day Fund over fiscal years 2024-25 and 2025-26 and approximately \$900.0 million from the State Safety Net Reserve in fiscal year 2024-25.

Additional budgeting maneuvers include \$6.0 billion in fund shifts, including (a) applying a prior CalPERS supplemental pension payment to the State’s overall pension liability which reduces the State’s required employer contributions in fiscal year 2024-25 by \$1.7 billion, (b) shifting approximately \$958.0 million from the State general fund to the State’s Greenhouse Gas Reduction Fund for the Formula and Competitive Transit and Intercity Rail Capital Program, and (c) shifting approximately \$3.0 billion from the State general fund to the State’s Greenhouse Gas Reduction Fund for clean energy and other climate programs. The 2024-25 State Budget also delays funding for programs such as the State Food Assistance Program Expansion, Developmental Services, childcare slots and the State’s broadband program by a total amount of approximately \$3.1 billion. The 2024-25 State Budget also includes approximately \$2.1 billion in payroll and University of California and California State University compact deferrals.

The 2024-25 State Budget projects total resources available in fiscal year 2023-24 of approximately \$236.5 billion, including revenues and transfers of approximately \$189.4 billion and a prior year balance of approximately \$47.1 billion, and total expenditures in fiscal year 2023-24 of approximately \$223.1 billion. The 2024-25 State Budget projects total resources available for fiscal year 2024-25 of approximately \$225.6 billion, inclusive of revenues and transfers of approximately \$212.1 billion and a prior year balance of approximately \$13.4 billion. The 2024-25 State Budget projects total expenditures in fiscal year 2024-25 of

approximately \$211.5 billion, inclusive of non-Proposition 98 expenditures of approximately \$128.9 billion and Proposition 98 expenditures of approximately \$82.6 billion. The 2024-25 State Budget projects total reserve balances of \$22.2 billion at the end of fiscal year 2024-25. This includes \$17.6 billion in the State Rainy Day Fund, \$3.5 billion in the SFEU, and \$1.1 billion in the Public School System Stabilization Account (the “PSSSA” or the “Proposition 98 Rainy Day Fund”). In addition, the 2024-25 State Budget maintains approximately \$10.6 billion in the Reserve for Liquidation of Encumbrances. The 2024-25 State Budget includes total funding of \$133.8 billion for all K-12 education programs, including \$81.5 billion from the State’s general fund and \$52.3 billion from other funds. The 2024-25 State Budget reflects significant Proposition 98 funding that enables increased support for core programs such as the LCFF, special education, transitional kindergarten, nutrition, and preschool.

Certain budgeted programs and adjustments for K-12 education set forth in the 2024-25 State Budget include the following:

- Proposition 98 Minimum Guarantee. The 2024-25 State Budget suspends the Proposition 98 minimum guarantee in fiscal year 2023-24 and projects the Proposition 98 minimum guarantee to be in Test 1 in fiscal year 2024-25. In Test 1 years, the Proposition 98 minimum guarantee is equal to the percentage of State general fund appropriated for K-14 schools in fiscal year 1986-87. Suspending the Proposition 98 minimum guarantee is projected to create a maintenance factor obligation of approximately \$8.3 billion in fiscal year 2023-24 and is projected to result in a \$4.1 billion maintenance factor payment in fiscal year 2024-25, which will be paid in addition to the Proposition 98 minimum guarantee level in fiscal year 2024-25. The 2024-25 State Budget reflects Proposition 98 funding levels of \$103.7 billion in fiscal year 2022-23, \$98.5 billion in fiscal year 2023-24, and \$115.3 billion in fiscal year 2024-25. Such funding represents approximately 39.2% of the State’s general fund revenues, plus local property tax revenues and a \$4.1 billion maintenance factor payment. To accommodate enrollment increases related to the expansion of transitional kindergarten, the 2024-25 State Budget increased the funding level from approximately 38.6% to approximately 39.2% to increase the percentage of State general fund revenues obligated to the Proposition 98 minimum guarantee.
- Proposition 98 Rainy Day Fund. The 2024-25 State Budget includes a withdrawal of the entire \$8.4 billion balance in the Proposition 98 Rainy Day Fund in fiscal year 2023-24 and a discretionary payment of approximately \$1.1 billion in fiscal year 2024-25, leaving a projected balance of \$1.1 billion at the end of fiscal year 2024-25. Because there is no ending balance at the end of fiscal year 2023-24 and a balance of \$1.1 billion at the end of fiscal year 2024-25, school district reserve caps would not be triggered in fiscal year 2024-25 and are not projected to be triggered in fiscal year 2025-26. See “– *School District Reserves*” and “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2 – *SB 751.*”
- Local Control Funding Formula. The 2024-25 State Budget includes an LCFF cost-of-living adjustment of 1.07%. The cost-of-living adjustment, when combined with population growth adjustments, increases discretionary funding for local agencies by approximately \$983.0 million. To fully fund the LCFF, the 2024-25 State Budget withdraws approximately \$5.3 billion from the Proposition 98 Rainy Day Fund to support LCFF costs in fiscal year 2023-24, and uses available reappropriation and reversion funding of \$253.9 million to support ongoing LCFF costs in fiscal year 2024-25.
- Deferrals. The 2024-25 State Budget reflects LCFF apportionment deferrals from fiscal year 2023-24 to fiscal year 2024-25 of approximately \$3.6 billion and from fiscal year 2024-25 to fiscal year 2025-26 of approximately \$246.0 million. Additionally, the 2024-25 State Budget reflects

approximately \$2.3 billion in categorical program deferrals from fiscal year 2022-23 to fiscal year 2023-24, with the deferred categorical amount being repaid using Proposition 98 Rainy Day Fund resources.

- Learning Recovery Emergency Block Grant. The 2024-25 State Budget focuses the use of allocated but unexpended Learning Recovery Emergency Block Grant funds on actions to address the needs of students most impacted by learning loss, based on an assessment of needs, and incorporates the use of these funds into the existing Local Control and Accountability Plan development process.
- Employee Protections. To ensure stable employment for school staff, the 2024-25 State Budget includes a suspension of the August 15, 2024, layoff window for certificated and classified staff.
- Instructional Continuity and Attendance Program. The 2024-25 State Budget includes statutory changes to allow local educational agencies to provide attendance recovery opportunities to students to make up lost instructional time, thereby offsetting student absences, and mitigating learning loss, as well as related fiscal impacts to local educational agencies. Beginning in fiscal year 2024-25, the 2024-25 State Budget allows local educational agencies to add up to 10 days of attendance recovery time per pupil to the attendance data submitted to the California Department of Education for funding purposes. Beginning July 1, 2025, the 2024-25 State Budget requires local educational agencies to include an instructional continuity plan in their School Safety Plan as a component of their emergency funding application. The plan must include procedures for student engagement within 5 days of an emergency and a plan to provide hybrid or remote learning opportunities to students within 10 instructional days. The 2024-25 State Budget also includes a \$4.0 million in one-time Proposition 98 general fund resources to research existing, and develop new models of hybrid and remote learning to support students' attendance, including developing and disseminating guidance and resources for local educational agencies to develop their own hybrid and remote learning programs to enable instructional continuity.
- Teacher Professional Development and Preparation. To expand the State's educator training infrastructure, the 2024-25 State Budget (a) provides \$25.0 million of one-time Proposition 98 general fund resources to support necessary costs, including training for educators to administer literacy screenings to meet the requirement to screen students in kindergarten through second grade for risk of reading difficulties, including dyslexia, by the 2025-26 school year; and (b) provides \$20.0 million in one-time Proposition 98 general fund resources for a county office of education to work with the University of California Subject Matter Projects, as well as other well-qualified governmental or non-profit providers, to develop and provide training aligned with the new California Mathematics Framework for mathematics coaches and leaders who in turn can provide training and support to mathematics teachers to deliver high-quality instruction.
- State Preschool Program. The 2024-25 State Budget provides approximately \$53.7 billion of State general fund resources to support reimbursement rate increases previously supported by available one-time federal stimulus funding. The 2024-25 State Budget reflects one-time savings of \$190.7 million general fund and \$522.3 million Proposition 98 general fund. The 2024-25 State Budget authorized State Preschool Program providers to serve two-year-old children, in addition to three and four-year old children, until June 30, 2027. The 2024-25 State Budget maintains that the State Preschool Program continue to require providers to reserve 5% of funded enrollment for children with disabilities. However, the 2024-25 State Budget suspends provisions to increase this requirement to 7.5% in fiscal year 2025-26 and 10% in fiscal year 2026-27.
- Transitional Kindergarten. The 2024-25 State Budget provides approximately \$988.7 million in Proposition 98 general fund resources for the 2023-24 school year to support the second year of

expanded eligibility for transitional kindergarten to all children turning five-years-old between September 2 and April 2. The 2024-25 State Budget also provides approximately \$390.2 million in Proposition 98 general fund resources to support the second year of adding one additional certificated or classified staff person in each transitional kindergarten classroom. Additionally, the 2024-25 State Budget provides approximately \$1.5 billion in ongoing Proposition 98 general fund resources beginning in fiscal year 2024-25 to support the third year of expanded eligibility for transitional kindergarten to all children turning five-years-old between September 2 and June 2. The 2024-25 State Budget also provides approximately \$515.5 million in ongoing Proposition 98 general fund resources to support the third year of adding one additional certificated or classified staff person in each transitional kindergarten classroom.

The 2024-25 State Budget includes solution-oriented measures that directly impact funding for school districts, including forgoing planned investments of (a) \$875.0 million to support the School Facility Program, (b) \$550.0 million support to the State Preschool, Transitional Kindergarten and Full-Day Kindergarten Facilities Grant Program, and (c) \$500.0 million one-time Proposition 98 general fund investment in zero-emission school buses.

Additional budgeted programs and adjustments for K12 education set forth in the 2024-25 State Budget include the following:

- Arts and Music in Schools. The 2024-25 State Budget provides approximately \$907.1 million to support arts and music in schools.
- Nutrition. The 2024-25 State Budget provides an additional \$179.4 million in ongoing Proposition 98 general fund resources and an additional \$120.8 million one-time Proposition 98 general fund resources to fully fund the universal school meals program in fiscal years 2023-24 and 2024-25. This is in addition to the \$1.6 billion base funding for such program.

The complete 2024-25 State Budget is available from the California Department of Finance website at www.dof.ca.gov or www.ebudget.ca.gov. The District can take no responsibility for the continued accuracy of these internet addresses or for the accuracy, completeness or timeliness of information posted therein, and such information is not incorporated herein by such reference.

Future Budgets and Budgetary Actions. The District cannot predict what future actions will be taken by the State Legislature and the Governor to address changing State revenues and expenditures or the impact such actions will have on State revenues available in the current or future years for education. The State budget will be affected by national and State economic conditions and other factors beyond the District's ability to predict or control. Certain actions could result in a significant shortfall of revenue and cash and could impair the State's ability to fund schools during the current fiscal year and in future fiscal years. Certain factors, like an economic recession, could result in State budget shortfalls in any fiscal year and could have a material adverse financial impact on the District.

School District Reserves. The State's economic and revenue outlook has changed. Although the 2024-25 State Budget provides for a discretionary payment of approximately \$1.1 billion to the Proposition 98 Rainy Day Fund in fiscal year 2024-25, the 2024-25 State Budget also provides for a withdrawal of the entire \$8.4 billion balance in the Proposition 98 Rainy Day Fund in fiscal year 2023-24, leaving a projected balance of \$1.1 billion at the end of fiscal year 2024-25. See “– 2024-25 State Budget.” School districts may need to access their local reserves in light of operational needs that may exceed expected funding under LCFF in a given fiscal year. The District, which has an A.D.A. of less than 30,000, is required to maintain a reserve for economic uncertainty in an amount equal to 3% of its general fund expenditures and other financing uses. [At the time of preparation of its fiscal year 2024-25

budget, the District projects it will meet the 3% statutory reserve requirement in fiscal years 2023-24 through 2025-26. The District projects it will [not] need to use its existing general fund balance in fiscal years 2023-24 through 2025-26 to meet its obligations.]

Payments allocated to the Proposition 98 Rainy Day Fund under the fiscal year 2021-22 State budget and the fiscal year 2022-23 State budget triggered a reserve cap for school districts in fiscal years 2022-23 and 2023-24, respectively. Such reserve cap is triggered when the amount of money in the Proposition 98 Rainy Day Fund is equal to or exceeds 3% of the combined total State general fund revenues appropriated for school districts Statewide. Given 2024-25 State Budget provisions relating to the Proposition 98 Rainy Day Fund, school district reserve caps would not be triggered in fiscal year 2024-25 and are not projected to be triggered in fiscal year 2025-26. See “– 2024-25 State Budget.” In accordance with Section 42127.01(a) of the California Education Code, when the reserve cap is triggered, a school district’s assigned and unassigned ending fund balance cannot exceed 10% of such school district’s general fund balance. Pursuant to Section 42127.01(c) of the California Education Code, community funded districts and small school districts with fewer than 2,501 units of A.D.A. are exempt from the reserve cap. Regardless of whether the reserve cap is triggered, at the time of preparation of the Fiscal Year 2024-25 Budget, the District projects that it would not exceed the limits imposed by the reserve cap in fiscal year 2024-25. For more information on the reserve cap legislation, see “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Proposition 2 – SB 751.”

Prohibitions on Diverting Local Revenues for State Purposes. Beginning in 1992-93, the State satisfied a portion of its Proposition 98 obligations by shifting part of the property tax revenues otherwise belonging to cities, counties, special districts, and redevelopment agencies, to school and community college districts through a local Educational Revenue Augmentation Fund (“ERAF”) in each county. Local agencies, objecting to invasions of their local revenues by the State, sponsored a statewide ballot initiative intended to eliminate the practice. In response, the State Legislature proposed an amendment to the California Constitution, which voters of the State approved as Proposition 1A at the November 2004 election. That measure was generally superseded by the passage of an initiative constitutional amendment at the November 2010 election, known as “Proposition 22.”

The effect of Proposition 22 is to prohibit the State, even during a period of severe fiscal hardship, from delaying the distribution of tax revenues for transportation, redevelopment, or local government projects and services. It prevents the State from redirecting redevelopment agency property tax increment to any other local government, including school districts, or from temporarily shifting property taxes from cities, counties and special districts to schools, as in the ERAF program. This is intended to, among other things, stabilize local government revenue sources by restricting the State’s control over local property taxes. One effect of this amendment has been to deprive the State of fuel tax revenues to pay debt service on most State bonds for transportation projects, reducing the amount of State general fund resources available for other purposes, including education.

Prior to the passage of Proposition 22, the State invoked Proposition 1A to divert \$1.935 billion in local property tax revenues in 2009-10 from cities, counties, and special districts to the State to offset State general fund spending for education and other programs, and included another diversion in the adopted 2009-10 State budget of \$1.7 billion in local property tax revenues from local redevelopment agencies, which local redevelopment agencies have now been dissolved (see “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Assembly Bill No. 26 & *California Redevelopment Association v. Matosantos*”). Redevelopment agencies had sued the State over this latter diversion. However, the lawsuit was decided against the California Redevelopment Association on May 1, 2010. Because Proposition 22 reduces the State’s authority to use or shift certain revenue sources, fees and taxes for State general fund purposes, the State

will have to take other actions to balance its budget in some years such as reducing State spending or increasing State taxes, and school and community college districts that receive Proposition 98 or other funding from the State will be more directly dependent upon the State's general fund.

Allocation of State Funding to School Districts; Local Control Funding Formula. Prior to the implementation of the Local Control Funding Formula in fiscal year 2013-14, each school district received State funding based on a unique revenue limit multiplied by such school district's A.D.A. Under the revenue limit funding system, school districts also received funding for categorical programs based on the demographics and needs of the students in each school district.

Beginning in fiscal year 2013-14, the LCFF replaced the revenue limit funding system and most categorical programs, and distributes combined resources to school districts through a base grant ("Base Grant") per unit of A.D.A. with additional supplemental funding (referred to as a "Supplemental Grant" and a "Concentration Grant") allocated to local educational agencies based on their proportion of English language learners, students from low-income families and foster youth. The LCFF was projected to have an eight-year implementation program to incrementally close the gap between actual funding and the target level of funding, but achieved full implementation ahead of schedule in fiscal year 2018-19. The LCFF includes the following components:

- A Base Grant for each local education agency ("LEA"). The Base Grants are based on four uniform, grade-span base rates. For fiscal year 2024-25, the LCFF provided to school districts and charter schools: (a) a Base Grant for each LEA equivalent to \$[10,951] per A.D.A. for transitional kindergarten through grade 3; (b) a Base Grant for each LEA equivalent to \$[10,069] per A.D.A. for grades 4 through 6; (c) a Base Grant for each LEA equivalent to \$[10,367] per A.D.A. for grades 7 and 8; (d) a Base Grant for each LEA equivalent to \$[12,327] per A.D.A. for grades 9 through 12. However, the amount of actual funding allocated to the Base Grant, Supplemental Grants and Concentration Grants will be subject to the discretion of the State. This amount includes an adjustment of 10.4% to the Base Grant to support lowering class sizes in grades K-3, and an adjustment of 2.6% to reflect the cost of operating career technical education programs in grades 9-12. The fiscal year 2024-25 Base Grant amount includes a cost-of-living adjustment of 1.07% in fiscal year 2024-25.
- A 20% Supplemental Grant for the unduplicated number of English language learners, students from low-income families and foster youth to reflect increased costs associated with educating those students.
- An additional Concentration Grant of up to 65% of a LEA's Base Grant, based on the number of English language learners, students from low-income families and foster youth served by the LEA that comprise more than 55% of enrollment.
- An Economic Recovery Target (the "ERT") that is intended to ensure that almost every LEA receives at least their pre-recession funding level (i.e., the fiscal year 2007-08 revenue limit per unit of A.D.A.), adjusted for inflation, at full implementation of the LCFF in fiscal year 2018-19. Upon full implementation in fiscal year 2018-19, LEAs now receive the greater of the Base Grant or the ERT.

Prior to fiscal year 2022-23, school districts received their LCFF apportionment based on the higher of their prior fiscal year or current fiscal year A.D.A. This apportionment method helped to temporarily mitigate the impact of LCFF funding losses on school districts that result from declining enrollment. To further mitigate the impact of LCFF funding losses in light of the COVID-19 pandemic, the fiscal year 2020-21 State budget included a temporary hold harmless provision for the purpose of

calculating apportionments in fiscal year 2020-21 in which A.D.A. for fiscal year 2020-21 was based on fiscal year 2019-20 (specifically, the period July 1, 2019 through February 29, 2020). The fiscal year 2021-22 State budget did not extend the A.D.A. hold harmless provision to fiscal year 2021-22. Nonetheless, in fiscal year 2021-22, school districts still retained the ability to receive their LCFF apportionment based on the higher of their prior fiscal year or current fiscal year A.D.A. in accordance with the LCFF.

The 2022-23 State Budget amended the LCFF calculation to consider the greater of a school district’s current fiscal year, prior fiscal year, or the average of three prior fiscal years’ A.D.A. to allow school districts more time to adjust to enrollment-related LCFF funding declines. For purposes of fiscal year 2021-22, a school district that can demonstrate it provided independent study offerings to students in fiscal year 2021-22 may consider the greater of such school district’s fiscal year 2021-22 A.D.A. or such school district’s fiscal year 2021-22 enrollment adjusted for pre-COVID-19 absence rates. Such adjustment is applicable to fiscal year 2021-22 for purposes of calculating a school district’s prior year A.D.A. or the average of three prior years’ A.D.A. in fiscal year 2022-23 and future fiscal years in accordance with the amendments made in connection with the 2022-23 State Budget.

Under LCFF, for community funded districts, local property tax revenues would be used to offset up to the entire allocation under the new formula. However, community funded districts continue to receive the same level of State aid as allocated under the prior revenue limit funding system in fiscal year 2012-13.

Enrollment, A.D.A. and LCFF. The following table sets forth the District’s actual A.D.A., funded A.D.A., the basis for such funded A.D.A. (the current fiscal year A.D.A., the prior fiscal year A.D.A., or the average of three prior years’ A.D.A.), enrollment (including the percentage of students who are English language learners, from low-income families and/or foster youth (collectively, “EL/LI Students”), and Base Grant (or targeted Base Grant, as applicable) per unit of A.D.A. for fiscal years 2019-20 through 2023-24, and the District’s budgeted A.D.A., funded A.D.A., the basis for such funded A.D.A., enrollment (including the percentage of EL/LI Students), and Base Grant per unit of A.D.A. for fiscal year 2024-25 at the time of preparation of the Fiscal Year 2024-25 Budget. The A.D.A. and enrollment numbers below include special education students and TK students.

**RIALTO UNIFIED SCHOOL DISTRICT
(County of San Bernardino, California)
Average Daily Attendance, Enrollment and Base Grant
Fiscal Years 2019-20 through 2024-25**

Fiscal Year		A.D.A./Base Grant					Enrollment ⁽¹²⁾		
		TK-3	4-6	7-8	9-12	Total A.D.A.	Funding Basis	Total Enrollment	Unduplicated % of EL/LI Students
2019-20	Actual A.D.A. ^{(1)(2):}	7,074.12	5,554.30	3,878.83	7,508.08	24,015.33	--	25,177	88.48%
	Funded A.D.A. ^{(1)(2):}	7,146.93	5,565.64	4,009.08	7,334.65	24,056.30	Prior Year	--	--
	Base Grant ^{(3)(4):}	\$8,503	\$7,818	\$8,050	\$9,572	--	--	--	--
2020-21	Actual A.D.A. ^{(1)(5):}	7,074.12	5,554.30	3,878.83	7,508.08	24,015.33	--	24,453	89.17%
	Funded A.D.A. ^{(1)(5):}	7,074.12	5,554.30	3,878.83	7,508.08	24,015.33	Current Year	--	--
	Base Grant ^{(3)(6):}	\$8,503	\$7,818	\$8,050	\$9,572	--	--	--	--
2021-22	Actual A.D.A. ^{(1):}	6,382.42	5,010.61	3,412.47	6,811.80	21,617.30	--	24,098	88.02%
	Funded A.D.A. ^{(1):}	7,074.12	5,554.30	3,878.83	7,508.08	24,015.33	Prior Year	--	--
	Base Grant ^{(3)(7):}	\$8,935	\$8,215	\$8,458	\$10,057	--	--	--	--
2022-23	Actual A.D.A. ^{(1):}	6,605.81	4,968.69	3,252.76	6,955.04	21,782.30	--	23,778	87.88%
	Funded A.D.A. ^{(1):}	6,977.77	5,478.44	3,795.14	7,419.23	23,670.58	3 Year Avg.	--	--

	Base Grant ⁽³⁾⁽⁸⁾ :	\$10,119	\$9,304	\$9,580	\$11,391	--	--	--	--
2023-24	A.D.A.:	[6,501.25]	[4,833.25]	[3,298.47]	[6,620.27]	[21,253.24]	--	23,188	[87.80]%
	Funded A.D.A.:	[6,821.66]	[5,283.23]	[3,586.45]	[7,234.88]	[22,926.22]	3 Year Avg.	--	--
	Base Grant ⁽³⁾⁽⁹⁾ :	\$10,951	\$10,069	\$10,367	\$12,327	--	--	--	--
2024-25 ⁽¹⁰⁾	A.D.A.:	[6,501.25]	[4,833.25]	[3,298.47]	[6,620.27]	[21,253.24]	--	22,792	[87.80]%
	Funded A.D.A.:	[6,821.66]	[5,283.23]	[3,586.45]	[7,234.88]	[22,926.22]	3 Year Avg.	--	--
	Base Grant ⁽³⁾⁽¹¹⁾ :	\$[10,951]	\$[10,069]	\$[10,367]	\$[12,327]	--	--	--	--

⁽¹⁾ A.D.A. for the second period of attendance, typically in mid-April of each school year, which does not reflect subsequent revisions related to days deemed later by the California Department of Education to have a “material decrease” in attendance or attendance at Saturday school.

⁽²⁾ Condensed reporting period due to the COVID-19 pandemic.

