

# M I N U T E S



## SANTA MONICA COMMUNITY COLLEGE DISTRICT BOARD OF TRUSTEES

REGULAR MEETING

MAY 7, 2013

Santa Monica College  
1900 Pico Boulevard  
Santa Monica, California

Closed Session  
*(Business Building Room 111)*

Regular Public Meeting  
*Board Room (Business Building Room 117)*

*The complete minutes may be accessed on the  
Santa Monica College website:*

<http://www.smc.edu/admin/trustees/meetings/>

<b>BOARD OF TRUSTEES</b>	<b>REGULAR MEETING</b>
SANTA MONICA COMMUNITY COLLEGE DISTRICT	May 7, 2013

***MINUTES***

A meeting of the Board of Trustees of the Santa Monica Community College District was held in the Santa Monica College Board Room (Business Building Room 117), 1900 Pico Boulevard, Santa Monica, California, on Tuesday, May 7, 2013.

**I. ORGANIZATIONAL FUNCTIONS**

- CALL TO ORDER
  
- ROLL CALL  
 Dr. Nancy Greenstein, Chair - Present  
 Dr. Susan Aminoff, Vice-Chair- Present  
 Judge David Finkel (Ret.) - Present  
 Dr. Louise Jaffe - Present  
 Dr. Margaret Quiñones-Perez- Present  
 Rob Rader - Present  
 Dr. Andrew Walzer- Present  
 Michelle Olivarez, Student Trustee – Present (for public session)
  
- PUBLIC COMMENTS ON CLOSED SESSION ITEMS

**II. CLOSED SESSION**

CONFERENCE WITH LABOR NEGOTIATORS (Government Code Section 54957.6)  
 Agency designated representatives: Marcia Wade, Vice-President, Human Resources  
 Robert Myers, Campus Counsel  
 Employee Organization: CSEA, Chapter 36

CONFERENCE WITH LABOR NEGOTIATORS (Government Code Section 54957.6)  
 Agency designated representatives: Marcia Wade, Vice-President, Human Resources  
 Robert Myers, Campus Counsel  
 Employee Organization: Santa Monica College Faculty Association

CONFERENCE WITH LABOR NEGOTIATORS (Government Code Section 54957.6)  
 Agency designated representatives: Marcia Wade, Vice-President, Human Resources  
 Robert Myers, Campus Counsel  
 Employee Organization: Santa Monica College Police Officers Association

EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE (Government Code Section 54957)

CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION (Government Code Section 54956.9 (4)(d))  
 Initiation of litigation: One case

REAL PROPERTY (Government Code Section 54956.8)

Property Address: Santa Monica College Olympic Shuttle Lot/3400-3500 Airport Ave.

Under Negotiation: Terms and Conditions of Land Swap with City of Santa Monica

College Negotiators: Dr. Chui L. Tsang, Robert M. Myers, and Don Girard

City of Santa of Monica's Representative: Rod Gould, Joseph Lawrence

PUBLIC EMPLOYEE – EVALUATION (Government Code Section 54957)

Evaluation of the Superintendent/President

### III. ***PUBLIC SESSION - ORGANIZATIONAL FUNCTIONS***

- PLEDGE OF ALLEGIANCE – Sonya Sultan
- CLOSED SESSION REPORT - None
- RECOGNITION AND ACKNOWLEDGEMENTS
  - 34<sup>rd</sup> Annual Student Photography Awards
    - Best of Show: Michael Lim
    - Best Portrait: Marke Liimatainen
    - Best Commercial: Lee Israel
    - Best Color: Madeleine Dalla Torre Castillo
    - Best Black & White: Jasmine Shademan
    - Best Experimental: Nitsa Malik
    - Best Video: Joshua Macalinao
    - Best Photo 1: Kristina McMillan
  - Student Photographer of the Year Awards by the Press Photographers of Greater Los Angeles
    - Amy Gaskin, First Place
    - Michael Yanow, Second Place
  - Corsair Awards in California State Competition
    - Andy Riesmeyer
    - Paul Alvarez, Jr.
    - Michael Yanow
    - Nathan Gawronsky
    - Fatou Samb
    - Davdi Yapkowitz
    - David Hawkins
    - Jasmin Huynh
    - Alex Vejar
    - Merissa Weiland
  - Michelle Olivarez, Student Trustee, 2012-2013
  - Bruce Sultan, Outgoing Member of the Citizens' Bond Oversight Committee

### III. ***PUBLIC COMMENTS***

David Burak

Richard Tahvildaran-Jesswein

Joy Abbott

V. **SUPERINTENDENT'S REPORT**

- SMC Named Winner of Annual Energy and Sustainability Award
- SMC Wins Statewide Awards from the Community College Public Relations Organization
  - First place: Online newsletter (Info@SMC) for seventh year
  - First place: Outreach New Student Website
  - Second Place: Outreach View Book/Student Recruitment Book
- First Year Experience
- State Budget

VI. **ACADEMIC SENATE REPORT**

VII. **MAJOR ITEMS OF BUSINESS**

- #1 Classified Employees Week
- #2 New Faculty Positions, Fall 2013
- #3 Annual Authorization of Privileges for Student Trustee
- #4 Real Estate Agreements for the Exchange of Properties with the City of Santa Monica and the Exposition Metro Line Construction Authority (Expo)
- #5 Public Hearing on SMCCD Initial Collective Bargaining Proposal to the SMC Faculty Association
- #6 Process to Appoint Members to the Citizens' Bond Oversight Committee
- #7 Resolution Authorizing Issuance of SMCCD General Obligation Refunding Bonds, 2002 Election, Series 2013A
- #8 Resolution Authorizing Issuance of SMCCD General Obligation Refunding Bonds, 2004 Election, Series 2013B (Federally Taxable)
- #9 2012-2013 Quarterly Budget Report and 311Q
- #10 Receipt of Personnel Commission 2013-2014 Proposed Budget
- #11 Public Hearing on the Determination of Proposition 30 Funds
- 12 Institutional Effectiveness Update and Student Success Scorecard

VIII. **CONSENT AGENDA**

*Any recommendation pulled from the Consent Agenda will be held and discussed in Section VIII, Consent Agenda – Pulled Recommendations*

**Approval of Minutes**

- #13 Approval of Minutes: April 2, 2013 (Regular Meeting)

**Grants and Contracts**

- #14 License Agreement for SMC's Integrated Application Portal Platform (iApp)
- #15 Contracts for Celebrate America, 2013
- #16 Ratification of Contracts and Consultants

**Human Resources**

- #17 Academic Personnel
- #18 Classified Personnel – Regular
- #19 Classified Personnel – Limited Duration
- #20 Classified Personnel – Non Merit

**Facilities and Fiscal**

- #21 Facilities
  - A Change Order No. 4 –Temporary Modular Facilities and Bike Parking
  - B Change Order No. 1 – Academy of Entertainment and Technology
  - C Reject Bid – Student Services and Administration Building
  - D Renewal of Agreement for Construction Project Inspection Services
  - E Contract for Builders Risk Insurance – Bond Construction Program
  - F Pool Payment Under Joint Use Facilities Agreement
- #22 Budget Transfers
- #23 Budget Augmentation
- #24 Payroll Warrant Register
- #25 Commercial Warrant Register
- #26 Auxiliary Payments and Purchase Orders
- #27 Purchasing
  - A Award of Purchase Orders

IX. **CONSENT AGENDA – Pulled Recommendations**

*Recommendations pulled from the Section VII. Consent Agenda to be discussed and voted separately. Depending on time constraints, these items might be carried over to another meeting.*

X. **REPORTS FROM DPAC CONSTITUENCIES**

- Associated Students
- CSEA
- Faculty Association
- Management Association

XI. **INFORMATION**

- 28 Citizens’ Bond Oversight Committee Meeting, April 17, 2013

XII. **BOARD COMMENTS AND REQUESTS**

XIII. **ADJOURNMENT**

There will be a special meeting/closed session on **Tuesday May 21, 2013** at 5:30 p.m. at the Santa Monica College, Business Building Room 111, 1900 Pico Boulevard, Santa Monica, California.

The next regular meeting of the Santa Monica Community College District Board of Trustees will be held on **Tuesday, June 4, 2013** at 7 p.m. (5:30 p.m. if there is a closed session) in the Santa Monica College Board Room and Conference Center, Business Building Room 117, 1900 Pico Boulevard, Santa Monica, California.