⁽³⁾ Such amounts include the grade span adjustment, but do not include any Supplemental Grants and Concentration Grants under the LCFF.

⁽⁴⁾ Fiscal year 2019-20 Base Grant amount reflects a 3.26% cost-of-living adjustment from targeted fiscal year 2018-19 Base Grant amounts.

⁽⁵⁾ Attendance reporting not required for fiscal year 2020-21. The fiscal year 2020-21 State budget included a hold harmless provision, providing that A.D.A. for fiscal year 2020-21 was based on A.D.A. for fiscal year 2019-20 (for the condensed reporting period), as discussed in more detail above.

⁽⁶⁾ Fiscal year 2020-21 Base Grant amount reflects a 0% cost-of-living adjustment from fiscal year 2019-20 Base Grant amounts.

⁽⁷⁾ Fiscal year 2021-22 Base Grant amount reflects a 5.07% adjustment from fiscal year 2020-21 Base Grant amounts, which includes a 4.05% cost-of-living adjustment and a 1% discretionary increase in Base Grant funding.

⁽⁸⁾ Fiscal year 2022-23 Base Grant amount reflects an approximately 13.26% adjustment from fiscal year 2021-22 Base Grant amounts, which includes a 6.56% cost-of-living adjustment and a 6.70% discretionary increase in Base Grant funding.

⁽⁹⁾ Fiscal year 2023-24 Base Grant amount reflects an approximately 8.22% adjustment from fiscal year 2022-23 Base Grant amounts.

⁽¹⁰⁾ Budgeted as of the Fiscal Year 2024-25 Budget.

⁽¹¹⁾ Fiscal year 2024-25 Base Grant amount included in the Fiscal Year 2024-25 Budget assumes a 1.07% cost-of-living adjustment.

⁽¹²⁾ Reflects enrollment as of October report submitted to the California Longitudinal Pupil Achievement Data System. A school district’s funded percentage of unduplicated EL/LI Students is based on a rolling average of such school district’s EL/LI Students enrollment for the then-current fiscal year and the two immediately preceding fiscal years.

Source: Rialto Unified School District.

The District received approximately \$338.4 million in aggregate revenues reported under LCFF sources in fiscal year 2022-23 (or approximately 64.0% of its general fund revenues in fiscal year 2022-23). Such amount includes Supplemental Grants and Concentration Grants for targeted groups of approximately \$[_.] million, in aggregate, in fiscal year 2022-23. As of the Fiscal Year 2023-24 Estimated Actuals, the District estimates to receive approximately \$351.9 million in aggregate revenues reported under LCFF sources in fiscal year 2023-24 (or approximately 66.7% of its general fund revenues in fiscal year 2023-24). Such amount includes Supplemental Grants and Concentration Grants for targeted groups estimated at approximately \$[_.] million, in aggregate, in fiscal year 2023-24. As of the Fiscal Year 2024-25 Budget, the District budgets to receive approximately \$345.2 million in aggregate revenues reported under LCFF sources in fiscal year 2024-25 (or approximately 70.0% of its general fund revenues in fiscal year 2024-25). Such amount includes Supplemental Grants and Concentration Grants for targeted groups budgeted at approximately \$[_.] million, in aggregate, in fiscal year 2024-25.

Local Control Accountability Plans. A feature of the LCFF is a system of support and intervention for local educational agencies. School districts, county offices of education and charter schools are required to develop, implement and annually update a three-year LCAP. Each LCAP must be developed with input from teachers, parents and the community, and should describe local goals as they pertain to eight areas identified as state priorities, including student achievement, parent engagement and school climate, as well as detail a course of action to attain those goals. Moreover, the LCAPs must be designed to align with the district’s budget to ensure adequate funding is allocated for the planned actions.

Typically, each school district must submit its LCAP annually on or before July 1 for approval by its county superintendent. The county superintendent then has until August 15 to seek clarification regarding the contents of the LCAP, and the school district must respond in writing. The county superintendent can submit recommendations for amending the LCAP, and such recommendations must be considered, but are not mandatory. A school district’s LCAP must be approved by its county superintendent by October 8 of each year if such superintendent finds (i) the LCAP adheres to the State

template, and (ii) the district’s budgeted expenditures are sufficient to implement the strategies outlined in the LCAP.

Performance evaluations are to be conducted to assess progress toward goals and guide future actions. County superintendents are expected to review and provide support to the school districts under their jurisdiction, while the State Superintendent of Public Instruction performs a corresponding role for county offices of education. The California Collaborative for Education Excellence (the “Collaborative”), a newly established body of educational specialists, was created to advise and assist local education agencies in achieving the goals identified in their LCAPs. For local education agencies that continue to struggle in meeting their goals, and when the Collaborative indicates that additional intervention is needed, the State Superintendent of Public Instruction would have authority to make changes to a local education agency’s LCAP.

Local Sources of Education Funding

General. The principal component of local revenues is a school district’s property tax revenues, i.e., each district’s share of the local 1% property tax, received pursuant to Section 75 et seq. and Section 95 et seq. of the California Revenue and Taxation Code. The District’s share of the local 1% property tax is separate from and in addition to the *ad valorem* tax pledged to the repayment of all general obligation bonds of the District. California Education Code Section 42238(h) itemizes the local revenues that are counted towards the amount allocated under the LCFF (and formerly, the base revenue limit) before calculating how much the State must provide in State aid. The more local property taxes a district receives, the less State aid it is entitled to receive. Prior to the implementation of the LCFF, a school district whose local property tax revenues exceeded its base revenue limit was entitled to receive no State aid, and received only its special categorical aid which is deemed to include the “basic aid” of \$120 per student per year guaranteed by Article IX, Section 6 of the California Constitution. Such districts were known as “basic aid districts,” which are now referred to as “community funded districts.” School districts that received some State equalization aid were commonly referred to as “revenue limit districts.” The District was a revenue limit district and is now referred to as a LCFF district.

Under the LCFF, local property tax revenues are used to offset up to the entire State aid collection under the new formula; however, community funded districts would continue to receive, at a minimum, the same level of State aid as allotted in fiscal year 2012-13. See “– State Funding of Education; State Budget Process – *Allocation of State Funding to School Districts; Local Control Funding Formula*” for more information about the LCFF.

Based on the Fiscal Year 2023-24 Estimated Actuals, local property tax revenues are estimated to account for approximately 12.2% of the District’s aggregate revenues reported under LCFF sources in fiscal year 2023-24 and are estimated to be approximately \$43.0 million, or 8.1% of total general fund revenues in fiscal year 2023-24. Based on the Fiscal Year 2024-25 Budget, local property tax revenues are budgeted to account for approximately 12.4% of the District’s aggregate revenues reported under LCFF sources in fiscal year 2024-25 and are budgeted to be approximately \$43.0 million, or 8.7% of total general fund revenues in fiscal year 2024-25.

For information about the property taxation system in the State and the District’s property tax base, see “– Local Property Taxation – *Assessed Valuation of Property Within the District*,” and “– Tax Charges and Delinquencies.”

For a discussion of legal limitations on the ability of the District to raise revenues through local property taxes, see “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS” below.

Effect of Changes in Enrollment. Changes in local property tax revenue and A.D.A. affect LCFF districts and community funded districts differently.

In a LCFF district, such as the District, increasing enrollment increases the total amount distributed under the LCFF and thus generally increases a district's entitlement to State equalization aid, while increases in property taxes do nothing to increase district revenues, but only offset the State funding requirement of equalization aid. Operating costs increase disproportionately slowly to enrollment growth; and only at the point where additional teachers and classroom facilities are needed. Declining enrollment has the reverse effect on LCFF districts, generally resulting in a loss of State equalization aid, while operating costs decrease slowly and only when, for example, the district decides to lay off teachers or close schools.

In a community funded district, the opposite is generally true: increasing enrollment increases the amount to which the district would be entitled were it a LCFF district, but since all LCFF funding (and more) is already generated by local property taxes, there is no increase in State funding, other than the \$120 per student in basic aid, as described above. Meanwhile, as new students impose increased operating costs, property tax revenue is stretched further. Declining enrollment does not reduce property tax revenue, and has a negligible impact on State aid, but eventually reduces operating costs, and thus can be financially beneficial to a community funded district.

Other District Revenues

Federal Revenues. The federal government provides funding for several District programs, including special education programs. Based on the Fiscal Year 2023-24 Estimated Actuals, the District estimates that federal revenues, most of which are restricted, will comprise approximately 12.6% (or approximately \$66.6 million) of the District's general fund estimated revenues for fiscal year 2023-24. Based on the Fiscal Year 2024-25 Budget, the District budgets that federal revenues, most of which are restricted, will comprise approximately 10.1% (or approximately \$49.7 million) of the District's general fund budgeted revenues for fiscal year 2024-25.

Other State Revenues. In addition to State apportionments for Proposition 98 funding through the LCFF, the District receives other State revenues, consisting primarily of restricted revenues designed to implement State mandated programs. Beginning in fiscal year 2013-14, categorical spending restrictions associated with a majority of State mandated programs were eliminated, and funding for these programs was folded into LCFF. Categorical funding for certain programs was excluded from LCFF, and school districts will continue to receive restricted State revenues to fund these programs. Based on the Fiscal Year 2023-24 Estimated Actuals, the District estimates that other State revenues will comprise approximately 12.8% (or approximately \$67.8 million) of the District's general fund estimated revenues for fiscal year 2023-24. Based on the Fiscal Year 2024-25 Budget, the District budgets that other State revenues will comprise approximately 13.6% (or approximately \$67.2 million) of the District's general fund budgeted revenues for fiscal year 2024-25.

A portion of such other State revenues are amounts the District expects to receive from State lottery funds, a portion of which may not be used for non-instructional purposes, such as the acquisition of real property, the construction of facilities, or the financing of research. School districts receive lottery funds proportional to their total A.D.A. Based on the Fiscal Year 2023-24 Estimated Actuals, the District estimates to receive approximately \$5.9 million in State lottery revenue for fiscal year 2023-24. Based on the Fiscal Year 2024-25 Budget, the District budgets to receive approximately \$5.6 million in State lottery revenue for fiscal year 2024-25.

Other Local Revenues. In addition to *ad valorem* property taxes, the District receives additional local revenues from sources, such as interest income, leases and rentals, educational foundations, donations and sales of property. Based on the Fiscal Year 2023-24 Estimated Actuals, the District estimates that other local revenues will comprise approximately 7.8% (or approximately \$41.1 million) of the District’s general fund estimated revenues for fiscal year 2023-24. Based on the Fiscal Year 2024-25 Budget, the District budgets that other local revenues will comprise approximately 6.3% (or approximately \$31.3 million) of the District’s general fund budgeted revenues for fiscal year 2024-25.

Charter Schools

Charter schools are largely independent schools operating as part of the public school system created pursuant to Part 26.8 (beginning with Section 47600) of Division 4 of Title 2 of the California Education Code (the “Charter School Law”). A charter school is usually created or organized by a group of teachers, parents and community leaders, or a community-based organization, and may be approved by an existing local public school district, a county board of education or the State Board of Education. A charter school is generally exempt from the laws governing school districts, except where specifically noted in the law. The Charter School Law acknowledges that among its intended purposes are to (a) provide parents and students with expanded choices in the types of educational opportunities that are available within the public school system, (b) hold schools accountable for meeting measurable pupil outcomes and provide schools a way to shift from a rule-based to a performance-based system of accountability, and (c) provide competition within the public school system to stimulate improvements in all public schools.

A school district has certain fiscal oversight and other responsibilities with respect to both dependent and independent charter schools. However, independent charter schools that receive their funding directly from the State are generally not included in a school district’s financial reports and audited financial statements and function like independent agencies, including having control over their staffing and budgets, which are received directly from the State. Dependent charter schools receive their funding from the school district and would generally be included in the school district’s financial reports and audited financial statements.

[At this time, there are no charter schools operating in the District, and there are no applications for charter schools currently pending. The District cannot provide any assurances as to whether any new charter schools will be established within the territory of the District, or as to the impact any charter school developments may have on the District’s finances in future years.]

Local Property Taxation

General. Taxable property located in the District has a fiscal year 2023-24 assessed value of \$13,302,991,803. All property (real, personal and intangible) is taxable unless an exemption is granted by the California Constitution or United States law. Under the California Constitution, exempt classes of property include household and personal effects, intangible personal property (such as bank accounts, stocks and bonds), business inventories, and property used for religious, hospital, scientific and charitable purposes. The State Legislature may create additional exemptions for personal property, but not for real property. Most taxable property is assessed by the assessor of the county in which the property is located. Some special classes of property are assessed by the State Board of Equalization, as described below.

Taxes are levied for each fiscal year on taxable real and personal property assessed as of the preceding January 1, at which time the lien attaches. The assessed value is required to be adjusted during the course of the year when property changes ownership or new construction is completed. State law also affords an appeal procedure to taxpayers who disagree with the assessed value of any property. When

necessitated by changes in assessed value during the course of a year, a supplemental assessment is prepared so that taxes can be levied on the new assessed value before the next regular assessment roll is completed. See “– *Appeals of Assessed Valuation; Blanket Reductions of Assessed Values*” below.

Under the California Constitution, the State Board of Equalization assesses property of State-regulated transportation and communications utilities, including railways, telephone and telegraph companies, and companies transmitting or selling gas or electricity. The Board of Equalization also is required to assess pipelines, flumes, canals and aqueducts lying within two or more counties. The value of property assessed by the Board of Equalization is allocated by a formula to local jurisdictions in each county, including school districts, and taxed by the local county tax officials in the same manner as for locally assessed property. Taxes on privately owned railway cars, however, are levied and collected directly by the Board of Equalization. Property used in the generation of electricity by a company that does not also transmit or sell that electricity is taxed locally instead of by the Board of Equalization. Thus, the reorganization of regulated utilities and the transfer of electricity-generating property to non-utility companies, as often occurred under electric power deregulation in the State, affects how those assets are assessed, and which local agencies benefit from the property taxes derived. In general, the transfer of State-assessed property located in the District to non-utility companies will increase the assessed value of property in the District, since the property’s value will no longer be divided among all taxing jurisdictions in the County. The transfer of property located and taxed in the District to a State-assessed utility will have the opposite effect: generally reducing the assessed value in the District, as the value is shared among the other jurisdictions in the County. The District is unable to predict future transfers of State-assessed property in the District and the County, the impact of such transfers on its utility property tax revenues, or whether future legislation or litigation may affect ownership of utility assets, the State’s methods of assessing utility property, or the method by which tax revenues of utility property is allocated to local taxing agencies within the County, including the District.

Locally taxed property is classified either as “secured” or “unsecured,” and is listed accordingly on separate parts of the assessment roll. The “secured roll” is that part of the assessment roll containing State-assessed property and property (real or personal) for which there is a lien on real property sufficient, in the opinion of the county assessor, to secure payment of the taxes. All other property is “unsecured,” and is assessed on the “unsecured roll.” Secured property assessed by the State Board of Equalization is commonly identified for taxation purposes as “utility” property.

Assessed Valuation of Property Within the District. The following table sets forth the assessed valuation of the various classes of property in the District’s boundaries from fiscal years 2004-05 through 2023-24, each as of the date the equalized assessment roll is established in August of each such fiscal year.

**RIALTO UNIFIED SCHOOL DISTRICT
(County of San Bernardino, California)
Assessed Valuations
Fiscal Years 2004-05 through 2023-24**

<u>Fiscal Year</u>	<u>Local Secured</u>	<u>Utility</u>	<u>Unsecured</u>	<u>Total Valuation</u>
2004-05	\$3,891,132,777	\$5,785,742	\$243,651,523	\$4,140,570,042
2005-06	4,452,330,026	5,375,603	256,823,380	4,714,529,009
2006-07	5,348,163,842	5,139,270	276,168,125	5,629,471,237
2007-08	6,205,358,181	3,004,092	351,921,526	6,560,283,799
2008-09	6,250,762,989	3,002,209	384,352,229	6,638,117,427
2009-10	5,470,937,654	3,776,982	404,898,150	5,879,612,786
2010-11	5,116,956,930	3,789,700	384,837,952	5,505,584,582

2011-12	5,151,124,349	3,818,009	351,269,663	5,506,212,021
2012-13	5,246,718,901	3,819,258	399,336,562	5,649,874,721
2013-14	5,547,093,026	3,817,028	360,031,438	5,910,941,492
2014-15	5,986,625,515	2,149,197	407,045,980	6,395,820,692
2015-16	6,416,683,075	2,145,148	492,854,898	6,911,683,121
2016-17	6,871,316,099	2,132,287	456,531,924	7,329,980,310
2017-18	7,217,445,229	2,127,417	597,008,329	7,816,580,975
2018-19	8,273,570,367	2,121,281	598,663,881	8,874,355,529
2019-20	9,094,553,801	4,751,093	628,556,353	9,727,861,247
2020-21	9,690,334,873	4,712,202	826,759,421	10,521,806,496
2021-22	10,383,495,675	4,675,856	798,448,848	11,186,620,379
2022-23	11,298,711,133	4,576,267	853,155,999	12,156,443,399
2023-24	12,350,672,405	9,458,818	942,860,580	13,302,991,803

Source: California Municipal Statistics, Inc.

Assessments may be adjusted during the course of the year when real property changes ownership or new construction is completed. Assessments may also be appealed by taxpayers seeking a reduction as a result of economic and other factors beyond the District’s control, such as a general market decline in property values, including potential market declines caused by the effects of a reclassification of property to a class exempt from taxation, whether by ownership or use (such as exemptions for property owned by State and local agencies and property used for qualified educational, hospital, charitable or religious purposes), pandemic, or the complete or partial destruction of taxable property caused by natural or manmade disaster, such as earthquake, drought, flood, landslide, liquefaction, levee failure, fire, toxic dumping, etc. When necessitated by changes in assessed value in the course of a year, taxes are pro-rated for each portion of the tax year. See also “– *Appeals of Assessed Valuation; Blanket Reductions of Assessed Values*” below.

For more information on changes to economic conditions, climate change, earthquakes, wildfires, and flooding, and drought, see “RISK FACTORS – Economic Conditions in California,” “– Risks Related to COVID-19,” “– Climate Change and Sea Level Rise,” “– Absence of Earthquake and Flood Insurance,” and “– Natural Disasters, Seismic Activity, and Drought.”

Appeals of Assessed Valuation; Blanket Reductions of Assessed Values. There are two basic types of property tax assessment appeals provided for under State law. The first type of appeal, commonly referred to as a base year assessment appeal, involves a dispute on the valuation assigned by the assessor immediately subsequent to an instance of a change in ownership or completion of new construction. If the base year value assigned by the assessor is reduced, the valuation of the property cannot increase in subsequent years more than 2% annually unless and until another change in ownership and/or additional new construction or reconstruction activity occurs. Any base year appeal must be made within four years of the change of ownership or new construction date.

The second type of appeal, commonly referred to as a Proposition 8 appeal (which Proposition 8 was approved by the voters in 1978), can result if factors occur causing a decline in the market value of the property to a level below the property’s then current taxable value (escalated base year value). Pursuant to State law, a property owner may apply for a Proposition 8 reduction of the property tax assessment for such owner’s property by filing a written application with the appropriate county board of equalization or assessment appeals board. A property owner desiring a Proposition 8 reduction of the assessed value of such owner’s property in any one year must submit an application to the county assessment appeals board (the “Appeals Board”). Following a review of the application by the county assessor’s office, the county assessor may offer to the property owner the opportunity to stipulate to a reduced assessment, or may confirm the assessment. If no stipulation is agreed to, and the applicant

elects to pursue the appeal, the matter is brought before the Appeals Board (or, in some cases, a hearing examiner) for a hearing and decision. The Appeals Board generally is required to determine the outcome of appeals within two years of each appeal’s filing date. Any reduction in the assessment ultimately granted applies only to the year for which application is made and during which the written application is filed. The assessed value increases to its pre-reduction level (such pre-reduction level escalated by the annual inflation rate of no more than 2%) following the year for which the reduction application is filed. However, the county assessor has the power to grant a reduction not only for the year for which application was originally made, but also for the then current year and any intervening years as well. In practice, such a reduced assessment may and often does remain in effect beyond the year in which it is granted.

In addition, Article XIII A of the California Constitution provides that the full cash value base of real property used in determining taxable value may be adjusted from year to year to reflect the inflationary rate, not to exceed a 2% increase for any given year, or may be reduced to reflect a reduction in the consumer price index or comparable local data. This measure is computed on a calendar year basis. According to representatives of the County assessor’s office, the County has in the past, pursuant to Article XIII A of the California Constitution, ordered blanket reductions of assessed property values and corresponding property tax bills on single-family residential properties when the value of the property has declined below the current assessed value as calculated by the County.

No assurance can be given that property tax appeals and/or blanket reductions of assessed property values will not significantly reduce the assessed valuation of property within the District in the future.

See “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Limitations on Revenues” for a discussion of other limitations on the valuation of real property with respect to *ad valorem* taxes.

Assessed Valuation by Jurisdiction. The following table describes the percentage and value of the total assessed valuation of the property within the District’s boundaries by political jurisdiction. The District is located entirely within the County and within portions of the cities of Colton, Fontana, Rialto, and San Bernardino, and unincorporated portions of the County for fiscal year 2023-24.

RIALTO UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)
Fiscal Year 2023-24 Assessed Valuation by Jurisdiction

<u>Jurisdiction:</u>		Assessed Valuation in District	%	Assessed Valuation of Jurisdiction	%
			of District		of Jurisdiction in District
City of Colton	\$ 703,136,381	5.29%	\$5,386,427,743	13.05%	
City of Fontana	965,081,548	7.25	30,172,808,247	3.20	
City of Rialto	9,912,309,838	74.51	14,908,243,043	66.49	
City of San Bernardino	859,607,515	6.46	20,977,412,126	4.10	
Unincorporated San Bernardino County	<u>862,856,521</u>	<u>6.49</u>	47,496,561,664	1.82	
Total District	\$13,302,991,803	100.00%			
San Bernardino County	\$13,302,991,803		\$318,549,024,029	4.18%	

Source: California Municipal Statistics, Inc.

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Assessed Valuation by Land Use. The following table sets forth a distribution of taxable property located in the District on the fiscal year 2023-24 tax roll by principal purpose for which the land is used, and the assessed valuation and number of parcels for each use.

**RIALTO UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)
Fiscal Year 2023-24 Assessed Valuation and Parcels by Land Use**

			2023-24 <u>Assessed Valuation⁽¹⁾</u>	%	%	No. of <u>Parcels</u>	%	%
				Total			Total	
Non-Residential:								
Commercial	\$ 876,499,295	7.10%	472	1.48%				
Professional / Office	104,176,560		0.84	82	0.26			
Industrial	2,818,199,221	22.82	256	0.80				
Recreational	42,285,035	0.34	20	0.06				
Government/Social/Institutional	11,761,832		0.10	70	0.22			
Miscellaneous	<u>8,179,681</u>	<u>0.07</u>	<u>285</u>	<u>0.89</u>				
Subtotal Non-Residential	\$3,861,101,624	31.26%	1,185	3.71%				
Residential:								
Single Family Residence	\$6,621,394,690	53.61%	23,753	74.29%				
Condominium/Townhouse	617,312,744		5.00	1,884	5.89			
Mobile Home	86,747,337	0.70	2,235	6.99				
Mobile Home Park	90,717,677	0.73	34	0.11				
2-4 Residential Units	160,242,448	1.30	486	1.52				
5+ Residential Units/Apartments	282,126,934	2.28	85	0.27				
Miscellaneous Residential Improvements	<u>1,688,600</u>	<u>0.01</u>	<u>21</u>	<u>0.07</u>				
Subtotal Residential	\$7,860,230,430	63.64%	28,498	89.13%				
Vacant Parcels	\$629,340,351	5.10%	2,292	7.17%				
Total	\$12,350,672,405	100.00%	31,975	100.00%				

⁽¹⁾ Local secured assessed valuation, excluding tax-exempt property.
Source: California Municipal Statistics, Inc.

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Assessed Valuation of Single-Family Homes. The following table sets forth the assessed valuation of single-family homes in the District’s boundaries for fiscal year 2023-24, including the average and median per parcel assessed value.