- APPENDIX A Resolution Authorizing Issuance of SMCCD General Obligation Refunding Bonds, 2002 Election, Series 2013A
- APPENDIX B Resolution Authorizing Issuance of SMCCD General Obligation Refunding Bonds, 2004 Election, Series 2013B (Federally Taxable)
- APPENDIX C Contract of Purchase
- APPENDIX D 2012-2013 Quarterly Budget Report and 311Q
- APPENDIX E Student Success Scorecard

<b>BOARD OF TRUSTEES</b>	<b>REGULAR MEETING</b>
SANTA MONICA COMMUNITY COLLEGE DISTRICT	May 7, 2013

#### IV. SUPERINTENDENT'S REPORT

- Updates
  - SMC Named Winner of Annual Energy and Sustainability Award: The California Community Colleges Board of Governors selected Victor Valley College District, Santa Monica College and West Valley College as its three winners of the annual Energy and Sustainability Awards competition. The SMC Energy Project was approved by the Board of Trustees in 2012 and included three main projects: replacing nine old, inefficient boilers; replacing 11,000 light fixtures and a comprehensive renovation of the Center for Environmental and Urban Studies.

Superintendent/President Tsang thanked the Board of Trustees for approving the project and recognized SMC staff responsible for planning, implementing and completing this project – Genevieve Bertone, Greg Brown, Jeff Gehring, Bruce Wyban and Charlie Yen. They are to be commended for their hard work and commitment to this project.

- SMC Wins Statewide Awards from the Community College Public Relations Organization
  - First place: Online newsletter (Info@SMC) for seventh year
  - First place: Outreach New Student Website
  - Second Place: Outreach View Book/Student Recruitment Book
 Congratulations were extended to Marketing, Enrollment Development, Admissions and Outreach staff who worked hard on these winning projects.
- First Year Experience: The First Year Experience addresses the needs of first year students in the local community as well as promoting successful student behaviors outlined in the Student Success Taskforce Recommendations. Specifically, it will provide early enrollment priority to first-time students who complete orientation, assessment and develop an informed education plan and begin addressing any basic skills deficiencies in their first year. Participating students will receive guaranteed English and Math classes for the year. In addition to guaranteed courses, students will receive early course enrollment dates for the year. Once in the program, students will need to meet program requirements and maintain good academic standing in order to maintain the guaranteed courses and early course enrollment dates.
- State Budget: The May Revise is scheduled for release on Tuesday, May 14<sup>th</sup>. The District's tentative budget for 2013-2014 will be developed based on the May Revise and presented to the Board at its June meeting. It is likely that there will be additional Prop 98 revenues in the budget, and further pay down of deferrals is expected.

Along with the budget proposal, there are some staff changes at the State level, as follows:

- Sandra Fried has left the Assembly Committee on Higher Education to work for the University of CA
- Max Espinoza will leave the Assembly Speaker's Office because he has accepted a position as Senior Vice President, Education Programs and Policy at Scholarship America in Washington D.C.

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

MAJOR ITEMS OF BUSINESS

**RECOMMENDATION NO. 1**

**SUBJECT:** **CLASSIFIED SCHOOL EMPLOYEES WEEK**

**SUBMITTED BY:** Superintendent/President

**REQUESTED ACTION:** It is recommended that the Board of Trustees adopt the following resolution in recognition and observation of Classified School Employees Week, May 19-25, 2013.

*WHEREAS*, classified employees provide valuable services to the College and students of the Santa Monica Community College District; and

*WHEREAS*, classified employees contribute to the establishment and promotion of a positive instructional environment; and

*WHEREAS*, classified employees play a vital role in providing for the welfare and safety of Santa Monica Community College District's students; and

*WHEREAS*, classified employees employed by the Santa Monica Community College District strive for excellence in all areas relative to their workplace,

*THEREFORE BE IT RESOLVED*, that the Santa Monica Community College District hereby recognizes and wishes to honor the contribution of the classified employees to quality education in the state of California and in the Santa Monica Community College District and declares the week of May 19-25, 2013 as Classified School Employees Week in the Santa Monica Community College District.

**COMMENT:** The District will recognize classified service employees during Classified School Employees Week.

**MOTION MADE BY:** Susan Aminoff  
**SECONDED BY:** Michelle Olivarez  
**STUDENT ADVISORY:** Aye  
**AYES:** 5  
**NOES:** 0  
**ABSENT:** 2 (Quiñones-Perez, Rader)

<b>BOARD OF TRUSTEES</b>	<b>INFORMATION</b>
Santa Monica Community College District	May 7, 2013

MAJOR ITEMS OF BUSINESS

**RECOMMENDATION NO. 2**

**SUBJECT:**                    **NEW FACULTY POSITIONS, FALL 2013**

**REQUESTED ACTION:**        It is recommended that the Board of Trustees approve the following new faculty positions for Fall 2013:

- Counseling (General)
- Counseling (DSPS)
- Education/ECE
- Math - Cross Level/Statistics
- Photography

For 2013-2014, the College will have the opportunity to organize a thorough recruitment and interview process for candidates to start in Fall 2014 for the following positions:

- Art History
- Biology – Zoology
- Economics
- English Composition (1)
- English Composition (2)
- ESL
- History -United States
- Math - Cross Level
- Music -Theory/Musicianship/Appreciation
- Nursing
- Physics
- Psychology - Community
- Psychology - Clinical
- Sociology

**SUMMARY:**                    Over the past six years, 69 new faculty members have been added to the full-time staff. Despite the College’s budget challenges, the commitment to hiring new faculty members continues to be a major priority. The Academic Senate Joint New Faculty Position Ranking Committee is to be commended for its hard work and thoughtful recommendations. With this action, the College is committed to hiring 20 additional new faculty members over the next two hiring cycles.

**MOTION MADE BY:**            David Finkel  
**SECONDED BY:**                Michelle Olivarez  
**STUDENT ADVISORY:**        Aye  
**AYES:**                                5  
**NOES:**                                0  
**ABSENT:**                            2 (Quiñones-Perez, Rader)



<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
SANTA MONICA COMMUNITY COLLEGE DISTRICT	May 7, 2013

MAJOR ITEMS OF BUSINESS

**RECOMMENDATION NO. 3**

**SUBJECT: ANNUAL AUTHORIZATION OF PRIVILEGES FOR STUDENT TRUSTEE**

SUBMITTED BY: Superintendent/President

REQUESTED ACTION: It is recommended that the Board of Trustees authorize the continuation of privileges for the student trustee in accordance with Board Policy 1412 and Education Code Section 72023.5.

1. The student trustee may make and second motions.
2. The Student Trustee is entitled to an advisory vote which shall be cast before the rest of the Board of Trustees and be recorded as such in the official minutes. The vote shall not be included in determining the vote required to carry any measure before the Board.
3. The student trustee may receive compensation up to the amount prescribed by Education Code Section 72425 and Board Policy. The term of compensation for the student trustee shall run from June through May.

SUMMARY: Education Code Section 72023.5 states that Board action to determine the privileges of the student trustee is required each year by May 15<sup>th</sup> for the succeeding year.

Rights and responsibilities dealing with term, closed sessions and conference attendance are included in Board Policy.

MOTION MADE BY: Susan Aminoff  
 SECONDED BY: Michelle Olivarez  
 STUDENT ADVISORY: Aye  
 AYES: 5  
 NOES: 0  
 ABSENT: 2 (Quiñones-Perez, Rader)

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

MAJOR ITEMS OF BUSINESS

**RECOMMENDATION NO. 4**

**SUBJECT:**                   **REAL ESTATE AGREEMENTS FOR THE EXCHANGE OF PROPERTIES WITH THE CITY OF SANTA MONICA AND THE EXPOSITION METRO LINE CONSTRUCTION AUTHORITY (EXPO)**

**SUBMITTED BY:**           Superintendent/President

**REQUESTED ACTION:** It is recommended that the Board of Trustees authorize the Superintendent/President to negotiate and execute real estate and other ancillary agreements with the City of Santa Monica (City) and the Exposition Metro Line Construction Authority (Expo) related to the purchase, lease, and exchange of real estate interests in properties located at 2909 Exposition Boulevard, 2900 Exposition Boulevard, and 3400/3500 Airport Avenue, to allow for the creation of a proposed buffer area (Buffer Area) adjacent to the proposed Phase 2 Exposition Light Rail Maintenance Facility (Maintenance Facility).

**SUMMARY:**

On December 7, 2010, the Board of Trustees authorized the Superintendent/ President to negotiate real estate agreements with the City of Santa Monica for the exchange of real estate interests in land located at 1831 Stewart Street (also known as 2900 Exposition Boulevard or as the Olympic Shuttle Lot) and 3400/3500 Airport Avenue, to assist with the creation of a buffer area adjacent to a proposed Phase 2 Exposition Light Rail Maintenance Facility.