**RIALTO UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)
Fiscal Year 2023-24 Per Parcel Assessed Valuation of Single-Family Homes**

	No. of Parcels	2023-24 Assessed Valuation		Average Assessed Valuation	Median Assessed Valuation	
Single Family Residential	23,753	\$6,621,394,690		\$278,760	\$252,499	
2023-24 Assessed Valuation	No. of Parcels ⁽¹⁾	% of Total	Cumulative % of Total	Total Valuation	% of Total	Cumulative % of Total
\$0 - \$24,999	49	0.206%	0.206%	\$ 797,954	0.012%	0.012%
\$25,000 - \$49,999	425	1.789	1.996	17,830,210	0.269	0.281
\$50,000 - \$74,999	504	2.122	4.117	31,051,023	0.469	0.750
\$75,000 - \$99,999	513	2.160	6.277	45,648,151	0.689	1.440
\$100,000 - \$124,999	901	3.793	10.070	102,891,832	1.554	2.994
\$125,000 - \$149,999	1,607	6.765	16.836	222,425,279	3.359	6.353
\$150,000 - \$174,999	2,101	8.845	25.681	342,531,340	5.173	11.526
\$175,000 - \$199,999	2,079	8.753	34.434	390,164,059	5.892	17.418
\$200,000 - \$224,999	1,981	8.340	42.774	420,901,569	6.357	23.775
\$225,000 - \$249,999	1,575	6.631	49.404	373,643,143	5.643	29.418
\$250,000 - \$274,999	1,453	6.117	55.521	381,144,579	5.756	35.174
\$275,000 - \$299,999	1,299	5.469	60.990	372,760,853	5.630	40.804
\$300,000 - \$324,999	1,135	4.778	65.769	353,662,963	5.341	46.145
\$325,000 - \$349,999	1,104	4.648	70.416	373,035,300	5.634	51.779
\$350,000 - \$374,999	1,121	4.719	75.136	406,277,696	6.136	57.915
\$375,000 - \$399,999	1,040	4.378	79.514	402,802,792	6.083	63.998
\$400,000 - \$424,999	1,019	4.290	83.804	420,146,645	6.345	70.343
\$425,000 - \$449,999	779	3.280	87.084	340,686,203	5.145	75.489
\$450,000 - \$474,999	707	2.976	90.060	327,053,124	4.939	80.428
\$475,000 - \$499,999	594	2.501	92.561	289,623,123	4.374	84.802
\$500,000 and greater	<u>1,767</u>	<u>7.439</u>	100.000	<u>1,006,316,852</u>	<u>15.198</u>	100.000
Total	23,753	100.000%		\$6,621,394,690	100.000%	

⁽¹⁾ Improved single-family residential parcels. Excludes condominiums and parcels with multiple family units.
Source: California Municipal Statistics, Inc.

Largest Secured Taxpayers in District. The following table sets forth the 20 taxpayers with the greatest combined ownership of secured taxable property in the District on the fiscal year 2023-24 tax roll, and the secured assessed valuation of all property owned by those taxpayers in all taxing jurisdictions within the District, are set forth below. Each taxpayer listed below is a name listed on the tax rolls. The District cannot make any representations as to whether individual persons, corporations or other organizations are liable for tax payments with respect to multiple properties held in various names that in aggregate may be larger than is suggested by the table below.

**RIALTO UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)
Largest Fiscal Year 2023-24 Local Secured Taxpayers**

	Property Owner	Primary Land Use	2023-24 Assessed Valuation	Percent of Total ⁽¹⁾
1.	Target Corporation	Industrial	\$ 370,104,893	3.00%
2.	Prologis-A4/Prologis/MacQuarie	Industrial	273,435,538	2.21
3.	USCLP CA Rialto2 LLC	Industrial	167,489,610	1.36
4.	Rialto Merrill Holdings LLC	Industrial	125,820,060	1.02
5.	GPT BTS Linden II Owner LP	Industrial	121,428,605	0.98
6.	Northwestern Mutual Life Insurance Co.	Industrial	114,795,946	0.93
7.	Fairfield Potomac Club LLC	Industrial	114,119,227	0.92
8.	Lewis-Hillwood Rialto Company LLC	Undeveloped	99,207,643	0.80
9.	DCT Renaissance Rialto LLC	Industrial	84,766,691	0.69
10.	AG Essential Housing CA 4 LP	Residential Land	82,749,579	0.67
11.	GPT BTS Linden Avenue Owner LP	Industrial	81,886,476	0.66
12.	Renaissance Commercial Property LLC	Shopping Center	73,667,191	0.60
13.	LBA RVI-Company XXVII LLC	Industrial	71,151,742	0.58
14.	Thrifty Oil Co.	Industrial	68,596,174	0.56
15.	Sierra Lakes Commerce LLC	Industrial	64,903,555	0.53
16.	L/S Five Crescent Drive LP	Industrial	56,869,600	0.46
17.	ET Sub REIT LLC	Industrial	55,775,954	0.45
18.	BSREP III Sierra Casa Grande LLC	Industrial	54,956,094	0.44
19.	Madison-Ind Locust CA LLC	Industrial	54,046,900	0.44
20.	100 Cedar Avenue LLC	Industrial	53,666,312	0.43
			\$2,189,437,790	17.73%

⁽¹⁾ The fiscal year 2023-24 local secured assessed valuation is \$12,350,672,405.
Source: California Municipal Statistics, Inc.

The more property (by assessed value) owned by a single taxpayer, the more tax collections are exposed to weakness, if any, in such taxpayer’s financial situation and ability or willingness to pay property taxes in a timely manner. Furthermore, assessments may be appealed by taxpayers seeking a reduction as a result of economic and other factors beyond the District’s control. See “– *Appeals of Assessed Valuation; Blanket Reductions of Assessed Values*” above.

Tax Rates

Typical Tax Rate Area. The following table sets forth *ad valorem* property tax rates for the last five fiscal years in the typical tax rate area of the District (TRA 6-000). TRA 6-000 comprises approximately 15.08% of the total assessed value of taxable property in the District for fiscal year 2023-24.

RIALTO UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)
Typical Total Tax Rates as Percentage of Assessed Valuation (TRA 6-000)⁽¹⁾
Fiscal Years 2019-20 through 2023-24

	2019-20	2020-21	2021-22	2022-23	2023-24
General	1.0000%	1.0000%	1.0000%	1.0000%	1.0000%
Rialto Unified School District	0.0848	0.0805	0.0829	0.0746	0.1556
San Bernardino Community College District	0.0562	0.0651	0.0534	0.0450	0.0452
San Bernardino Valley Municipal Water	0.1425	0.1425	0.1300	0.1300	0.1200
Total Tax Rate	1.2835%	1.2881%	1.2663%	1.2496%	1.3208%

⁽¹⁾ Fiscal year 2023-24 assessed valuation of TRA 6-000 is \$2,005,797,460.
Source: California Municipal Statistics, Inc.

Tax Charges and Delinquencies

General. A school district’s share of the 1% countywide tax is based on the actual allocation of property tax revenues to each taxing jurisdiction in the county in fiscal year 1978-79, as adjusted according to a complicated statutory process enacted since that time. Revenues derived from special *ad valorem* taxes for voter-approved indebtedness are reserved to the taxing jurisdiction that approved and issued the debt, and may only be used to repay that debt.

The Treasurer-Tax Collector of the County (the “County Treasurer”) prepares the property tax bills. Property taxes on the regular secured assessment roll are due in two equal installments: the first installment is due on November 1, and becomes delinquent after December 10. The second installment is due on February 1 and becomes delinquent after April 10. If taxes are not paid by the delinquent date, a 10% penalty attaches and a \$10 fee is added to unpaid second installments. If taxes remain unpaid by June 30, the tax is deemed to be in default, and a \$15 state redemption fee applies. Interest then begins to accrue at the rate of 1.5% per month. The property owner has the right to redeem the property by paying the taxes, accrued penalties, and costs within five years of the date the property went into default. If the property is not redeemed within five years, it is subject to sale at a public auction by the County Treasurer. The date on which taxes on supplemental assessments are due depends on when the supplemental tax bill is mailed.

Property taxes on the unsecured roll are due in one payment on the lien date, January 1, and become delinquent after August 31. A 10% penalty and a \$28 fee attaches to delinquent taxes on property on the unsecured roll, and an additional penalty of 1.5% per month begins to accrue on November 1. To collect unpaid taxes, the County Treasurer may obtain a judgment lien upon and cause the sale of all property owned by the taxpayer in the County, and may seize and sell personal property, improvements and possessory interests of the taxpayer. The County Treasurer may also bring a civil suit against the taxpayer for payment.

Property tax delinquencies may be impacted by economic and other factors beyond the District’s control, including the ability or willingness of property owners to pay property taxes during an economic recession or depression. An economic recession or depression could be caused by many factors outside the control of the District, including high interest rates, reduced consumer confidence, reduced real wages or reduced economic activity as a result of a pandemic or a natural or manmade disaster, such as earthquake, drought, flood, fire or toxic dumping. However, the County has adopted the Teeter Plan (defined herein), according to which the County distributes to the District the amount levied on the secured and supplemental tax rolls, instead of the amount actually collected. For more information, see “–

Teeter Plan” below. It is not possible for the District to make any representation regarding the extent to which an economic recession or depression could impact the ability or willingness of property owners within the District to pay property taxes in the future. If delinquencies increase substantially as a result of events outside the control of the District, the County has the authority to increase allowances for annual reserves in the tax levy to avoid fluctuating tax levies.

The County does not provide the secured tax charges and corresponding delinquencies for the District’s general obligation bond debt service levy with respect to property located within the District. While some counties also provide information on the secured tax charges and corresponding delinquencies for the portion of the County’s 1% general fund levy that is allocated to the District with respect to property located in the District as an indication of comparative delinquency rates, the County does not provide such information. The portion of the County’s 1% general fund levy that is allocated to the District is not pledged to and does not secure the repayment of school district general obligation bonds. See “– *Teeter Plan*” below.

Teeter Plan. The Board of Supervisors has adopted the Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the “*Teeter Plan*”), as provided for in Section 4701 *et seq.* of the California Revenue and Taxation Code. Under the *Teeter Plan*, each participating local agency levying property taxes in the County, including school districts, receives the full amount of uncollected taxes levied on the secured tax roll credited to its fund, in the same manner as if the full amount due from taxpayers had been collected. In return, the County receives and retains delinquent payments, penalties and interest as collected that would have been due the local agency. The County applies the *Teeter Plan* to taxes levied for repayment of school district general obligation bonds on the secured tax roll.

The *Teeter Plan* is to remain in effect unless the Board of Supervisors orders its discontinuance or unless, prior to the commencement of any fiscal year of the County (which commences on July 1), the Board of Supervisors receives a petition for its discontinuance from two-thirds of the participating revenue districts in the County. The Board of Supervisors may also, after holding a public hearing on the matter, discontinue the *Teeter Plan* with respect to any tax levying agency or assessment levying agency in the County if the rate of secured tax delinquency in that agency in any year exceeds 3% of the total of all taxes and assessments levied on the secured roll in that agency. The District is not aware of any plans by the Board of Supervisors to discontinue the *Teeter Plan*.

There can be no assurance that the County will always maintain the *Teeter Plan* or will have sufficient funds available to distribute the full amount of the District’s share of property tax collections to the District. The ability of the County to maintain the *Teeter Plan* may depend on its financial resources and may be affected by future property tax delinquencies. Property tax delinquencies may be impacted by economic and other factors beyond the District’s or the County’s control, including the ability or willingness of property owners to pay property taxes during an economic recession or depression. An economic recession or depression could be caused by many factors outside the control of the District, including high interest rates, reduced consumer confidence, reduced real wages or reduced economic activity as a result of the spread of COVID-19 or other pandemic or natural or manmade disaster.

Significant Accounting Policies and Audited Financial Statements

The State Department of Education imposes by law uniform financial reporting and budgeting requirements for K-12 districts. Financial transactions are required to be accounted for in accordance with the Department of Education’s California School Accounting Manual. This manual, according to Section 41010 of the California Education Code, is to be followed by all State school districts, including the District. Significant accounting policies followed by the District are explained in Note 1 to the

District's audited financial statements for the fiscal year ended June 30, 2023, which are included as Appendix B to the Official Statement.

Independently audited financial statements are prepared annually in conformity with generally accepted accounting principles for educational institutions. The annual audit report is generally available about six months after the June 30 close of each fiscal year. Typically, school districts in the State are required to file their audited financial statements for the preceding fiscal year with the State Controller's Office, the State Superintendent of Public Instruction, and the county superintendent of schools by December 15 of each year. However, in response to the COVID-19 pandemic and the challenges it presents for school district operations, Senate Bill 98 (Chapter 24, enacted on June 29, 2020, as an urgency bill) provided that a school district's audited financial statements for fiscal year 2019-20 were not due until March 31, 2021. Accordingly, the District filed its audited financial statements for fiscal year 2019-20 with the State Controller's Office, the State Superintendent of Public Instruction, and the San Bernardino County Superintendent of Schools by March 31, 2021. Pursuant to Assembly Bill 130 (Chapter 44, enacted on July 9, 2021), the deadline for school districts to file their audited financial statements for fiscal year 2020-21 was extended to January 31, 2022. Accordingly, the District filed its audited financial statements for fiscal year 2020-21 with the State Controller's Office, the State Superintendent of Public Instruction, and the San Bernardino County Superintendent of Schools by January 31, 2022. The deadline for school districts to file their audited financial statements for fiscal year 2021-22 was not extended.

The District was granted an extension to file its audited financial statements for fiscal year 2021-22 due to the additional work necessary to implement GASB Statement No. 87. For more information on GASB Statement No. 87, see "District Debt Structure – Leases" herein. Accordingly, the District filed its audited financial statements for fiscal year 2021-22 with the State Controller's Office, the State Superintendent of Public Instruction, and the San Bernardino County Superintendent of Schools in February 2023.

The District's contract with its former independent auditor, CliftonLarsonAllen LLP, Glendora, California ("CLA"), terminated at the end of fiscal year 2018-19 and, subsequently, pursuant to a selection process involving requests for proposals from multiple accounting firms, Eide Bailly LLP, Rancho Cucamonga, California ("Eide Bailly") was selected as the District's auditor. The change in auditor in fiscal year 2019-20 resulted in the District presenting certain financial information differently in its audited financial statements. Thus, the information presented in the tables below for fiscal year 2018-19, and fiscal years 2019-20 through 2022-23 are categorized differently. Although historical total revenue and expenditure figures are comparatively consistent, the categorical breakdown of revenues and expenditures is different for the revised accounting formats and is not directly comparable.

CLA and Eide Bailly have not been requested to consent to the use or to the inclusion of their respective reports in this Official Statement, and they have not audited or reviewed this Official Statement. The following tables are only a summary of the general fund financial statements of the District for the fiscal years shown. The District's audited financial statements for the fiscal year ended June 30, 2023 are included as Appendix B to this Official Statement. The complete audited financial statements of the District, including the notes to the audited financial statements, are an integral part of this Official Statement.

The following table sets forth the statement of revenues, expenditures and changes in fund balances for the District's general fund for fiscal years 2018-19 through 2022-23.

RIALTO UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)

**Statement of General Fund Revenues, Expenditures and Changes in Fund Balance
Fiscal Years 2018-19 through 2022-23⁽¹⁾**

	Fiscal Year 2018-19	Fiscal Year 2019-20	Fiscal Year 2020-21	Fiscal Year 2021-22	Fiscal Year 2022-23
	<u>Audited Actuals</u>	<u>Audited Actuals</u>	<u>Audited Actuals</u>	<u>Audited Actuals</u>	<u>Audited Actuals</u>
REVENUES					
Local control funding formula	\$270,929,494	\$281,031,623	\$280,954,452	\$304,448,344	\$338,445,051
Federal sources	17,600,098	16,171,129	54,288,043	33,896,285	41,511,496
Other State sources	44,709,985	29,887,793	40,188,453	54,451,781	118,916,992
Other local sources	14,062,623	16,849,074	21,204,720	21,774,898	30,078,808
Total Revenues	<u>347,302,200</u>	<u>343,939,619</u>	<u>396,635,668</u>	<u>414,571,308</u>	<u>528,952,347</u>
EXPENDITURES					
Current					
Instruction	191,910,641	202,125,207	209,763,108	224,265,825	247,517,103
Instruction-related activities:	49,168,925	-	-	-	-
Supervision of instruction	-	12,988,875	11,214,542	14,150,173	17,911,190
Instructional library, media, and technology	-	4,588,620	4,820,521	4,845,294	5,610,832
School site administration	-	22,353,750	23,506,991	26,720,843	29,738,165
Pupil services:	37,093,695	-	-	-	-
Home-to-school transportation	-	9,430,452	4,632,438	8,262,728	9,528,274
Food services	-	27,493	43,668	218,347	175,802
All other pupil services	-	27,082,097	26,606,778	33,705,646	39,344,411
Administration:	18,274,473	-	-	-	-
Data processing	-	5,534,547	8,348,859	7,104,091	10,518,435
All other administration	-	11,965,891	13,612,976	14,813,612	16,171,089
Plant services	40,420,149	31,353,934	43,783,620	35,612,598	41,666,589
Other outgo	96,282	80,189	163,247	58,170	208,231
Facility acquisition and construction	-	6,352,366	7,456,726	28,780,322	28,463,756
Debt service:	5,629,968	-	-	-	-
Principal	-	821,471	839,998	1,134,102	1,982,096
Interest and other	-	479,746	460,357	463,744	443,477
Total Expenditures	<u>342,594,133</u>	<u>335,184,638</u>	<u>355,253,829</u>	<u>400,135,495</u>	<u>449,279,450</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>4,708,067</u>	<u>8,754,981</u>	<u>41,381,839</u>	<u>14,435,813</u>	<u>79,672,897</u>
Other Financing Sources (Uses)					
Transfers in	887,045	-	-	-	192,206
Transfers out ⁽²⁾	(2,115,814)	(5,105,461)	(7,396,942)	(10,022,372)	(13,940,108)
Other Financing Sources	905,872	-	-	-	1,068,443
Net Financing Sources (Uses)	<u>(322,897)</u>	<u>(5,105,461)</u>	<u>(7,396,942)</u>	<u>(10,022,372)</u>	<u>(12,679,459)</u>
NET CHANGE IN FUND BALANCE	4,385,170	3,649,520	33,984,897	4,413,441	66,993,438
Fund Balance – Beginning	<u>71,919,386</u>	<u>76,304,556</u>	<u>79,954,076</u>	<u>113,938,973</u>	<u>118,352,414</u>
Fund Balance – Ending	<u>\$76,304,556</u>	<u>\$79,954,076</u>	<u>\$113,938,973</u>	<u>\$118,352,414</u>	<u>\$185,345,852</u>

⁽¹⁾ Pursuant to Governmental Accounting Standards Board (“GASB”) Statement No. 54, the District’s audited financial statements include the financial activity of the special reserve fund for other capital outlay projects with the District’s general fund.

⁽²⁾ The District makes periodic transfers to the child development fund for operating contributions and to the special reserve fund for capital outlay projects.

Source: Rialto Unified School District Audited Financial Statements for fiscal years 2018-19 through 2022-23.

The following table sets forth the general fund balance sheet of the District for fiscal years 201819 through 2022-23.

**RIALTO UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)
Summary of General Fund Balance Sheet**

Fiscal Years 2018-19 through 2022-23

	Fiscal Year 2018-19 Audited Actuals	Fiscal Year 2019-20 Audited Actuals	Fiscal Year 2020-21 Audited Actuals	Fiscal Year 2021-22 Audited Actuals	Fiscal Year 2022-23 Audited Actuals
ASSETS					
Deposits and investments	\$89,064,132	\$64,699,953	\$142,635,248	\$161,202,817	\$228,402,721
Receivables	12,553,328	48,359,179	37,650,190	23,667,434	30,057,778
Due from other funds	3,755,486	3,268,160	3,837,718	3,622,103	2,862,301
Prepaid expenditures	533,295	324,981	382,009	777,690	570,443
Stores inventories	158,770	169,177	169,997	216,783	268,793
Total Assets	<u>\$106,065,011</u>	<u>\$116,821,450</u>	<u>\$184,675,162</u>	<u>\$189,486,827</u>	<u>\$262,162,037</u>
LIABILITIES					
Accounts payable	\$25,674,462	\$33,034,420	\$31,695,508	\$60,542,962	\$55,130,158
Due to other funds	2,981,073	2,102,780	3,380,072	2,617,765	6,910,836
Current loans	-	-	31,630,000	-	-
Unearned revenue	1,104,920	1,730,174	4,030,609	7,973,686	14,775,191
Total Liabilities	<u>29,760,455</u>	<u>36,867,374</u>	<u>70,736,189</u>	<u>71,134,413</u>	<u>76,816,185</u>
FUND BALANCES					
Nonspendable	782,065	599,158	657,006	1,099,473	944,237
Restricted	10,019,175	11,718,863	22,757,552	35,895,995	114,543,929
Committed	-	-	10,841,230	9,133,450	10,153,352
Assigned	42,461,718	57,423,931	65,017,959	53,474,561	45,782,158
Unassigned	23,041,598	10,212,124	14,665,226	18,748,935	13,922,176
Total Fund Balances	<u>76,304,556</u>	<u>79,954,076</u>	<u>113,938,973</u>	<u>118,352,414</u>	<u>185,345,852</u>
Total Liabilities and Fund Balances	<u>\$106,065,011</u>	<u>\$116,821,450</u>	<u>\$184,675,162</u>	<u>\$189,486,827</u>	<u>\$262,162,037</u>

Source: Rialto Unified School District Audited Financial Statements for fiscal years 2018-19 through 2022-23.

District Budget Process and County Review

Budget Process. State law requires school districts to maintain a balanced budget in each fiscal year. The State Department of Education imposes a uniform budgeting and accounting format for school districts.

Under current law, a school district governing board must adopt and file with the county superintendent of schools a tentative budget by July 1 in each fiscal year. The District is under the jurisdiction of the San Bernardino County Superintendent of Schools.

The county superintendent must review and approve, conditionally approve or disapprove the budget no later than September 15. The county superintendent is required to examine the adopted budget for compliance with the standards and criteria adopted by the State Board of Education and identify technical corrections necessary to bring the budget into compliance with the established standards. In the event that the county superintendent conditionally approves or disapproves the school district's budget, the county superintendent will submit to the governing board of the school district no later than September 15 of such year written recommendations regarding revisions of the budget and the reasons for the recommendations, including, but not limited to, the amounts of any budget adjustments needed before the county superintendent can approve that budget.

The governing board of the school district, together with the county superintendent, must review and respond to the recommendations of the county superintendent on or before October 8 at a regular meeting of the governing board of the school district. The county superintendent will examine and approve or disapprove of the revised budget by November 8 of such year. If the county superintendent disapproves a revised budget, the county superintendent will call for the formation of a budget review committee. By December 31 of each year, every school district must have an adopted budget, or the Superintendent of Public Instruction (the "State Superintendent") may impose a budget and will report such school district to the State Legislature and the Department of Finance.

Subsequent to approval, the county superintendent will monitor each school district under its jurisdiction throughout the fiscal year pursuant to its adopted budget to determine on an ongoing basis if the school district can meet its current or subsequent year financial obligations. If, after taking various remedial actions, the county superintendent determines that a school district cannot meet its current or the subsequent year's obligations, the county superintendent will notify the school district's governing board, the State Superintendent and the president of the State board (or the president's designee) of the determination and take at least one of the following actions, and all actions that are necessary to ensure that the school district meets its financial obligations: (a) develop and impose, after also consulting with the State Superintendent and the school district's governing board, revisions to the budget that will enable the school district to meet its financial obligations in the current fiscal year, (b) stay or rescind any action inconsistent with the ability of the school district to meet its obligations for the current or subsequent fiscal year, (c) assist in developing, in consultation with the school district's governing board, a financial plan that will enable the school district to meet its future obligations, (d) assist in developing, in consultation with the school district's governing board, a budget for the subsequent fiscal year, and (e) as necessary, appoint a fiscal advisor to perform the aforementioned duties. The county superintendent will also make a report to the State Superintendent and the president of the State board or the president's designee about the financial condition of the school district and the remedial actions proposed by the county superintendent. However, the county superintendent may not abrogate any provision of a collective bargaining agreement that was entered into prior to the date upon which the county superintendent assumed authority.

Interim Reporting. A State law adopted in 1991 (known as “A.B. 1200”) imposed additional financial reporting requirements on school districts, and established guidelines for emergency State aid apportionments. Under the provisions of A.B. 1200 and the California Education Code (Section 42100 *et seq.*), each school district is required to file two interim certifications with the county superintendent (on December 15, for the period ended October 31, and by mid-March for the period ended January 31) as to its ability to meet its financial obligations for the remainder of the then-current fiscal year and, based on current forecasts, for the subsequent fiscal year. The county superintendent reviews the certification and issues either a positive, negative or qualified certification. A positive certification is assigned to any school district that, based on then-current projections, will meet its financial obligations for the current fiscal year and the subsequent two fiscal years. A negative certification is assigned to any school district that, based on then-current projections, will be unable to meet its financial obligations for the remainder of the fiscal year or the subsequent fiscal year. A qualified certification is assigned to any school district that, based on then-current projections, may not meet its financial obligations for the current fiscal year or the two subsequent fiscal years. A certification may be revised to a negative or qualified certification by the county superintendent, as appropriate. A school district that receives a qualified or negative certification for its second interim report must provide to the county superintendent, the State Controller and the State Superintendent no later than June 1, financial statement projections of the school district’s fund and cash balances through June 30 for the period ending April 30. [In the past five years, the District has not received a negative or qualified certification for an interim financial report.]

Any school district that receives a qualified or negative certification in any fiscal year may not issue, in that fiscal year or in the next succeeding fiscal year, certificates of participation, tax and revenue anticipation notes, revenue bonds or any other debt instruments that do not require the approval of the voters of the school district, unless the county superintendent determines that the school district’s repayment of indebtedness is probable.

County and State Response to School Districts Under Financial Distress. For school districts under fiscal distress, the county superintendent is authorized to take a number of actions to ensure that the school district meets its financial obligations, including budget revisions. However, the county superintendent is not authorized to approve any diversion of revenue from *ad valorem* property taxes levied to pay debt service on district general obligation bonds. A school district that becomes insolvent may, upon the approval of a fiscal plan by the county superintendent, request an emergency appropriation from the State, in which case the county superintendent, the State Superintendent and the president of the State board or the president’s designee will appoint a trustee to serve the school district until it has adequate fiscal systems and controls in place. The acceptance by a school district of an emergency apportionment exceeding 200% of the reserve recommended for that school district constitutes an agreement that the county superintendent will assume control of the school district in order to ensure the school district’s return to fiscal solvency.

In the event the State elects to provide an emergency apportionment to a school district, such apportionment will constitute an advance payment of apportionments owed to the school district from the State School Fund and the Education Protection Account. The emergency apportionment may be accomplished in two ways. First, a school district may participate in a two-part financing in which the school district receives an interim loan from the State general fund, with the agreement that the school district will subsequently enter into a lease financing with the California Infrastructure and Economic Development Bank for purposes of financing the emergency apportionment, including repaying such amounts advanced to the State general fund. State law provides that so long as bonds from such lease financing are outstanding, the recipient school district (via its administrator) cannot file for bankruptcy. As an alternative, a school district may receive an emergency apportionment from the State general fund that must be repaid in 20 years. Each year, the State Superintendent will withhold from the apportionments to be made to the school district from the State School Fund and the Education Protection

Account an amount equal to the emergency apportionment repayment that becomes due that year. The determination as to whether the emergency apportionment will take the form of a lease financing or an emergency apportionment from the State general fund will be based upon the availability of funds within the State general fund.

District's Fiscal Year 2023-24 Budget and Estimated Actuals. The District's original adopted general fund budget for fiscal year 2023-24 (the "Fiscal Year 2023-24 Budget"), which was adopted by the Board of Education on June 21, 2023, is included in the table that follows. The Fiscal Year 2023-24 Budget reflects the assumptions contained in the Governor's May revision to the proposed fiscal year 2023-24 State budget. The Fiscal Year 2023-24 Budget does not contain historical facts but consist of forecasts and "forward-looking statements" at the time of preparation thereof. The achievement of certain results or other expectations contained in the Fiscal Year 2023-24 Budget involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described therein to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. All projections, forecasts, assumptions, expressions of opinions, estimates, and other forward-looking statements contained in the Fiscal Year 2023-24 Budget are expressly qualified in their entirety by the foregoing and the other cautionary statements.

The District revises its projections of revenues, expenditures, and ending fund balances contained in the Fiscal Year 2023-24 Budget as more financial data becomes available throughout the fiscal year. Accordingly, the Fiscal Year 2023-24 Estimated Actuals reflect actual financial data through April 30, 2024 and projections for the remainder of fiscal year 2023-24 based on such data. The Fiscal Year 2023-24 Estimated Actuals, which were presented to the Board of Education in connection with the adoption of the Fiscal Year 2024-25 Budget on June 26, 2024, are included in the table that follows and described throughout the section entitled "DISTRICT HISTORY, OPERATION AND FINANCIAL INFORMATION." The achievement of certain results or other expectations contained in the Fiscal Year 2023-24 Estimated Actuals involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described therein to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. All projections, forecasts, assumptions, expressions of opinions, estimates, and other forward-looking statements contained in the Fiscal Year 2023-24 Estimated Actuals are expressly qualified in their entirety by the foregoing and the other cautionary statements.

District's Fiscal Year 2024-25 Budget. The District's Fiscal Year 2024-25 Budget, which was adopted by the Board of Education on June 26, 2024, is included in the table that follows and described throughout the section entitled "DISTRICT HISTORY, OPERATION AND FINANCIAL INFORMATION". The Fiscal Year 2024-25 Budget reflects the assumptions contained in the Governor's May revision to the proposed fiscal year 2024-25 State budget. The Fiscal Year 2024-25 Budget may be revised throughout fiscal year 2024-25 as additional information becomes available.

The Fiscal Year 2024-25 Budget does not contain historical facts but consist of forecasts and "forward-looking statements." The achievement of certain results or other expectations contained in the Fiscal Year 2024-25 Budget involves known and unknown risks, uncertainties and other factors that may cause actual results, performance or achievements described therein to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. All projections, forecasts, assumptions, expressions of opinions, estimates, and other forward-looking statements contained in the Fiscal Year 2024-25 Budget are expressly qualified in their entirety by the foregoing and the other cautionary statements.

The table on the following page sets forth the District's original adopted general fund budgets for fiscal years 2021-22 through 2024-25, unaudited actuals for fiscal years 2021-22 and 2022-23, and the Fiscal Year 2023-24 Estimated Actuals.

RIALTO UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)
General Fund Budgets for Fiscal Years 2020-21 through 2023-24,
Unaudited Actuals for Fiscal Years 2020-21 and 2021-22,
and Estimated Actuals for Fiscal Year 2022-23⁽¹⁾
(Continued)

RIALTO UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)
General Fund Budgets for Fiscal Years 2021-22 through 2024-25,
Unaudited Actuals for Fiscal Years 2021-22 and 2022-23,
and Estimated Actuals for Fiscal Year 2023-24⁽¹⁾

	2021-22 Original Budget	2021-22 Unaudited Actuals	2022-23 Original Budget	2022-23 Unaudited Actuals	2023-24 Original Budget	2023-24 Estimated Actuals ⁽²⁾	2024-25 Original Budget ⁽³⁾
REVENUES							
LCFF Sources	\$295,013,933.00	\$304,448,343.38	\$324,475,179.00	\$338,445,051.72	\$353,494,452.00	\$351,947,942.90	\$345,190,045.00
Federal Revenue	35,959,576.00	27,721,436.43	45,723,101.00	41,462,480.48	71,462,678.25	66,644,113.86	49,717,836.00
Other State Revenue	25,923,342.00	52,794,019.98	56,641,003.00	118,916,992.61	60,494,690.98	67,767,109.93	67,164,686.65
Other Local Revenue	15,452,191.00	21,989,110.33	20,720,072.00	30,019,519.73	26,032,159.53	41,119,738.83	31,268,658.00
Total Revenues	<u>372,349,042.00</u>	<u>406,952,910.12</u>	<u>447,559,355.00</u>	<u>528,844,044.54</u>	<u>511,483,980.76</u>	<u>527,478,905.52</u>	<u>493,341,225.65</u>
EXPENDITURES							
Certificated Salaries	150,669,513.10	147,188,688.66	174,480,440.00	162,418,832.16	182,379,176.00	175,942,318.37	176,400,921.00
Classified Salaries	57,592,145.25	53,531,113.11	63,274,541.46	63,026,496.51	76,856,600.00	73,686,186.26	81,152,357.00
Employee Benefits	111,761,906.26	106,092,223.08	134,557,829.25	121,313,209.65	137,686,084.13	133,541,927.93	142,948,912.00
Books and Supplies	26,571,252.70	35,220,619.37	35,475,710.65	27,740,123.68	75,542,965.64	28,647,721.86	73,774,104.37
Services, Other Operating Expenses	50,455,648.00	49,395,847.09	68,462,385.98	51,944,465.44	60,315,191.63	64,523,846.78	86,233,665.79
Capital Outlay	18,242,051.00	4,347,970.87	14,407,403.00	15,015,092.65	19,183,565.61	29,895,238.53	20,125,000.00
Other Outgo (excluding Transfers of Indirect Costs)	1,350,260.00	1,358,524.90	1,400,882.00	1,995,814.96	1,399,780.00	1,399,780.00	1,424,038.00
Transfers of Indirect Costs	(803,319.00)	(535,477.74)	(834,674.00)	(708,773.03)	(783,920.61)	(869,779.52)	(857,703.00)
Total Expenditures	<u>415,839,457.31</u>	<u>396,599,509.34</u>	<u>491,224,518.34</u>	<u>442,745,262.02</u>	<u>552,579,442.40</u>	<u>506,767,240.21</u>	<u>581,201,295.16</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(43,490,415.31)</u>	<u>10,353,400.78</u>	<u>(43,665,163.34)</u>	<u>86,098,782.52</u>	<u>(41,095,461.64)</u>	<u>20,711,665.31</u>	<u>(87,860,069.51)</u>
OTHER FINANCING SOURCES (USES)							
Inter-fund Transfers In	-	-	-	-	-	-	-
Inter-fund Transfers Out ⁽⁴⁾	(3,179,573.00)	(15,435,681.45)	(2,108,725.00)	(21,327,241.26)	(6,319,626.00)	(6,716,469.00)	(6,505,418.00)
Other Sources/Uses	-	-	-	2,273,018.91	-	-	-
Total, Other Financing Sources (Uses)	<u>(3,179,573.00)</u>	<u>(15,435,681.45)</u>	<u>(2,108,725.00)</u>	<u>(19,054,222.35)</u>	<u>(6,319,626.00)</u>	<u>(6,716,469.00)</u>	<u>(6,505,418.00)</u>
NET INCREASE (DECREASE) IN FUND BALANCE	<u>(46,669,988.31)</u>	<u>(5,082,280.67)</u>	<u>(45,773,888.34)</u>	<u>67,044,560.17</u>	<u>(47,415,087.64)</u>	<u>13,995,196.31</u>	<u>(94,365,487.51)</u>
BEGINNING BALANCE, as of July 1	110,205,064.86	108,133,379.47	91,250,331.30	102,901,039.73	145,664,403.90	176,314,618.72	189,216,599.03

RIALTO UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)
General Fund Budgets for Fiscal Years 2020-21 through 2023-24,
Unaudited Actuals for Fiscal Years 2020-21 and 2021-22,
and Estimated Actuals for Fiscal Year 2022-23⁽¹⁾

(Continued)

Audit Adjustments⁽⁵⁾	-	-	-	6,176,813.00	-	(1,093,216.00)	-
As of July 1 – Audited	110,205,064.86	108,133,379.47	91,250,331.30	109,077,852.73	145,664,403.90	175,221,402.72	189,216,599.03
Other Restatements⁽⁶⁾	-	(150,059.07)	-	192,205.82	-	-	-
Adjusted Beginning Balance	110,205,064.86	107,983,320.40	91,250,331.30	109,270,058.55	145,664,403.90	175,221,402.72	189,216,599.03
ENDING BALANCE	<u>\$63,535,076.55</u>	<u>\$102,901,039.73</u>	<u>\$45,476,442.96</u>	<u>\$176,314,618.72</u>	<u>\$98,249,316.26</u>	<u>\$189,216,599.03</u>	<u>\$94,851,111.52</u>
FUND BALANCE							
Nonspendable	\$230,000.00	\$1,099,472.41	\$230,000.00	\$2,037,453.27	\$230,000.00	\$225,000.00	\$225,000.00
Restricted ⁽⁷⁾	3,509,481.45	35,895,994.92	14,867,165.26	114,513,929.43	49,775,624.16	119,695,936.21	40,898,605.94
Committed	8,850,418.00	9,133,450.30	9,734,255.00	10,153,352.00	10,604,834.00	10,558,438.00	10,355,701.00
Assigned ⁽⁸⁾	37,814,116.13	44,200,000.00	5,835,128.57	35,657,708.02	20,871,885.10	43,327,712.82	25,735,602.82
Reserved for Economic Uncertainties	12,570,571.00	12,361,055.72	14,799,997.00	13,922,176.00	16,766,973.00	15,404,512.00	17,631,202.00
Unassigned/Unappropriated	560,489.97	211,066.38	9,897.13	-	-	-	-
	<u>\$63,535,076.55</u>	<u>\$102,901,039.73</u>	<u>\$45,476,442.96</u>	<u>\$176,314,618.72</u>	<u>\$98,249,316.26</u>	<u>\$189,216,599.03</u>	<u>\$94,851,111.52</u>

⁽¹⁾ Pursuant to GASB Statement No. 54, the District's audited financial statements include the financial activity of the deferred maintenance fund with the District's general fund, but the District's unaudited actuals, adopted budgets, and interim reports reflect only the unrestricted and restricted general fund.

⁽²⁾ Figures are projections.

⁽³⁾ Reflects the Fiscal Year 2024-25 Budget.

⁽⁴⁾ The District makes periodic transfers to the child development fund, the deferred maintenance fund, and the special reserve fund for capital outlay projects.

⁽⁵⁾ The District's audit adjustment in fiscal year 2022-23 reflects a correction made to the fiscal year 2021-22 audited financial statements related to an understatement of general fund revenues related to the Federal Emergency Connectively Fund program.

⁽⁶⁾ Restatement in the District's unaudited actuals for fiscal year 2021-22 reflects a correction to the beginning fund balance of the child development fund to cover a contribution due from the general fund after the District closed out its books. Restatement in the District's unaudited actuals for fiscal year 2022-23 reflects a journal entry correction of grant funds that were used for a different purpose than planned.

⁽⁷⁾ The District recognized receipt of one-time State funds in fiscal year 2022-23 and budgeted to spend down such funds in fiscal year 2023-24. As a result, there is a decrease in the District's restricted ending fund balance from the District's unaudited actuals for fiscal year 2022-23 to the Fiscal Year 2023-24 Budget due to the removal of such one-time State funds in fiscal year 2023-24.

⁽⁸⁾ The District's unaudited actuals for fiscal year 2022-23 assigned component of the general fund ending balance includes set asides for a District-wide playground replacement project and for future deficit spending.

Source: Rialto Unified School District original adopted general fund budgets for fiscal years 2021-22 through 2024-25; unaudited actuals for fiscal years 2021-22 and 2022-23; and Fiscal Year 2023-24 Estimated Actuals.

District Debt Structure

Long-Term Debt Summary. A schedule of changes in the District’s long-term liabilities, other than other post-employment benefits (“OPEB”) and pension obligations, for the fiscal year ended June 30, 2023, consisted of the following:

	Balance July 1, 2022, as Restated	Additions	Deductions	Balance June 30, 2023	Due in One Year
Long-Term Liabilities					
General Obligation Bonds	\$133,588,798	\$5,988,579	\$(9,167,578)	\$130,409,799	\$9,459,806
Unamortized Debt Premiums	2,864,906	-	(223,375)	2,641,531	-
Unamortized Debt Discounts	(264,153)	-	71,233	(192,920)	-
Leases ⁽¹⁾	860,596	-	(784,604)	75,992	72,609
Subscription-based IT arrangements	139,638	1,068,443	(313,579)	894,502	321,640
Financed Purchase Agreement – Energy Upgrades	8,041,091	-	(711,176)	7,329,915	730,378
Financed Purchase Agreement – Energy Efficiency	471,853	-	(131,680)	340,173	131,680
City of Rialto Redevelopment Agency Loan	4,254,888	-	(38,050)	4,216,838	38,851
Compensated Absences	842,056	159,618	-	1,001,674	-
Supplement Early Retirement Plan	7,253,540	-	(3,873,608)	3,379,932	1,689,966
Total	\$158,053,213	\$5,776,369	\$(15,172,417)	\$150,097,436	\$12,444,930

⁽¹⁾ Excludes the Certificates.

Source: Rialto Unified School District Audited Financial Statements for fiscal year 2022-23.

General Obligation Bonds.

1999 Authorization. At an election held on September 14, 1999, the District received approval by at least a two-thirds majority of the votes cast by eligible voters within the District to issue bonds of the District in an aggregate principal amount not to exceed \$60,000,000 to finance specific construction and modernization projects approved by the voters (the “1999 Authorization”). On June 6, 2000, the District issued \$19,995,038.25 aggregate initial principal amount of its Election of 1999 General Obligation Bonds, Series A (the “Series 2000A Bonds”), as the District’s first series of bonds issued under the 1999 Authorization to finance authorized projects. On February 4, 2003, the District issued \$20,000,000 aggregate principal amount of its General Obligation Bonds, Election of 1999, Series B (the “Series 2003B Bonds”), as the District’s second series of bonds issued under the 1999 Authorization to finance authorized projects. On May 19, 2004, the District issued \$20,000,000 aggregate principal amount of its General Obligation Bonds, Election of 1999, Series C (the “Series 2004C Bonds”), as the District’s third and final series of bonds issued under the 1999 Authorization to finance authorized projects.

2010 Authorization. At an election held on November 2, 2010, the District received approval by at least 55% of the votes cast by eligible voters within the District to issue bonds of the District in an aggregate principal amount not to exceed \$98,000,000 to acquire, construct and improve classrooms and support facilities, provide career and technical classrooms, including science labs, to enhance preparation for college and careers, replace portable facilities with permanent classrooms, and increase student access to modern technology (the “2010 Authorization”). On March 17, 2011, the District issued \$26,932,186.85 aggregate initial principal amount of its General Obligation Bonds, Election of 2010, Series 2011A (the “Series 2011A Bonds”), and \$9,695,000 aggregate principal amount of its General Obligation Bonds, Election of 2010, Series 2011B (Federally Taxable/Qualified School Construction Bonds) (the “Series 2011B Bonds”), as its first and second, respectively, series of bonds issued under the 2010 Authorization to finance authorized projects.

A portion of the Series 2011B Bonds were issued as “qualified school construction bonds” under the provisions of the American Recovery and Reinvestment Act of 2009 (the “Recovery Act”), and the District expects to receive a cash subsidy payment from the United States Treasury (the “Treasury”) equal to a portion of the interest due on each interest payment date on such Series 2011B Bonds. The subsidy does not constitute a full faith and credit guarantee of the United States with respect to such Series 2011B Bonds, but, assuming the District satisfies the requirements of the Internal Revenue Code of 1986, is required to be paid by the Treasury under the Recovery Act. Any subsidy payments received by the District are required to be deposited into the interest and sinking fund of the District established for the Series 2011B Bonds within the County treasury. The Board of Supervisors of the County (the “Board of Supervisors”) is empowered and obligated to levy *ad valorem* taxes upon all property subject to taxation by the District for the payment of principal of and interest on the Series 2011B Bonds whether or not such subsidy payments are received and deposited in the interest and sinking fund of the District established for the Series 2011B Bonds. As a result, the levy of *ad valorem* property taxes will only take into account amounts actually received from the Treasury and deposited in the interest and sinking fund of the District established for the Series 2011B Bonds. The District makes no assurances about the effect of future legislative or policy changes or tax liabilities of the District on the amount or receipt of the subsidy payments from the Treasury.

On March 26, 2015, the District issued \$32,015,000 aggregate principal amount of its General Obligation Bonds, Election of 2010, Series 2015 (Federally Taxable) (the “Series 2015 Bonds”), as its third series of bonds issued under the 2010 Authorization to finance authorized projects. On December 5, 2019, the District issued \$29,356,650.35 aggregate initial principal amount of its General Obligation Bonds, Election of 2010, Series 2019 (the “Series 2019 Bonds”), as its fourth and final series of bonds issued under the 2010 Authorization to finance authorized projects.

2022 Authorization. At an election held on November 8, 2022, the District received approval by at least 55% of the votes cast by eligible voters within the District to issue bonds of the District in an aggregate principal amount not to exceed \$340,000,000 to upgrade school fire/security/safety systems, science, engineering, math, arts, vocational classrooms; replace drinking water pipes, gas lines, leaky roofs, portable classrooms, electrical wiring; remove asbestos, lead paint, mold (the “2022 Authorization”). On July 11, 2023, the District issued \$79,996,359.65 aggregate initial principal amount of its General Obligation Bonds, Election of 2022, Series 2023 (the “Series 2023 Bonds”), as its first series of bonds issued under the 2022 Authorization to finance authorized projects.

Refunding Bonds. On June 5, 2012, the District issued \$29,865,000 aggregate principal amount of its General Obligation Refunding Bonds, Series 2012 (the “Series 2012 Refunding Bonds”) to refund a portion of the Series 2003B Bonds and a portion of the Series 2004C Bonds.

The following table sets forth the annual aggregate debt service requirements of all outstanding bonds of the District, assuming no early redemptions.

**RIALTO UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)
General Obligation Bonds – Aggregate Debt Service**

Period Ending (August 1,)	Series 2000A Bonds	Series 2011A Bonds	Series 2011B Bonds ⁽¹⁾	Series 2012 Refunding Bonds	Series 2015 Bonds	Series 2019 Bonds	Series 2023 Bonds	Aggregate Total Debt Service
2025	\$1,660,000.00	-	\$2,678,707.46	\$2,679,000.02	\$2,988,035.40	\$1,495,450.00	\$7,185,750.00	\$18,686,942.88
2026	-	\$4,175,000.00	315,387.46	2,681,325.02	1,258,466.20	1,711,450.00	1,794,000.00	11,935,628.68
2027	-	4,810,037.50	-	2,671,050.02	1,197,472.00	1,769,800.00	1,794,000.00	12,242,359.52
2028	-	6,565,037.50	-	1,340,325.00	-	1,560,000.00	2,259,000.00	11,724,362.50
2029	-	8,310,037.50	-	-	-	-	2,364,000.00	10,674,037.50
2030	-	8,670,037.50	-	-	-	-	3,464,000.00	12,134,037.50
2031	-	9,040,037.50	-	-	-	-	3,619,000.00	12,659,037.50
2032	-	9,429,925.95	-	-	-	-	3,784,000.00	13,213,925.95
2033	-	9,834,663.50	-	-	-	-	3,954,000.00	13,788,663.50
2034	-	10,259,639.25	-	-	-	-	4,129,000.00	14,388,639.25
2035	-	10,700,097.15	-	-	-	-	4,319,000.00	15,019,097.15
2036	-	11,160,037.50	-	-	-	-	4,514,000.00	15,674,037.50
2037	-	11,640,037.50	-	-	-	-	4,714,000.00	16,354,037.50
2038	-	12,141,225.00	-	-	-	-	4,929,000.00	17,070,225.00
2039	-	12,663,032.50	-	-	-	-	5,149,000.00	17,812,032.50
2040	-	13,208,110.00	-	-	-	-	5,379,000.00	18,587,110.00
2041	-	13,778,372.50	-	-	-	-	5,624,000.00	19,402,372.50
2042	-	-	-	-	-	13,625,000.00	5,874,000.00	19,499,000.00
2043	-	-	-	-	-	13,970,000.00	6,139,000.00	20,109,000.00
2044	-	-	-	-	-	14,245,000.00	6,414,000.00	20,659,000.00
2045	-	-	-	-	-	-	6,704,000.00	6,704,000.00
2046	-	-	-	-	-	-	7,009,000.00	7,009,000.00
2047	-	-	-	-	-	-	7,324,000.00	7,324,000.00
2048	-	-	-	-	-	-	7,949,000.00	7,949,000.00
2049	-	-	-	-	-	-	8,500,800.00	8,500,800.00
2050	-	-	-	-	-	-	9,096,600.00	9,096,600.00
2051	-	-	-	-	-	-	9,732,150.00	9,732,150.00
2052	-	-	-	-	-	-	10,413,200.00	10,413,200.00
Total:	<u>\$1,660,000.00</u>	<u>5</u> <u>\$156,385,328.3</u>	<u>\$2,994,094.92</u>	<u>\$9,371,700.06</u>	<u>\$5,443,973.60</u>	<u>0</u> <u>\$48,376,700.0</u>	<u>0</u> <u>\$154,130,500.0</u>	<u>\$378,362,296.93</u>

⁽¹⁾ The District expects to receive a cash subsidy payment from the United States Treasury equal to a portion of the interest due on each interest payment date on the portion of the Series 2011B Bonds designated as “qualified school construction bonds.” Amounts shown do not take into account the receipt of any subsidy payments.

Source: California Financial Services.

Leases. The District has entered into agreements to lease various equipment. As of June 30, 2023, pursuant to GASB Statement No. 87, the District recognized a right-to-use asset of \$75,875 and a lease liability of \$75,992 related to such agreements. The District is required to make principal and interest payments through July 2024 on its current equipment leases at an interest rate of 3.00%.

The District’s liability on such lease agreement is summarized below:

Year Ending June 30,	Principal	Interest	Total
2024	\$72,609	\$1,437	\$74,046
2025	3,383	9	3,392
Total	<u>\$75,992</u>	<u>\$1,446</u>	<u>\$77,438</u>

Source: Rialto Unified School District Audited Financial Statements for fiscal year 2022-23.

In June 2017, GASB issued Statement No. 87, Leases (“Statement No. 87”), which establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Statement No. 87 requires recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognizes as inflows of resources or outflows of resources based on the payment provisions of the contract. Under Statement No. 87, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The District has implemented Statement No. 87 in its financial statements beginning with fiscal year 2021-22. For more information on Statement No. 87, see Note 1 to the District’s financial statements in APPENDIX B – “FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2023.”

SBITAs. The District has entered into subscriptions-based information technology arrangements (“SBITAs”) for the use of various software. At June 30, 2023, the District has recognized right-to-use subscription information technology assets of \$1,717,354 and a SBITA liability of \$894,502 related to these agreements. During the fiscal year ended June 30, 2023, the District recorded \$638,166 in amortization expense. The District is required to make annual principal and interest payments through July 2026. The subscriptions have an interest rate of 3.00%.

The remaining principal and interest payment requirements for the SBITA obligation debt as of June 30, 2023 are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$321,640	\$26,835	\$348,475
2025	247,540	17,186	264,726
2026	157,781	9,760	167,541
2027	167,541	5,026	172,567
Total	<u>\$894,502</u>	<u>\$58,807</u>	<u>\$953,309</u>

Source: Rialto Unified School District Audited Financial Statements for fiscal year 2022-23.

Energy Upgrades Lease. On October 27, 2017, the Corporation entered into a lease and assignment financing agreement with Banc of America Public Capital Corp for \$11,500,000. The proceeds were used for District-wide heating, ventilation, and air conditioning, LED lighting and energy managements system upgrades. Repayment terms are annual payments of \$929,285 over 15 years at an interest rate of 2.70%. The lease payment period commenced on March 30, 2018 and the final lease payment is March 30, 2032. At June 30, 2023, the principal balance outstanding was \$7,329,915.

The District’s lease payments are due through March 30, 2032 as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$730,378	\$197,908	\$928,286
2025	750,098	178,187	928,285
2026	770,351	157,935	928,286
2027	791,150	137,135	928,285
2028	812,511	115,774	928,285
2029-2032	3,475,427	237,716	3,713,143
Total	<u>\$7,329,915</u>	<u>\$1,024,655</u>	<u>\$8,354,570</u>

Source: Rialto Unified School District Audited Financial Statements for fiscal year 2022-23.

For more information, see Note 8 to the District’s financial statements in APPENDIX B – “FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2023.”

Energy Efficiency Financing. On January 24, 2019, the District entered into an agreement with Southern California Edison Company (“SCE”) to participate in SCE’s “On-Bill Financing Program.” The program allows SCE to provide interest free financing for the installation of various energy efficient equipment which is to be repaid over a specified period through the customer’s electricity bill. The District financed \$905,871 under the financing agreement. Under the terms of the agreement, monthly payments of \$10,873 will be paid over 83 months. As of June 30, 2023, the remaining balance was \$340,173.

As of June 30, 2023, the District’s remaining payments are as follows:

Year Ending June 30,	Amount
2024	\$131,680
2025	131,680
2026	76,813
Total	<u>\$340,173</u>

Source: Rialto Unified School District Audited Financial Statements for fiscal year 2022-23.

For more information, see Note 8 to the District’s financial statements in APPENDIX B – “FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2023.”

City of Rialto Redevelopment Agency Loan. During 2005, the District entered into an agreement with the former City of Rialto Redevelopment Agency (“RDA”) for a loan of \$2,717,131 (the “2005 RDA

Loan”) for the purpose of financing the cost of labor and materials for the design, installation and/or construction of a football stadium at Rialto High School. During 2008, the District borrowed an additional \$3,390,000 (the “2008 RDA Loan”) to complete the project. During fiscal year 2014-15 and fiscal year 2018-19, the District was informed that the City of Rialto refinanced the 2005 RDA Loan and the 2008 RDA Loan, respectively, and the former premium was written off.

Historically, the loan has been repaid by the RDA retaining pass-through payments due to the District in amounts noted on the debt service schedule below. However, given the dissolution of redevelopment agencies in the State (see “CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS – Assembly Bill No. 26 & *California Redevelopment Association v. Matosantos*” below for more information), the RDA has been dissolved and debt service payments are now paid directly to the City of Rialto. As of June 30, 2023, the principal balance outstanding was \$4,216,838.

Future payments on the City of Rialto Redevelopment Agency Loan are as follows:

Year Ending June 30,	Principal	Interest	Total
2024	\$38,851	\$200,958	\$239,809
2025	40,053	199,016	239,069
2026	41,254	197,013	238,267
2027	44,058	194,950	239,008
2028	45,660	192,747	238,407
2029-2033	1,778,964	808,079	2,587,043
2034-2038	2,227,998	303,528	2,531,526
Total	<u>\$4,216,838</u>	<u>\$2,096,291</u>	<u>\$6,313,129</u>

Source: Rialto Unified School District Audited Financial Statements for fiscal year 2022-23.

For more information regarding the Leases, see Note 8 to the District’s financial statements in APPENDIX B – “FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2023.”

Compensated Absences. Total compensated absences (unpaid employee vacation) for the District as of June 30, 2023, amounted to \$1,001,674. For more information on compensated absences, see Note 8 to the District’s financial statements in APPENDIX B – “FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2023.”

Other Post-Employment Benefits (OPEBs). In addition to the retirement plan benefits with California State Teachers’ Retirement System (“CalSTRS”) and California Public Employees’ Retirement System (“CalPERS”), the District provides OPEB under two different plans: (1) the District’s multiple-employer defined OPEB plan (the “District Plan”) and (2) the cost-sharing multiple-employer OPEB plan administered by CalSTRS through the Teachers’ Health Benefits Fund (the “MPP Plan”).

For fiscal year 2022-23, the District reported the net OPEB liability, deferred outflows of resources, deferred inflows of resources, and OPEB expense for the District Plan and the MPP Plan as follows:

OPEB Plan	Net OPEB Liability	Deferred Outflows of Resources	Deferred Inflows of Resources	OPEB Expense
District Plan	\$26,564,547	\$10,594,207	\$1,291,346	\$3,835,580

MPP Plan	1,207,282	-	-	(163,104)
Total	<u>\$27,771,829</u>	<u>\$10,594,207</u>	<u>\$1,291,346</u>	<u>\$3,672,476</u>

Source: Rialto Unified School District Audited Financial Statements for fiscal year 2022-23.

The District Plan provides medical and dental insurance benefits to eligible retirees and their spouses. Benefits are provided through a third-party insurer, and the full cost of benefits is covered by the District Plan. The Board of Education administers the District Plan and has the authority to establish and amend the benefit terms as contained within the negotiated labor agreements. In order to prefund its OPEB liability, the District has established and accumulated assets in the trust (the “Trust”), which is an irrevocable trust that meets the criteria of Statement No. 75 (as defined below). [As of the June 30, 2021 valuation date, the District Plan membership consisted of 2,177 total employees, including 1,935 active employees and 242 inactive employees or beneficiaries currently receiving benefits payments.]

The contribution requirements for the District Plan are established and may be amended by the District, Rialto Education Association CTA/NEA (“REA”), California School Employees Association, Chapter 203 (“CSEA”), and unrepresented groups. The contribution amount is based on projected pay-as-you-go financing requirements, and any additional amounts to prefund benefits are determined annually by the District, REA, CSEA, and unrepresented groups. [For fiscal year 2022-23, the District contributed approximately \$6,619,092 to the District Plan, of which \$3,487,080 was used for current premiums (includes implicit rate subsidy) and \$3,132,012 was transferred to the Trust. Based on the Fiscal Year 2023-24 Estimated Actuals, the District expects to contribute approximately \$[5,509,097] to the District Plan in fiscal year 2023-24, of which approximately \$[2,350,171] is expected to be used for current premiums (excludes implicit rate subsidy) and approximately \$[3,158,926] is expected to be transferred to the Trust. The increase in the projected contribution to the Trust in fiscal year 2023-24 is due to the District having excess funds available for a larger projected contribution. Based on the Fiscal Year 2024-25 Budget, the District budgets to contribute approximately \$[5,509,097] to the District Plan in fiscal year 2024-25, of which approximately \$[2,350,171] is expected to be used for current premiums (excludes implicit rate subsidy) and approximately \$[3,158,926] is expected to be transferred to the Trust.]

[Foster & Foster Consulting Actuaries, Inc. prepared an actuarial valuation for the District Plan, dated July 26, 2022, using the June 30, 2021 valuation and measurement date (the “Actuarial Valuation”). According to the Actuarial Valuation, as of June 30, 2022, the District had a total OPEB liability of \$43,517,764 and a net OPEB liability of \$26,753,261, as a result of the fiduciary net position of the Trust of \$16,764,503. Such total and net OPEB liability reflect an increase from the District’s total and net OPEB liability for fiscal year 2020-21. As of June 30, 2021, the District had a total OPEB liability of \$39,958,181 and a net OPEB liability of \$26,455,197, as a result of the fiduciary net position of the Trust of \$13,502,984. The Actuarial Valuation uses the following assumptions: a discount rate of 5.50% (same as prior year), an inflation rate of 2.75% (previously 3.00%), a salary increase rate of 3.00% (same as prior year), and a healthcare cost trend rate of 6.00% for the year 2021 (previously 5.80% for the year 2020). Such assumptions are consistent with the District’s audited financial statements for fiscal year 2021-22, with the exception of an inflation rate of 3.00% for fiscal year 2021-22.]

The following table summarizes the changes in the District’s total OPEB liability, fiduciary net position, and net OPEB liability during the fiscal year ended June 30, 2023:

Total OPEB Liability	
Total OPEB Liability – June 30, 2022 ⁽¹⁾	\$43,517,764
Service cost	1,846,327
Interest cost	2,400,414

Employer contributions	-
Benefit payments ⁽²⁾	(3,487,080)
Administrative expense	-
Net Change in OPEB Liability	<u>7,59,661</u>
Total OPEB Liability – June 30, 2023 ⁽²⁾	<u>\$44,277,425</u>

Plan Fiduciary Net Position

Plan Fiduciary Net Position – June 30, 2022 ⁽¹⁾	\$16,764,503
Contributions	6,619,092
Net investment income	(2,178,689)
Benefit payments ⁽²⁾	(3,487,080)
Administrative expense	(4,948)
Net Change in OPEB Liability	<u>948,375</u>
Plan Fiduciary Net Position – June 30, 2023 ⁽²⁾	<u>\$17,712,878</u>
Net OPEB Liability	<u>\$26,564,547</u>

⁽¹⁾ Balance for the reporting period ending June 30, 2022.

⁽²⁾ Balance for the reporting period ending June 30, 2023.

Source: Rialto Unified School District Audited Financial Statements for fiscal year 2022-23.

MPP Plan. The MPP Plan is established pursuant to Chapter 1032, Statutes of 2000 (SB 1435), and CalSTRS administers the MPP Plan through the Teachers’ Health Benefit Fund (“THBF”). A full description of the MPP Plan regarding benefit provisions, assumptions (for funding, but not accounting purposes), and membership information is listed in the [June 30, 2021] annual actuarial valuation report, Medicare Premium Payment Program Actuarial Valuation. This report and CalSTRS audited financial information are publicly available reports that can be found on the CalSTRS website under Publications at: <http://www.calstrs.com/member-publications>. The information referred to at such website is prepared and maintained by CalSTRS and not by the District, and the District can take no responsibility for the continued accuracy of the internet address or for the accuracy, completeness or timeliness of information posted there, and such information is not incorporated herein by these references.

The MPP Plan pays Medicare Part A premiums and Medicare Parts A and B late enrollment surcharges for eligible members of the Defined Benefit Program (“DB Program”) who were retired or began receiving a disability allowance prior to July 1, 2012 and were not eligible for premium free Medicare Part A. The payments are made directly to the Centers for Medicare and Medicaid Services (“CMS”) on a monthly basis. The MPP Plan is closed to new entrants as members who retire on or after July 1, 2012 are not eligible for coverage under the MPP Plan.

The MPP Plan is funded on a pay-as-you-go basis from a portion of monthly District benefit payments. In accordance with Section 25930 of the California Education Code, contributions that would otherwise be credited to the DB Program each month are instead credited to the MPP Plan to fund monthly program and administrative costs. Total redirections to the MPP Plan are monitored to ensure that total incurred costs do not exceed the amount initially identified as the cost of the program.

At June 30, 2023, the District reported a liability of \$1,207,282 for its proportionate share of the net OPEB liability for the MPP Plan. The net OPEB liability was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2021. The District’s proportion of the net OPEB liability was based on a projection of the District’s long-term share of contributions to the MPP Plan relative to the projected contributions of all participating school districts, actuarially determined. The District’s proportionate share for the

measurement period June 30, 2022 and June 30, 2021, respectively, was 0.3665% and 0.3436%, resulting in a net increase in the proportionate share of 0.0229%. For the fiscal year ended June 30, 2023, the District recognized an OPEB expense of \$(163,104).

For more information regarding the District's OPEB obligations and liabilities for fiscal year 2022-23, see Note 9 to the District's financial statements in APPENDIX B – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2023."

In June 2015, GASB issued Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions ("Statement No. 75"). OPEBs generally include post-employment health benefits (medical, dental, vision, prescription drug and mental health), life insurance, disability benefits and long-term care benefits. The objective of Statement No. 75 is to improve accounting and financial reporting by the State and local governments for OPEB by requiring the recognition of entire OPEB liability, a more comprehensive measure of OPEB expense, new note disclosures and certain required supplementary information. In addition, Statement No. 75 sets forth additional accounting methods to improve the usefulness of information about OPEB included in the general purpose external financial reports of State and local governmental OPEB plans for making decisions and assessing accountability. Statement No. 75 results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all post-employment benefits (pensions and OPEB) with regard to providing decision-useful information, supporting assessments of accountability and inter-period equity, and creating additional transparency. Statement No. 75 replaces GASB Statements No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions, as amended, and No. 57, OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans. The District has implemented Statement No. 75 in its financial statements beginning with fiscal year 2017-18.

Tax and Revenue Anticipation Notes. [The District did not issue tax and revenue anticipation notes ("TRANS") or borrow funds to supplement its cash flow in fiscal years 2021-22 through 2023-24. The District does not currently plan to issue TRANS to supplement its cash flow in fiscal year 2024-25.] The District may issue TRANS or borrow funds in future fiscal years as and if necessary to supplement cash flow.

Direct and Overlapping Debt

The following is a schedule of direct and overlapping debt prepared by California Municipal Statistics, Inc. for debt outstanding as of August 1, 2024. The table is included for general information purposes only. The District has not reviewed this table for completeness or accuracy and makes no representations in connection therewith. The first column in the table names each public agency which has outstanding debt as of the date of the schedule and whose territory overlaps the District in whole or in part. Column two sets forth the percentage of each overlapping agency's assessed value located within the boundaries of the District. This percentage, multiplied by the total outstanding debt of each overlapping agency (which is not set forth in the table) produces the amount set forth in column three, which is the apportionment of each overlapping agency's outstanding debt to taxable property in the District.

The schedule generally includes long-term obligations sold in the public credit markets by public agencies whose boundaries overlap the boundaries of the District. Such long-term obligations generally are not payable from revenues of the District (except as indicated) nor are they necessarily obligations secured by land within the District. In many cases, long-term obligations issued by a public agency are payable only from the general fund or other revenues of such public agency.

RIALTO UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)
Statement of Direct and Overlapping Bonded Debt

2023-24 Assessed Valuation: \$13,302,991,803

<u>DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:</u>	<u>% Applicable</u>	<u>Debt 8/1/24</u>
Metropolitan Water District 0.043% \$ 7,830		
San Bernardino Community College District 13.142 115,697,363		
Rialto Unified School District	100.000	138,192,728⁽¹⁾
City of Fontana Community Facilities District No. 71 100.000 4,855,000		
City of Rialto Community Facilities District No. 2006-1 100.000 3,885,000		
City of Rialto Community Facilities District No. 2019-2 100.000 4,850,000		
City of Rialto Community Facilities District No. 2020-1 100.000 16,840,000		
San Bernardino County Community Facilities Districts	34.091-74.059	8,708,075
California Statewide Communities Development Authority Assessment District 22-01	100.000	<u>1,435,000</u>
TOTAL DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		\$294,470,996

<u>DIRECT AND OVERLAPPING GENERAL FUND DEBT:</u>		
San Bernardino County General Fund Obligations 4.176% \$ 5,494,154		
San Bernardino County Flood Control District General Fund Obligations 4.176 1,557,439		
Rialto Unified School District Certificates of Participation 100.000 6,599,537		
City of Colton General Fund and Pension Obligation Bonds 13.054 2,353,558		
City of Fontana Certificates of Participation 3.199 1,581,106		
City of Rialto Certificates of Participation 66.489 43,943,941		
City of San Bernardino General Fund Obligation and Pension Obligation Bonds 4.098 <u>809,355</u>		
TOTAL DIRECT AND OVERLAPPING GENERAL FUND DEBT		\$62,339,090

OVERLAPPING TAX INCREMENT DEBT (Successor Agencies): \$67,639,584

COMBINED TOTAL DEBT \$424,449,670⁽²⁾

Ratios to 2023-24 Assessed Valuation:

Direct Debt (\$138,192,728)	1.04%	
Total Direct and Overlapping Tax and Assessment Debt		2.21%
Combined Direct Debt (\$144,792,265)	1.09%	
Combined Total Debt		3.19%

Ratio to Redevelopment Incremental Valuation (\$6,043,884,536):

Total Overlapping Tax Increment Debt	1.12%
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⁽¹⁾ Excludes the Certificates.

⁽²⁾ Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

Source: California Municipal Statistics, Inc.

Employment

General. As of the preparation of the Fiscal Year 2024-25 Budget, the District employs approximately 2,745.1 full-time equivalent (“FTE”) employees, including approximately 1,388.0 FTE certificated (credentialed teaching) staff, approximately 1,127.1 FTE classified (non-teaching) staff, and approximately 230.0 FTE management personnel. For fiscal year 2022-23, the total certificated and classified salaries (including management personnel who are either counted as certificated or classified) paid from all applicable funds of the District were approximately \$162.4 million and \$63.0 million, respectively. As of the Fiscal Year 2023-24 Estimated Actuals, the District estimates that the total certificated and classified salaries (including management personnel who are either counted as certificated

or classified) paid from all applicable funds of the District will be approximately \$175.9 million and \$73.7 million, respectively, in fiscal year 2023-24. As of the Fiscal Year 2024-25 Budget, the District budgets that the total certificated and classified salaries (including management personnel who are either counted as certificated or classified) paid from all applicable funds of the District will be approximately \$176.4 million and \$81.2 million, respectively, in fiscal year 2024-25. These employees, except unrepresented management employees, are represented by REA, CSEA, and Communications Workers of America Local 9588 (“CWA”) as described in more detail below.

REA. REA represents approximately [1,406.0] FTE certificated (credentialed teaching) employees in the District. The District and REA entered into a multi-year contract effective [July 1, 2020 that expires on June 30, 2023] and provides for the ability to reopen and renegotiate certain terms of the contract each year. Negotiations between the District and REA for a successor contract, including salary and benefit increases for fiscal year 2024-25, are ongoing. The actual financial impact of any salary and benefit increases is not reflected in the Fiscal Year 2024-25 Budget. The District has, however, assumed salary and benefit increases for all bargaining units in the aggregate amount of approximately \$[.] million reflected as expenditures in the Fiscal Year 2024-25 Budget. Such amount includes salary and benefit increases of approximately [.]% for all bargaining units based on a projected [.]% cost-of-living adjustment included in the 2024-25 State Budget. At this time, the District cannot predict whether such assumptions will cover the salary and benefit increases that result from the District’s negotiations with REA.

CSEA. CSEA represents approximately [1,107.8] FTE classified (non-teaching) employees in the District. The District and CSEA entered into a multi-year contract effective [July 1, 2022 that expires on June 30, 2025] and provides for the ability to reopen and renegotiate certain terms of the contract each year. Reopener negotiations between the District and CSEA for fiscal year 2024-25 on the topics of salary and benefits are ongoing. The actual financial impact of any salary and benefit increases is not reflected in the Fiscal Year 2024-25 Budget. As noted above, the District has, however, assumed salary and benefit increases for all bargaining units in the aggregate amount of approximately \$[.] million reflected as expenditures in the Fiscal Year 2024-25 Budget. At this time, the District cannot predict whether such assumptions will cover the salary and benefit increases that result from the District’s negotiations with CSEA.

CWA. CWA represents hourly certificated (credentialed teaching) employees in the District. The District and CWA entered into a multi-year contract effective [July 1, 2021 that expires on June 30, 2024] and provides for the ability to reopen and renegotiate certain terms of the contract each year. Reopener negotiations between the District and CWA for fiscal year 2024-25 on the topics of salary and benefits are ongoing. The actual financial impact of any salary and benefit increases is not reflected in the Fiscal Year 2024-25 Budget. As noted above, the District has, however, assumed salary and benefit increases for all bargaining units in the aggregate amount of approximately \$[.] million reflected as expenditures in the Fiscal Year 2024-25 Budget. At this time, the District cannot predict whether such assumptions will cover the salary and benefit increases that result from the District’s negotiations with CWA.

Retirement Benefits

The District participates in retirement plans with CalSTRS, which covers all full-time certificated District employees, including teachers and administrators, and CalPERS, which covers certain classified employees. Classified school personnel who are employed four or more hours per day may participate in CalPERS.

CalSTRS. The CalSTRS defined benefit pension plan provides retirement benefits (generally 2% of final compensation for each year of credited service) to participating employees based on hiring date,

age, final compensation and years of credited service. The CalSTRS benefit pension plan is funded through a combination of investment earnings and statutorily set contributions from participating employees, employers (including the District) and the State. Prior to fiscal year 2014-15, the statutorily set rates did not vary annually to adjust for funding shortfalls or actuarial surpluses. As a result, the combined employee, employer and State contributions to CalSTRS were not sufficient to pay actuarially determined amounts. To address the shortfall and implement a new funding strategy, Assembly Bill 1469, signed into law by former Governor Brown as part of the fiscal year 2014-15 State budget, increased employee, employer and State contributions to CalSTRS as part of a plan to eliminate by June 30, 2046, CalSTRS' unfunded liability for service credited to members of the CalSTRS defined benefit program before July 1, 2014.

Pursuant to AB 1469, since fiscal year 2021-22, the State Teachers' Retirement Board is authorized to modify the percentages paid by employers and employees to eliminate by June 30, 2046, CalSTRS' unfunded liability for service credited to members of the CalSTRS defined benefit program before July 1, 2014, based upon actuarial recommendations and subject to certain limitations. The State Teachers' Retirement Board may not increase the employer contribution rate by more than 1% in any fiscal year up to a maximum contribution rate of 20.25%. The State Teachers' Retirement Board may also adjust the State's contribution rate by a maximum of 0.5% from year to year, based on the funding status of the CalSTRS actuarially determined unfunded liability. A decrease in investment earnings may result in increased employer contribution rates in order to timely eliminate by June 30, 2046, CalSTRS' unfunded liability for service credited to members of the CalSTRS defined benefit program before July 1, 2014, based upon actuarial recommendations. The District cannot predict the impact of State, national, and international events on investment earnings and contribution rates or the amount the District will be required to pay for pension related costs in future fiscal years.

The employer contribution rate for fiscal year 2021-22 was 16.92%, which reflects a 2.18% reduction from the statutorily prescribed rate as a result of the State redirecting certain State supplemental pension payments to reduce employer contribution rates in fiscal years 2020-21 and 2021-22. For fiscal years 2022-23 and 2023-24, the employer contribution rate was approximately 19.10% of covered payroll and will remain at 19.10% for fiscal year 2024-25. The employer contribution rate is inclusive of the employer base contribution of 8.25% of payroll provided by the California Education Code. The State's total contribution was increased from approximately 6.828% of payroll in fiscal year 2017-18 to 10.828% of payroll in fiscal year 2021-22. The State's contribution rate was 10.828% of payroll for fiscal years 2022-23 and 2023-24, and will remain at 10.828% for fiscal year 2024-25. The State's contribution includes an annual payment of 2.5% of payroll pursuant to a supplemental inflation protection program. The employee contribution rate for CalSTRS members first hired on or before December 31, 2012 to perform CalSTRS creditable activities (i.e. CalSTRS 2% at 60 members) was 10.250% for fiscal years 2016-17 through 2023-24 and will remain at 10.250% for fiscal year 2024-25. The employee contribution rate for CalSTRS members first hired on or after January 1, 2013 to perform CalSTRS creditable activities (i.e., CalSTRS 2% at 62 members) was 9.205% for fiscal years 2016-17 and 2017-18, 10.205% for fiscal years 2018-19 through 2023-24 and will remain at 10.205% for fiscal year 2024-25.

The following table sets forth the District's employer contributions from the general fund of the District to CalSTRS as well as the State's non-employer contributions to CalSTRS on behalf of the District for fiscal years 2020-21 through 2022-23, the estimated contributions for fiscal year 2023-24, and the budgeted contributions for fiscal year 2024-25.

RIALTO UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)
Contributions to CalSTRS for Fiscal Years 2020-21 through 2024-25

Fiscal Year	District Contribution	State On-Behalf Contribution
2020-21	\$20,407,816	\$13,041,903
2021-22	23,935,064	14,699,664
2022-23	29,551,896	15,307,980
2023-24 ⁽¹⁾	[34,566,578]	[15,307,980]
2024-25 ⁽²⁾	[34,566,578]	[15,307,980]

⁽¹⁾ Fiscal Year 2023-24 Estimated Actuals.

⁽²⁾ Fiscal Year 2024-25 Budget.

Source: Rialto Unified School District.

The District’s total employer contributions to CalSTRS for fiscal years 2020-21 through 2022-23 were equal to 100% of the required contributions for each year.

The actuarial valuation for the entire CalSTRS defined benefit program as of June 30, 2023 (the “2023 CalSTRS Actuarial Valuation”) showed an estimated unfunded actuarial liability of \$86.59 billion, a decrease of approximately \$1.97 billion from the June 30, 2022, valuation. Such estimated unfunded actuarial liability was projected to decrease in the June 30, 2022, valuation, which projected an unfunded actuarial liability of \$88.10 billion as of June 30, 2023. The actual unfunded actuarial liability as of June 30, 2023, represents a net actuarial gain of approximately \$1.52 billion. Such net actuarial gain is due primarily to change in actuarial value assumptions based on the most recent experience analysis, member salary increases being more than assumed, market value returns (estimated at 6.50%) being less than assumed (7.00%) and returns on actuarial value of assets (estimated at 7.20%) being greater than assumed as the recognition of actuarial investment gains which were previously deferred had a greater impact on recognition of the less-than-assumed market return for the most recent year. The funded ratios of the actuarial value of valuation assets over the actuarial accrued liabilities as of June 30, 2023, and June 30, 2022, based on the actuarial assumptions, were approximately 75.90% and 74.40%, respectively. According to the 2023 CalSTRS Actuarial Valuation, the funded ratio increased by 1.50% during the past year. As described in the 2023 CalSTRS Actuarial Valuation, the increase in the funded ratio is primarily due to the new assumptions and contributions made to pay down the unfunded actuarial obligation in fiscal year 2022-23. Persistent negative returns on investments may result in increased employer contribution rates above the current level of expected increases. The District cannot predict the impact of State, national, and international events on investment returns and employer contribution rates or the amount the District will be required to pay for pension related costs. Accordingly, there can be no assurances that the District’s required contributions to CalSTRS will not increase in the future, subject to the limitations of AB 1469.

The following are certain of the actuarial assumptions set forth in the 2023 CalSTRS Actuarial Valuation: measurement of accruing costs by the “Entry Age Normal Actuarial Cost Method,” an assumed 7.00% investment rate of return for measurements subsequent to June 30, 2016, 3.00% interest on member accounts, 3.50% projected wage growth, 3.25% payroll growth, and 2.75% projected inflation and demographic assumptions relating to mortality rates, length of service, rates of disability, rates of withdrawal, probability of refund, and merit salary increases. Future estimates of the actuarial unfunded liability may change due to market performance, legislative actions and other experience that may differ from the actuarial assumptions used for the CalSTRS valuation. The 2023 CalSTRS Actuarial Valuation also assumes that all members hired on or after January 1, 2013 are subject to the provisions of PEPR (as defined herein). See “– Governor’s Pension Reform” below for a discussion of the pension reform measure signed by the Governor in September 2012 expected to help reduce future pension obligations of public employers with respect to employees hired on or after January 1, 2013.

CalSTRS produces a comprehensive annual financial report and actuarial valuations which include financial statements and required supplementary information. Copies of the CalSTRS comprehensive annual financial report and actuarial valuations may be obtained from CalSTRS. The information presented in these reports is not incorporated by reference in this Official Statement.

CalPERS. All qualifying classified employees of K-14 districts in the State are members in CalPERS. All K-14 districts contributing to CalPERS participate in the same plan and share the same contribution rate in each year. K-14 districts' contributions to CalPERS fluctuate each year and include a normal cost component and a component equal to an amortized amount of the unfunded liability of CalPERS. Accordingly, the District cannot provide any assurances that the District's required contributions to CalPERS in future years will not significantly vary from any current projected levels of contributions to CalPERS.

CalPERS is funded by employee contributions and investment earnings, with the balance of the funding provided by employer contributions. K-14 districts' contributions decrease when investment earnings rise and increase when investment earnings decline. As a result, declines in investment earnings may result in substantial increases in K-14 district contributions. The District cannot make any predictions as to the effect of State, national or international events on investment earnings and K-14 district contributions. Participating employees enrolled in CalPERS prior to January 1, 2013 contribute 7.00% of their respective salaries, while participating employees enrolled after January 1, 2013 contribute the higher of fifty percent of normal costs of benefits or an actuarially determined rate of 7.00% in fiscal year 2021-22, which increased to 8.00% for fiscal years 2022-23 and 2023-24 and remains at 8.00% for fiscal year 2024-25. K-14 districts are required to contribute to CalPERS at an actuarially determined rate, which was 18.06% of eligible salary expenditures for fiscal year 2018-19 and originally 20.73% and 22.68% for fiscal years 2019-20 and 2020-21, respectively. However, the employer contribution rate for fiscal year 2019-20 was reduced to 19.72% as a result of the State's buydown of employer contribution rates in fiscal year 2019-20. Similarly, the fiscal year 2020-21 State budget allocated funding to buy down employer contribution rates in fiscal years 2020-21 and 2021-22 to an estimated 20.70% and 22.91%, respectively. The actuarially determined rate for employer contributions was 25.37% for fiscal year 2022-23, was 26.68% for fiscal year 2023-24 and is 27.05% for fiscal year 2024-25.

The following table sets forth the District's total employer contributions from all applicable funds of the District to CalPERS for fiscal years 2020-21 through 2022-23, the estimated contribution for fiscal year 2023-24, and the budgeted contribution for fiscal year 2024-25.

**RIALTO UNIFIED SCHOOL DISTRICT
(San Bernardino County, California)
Contributions to CalPERS for Fiscal Years 2020-21 through 2024-25**

Fiscal Year	District Contribution
2020-21	\$10,389,114
2021-22	12,722,970
2022-23	16,592,895
2023-24 ⁽¹⁾	19,827,409
2024-25 ⁽²⁾	23,375,896

⁽¹⁾ Fiscal Year 2023-24 Estimated Actuals.

⁽²⁾ Fiscal Year 2024-25 Budget.

Source: Rialto Unified School District.

The District's total employer contributions to CalPERS for fiscal years 2020-21 through 2022-23 were equal to 100% of the required contributions for each year.

The CalPERS Schools Pool Actuarial Valuation as of June 30, 2022 (the “2022 CalPERS Schools Pool Actuarial Valuation”), was released in September 2023, and such valuation reported an actuarial accrued liability of approximately \$116.98 billion with the market value of assets at approximately \$79.39 billion, and a funded status of approximately 67.90%. From June 30, 2021, to June 30, 2022, the funded status of the CalPERS Schools Pool decreased by approximately 10.40%, and the unfunded accrued liability increased by approximately \$13.61 billion, largely due to the difference between the expected and actual rate of return on investments.

CalPERS reported a negative 6.10% net return on investments for fiscal year 2021-22, which is CalPERS’ first negative return on investments since fiscal year 2008-09. The negative 6.10% net return on investments was less than the assumed annual rate of return on investments of 6.80%. Such negative return generated an actuarial investment loss of approximately \$12.40 billion, which will be amortized over 20 years with a five-year phase in, increasing the component of the expected employer contribution rate related to the unfunded liability contribution in fiscal year 2023-24 by 1.69% of payroll. The 2022 CalPERS Schools Pool Actuarial Valuation reports that the employer contribution rates for fiscal years 2024-25, 2025-26, 2026-27, 2027-28 and 2028-29 are projected to be 27.80%, 28.50%, 28.90%, 30.30% and 30.10%, respectively. Such projections assume that all actuarial assumptions will be realized, including net investment returns in such fiscal years of 6.80%, and that no further changes to assumptions, contributions, benefits or funding will occur during such fiscal years. Persistent negative returns on investments may result in increased employer contribution rates above the current level of expected increases reflected in the 2022 CalPERS Schools Pool Actuarial Valuation. The District cannot predict the impact of State, national, and international events on investment returns and employer contribution rates. Accordingly, there can be no assurances that the District’s required contributions to CalPERS will not significantly increase in the future.

The 2022 CalPERS Schools Pool Actuarial Valuation as summarized assumes, among other things, 2.30% price inflation, 2.80% wage inflation and payroll growth of 2.80% compounded annually. The 2022 CalPERS Schools Pool Actuarial Valuation as summarized reflects a discount rate of 6.80% compounded annually (net of administrative expenses) as of June 30, 2022. The CalPERS Board of Administration adopted new demographic assumptions on November 17, 2021, including a reduction in the discount rate from 7.00% as of June 30, 2020 to 6.80% as of June 30, 2021, a reduction in the inflation assumption from 2.50% as of June 30, 2020 to 2.30% as of June 30, 2021, and an increase in payroll growth from 2.75% as of June 30, 2020 to 2.80% as of June 30, 2021. Such assumption changes result in increases in both the normal cost and unfunded liabilities contributions to be paid in the future. The actuarial funding method used in the 2022 CalPERS Schools Pool Actuarial Valuation is the “Entry Age Normal Cost Method.”

The CalPERS Schools Pool Actuarial Valuation as of June 30, 2023 (the “2023 CalPERS Schools Pool Actuarial Valuation”), which is expected to be released in full later this year, was presented in summary form to the Finance and Administration Committee of the CalPERS Board on April 15, 2024. The summary reports an actuarial accrued liability of approximately \$124.92 billion with the market value of assets at approximately \$84.29 billion, and a funded ratio of approximately 67.5%. From June 30, 2022 to June 30, 2023, the funded ratio of the CalPERS Schools Pool decreased by 0.4%, and the unfunded accrued liability increased by approximately \$3.04 billion, primarily due to greater-than-expected salary increases in fiscal year 2022-23. Employer contribution rates for fiscal years 2025-26 through 2029-30, respectively, are projected to be as follows: 27.6%, 28.0%, 29.2%, 29.0% and 28.8%. These projections assume an investment return rate of 6.80%, and actual contribution requirements will differ if actual investment return differs.

CalPERS produces a comprehensive annual financial report and actuarial valuations that include financial statements and required supplementary information. Copies of the CalPERS comprehensive

annual financial report and actuarial valuations may be obtained from CalPERS Financial Services Division. The information presented in these reports is not incorporated by reference in this Official Statement.

CalSTRS and CalPERS are more fully described in Note 12 to the District's financial statements in APPENDIX B – "FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2023."

Governor's Pension Reform. The Governor signed the California Public Employee's Pension Reform Act of 2013 (the "Reform Act" or "PEPRA") into law on September 12, 2012. The Reform Act affects both CalSTRS and CalPERS, most substantially as they relate to new employees hired after January 1, 2013 (the "Implementation Date"). As it pertains to CalSTRS participants hired after the Implementation Date, the Reform Act changes the normal retirement age, increasing the eligibility for the 2.0% "age factor" (the percent of final compensation to which an employee is entitled to for each year of service) from age 60 to 62 and increasing the eligibility of the maximum age factor of 2.4% from age 63 to 65. For non-safety CalPERS participants hired after the Implementation Date, the Reform Act changes the normal retirement age by increasing the eligibility for the 2.0% age factor from age 55 to 62 and also increases the eligibility requirement for the maximum age factor of 2.5% to age 67.

Insurance, Risk Pooling and Joint Powers Agreements and Joint Ventures

The District participates in two joint ventures under joint powers agreements ("JPAs"): the Southern California ReLIEF ("SCR") and Protection Insurance Program for Schools ("PIPS") public entity risk pools. The District pays an annual premium to the applicable entity for its workers' compensation coverage and property liability coverage. The relationships between the District and the JPAs are such that the JPAs are not component units of the District for financial reporting purposes. The JPAs have budgeting and financial reporting requirements independent of member units, such as the District, and their financial statements are not presented in the District's financial statements; however, fund transactions between the JPAs and the District are included in the District's financial statements.

Workers' Compensation Coverage. For fiscal year 2022-23, the District participated in PIPS. The intent of PIPS is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in PIPS. The workers' compensation experience of the participating districts is calculated as one experience and a common premium rate is applied to all districts. Each participant pays its workers' compensation premium based on its individual rate. During the fiscal year 2022-23, the District paid \$6,068,537 to PIPS for workers' compensation insurance.

Property and Liability Coverage. The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2022-23, the District contracted with SCR for property and liability insurance coverage, including cyber liability insurance coverage. Settled claims have not exceeded this commercial coverage in any of the past three years. There has not been a significant reduction in coverage from the prior year. During fiscal year 2022-23, the District paid \$2,744,215 to SCR for property and liability insurance coverage.

Employee Medical Benefits. The District has contracted with various commercial insurance carriers to provide employee health benefits, including health, dental, vision, and other miscellaneous insurance. The District pays a monthly premium based on the number of employees enrolled using pre-negotiated premium for each of the commercial insurance carriers.

See Notes 11 and 14 to the District’s audited financial statements in APPENDIX B – “FINANCIAL STATEMENTS OF THE DISTRICT FOR THE FISCAL YEAR ENDED JUNE 30, 2023” for more information.

CONSTITUTIONAL AND STATUTORY PROVISIONS AFFECTING DISTRICT REVENUES AND APPROPRIATIONS

Limitations on Revenues

On June 6, 1978, voters of the State approved Proposition 13 (“Proposition 13”), which added Article XIII A to the California Constitution (“Article XIII A”). Article XIII A limits the amount of any *ad valorem* tax on real property to 1% of the full cash value thereof, except that additional *ad valorem* taxes may be levied to pay debt service on (i) indebtedness approved by the voters prior to July 1, 1978, (ii) bonded indebtedness for the acquisition or improvement of real property which has been approved on or after July 1, 1978 by two-thirds of the voters on such indebtedness, and (iii) bonded indebtedness incurred by a school district or community college district for the construction, reconstruction, rehabilitation or replacement of school facilities or the acquisition or lease of real property for school facilities, approved by 55% of the voters of the district, but only if certain accountability measures are included in the proposition. Article XIII A defines full cash value to mean “the county assessor’s valuation of real property as shown on the 1975-76 tax bill under full cash value, or thereafter, the appraised value of real property when purchased, newly constructed, or a change in ownership have occurred after the 1975 assessment.” This full cash value may be increased at a rate not to exceed 2% per year to account for inflation.

Article XIII A has subsequently been amended to permit reduction of the “full cash value” base in the event of declining property values caused by damage, destruction or other factors, to provide that there would be no increase in the “full cash value” base in the event of reconstruction of property damaged or destroyed in a disaster and in other minor or technical ways.

County of Orange v. Orange County Assessment Appeals Board No. 3. Section 51 of the California Revenue and Taxation Code permits county assessors who have reduced the assessed valuation of a property as a result of natural disasters, economic downturns or other factors, to subsequently “recapture” such value (up to the pre-decline value of the property) at an annual rate higher than 2%, depending on the assessor’s measure of the restoration of value of the damaged property. The constitutionality of this procedure was challenged in a lawsuit brought in 2001 in the Orange County Superior Court, and in similar lawsuits brought in other counties, on the basis that the decrease in assessed value creates a new “base year value” for purposes of Proposition 13 and that subsequent increases in the assessed value of a property by more than 2% in a single year violate Article XIII A. On appeal, the California Court of Appeal upheld the recapture practice in 2004, and the California Supreme Court declined to review the ruling, leaving the recapture law in place.

Legislation Implementing Article XIII A. Legislation has been enacted and amended a number of times since 1978 to implement Article XIII A. Under current law, local agencies are no longer permitted to levy directly any property tax (except to pay voter-approved indebtedness). The 1% property tax is automatically levied by the county and distributed according to a formula among taxing agencies. The formula apportions the tax roughly in proportion to the relative shares of taxes levied prior to 1979.

Increases of assessed valuation resulting from reappraisals of property due to new construction, change in ownership or from the 2% annual adjustment are allocated among the various jurisdictions in the “taxing area” based upon their respective “situs.” Any such allocation made to a local agency continues as part of its allocation in future years.

The tax rate is expressed as \$1 per \$100 of taxable value. All taxable property value included in this Official Statement is shown at 100% of market value (unless noted differently) and all tax rates reflect the \$1 per \$100 of taxable value.

Article XIII B of the California Constitution

An initiative to amend the California Constitution entitled “Limitation of Government Appropriations” was approved on September 6, 1979, thereby adding Article XIII B to the California Constitution (“Article XIII B”). Under Article XIII B state and local governmental entities have an annual “appropriations limit” and are not permitted to spend certain moneys which are called “appropriations subject to limitation” (consisting of tax revenues, state subventions and certain other funds) in an amount higher than the “appropriations limit.” Article XIII B does not affect the appropriation of moneys which are excluded from the definition of “appropriations subject to limitation,” including debt service on indebtedness existing or authorized as of January 1, 1979, or bonded indebtedness subsequently approved by the voters. In general terms, the “appropriations limit” is to be based on certain 1978-79 expenditures, and is to be adjusted annually to reflect changes in consumer prices, populations, and services provided by these entities. Among other provisions of Article XIII B, if these entities’ revenues in any year exceed the amounts permitted to be spent, the excess would have to be returned by revising tax rates or fee schedules over the subsequent two years. Any proceeds of taxes received by the District in excess of the allowable limit are absorbed into the State’s allowable limit.

Article XIII C and Article XIII D of the California Constitution

On November 5, 1996, voters of the State approved Proposition 218, popularly known as the “Right to Vote on Taxes Act.” Proposition 218 added to the California Constitution Articles XIII C and XIII D (“Article XIII C” and “Article XIII D,” respectively), which contain a number of provisions affecting the ability of local agencies, including school districts, to levy and collect both existing and future taxes, assessments, fees and charges.

According to the “Title and Summary” of Proposition 218 prepared by the California Attorney General, Proposition 218 limits “the authority of local governments to impose taxes and property-related assessments, fees and charges.” Among other things, Article XIII C establishes that every tax is either a “general tax” (imposed for general governmental purposes) or a “special tax” (imposed for specific purposes), prohibits special purpose government agencies such as school districts from levying general taxes, and prohibits any local agency from imposing, extending or increasing any special tax beyond its maximum authorized rate without a two-thirds vote; and also provides that the initiative power will not be limited in matters of reducing or repealing local taxes, assessments, fees and charges. Article XIII C further provides that no tax may be assessed on property other than *ad valorem* property taxes imposed in accordance with Articles XIII and XIII A of the California Constitution and special taxes approved by a two-thirds vote under Article XIII A, Section 4. Article XIII D deals with assessments and property-related fees and charges, and explicitly provides that nothing in Article XIII C or XIII D will be construed to affect existing laws relating to the imposition of fees or charges as a condition of property development.

The District does not impose any taxes, assessments, or property-related fees or charges which are subject to the provisions of Proposition 218. It does, however, receive a portion of the basic 1% *ad valorem* property tax levied and collected by the County pursuant to Article XIII A of the California Constitution. The provisions of Proposition 218 may have an indirect effect on the District, such as by limiting or reducing the revenues otherwise available to other local governments whose boundaries encompass property located within the District thereby causing such local governments to reduce service levels and possibly adversely affecting the value of property within the District.

Statutory Limitations

On November 4, 1986, voters of the State approved Proposition 62, an initiative statute limiting the imposition of new or higher taxes by local agencies. The statute (a) requires new or higher general taxes to be approved by two-thirds of the local agency's governing body and a majority of its voters; (b) requires the inclusion of specific information in all local ordinances or resolutions proposing new or higher general or special taxes; (c) penalizes local agencies that fail to comply with the foregoing; and (d) required local agencies to stop collecting any new or higher general tax adopted after July 31, 1985, unless a majority of the voters approved the tax by November 1, 1988.

Appellate court decisions following the approval of Proposition 62 determined that certain provisions of Proposition 62 were unconstitutional. However, the California Supreme Court upheld Proposition 62 in its decision on September 28, 1995 in *Santa Clara County Transportation Authority v. Guardino*. This decision reaffirmed the constitutionality of Proposition 62. Certain matters regarding Proposition 62 were not addressed in the California Supreme Court's decision, such as whether the decision applies retroactively, what remedies exist for taxpayers subject to a tax not in compliance with Proposition 62, and whether the decision applies to charter cities.

Proposition 98 and Proposition 111

On November 8, 1988, voters of the State approved Proposition 98, a combined initiative constitutional amendment and statute called the "Classroom Instructional Improvement and Accountability Act" (the "Accountability Act"). The Accountability Act changed State funding of public education below the university level, and the operation of the State's appropriations limit. The Accountability Act guarantees State funding for K-12 districts and community college districts (collectively, "K-14 districts") at a level equal to the greater of (a) the same percentage of general fund revenues as the percentage appropriated to such districts in 1986-87, which percentage is equal to 40.9%, or (b) the amount actually appropriated to such districts from the general fund in the previous fiscal year, adjusted for growth in enrollment and inflation.

Since the Accountability Act is unclear in some details, there can be no assurance that the Legislature or a court might not interpret the Accountability Act to require a different percentage of general fund revenues to be allocated to K-14 districts than the 40.9%, or to apply the relevant percentage to the State's budgets in a different way than is proposed in the Governor's Budget. In any event, the Governor and other fiscal observers expect the Accountability Act to place increasing pressure on the State's budget over future years, potentially reducing resources available for other State programs, especially to the extent the Article XIII B spending limit would restrain the State's ability to fund such other programs by raising taxes.

The Accountability Act also changes how tax revenues in excess of the State appropriations limit are distributed. Any excess State tax revenues up to a specified amount would, instead of being returned to taxpayers, be transferred to K-14 districts. Such transfer would be excluded from the appropriations limit for K-14 districts and the K-14 districts appropriations limit for the next year would automatically be increased by the amount of such transfer. These additional moneys would enter the base funding calculation for K-14 districts for subsequent years, creating further pressure on other portions of the State budget, particularly if revenues decline in a year following an Article XIII B surplus. The maximum amount of excess tax revenues which could be transferred to schools is 4% of the minimum State spending for education mandated by the Accountability Act, as described above.

On June 5, 1990, voters of the State approved Proposition 111 (Senate Constitutional Amendment 1), which further modified the California Constitution to alter the spending limit and education funding

provisions of Proposition 98. Most significantly, Proposition 111 (1) liberalized the annual adjustments to the spending limit by measuring the “change in the cost of living” by the change in State per capita personal income rather than the Consumer Price Index, and specified that a portion of the State’s spending limit would be adjusted to reflect changes in school attendance; (2) provided that 50% of the “excess” tax revenues, determined based on a two-year cycle, would be transferred to K-14 districts with the balance returned to taxpayers (rather than the previous 100% but only up to a cap of 4% of the districts’ minimum funding level), and that any such transfer to K-14 districts would not be built into the school districts’ base expenditures for calculating their entitlement for State aid in the following year and would not increase the State’s appropriations limit; (3) excluded from the calculation of appropriations that are subject to the limit appropriations for certain “qualified capital outlay projects” and certain increases in gasoline taxes, sales and use taxes, and receipts from vehicle weight fees; (4) provided that the appropriations limit for each unit of government, including the State, would be recalculated beginning in the 1990-91 fiscal year, based on the actual limit for fiscal year 1986-87, adjusted forward to 1990-91 as if Senate Constitutional Amendment 1 had been in effect; and (5) adjusted the Proposition 98 formula that guarantees K-14 districts a certain amount of general fund revenues, as described below.

Under prior law, K-14 districts were guaranteed the greater of (a) 40.9% of general fund revenues (the “first test”) or (b) the amount appropriated in the prior year adjusted for changes in the cost of living (measured as in Article XIII B by reference to per capita personal income) and enrollment (the “second test”). Under Proposition 111, school districts would receive the greater of (a) the first test, (b) the second test or (c) a third test, which would replace the second test in any year when growth in per capita general fund revenues from the prior year was less than the annual growth in State per capita personal income. Under the third test, school districts would receive the amount appropriated in the prior year adjusted for change in enrollment and per capita general fund revenues, plus an additional small adjustment factor. If the third test were used in any year, the difference between the third test and the second test would become a “credit” to be paid in future years when general fund revenue growth exceeds personal income growth.

Assembly Bill No. 26 & *California Redevelopment Association v. Matosantos*

On February 1, 2012, pursuant to the California Supreme Court’s decision in *California Redevelopment Association v. Matosantos*, Assembly Bill No. 26 (First Extraordinary Session) (“AB1X 26”) dissolved all redevelopment agencies in existence and designated “successor agencies” and “oversight boards” to satisfy “enforceable obligations” of the former redevelopment agencies and administer dissolution and wind down of the former redevelopment agencies. With limited exceptions, all assets, properties, contracts, leases, records, buildings and equipment, including cash and cash equivalents of a former redevelopment agency were transferred to the control of its successor agency and, unless otherwise required pursuant to the terms of an enforceable obligation, distributed to various related taxing agencies pursuant to AB1X 26.

It is possible that there will be additional legislation proposed and/or enacted to clarify various inconsistencies contained in AB1X 26 and there may be additional legislation proposed and/or enacted in the future affecting the current scheme of dissolution and winding up of redevelopment agencies currently contemplated by AB1X 26. For example, AB 1484 was signed by the Governor on June 27, 2012, to clarify and amend certain aspects of AB1X 26. AB 1484, among other things, attempts to clarify the role and requirements of successor agencies, provides successor agencies with more control over agency bond proceeds and properties previously owned by redevelopment agencies and adds other new and modified requirements and deadlines. AB 1484 also provides for a “tax claw back” provision, wherein the State is authorized to withhold sales and use tax revenue allocations to local successor agencies to offset payment of property taxes owed and not paid by such local successor agencies to other local taxing agencies. This “tax claw back” provision has been challenged in court by certain cities and successor agencies. The

District cannot predict the outcome of such litigation and what effect, if any, it will have on the District. Additionally, no assurances can be given as to the effect of any such future proposed and/or enacted legislation on the District.

Proposition 30 and Proposition 55

On November 6, 2012, voters of the State approved Proposition 30, also referred to as the Temporary Taxes to Fund Education, Guaranteed Local Public Safety Funding, Initiative Constitutional Amendment. Proposition 30 temporarily (a) increased the personal income tax on certain of the State's income taxpayers by one to three percent for a period of seven years beginning with the 2012 tax year and ending with the 2019 tax year, and (b) increased the sales and use tax by one-quarter percent for a period of four years beginning on January 1, 2013 and ending with the 2016 tax year. The revenues generated from such tax increases are included in the calculation of the Proposition 98 minimum funding guarantee (see “– Proposition 98 and Proposition 111” above). The revenues generated from such temporary tax increases are deposited into a State account created pursuant to Proposition 30 (the Education Protection Account), and 89% of the amounts therein are allocated to school districts and 11% of the amounts therein are allocated to community college districts.

The Proposition 30 sales and use tax increases expired at the end of the 2016 tax year. Under Proposition 30, the personal income tax increases were set to expire at the end of the 2018 tax year. However, the California Tax Extension to Fund Education and Healthcare Initiative (“Proposition 55”), approved by voters of the State on November 8, 2016, extends by 12 years the temporary personal income tax increases on incomes over \$250,000 that was first enacted by Proposition 30; Proposition 55 did not extend the sales and use tax increases imposed by Proposition 30. Revenues from the income tax increase under Proposition 55 will be allocated to school districts and community colleges in the State.

Applications of Constitutional and Statutory Provisions

The application of Proposition 98 and other statutory regulations has become increasingly difficult to predict accurately in recent years. For a discussion of how the provisions of Proposition 98 have been applied to school funding see “DISTRICT HISTORY, OPERATION AND FINANCIAL INFORMATION – State Funding of Education; State Budget Process.”

Proposition 2

General. Proposition 2, which included certain constitutional amendments to the State Rainy Day Fund and, upon its approval, triggered the implementation of certain provisions which could limit the amount of reserves that may be maintained by a school district, was approved by voters of the State in the November 2014 election.

State Rainy Day Fund. The Proposition 2 constitutional amendments related to the State Rainy Day Fund (i) require deposits into the State Rainy Day Fund whenever capital gains revenues rise to more than 8% of general fund tax revenues; (ii) set the maximum size of the State Rainy Day Fund at 10% of general fund revenues; (iii) for the next 15 years, require half of each year's deposit to be used for supplemental payments to pay down the budgetary debts or other long-term liabilities and, thereafter, require at least half of each year's deposit to be saved and the remainder used for supplemental debt payments or savings; (iv) allow the withdrawal of funds only for a disaster or if spending remains at or below the highest level of spending from the past three years; (v) require the State to provide a multi-year budget forecast; and (vi) create a Proposition 98 reserve (the “Proposition 98 Rainy Day Fund”) to set aside funds in good years to minimize future cuts and smooth school spending. The State may deposit amounts into such account only after it has paid all amounts owing to school districts relating to the

Proposition 98 maintenance factor for fiscal years prior to fiscal year 2014-15. The State, in addition, may not transfer funds to the Proposition 98 Rainy Day Fund unless the State is in a Test 1 year under Proposition 98 or in any year in which a maintenance factor is created.

SB 858. Senate Bill 858 (“SB 858”) became effective upon the passage of Proposition 2. SB 858 includes provisions which could limit the amount of reserves that may be maintained by a school district in certain circumstances. Under SB 858, in any fiscal year immediately following a fiscal year in which the State has made a transfer into the Proposition 98 Rainy Day Fund, any adopted or revised budget by a school district would need to contain a combined unassigned and assigned ending fund balance that (a) for school districts with an A.D.A. of less than 400,000, is not more than two times the amount of the reserve for economic uncertainties mandated by the California Education Code, or (b) for school districts with an A.D.A. that is more than 400,000, is not more than three times the amount of the reserve for economic uncertainties mandated by the California Education Code. In certain cases, the county superintendent of schools may grant a school district a waiver from this limitation on reserves for up to two consecutive years within a three-year period if there are certain extraordinary fiscal circumstances.

SB 751. Senate Bill 751 (“SB 751”), enacted on October 11, 2017, alters the reserve requirements imposed by SB 858. Under SB 751, in a fiscal year immediately after a fiscal year in which the amount of moneys in the Proposition 98 Rainy Day Fund is equal to or exceeds 3% of the combined total general fund revenues appropriated for school districts and allocated local proceeds of taxes for that fiscal year, a school district budget that is adopted or revised cannot have an assigned or unassigned ending fund balance that exceeds 10% of those funds. SB 751 excludes from the requirements of those provisions basic aid school districts (also known as community funded districts) and small school districts having fewer than 2,501 units of average daily attendance.

The District, which has an A.D.A. of less than 30,000 (but greater than 1,001), is required to maintain a reserve for economic uncertainty in an amount equal to 3% of its general fund expenditures and other financing uses. For more information on the District’s reserves, current expectations with respect to such reserves, and related policies, see “DISTRICT HISTORY, OPERATION AND FINANCIAL INFORMATION – State Funding of Education; State Budget Process – *School District Reserves.*”

Future Initiatives

Article XIII A, Article XIII B, Article XIII C, Article XIII D, as well as Propositions 2, 30, 55, 62, 98, 111 and 218, were each adopted as measures that qualified for the ballot pursuant to the State’s initiative process. From time to time other initiative measures could be adopted, further affecting District revenues or the District’s ability to expend revenue.

RATINGS

The Certificates were assigned an uninsured rating of “[]” by S&P and “[]” by Moody’s Investors Service (“Moody’s”). The rating agencies may have obtained and considered information and material which has not been included in this Official Statement. Generally, rating agencies base their ratings on information and material so furnished and on investigations, studies and assumptions made by them (which may include information and material from the District which is not included in this Official Statement). The ratings are not a recommendation to buy, sell or hold the Certificates. Each rating reflects only the view of the respective rating agency and an explanation of the significance of its rating may be obtained from it. There is no assurance that a rating of a rating agency will be maintained for any given period of time or that such rating may not be revised downward or withdrawn entirely by the rating agency, if in its own judgment, circumstances warrant. Any such downward change in or withdrawal

may have an adverse effect on the market price of the Certificates. None of the Underwriters or the District has undertaken any responsibility after the execution and delivery of the Certificates to assure the maintenance of the rating or to oppose any such revision or withdrawal.

In addition, S&P is expected to assign its insured rating of “[]” to the Certificates with the understanding that upon delivery of the Certificates, the Insurance Policy will be delivered by the Insurer. See also “CERTIFICATE INSURANCE” herein. Such rating is expected to be assigned solely as a result of the issuance of the Insurance Policy and would reflect only S&P’s view of the claims-paying ability and financial strength of the Insurer. None of the Underwriters or the District has made any independent investigation of the claims-paying ability of the Insurer and no representation is made that the insured rating of the Certificates based upon the purchase of the Insurance Policy will remain the same. The existence of the Insurance Policy will not, of itself, negatively affect the uninsured ratings. However, any downward revision or withdrawal of any rating of the Insurer may have an adverse effect on the market price or marketability of the Certificates.

TAX MATTERS

In the opinion of Orrick, Herrington & Sutcliffe LLP, special counsel to the District (“Special Counsel”), based upon an analysis of existing laws, regulations, rulings and court decisions, and assuming, among other matters, the accuracy of certain representations and compliance with certain covenants, the portion of each Base Rental Payment designated as and constituting interest paid by the District under the Lease Agreement and received by the Owners of the Certificates is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986 (the “Code”) and is exempt from State of California personal income taxes. In the further opinion of Special Counsel, interest evidenced by the Certificates is not a specific preference item for purposes of the federal individual alternative minimum tax. Special Counsel observes that interest evidenced by the Certificates included in adjusted financial statement income of certain corporations is not excluded from the federal corporate alternative minimum tax. Special Counsel expresses no opinion regarding any other tax consequences related to the ownership or disposition of, or the amount, accrual or receipt of interest evidenced by, the Certificates. A complete copy of the proposed form of opinion of Special Counsel is set forth in Appendix C hereto.

To the extent the issue price of any scheduled principal payment of the Certificates is less than the amount payable on the scheduled principal payment date of such Certificates (excluding amounts stated to be interest and payable at least annually over the term of such Certificates), the difference constitutes “original issue discount,” the accrual of which, to the extent properly allocable to each Beneficial Owner thereof, is treated as interest evidenced by the Certificates which is excluded from gross income for federal income tax purposes and exempt from State of California personal income taxes. For this purpose, the issue price of a particular scheduled principal payment date of the Certificates is the first price at which a substantial amount of such scheduled principal payment date of the Certificates is sold to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). The original issue discount with respect to any scheduled principal payment date of the Certificates accrues daily over the term to the scheduled principal payment date of such Certificates on the basis of a constant interest rate compounded semiannually (with straight-line interpolations between compounding dates). The accruing original issue discount is added to the adjusted basis of such Certificates to determine taxable gain or loss upon disposition (including sale, redemption, or payment on scheduled principal date) of such Certificates. Beneficial Owners of the Certificates should consult their own tax advisors with respect to the tax consequences of ownership of Certificates with original issue discount, including the treatment of Beneficial Owners who do not purchase such Certificates in the original offering to the public at the first price at which a substantial amount of such Certificates is sold to the public.

Certificates purchased, whether at original execution and delivery thereof or otherwise, for an amount higher than their principal evidenced thereby payable on the scheduled principal payment date thereof (or, in some cases, at their earlier prepayment date) (“Premium Certificates”) will be treated as having amortizable premium. No deduction is allowable for the amortizable premium in the case of obligations, like those evidenced by the Premium Certificates, the interest with respect to which is excluded from gross income for federal income tax purposes. However, the amount of tax-exempt interest received, and a Beneficial Owner’s basis in a Premium Certificate, will be reduced by the amount of amortizable premium properly allocable to such Beneficial Owner. Beneficial Owners of Premium Certificates should consult their own tax advisors with respect to the proper treatment of amortizable bond premium in their particular circumstances.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest evidenced by obligations such as the Certificates. The District has made certain representations and covenanted to comply with certain restrictions, conditions and requirements designed to ensure that interest evidenced by the Certificates will not be included in federal gross income. Inaccuracy of these representations or failure to comply with these covenants may result in interest evidenced by the Certificates being included in gross income for federal income tax purposes, possibly from the date of original execution and delivery of the Certificates. The opinion of Special Counsel assumes the accuracy of these representations and compliance with these covenants. Special Counsel has not undertaken to determine (or to inform any person), whether any actions taken (or not taken), or events occurring (or not occurring), or any other matters coming to Special Counsel’s attention after the date of execution and delivery of the Certificates may adversely affect the value of, or the tax status of interest evidenced by, the Certificates. Accordingly, the opinion of Special Counsel is not intended to, and may not, be relied upon in connection with any such actions, events or matters.

Although Special Counsel is of the opinion that interest evidenced by the Certificates is excluded from gross income for federal income tax purposes and is exempt from State of California personal income taxes, the ownership or disposition of, or the accrual or receipt of amounts treated as interest evidenced by, the Certificates may otherwise affect a Certificate holder’s federal, state or local tax liability. The nature and extent of these other tax consequences depends upon the particular tax status of the Beneficial Owner or the Beneficial Owner’s other items of income or deduction. Special Counsel expresses no opinion regarding any such other tax consequences.

Current and future legislative proposals, if enacted into law, clarification of the Code or court decisions may cause interest evidenced by the Certificates to be subject, directly or indirectly, in whole or in part, to federal income taxation or to be subject to or exempted from state income taxation, or otherwise prevent Beneficial Owners from realizing the full current benefit of the tax status of such interest. The introduction or enactment of any such legislative proposals or clarification of the Code or court decisions may also affect, perhaps significantly, the market price for, or marketability of, the Certificates. Prospective purchasers of the Certificates should consult their own tax advisors regarding the potential impact of any pending or proposed federal or state tax legislation, regulations or litigation, as to which Special Counsel expresses no opinion.

The opinion of Special Counsel is based on current legal authority, covers certain matters not directly addressed by such authorities, and represents Special Counsel’s judgment as to the proper treatment of the Certificates for federal income tax purposes. It is not binding on the Internal Revenue Service (“IRS”) or the courts. Furthermore, Special Counsel cannot give and has not given any opinion or assurance about the future activities of the District, or about the effect of future changes in the Code, the applicable regulations, the interpretation thereof or the enforcement thereof by the IRS. The District has covenanted, however, to comply with the requirements of the Code.

Special Counsel's engagement with respect to Certificates ends with the execution and delivery of the Certificates, and, unless separately engaged, Special Counsel is not obligated to defend the District or the Beneficial Owners regarding the tax-exempt status of the Certificates in the event of an audit examination by the IRS. Under current procedures, Beneficial Owners would have little, if any, right to participate in the audit examination process. Moreover, because achieving judicial review in connection with an audit examination of tax-exempt bonds is difficult, obtaining an independent review of IRS positions with which the District legitimately disagrees, may not be practicable. Any action of the IRS, including but not limited to selection of the Certificates for audit, or the course or result of such audit, or an audit of obligations presenting similar tax issues may affect the market price for, or the marketability of, the Certificates, and may cause the District or the Beneficial Owners to incur significant expense.

Payments evidenced by the Certificates generally will be subject to U.S. information reporting and possibly to "backup withholding." Under Section 3406 of the Code and applicable U.S. Treasury Regulations issued thereunder, a non-corporate Beneficial Owner of Certificates may be subject to backup withholding with respect to "reportable payments," which include interest paid on the Certificates and the gross proceeds of a sale, exchange, redemption, retirement or other disposition of the Certificates. The payor will be required to deduct and withhold the prescribed amounts if (i) the payee fails to furnish a U.S. taxpayer identification number ("TIN") to the payor in the manner required, (ii) the IRS notifies the payor that the TIN furnished by the payee is incorrect, (iii) there has been a "notified payee underreporting" described in Section 3406(c) of the Code or (iv) the payee fails to certify under penalty of perjury that the payee is not subject to withholding under Section 3406(a)(1)(C) of the Code. Amounts withheld under the backup withholding rules may be refunded or credited against a Beneficial Owner's federal income tax liability, if any, provided that the required information is timely furnished to the IRS. Certain Beneficial Owners (including among others, corporations and certain tax-exempt organizations) are not subject to backup withholding. The failure to comply with the backup withholding rules may result in the imposition of penalties by the IRS.

CERTAIN LEGAL MATTERS

Orrick, Herrington & Sutcliffe LLP, Special Counsel to the District, will render its opinion with respect to the legality of the Lease Agreement and the Trust Agreement. The form of the legal opinion proposed to be delivered by Special Counsel is included as Appendix C to this Official Statement. Special Counsel, as such, undertakes no responsibility for the accuracy, completeness or fairness of this Official Statement. Certain legal matters will be passed upon for the District by Orrick, Herrington & Sutcliffe LLP, as Disclosure Counsel to the District, for the Underwriters by Norton Rose Fulbright US LLP, Los Angeles, California, as counsel to the Underwriters, and for the District and the Corporation by Atkinson, Andelson, Loya, Ruud & Romo, A Professional Law Corporation, Irvine, California, as counsel to the District and the Corporation. From time to time, Orrick, Herrington & Sutcliffe LLP may represent the Underwriters on matters unrelated to the Certificates.

MUNICIPAL ADVISOR

California Financial Services (the "Municipal Advisor"), has been engaged by the District to perform financial services in connection with the delivery of the Certificates and certain other financial matters. The Municipal Advisor is an independent advisory firm and is not engaged in the business of underwriting, trading or distributing municipal securities or other public securities. The Municipal Advisor is not contractually obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness or fairness of the information contained in this Official Statement.

ABSENCE OF MATERIAL LITIGATION

[At the time of delivery of and payment for the Certificates, the District will certify that there is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court or governmental or public entity pending or, to the best knowledge of the District, threatened against the District (i) which affects or seeks to prohibit, restrain or enjoin the execution or delivery of the Certificates, the Lease Agreement, the Ground Lease, the Trust Agreement, the Assignment Agreement or the Continuing Disclosure Agreement, (ii) contesting the validity of the Lease Agreement, the Ground Lease, the Trust Agreement, the Assignment Agreement or the Continuing Disclosure Agreement, the powers of the District to enter into or perform its obligations under the Lease Agreement, the Ground Lease, the Trust Agreement or the Continuing Disclosure Agreement, or the existence or powers of the District, or (iii) which, if determined adversely to the District, would materially impair the District's ability to meet its obligations under the Lease Agreement or materially and adversely affect the District's financial condition.

The District is occasionally subject to lawsuits and claims. There are currently two claims pending against the District from incidents of alleged childhood sexual assault dating to 1993 and 2001 brought under Assembly Bill 218 ("AB 218"), which became effective on January 1, 2020. Pursuant to AB 218, certain changes were made to the claim prerequisites, available damages and the applicable statute of limitations periods for claims of childhood sexual assault, including claims against public entities like the District. With respect to claims that otherwise would have been barred as of January 1, 2020, AB 218 revived such claims for a period of three years, which period expired on December 31, 2022. The expiration of the three year revival period, however, does not impact a plaintiff's ability to bring a claim of childhood sexual assault pursuant to the extended statute of limitations periods under AB 218. Since the District is in the early stages of litigating the two AB 218 claims, the District cannot predict the extent of its potential liability, whether the plaintiffs will prevail, and if so, how a final court decision or settlement agreement with respect to each such lawsuit may affect the financial status, policies or operations of the District, as the nature of the court's remedy and the responses thereto are unknown at the present time. However, at this time, the District expects both AB 218 claims will be covered by insurance, which is subject to a deductible and provides that the District is responsible for paying one-third of any settlement agreement that may result from such claims.

The District is also defending itself and three employees in a civil lawsuit involving claims related to failure to report complaints of sexual assault made by students. The three employees are also defendants in a related criminal case. Since the resolution of the criminal case will impact the resolution of the civil case, the District cannot predict the timing of resolution, the extent of its potential liability, and how a final court decision or settlement agreement may affect the financial status, policies or operations of the District, as the nature of the court's remedy and the responses thereto are unknown at the present time. Nonetheless, at this time, the District expects any liability resulting from the civil lawsuit will be covered by insurance, which is subject to a deductible and provides that the District is responsible for paying one-third of any settlement agreement that may result from such lawsuit.

In the opinion of the District, the aggregate amount of the uninsured liabilities of the District under these lawsuits and claims will not materially affect the financial position or operations of the District.]

FINANCIAL STATEMENTS

The District's audited financial statements for fiscal year ended June 30, 2023 are included in Appendix B. Such financial statements have been audited by Eide Bailly. The District has not requested nor has the District obtained the consent of Eide Bailly to the inclusion of its report in Appendix B. Eide Bailly have not been engaged to perform and has not performed, since the date of its report included

herein, any procedures on the financial statements addressed in that report. Eide Bailly have not been requested to perform and has not performed any procedures relating to the Official Statement.

UNDERWRITING

The Certificates are to be purchased by Piper Sandler & Co., as representative (the “Representative”) of itself and Loop Capital Markets LLC (together with the Representative, the “Underwriters”). The Underwriters have agreed, subject to certain terms and conditions set forth in the Certificate Purchase Agreement, dated _____, 2024, by and between the Representative and the District, to purchase the Certificates at a purchase price of \$_____ (representing the aggregate principal amount evidenced by the Certificates of \$_____, [plus/less] [net] original issue [premium/discount] of \$_____, less an Underwriters’ discount of \$_____). The Underwriters will purchase all the Certificates if any are purchased. The Certificates may be offered and sold to certain dealers (including dealers depositing said Certificates into investment trusts) and others at prices lower than the initial public offering price, and the public offering price may be changed from time to time by the Underwriters.

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MISCELLANEOUS

References are made herein to certain documents and reports which are brief summaries thereof which do not purport to be complete or definitive and reference is made to such documents and reports for full and complete statements of the contents thereof.

Any statements in this Official Statement involving matters of opinion, whether or not expressly so stated, are intended as such and not as representations of fact. This Official Statement is not to be construed as a contract or agreement between the District and the purchasers or Owners of any of the Certificates.

The execution and delivery of this Official Statement has been duly authorized by the District.

RIALTO UNIFIED SCHOOL DISTRICT

By: _____
Lead Business Services Agent

APPENDIX A
SUMMARY OF PRINCIPAL LEGAL DOCUMENTS

APPENDIX B

**FINANCIAL STATEMENTS OF THE DISTRICT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

APPENDIX C

FORM OF SPECIAL COUNSEL OPINION

Upon the execution and delivery of the Certificates, Orrick, Herrington & Sutcliffe LLP, Special Counsel to the District, proposes to render its final approving opinion with respect to the Certificates in substantially the following form:

[To come]

APPENDIX D

FORM OF CONTINUING DISCLOSURE AGREEMENT

APPENDIX E

COUNTY OF SAN BERNARDINO STATEMENT OF INVESTMENT POLICY; DESCRIPTION OF INVESTMENT POOL

The following information has been furnished by the Treasurer/Tax Collector of the County of San Bernardino (the "County Treasurer"). It describes (i) the policies applicable to investment of District funds, including bond proceeds and tax levies, and funds of other agencies held by the County Treasurer and (ii) the composition, carrying amount, market value and other information relating to the investment pool. Further information may be obtained directly from the Treasurer-Tax Collector, 268 W. Hospitality Lane, Fourth Floor, San Bernardino, CA 92415.

The District and the Underwriters have not made an independent investigation of the investments in the Pools and have made no assessment of the current Investment Policy. The value of the various investments in the Pools will fluctuate on a daily basis as a result of a multitude of factors, including generally prevailing interest rates and other economic conditions. Additionally, the County Treasurer, with the consent of the County Board of Supervisors, may change the Investment Policy at any time. Therefore, there can be no assurance that the values of the various investments in the Pools will not vary significantly from the values described herein.

APPENDIX F

BOOK-ENTRY ONLY SYSTEM

The information in this appendix has been provided by DTC for use in securities offering documents, and the District takes no responsibility for the accuracy or completeness thereof. The District cannot and does not give any assurances that DTC, DTC Participants or Indirect Participants will distribute the Beneficial Owners either (a) payments of interest, principal or premium, if any, with respect to the Certificates or (b) certificates representing ownership interest in or other confirmation of ownership interest in the Certificates, or that they will so do on a timely basis or that DTC, DTC Direct Participants or DTC Indirect Participants will act in the manner described in this Official Statement.

1. The Depository Trust Company (“DTC”), will act as securities depository for the Certificates. The Certificates will be executed and delivered as fully-registered securities registered in the name of Cede & Co. (DTC’s partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully registered Certificate will be issued for each stated Principal Payment Date of the Certificates, each in the aggregate amount of the principal evidenced by Certificates with such stated Principal Payment Date, and will be deposited with DTC.

2. DTC, the world’s largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a “banking organization” within the meaning of the New York Banking Law, a member of the Federal Reserve System, a “clearing corporation” within the meaning of the New York Uniform Commercial Code, and a “clearing agency” registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC’s participants (“Direct Participants”) deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants’ accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation (“DTCC”). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly (“Indirect Participants”). DTC has a Standard & Poor’s rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com. The information on such website is not incorporated into this Official Statement by reference or otherwise.

3. Purchases of Certificates under the DTC system must be made by or through Direct Participants, which will receive a credit for the Certificates on DTC’s records. The ownership interest of each actual purchaser of each Certificate (“Beneficial Owner”) is in turn to be recorded on the Direct and Indirect Participants’ records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners, however, are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Certificates are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their

ownership interests in Certificates, except in the event that use of the book-entry system for the Certificates is discontinued.

4. To facilitate subsequent transfers, all Certificates deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Certificates with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Certificates; DTC's records reflect only the identity of the Direct Participants to whose accounts such Certificates are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Certificates may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Certificates, such as redemptions, tenders, defaults, and proposed amendments to the Certificate documents. For example, Beneficial Owners of Certificates may wish to ascertain that the nominee holding the Certificates for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Prepayment notices will be sent to DTC. If less than all of the Certificates with a particular stated Principal Payment Date are being prepaid, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such Certificates to be prepaid.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Certificates unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the District as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Certificates are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Payments of principal, premium, if any, interest and other payments evidenced by the Certificates will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the District or the Trustee, on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payments of principal, premium, if any, interest and other payments evidenced by the Certificates to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Trustee, and disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the Certificates at any time by giving reasonable notice to the District or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Certificates are required to be printed and delivered.

10. The District may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

THE DISTRICT, THE CORPORATION AND THE TRUSTEE CANNOT AND DO NOT GIVE ANY ASSURANCES THAT DTC WILL DISTRIBUTE TO PARTICIPANTS, OR THAT PARTICIPANTS OR OTHERS WILL DISTRIBUTE PAYMENTS OF PRINCIPAL, INTEREST OR ANY PREMIUM EVIDENCED BY THE CERTIFICATES PAID TO DTC OR ITS NOMINEE AS THE REGISTERED OWNER, OR ANY PREPAYMENT OR OTHER NOTICES, TO THE BENEFICIAL OWNERS, OR THAT THEY WILL DO SO ON A TIMELY BASIS OR WILL SERVE AND ACT IN THE MANNER DESCRIBED IN THIS OFFICIAL STATEMENT. THE DISTRICT, THE CORPORATION AND THE TRUSTEE ARE NOT RESPONSIBLE OR LIABLE FOR THE FAILURE OF DTC OR ANY PARTICIPANTS TO MAKE ANY PAYMENT OR GIVE ANY NOTICE TO A BENEFICIAL OWNER WITH RESPECT TO THE CERTIFICATES OR ANY ERROR OR DELAY RELATING THERETO.

THE FOREGOING DESCRIPTION OF THE PROCEDURES AND RECORD KEEPING WITH RESPECT TO BENEFICIAL OWNERSHIP INTERESTS IN THE CERTIFICATES, PAYMENT OF PRINCIPAL, INTEREST AND OTHER PAYMENTS EVIDENCED BY THE CERTIFICATES TO PARTICIPANTS OR BENEFICIAL OWNERS, CONFIRMATION AND TRANSFER OF BENEFICIAL OWNERSHIP INTERESTS IN SUCH CERTIFICATES AND OTHER RELATED TRANSACTIONS BY AND BETWEEN DTC, THE PARTICIPANTS AND THE BENEFICIAL OWNERS IS BASED ON INFORMATION PROVIDED BY DTC. ACCORDINGLY, THE DISTRICT TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

APPENDIX G

SPECIMEN MUNICIPAL BOND INSURANCE POLICY

APPENDIX H

SPECIMEN MUNICIPAL BOND DEBT SERVICE RESERVE INSURANCE POLICY

CONTINUING DISCLOSURE AGREEMENT

THIS CONTINUING DISCLOSURE AGREEMENT (this “Disclosure Agreement”), dated as of _____ 1, 2024, is by and between the RIALTO UNIFIED SCHOOL DISTRICT, a school district organized and existing under the laws of the State of California (the “District”), and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association organized and existing under the laws of the United States of America, as Trustee (the “Trustee”).

WITNESSETH:

WHEREAS, the District has caused to be executed and delivered the Rialto Unified School District Certificates of Participation (2024 Kitchen and Meeting Facilities Financing) (the “Certificates”), evidencing principal in the aggregate amount of \$_____, pursuant to the Trust Agreement, dated as of the date hereof (the “Trust Agreement”), by and among the Trustee, the Rialto Unified School District School Facilities Corporation (the “Corporation”) and the District; and

WHEREAS, this Disclosure Agreement is being executed and delivered by the District and the Trustee for the benefit of the Owners and Beneficial Owners of the Certificates and in order to assist the underwriters of the Certificates in complying with Securities and Exchange Commission Rule 15c2-12(b)(5);

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein contained, the receipt of which is hereby acknowledged, the parties hereto agree as follows:

Section 1. Definitions. Unless the context otherwise requires, the terms defined in this Section shall for all purposes of this Disclosure Agreement have the meanings herein specified. Capitalized undefined terms used herein shall have the meanings ascribed thereto in the Trust Agreement.

“**Annual Report**” means any Annual Report provided by the District pursuant to, and as described in, Sections 2 and 3 hereof.

“**Annual Report Date**” means the date in each year that is the first day of the month following the ninth month after the end of the District’s fiscal year, which date, as of the date of this Disclosure Agreement, is April 1.

“**Certificates**” means the Rialto Unified School District Certificates of Participation (2024 Kitchen and Meeting Facilities Financing), executed and delivered pursuant to the Trust Agreement.

“**Disclosure Representative**” means the Lead Business Services Agent of the District or his or her designee, or such other officer or employee as the District shall designate in writing to the Trustee from time to time.

“**Dissemination Agent**” means KNN Public Finance, LLC, or any successor Dissemination Agent designated in writing by the District and which has filed with the Trustee a written acceptance of such designation.

“**District**” means the Rialto Unified School District, a school district organized and existing under the laws of the State of California, and its successors.

“**Financial Obligation**” means (a) a debt obligation of the District, (b) a derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned

debt obligation of the District, or (c) a guarantee of (i) a debt obligation of the District, or (ii) a derivative instrument described in clause (b), above; provided, however, that the term “Financial Obligation” shall not include “municipal securities” (as such term is defined in the Securities Exchange Act of 1934, as amended) as to which a “final official statement” (as such term is defined in the Rule) has been provided to the MSRB consistent with the Rule.

“**Listed Events**” means any of the events listed in subsection (a) or subsection (b) of Section 4 hereof.

“**MSRB**” means the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive reports pursuant to the Rule. Until otherwise designated by the MSRB or the Securities and Exchange Commission, filings with the MSRB are to be made through the Electronic Municipal Market Access (EMMA) website of the MSRB, currently located at <http://emma.msrb.org>.

“**Official Statement**” means the Official Statement, dated _____, 2024, relating to the Certificates.

“**Participating Underwriter**” means any of the original underwriters of the Certificates required to comply with the Rule in connection with the offering of the Certificates.

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

“**Trust Agreement**” means the Trust Agreement, dated as of _____ 1, 2024, by and among U.S. Bank Trust Company, National Association, as trustee, the Corporation and the District, as originally executed and as it may from time to time be amended, supplemented or otherwise modified in accordance with the provisions thereof.

“**Trustee**” means U.S. Bank Trust Company, National Association, as Trustee under the Trust Agreement, or any successor thereto as Trustee thereunder, substituted in its place as provided therein.

Section 2. Provision of Annual Reports. (a) The District shall, or shall cause the Dissemination Agent to, provide to the MSRB an Annual Report that is consistent with the requirements of Section 3 hereof, not later than the Annual Report Date, commencing with the report for the 2023-24 Fiscal Year (which is due no later than April 1, 2025). The Annual Report may include by reference other information as provided in Section 3 hereof; provided, however, that the audited financial statements of the District, if any, may be submitted separately from the balance of the Annual Report, and later than the date required above for the filing of the Annual Report if they are not available by that date. If the District’s fiscal year changes, it shall, or it shall instruct the Dissemination Agent to, give notice of such change in a filing with the MSRB.

(b) Not later than 15 business days prior to the date specified in subsection (a) of this Section for the providing of the Annual Report to the MSRB, the District shall provide the Annual Report to the Dissemination Agent. If by such date, the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the District to determine if the District is in compliance with the first sentence of this subsection (b).

(c) If the Dissemination Agent is unable to verify that an Annual Report has been provided to the MSRB by the date required in subsection (a) of this Section, the Dissemination Agent shall, in a timely manner, send a notice to the MSRB in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall (i) provide each Annual Report received by it to the MSRB, as provided herein, and (ii) file a report with the District and the Trustee certifying that such Annual Report has been provided pursuant to this Disclosure Agreement, and stating the date it was provided to the MSRB.

Section 3. Content of Annual Reports. The District's Annual Report shall contain or incorporate by reference the following:

(a) The District's audited financial statements, if any, prepared in accordance with generally accepted accounting principles as promulgated to apply to governmental entities from time to time by the Governmental Accounting Standards Board. If the District's audited financial statements, if any, are not available by the time the Annual Report is required to be filed pursuant to subsection (a) of Section 2 hereof, the Annual Report shall contain unaudited financial statements in a format similar to that used for the District's audited financial statements, and the audited financial statements, if any, shall be filed in the same manner as the Annual Report when they become available.

(b) The following information:

(i) The District's Average Daily Attendance for the last completed fiscal year.

(ii) The number of District employees for the last completed fiscal year, broken down into the following categories: non-management certificated; certificated management; classified non-management; classified management; and total number of all employees.

(iii) The District's adopted budget for the current fiscal year, together with any amendments thereto.

(iv) Assessed Value of taxable property within the District for the current fiscal year.

(v) Outstanding borrowings and long-term obligations, including:

(1) general obligation bonds, certificates of participation, capital leases and operating leases;

(2) a description of any obligations of the type referred to in (1) above that have been issued, entered into or incurred since the beginning of the District's current fiscal year; and

(3) a description of any obligations of the type referred to in (1) above that the District reasonably expects to issue, enter into or incur within the 60 day period following the date of filing of the Annual Report.

(c) In addition to any of the information expressly required to be provided pursuant to this Section, the District shall provide such further information, if any, as may be necessary to make the specifically required statements, in the light of the circumstances under which they are made, not misleading.

Any or all of the items described above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, that have been made available to the public on the MSRB's website. The District shall clearly identify each such other document so included by reference.

Section 4. Reporting of Significant Events. (a) Pursuant to the provisions of this Section, the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Certificates in a timely manner not later than ten business days after the occurrence of the event:

- (i) Principal and interest payment delinquencies.
- (ii) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (iii) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (iv) Substitution of credit or liquidity providers, or their failure to perform.
- (v) Adverse tax opinions or issuance by the Internal Revenue Service of proposed or final determination of taxability or of a Notice of Proposed Issue (IRS Form 5701 TEB).
- (vi) Tender offers.
- (vii) Defeasances.
- (viii) Rating changes.
- (ix) Bankruptcy, insolvency, receivership or similar event of the District.
- (x) Default, event of acceleration, termination event, modification of terms or other similar events under the terms of a Financial Obligation, any of which reflect financial difficulties.

For purposes of the event identified in paragraph (ix) of this subsection, the event is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an obligated person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the District, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the District.

(b) Pursuant to the provisions of this Section, the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Certificates, if material, in a timely manner not later than ten business days after the occurrence of the event:

- (i) Unless described in paragraph (v) of subsection (a) of this Section, material notices or determinations by the Internal Revenue Service with respect to the tax status of the Certificates or other material events affecting the tax status of the Certificates.

- (ii) Modifications to rights of holders of the Certificates.
- (iii) Optional, unscheduled or contingent Certificate calls.
- (iv) Release, substitution, or sale of property securing repayment of the Certificates.
- (v) Non-payment related defaults.

(vi) The consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms.

(vii) Appointment of a successor or additional trustee or the change of name of a trustee.

(viii) Incurrence of a Financial Obligation, or agreement to covenants, events of default, remedies, priority rights or other similar terms of a Financial Obligation, any of which affect holders of the Certificates.

(c) The Trustee shall, within one business day of obtaining actual knowledge of the occurrence of any of the Listed Events, contact the Disclosure Representative and inform such person of the event. The Trustee shall have no obligation or duty to determine the materiality of any such event or whether any such event reflects financial difficulties.

(d) If a Listed Event described in subsection (b) of this Section occurs, the District shall determine if such event would be material under applicable Federal securities law.

(e) If a Listed Event described in subsection (a) of this Section occurs, or if the District determines that knowledge of a Listed Event described in subsection (b) of this Section would be material under applicable Federal securities law, the District shall, or shall cause the Dissemination Agent to, file a notice of the occurrence of such Listed Event with the MSRB, in a timely manner not later than ten business days after the date of such occurrence.

(f) Notwithstanding the foregoing, notice of Listed Events described in paragraph (iii) of subsection (b) of this Section need not be given any earlier than the notice (if any) of the underlying event is given to holders of affected Certificates pursuant to the Trust Agreement.

Section 5. Format for Filings with MSRB. Any report or filing with the MSRB pursuant to this Disclosure Agreement must be submitted in electronic format, accompanied by such identifying information as is prescribed by the MSRB.

Section 6. Termination of Reporting Obligation. The District's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior prepayment or payment in full of all of the Certificates. If such termination occurs prior to the final principal payment date of the Certificates, the District shall give, or cause to be given, notice of such termination in a filing with the MSRB.

Section 7. Dissemination Agent. The District may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

The Dissemination Agent may resign by providing 30 days' written notice to the District and the Trustee. The Dissemination Agent shall have no duty to prepare the Annual Report nor shall the Dissemination Agent be responsible for filing any Annual Report not provided to it by the District in a timely manner and in a form suitable for filing. If at any time there is not any other designated Dissemination Agent, the Trustee shall be the Dissemination Agent.

Section 8. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the District and the Trustee may amend this Disclosure Agreement (and the Trustee shall agree to any amendment so requested by the District; provided, however, that the Trustee shall not be obligated to enter into any amendment increasing or affecting its duties or obligations), and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) if the amendment or waiver relates to the provisions of subsection (a) of Section 2 hereof, Section 3 hereof or subsections (a) or (b) of Section 4 hereof, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of an obligated person with respect to the Certificates, or the type of business conducted;

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

(c) the proposed amendment or waiver (i) is approved by Owners of the Certificates in the manner provided in the Trust Agreement for amendments to the Trust Agreement with the consent of Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of Owners or Beneficial Owners of the Certificates.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the District shall describe such amendment or waiver in the next Annual Report, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the District. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements (i) notice of such change shall be given in a filing with the MSRB, and (ii) the Annual Report for the year in which the change is made shall present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Section 9. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice required to be filed pursuant to this Disclosure Agreement, in addition to that which is required by this Disclosure Agreement. If the District chooses to include any information in any Annual Report or notice in addition to that which is specifically required by this Disclosure Agreement, the District shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event or any other event required to be reported.

Section 10. Default. In the event of a failure of the District, the Trustee or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Trustee may (and, at the written direction of any Participating Underwriter or the Owners of at least 25% of the aggregate principal

amount evidenced by the Outstanding Certificates, shall, upon receipt of indemnification reasonably satisfactory to the Trustee), or any Owner or Beneficial Owner of the Certificates may, take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District, the Trustee or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement shall not be deemed an Event of Default under the Trust Agreement, and the sole remedy under this Disclosure Agreement in the event of any failure of the District, the Trustee or the Dissemination Agent to comply with this Disclosure Agreement shall be an action to compel performance.

Section 11. Duties, Immunities and Liabilities of Trustee and Dissemination Agent.

Article VIII of the Trust Agreement is hereby made applicable to this Disclosure Agreement as if this Disclosure Agreement were (solely for this purpose) contained in the Trust Agreement. The Dissemination Agent shall be entitled to the protections and limitations from liability afforded to the Trustee under the Trust Agreement. Neither the Trustee nor the Dissemination Agent shall be responsible for the form or content of any Annual Report or notice of Listed Event. The Dissemination Agent shall receive reasonable compensation for its services provided under this Disclosure Agreement. The Dissemination Agent (if other than the Trustee or the Trustee in its capacity as Dissemination Agent) shall have only such duties as are specifically set forth in this Disclosure Agreement. To the extent permitted by law, the District agrees to indemnify and save the Dissemination Agent, and its officers, directors, employees and agents, harmless against any loss, expense and liabilities which it may incur in the exercise or performance of its powers and duties hereunder, including the costs and expenses (including attorneys' fees) of defending against any claim of liability, and which are not due to its negligence or its willful misconduct. The obligations of the District under this Section shall survive resignation or removal of the Dissemination Agent and the termination of this Disclosure Agreement.

Section 12. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the District, the Trustee, the Dissemination Agent, the Participating Underwriter and the Owners and Beneficial Owners from time to time of the Certificates, and shall create no rights in any other person or entity.

Section 13. Governing Laws. This Disclosure Agreement shall be governed by and construed in accordance with the laws of the State of California.

Section 14. Electronic Signature. The District and the Trustee acknowledge that the transaction consisting of this Disclosure Agreement may be conducted by electronic means. The District and the Trustee agree, and each acknowledges that it is its intent, that by signing this Disclosure Agreement using an electronic signature, it is signing, adopting, and accepting this Disclosure Agreement and that signing this Disclosure Agreement using an electronic signature is the legal equivalent of having placed its handwritten signature on this Disclosure Agreement on paper. The District and the Trustee each acknowledges that it is being provided with an electronic or paper copy of this Disclosure Agreement in a usable format.

Section 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Disclosure Agreement as of the date first above written.

RIALTO UNIFIED SCHOOL DISTRICT

By: _____

**U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION, AS TRUSTEE**

By: _____
Authorized Officer

ACCEPTED AND AGREED TO:

**KNN PUBLIC FINANCE, LLC, as
Dissemination Agent**

By: _____
Authorized Officer

[Signature Page to Continuing Disclosure Agreement]

EXHIBIT A
NOTICE OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: Rialto Unified School District

Name of Issue: Rialto Unified School District Certificates of Participation (2024 Kitchen and Meeting Facilities Financing)

Date of Issuance: _____, 2024

NOTICE IS HEREBY GIVEN that the Rialto Unified School District (the “District”) has not provided an Annual Report with respect to the above-named Certificates as required by the Continuing Disclosure Agreement, dated as of _____ 1, 2024, by and between the District and U.S. Bank Trust Company, National Association, as Trustee. [The District anticipates that such Annual Report will be filed by _____.]

Dated: _____

KNN Public Finance, LLC, as Dissemination
Agent, on behalf of the Rialto Unified School
District

cc: Rialto Unified School District



Beliefs

We believe that...

- Everyone has unique talent
- There is unlimited power in all of us
- All people have equal inherent worth
- Diversity is strength
- Each person deserves to be treated with respect
- High expectations lead to high achievement
- Risk is essential for success
- Common goals take priority over individual interest
- Integrity is critical to trust
- Honest conversation leads to understanding
- Music is the universal language
- A strong community serves all of its members
- Everyone has the ability to contribute to the good of the community

Parameters

- We will make all decisions in the best interest of students
- We will honor the worth and dignity of each person
- We will hold the highest expectations of everyone
- We will assert the unlimited potential of every student
- We will practice participatory decision-making throughout the district
- We will not allow the past to determine our future

Back Cover:

Excitement filled the air as students at Bemis, Kelley, and Dollahan Elementary Schools eagerly selected their very own backpacks during the Rialto Unified School District's annual backpack giveaway during the first week of school. Organized by the RUSD Business and Fiscal Services teams, with generous support from local businesses like Southwest Office Supplies and Superior Grocers, over 2,000 backpacks filled with essential school supplies were distributed. Staff from various service areas joined in to help the students select their backpacks. These backpacks and supplies help our students kick off the school year with joy and readiness.