As part of the negotiations, SMC asked that the property exchange be structured as mutually reciprocal long-term leases between the City and SMC, with each having an option to purchase the leased land. SMC would be made whole for the exchange of the SMC Olympic Shuttle Lot by owning the Buffer Area and by being able to secure a lease with option to purchase comparable Airport Non-Aviation Land adjacent to SMC’s Bundy Campus to be used for educational purposes. Similarly, the City would be made whole for the lease of the Airport Non-Aviation Land by its securing a lease with option to purchase the Buffer Area along Exposition Boulevard.

On November 27, 2012, the Santa Monica City Council approved SMC’s request for the mutually reciprocal exchange of long-term leases and authorized the City Manager to negotiate and execute the necessary agreements. The initial lease term would be for 25 years with optional 25-year lease extensions up to a total lease period of no more than 99 years. The lease and purchase are subject to applicable state and federal law, including any Federal Aviation Administration regulations that may apply. If SMC exercises its purchase option, the City gets ownership of the buffer land. It is the intention of SMC and the City that this should occur as soon as possible.

On March 7, 2013, the Expo Board of Directors authorized its Chief Executive Officer to negotiate and execute the necessary agreements for the exchange of real estate interests as described above. Expo has determined that the land size for the Buffer Area is comparable to SMC’s Olympic Shuttle Lot, and that no compensation will be exchanged. SMC and the City previously determined that SMC’s 2.35-acre Olympic Shuttle Lot is equivalent to approximately 2.71 acres at the Santa Monica Airport adjacent to the Bundy Campus.

All of the exchanges will take place at the close of escrow, in a sequence set forth in the agreement and joint escrow instructions entered into by the three agencies.

SMC successfully moved its Academy of Entertainment and Technology campus to the Bundy and Airport Arts campuses over the Spring break, and no longer requires the use of the Olympic Shuttle Lot. SMC has also arranged with the City to acquire the use of the 3500 Airport Avenue car storage lot to provide parking for the AET relocation. This augments other airport parking being provided to accommodate the shuttle lot relocation. The 3500 Airport Avenue lot will connect to the Bundy campus by means of a new driveway and will be available for SMC use in August 2013.

Here is an overview of the exchange:

#### Exchanges

- SMC and Expo exchange ownership of Shuttle Lot (2.35 acres owned by SMC) and Buffer Area (a new 2.35 acre parcel that contains a portion of Expo's Verizon lot and a portion of SMC's Shuttle Lot)
- SMC and City exchange leases of Buffer Area (the new 2.35-acre parcel) and Airport Land (a 2.7-acre parcel)

#### Conditions

- Expo agrees to certain terms regarding operation and construction
- City retains revenue from Airport Land through June 2015
- City provides interim parking for SMC through June 2015
- Each party accepts the exchanged property "as is"

#### SMC and City Lease Documents

- Leases are up to 99 years, and both parties in good faith will seek to exercise purchase option
- SMC may exercise its purchase option through a quit claim process starting in 2026
- SMC has the option to lease with an option to purchase Parcel B, an additional 0.4-acre parcel located between the Spitfire and the Airport Land for a one-time lump sum payment City retains parking rights for up to 20 cars for Spitfire restaurant use on Parcel B
- Exhibit A shows the locations of the exchanges.

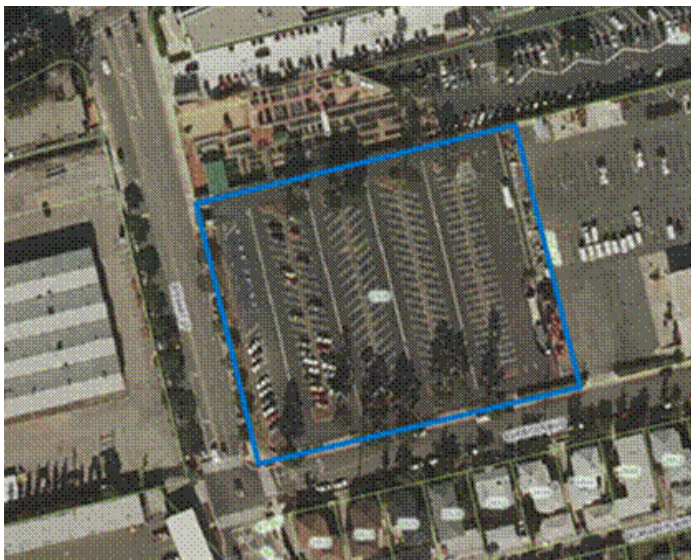
MOTION MADE BY: David Finkel  
SECONDED BY: Andrew Walzer  
STUDENT ADVISORY: Aye  
AYES: 5  
NOES: 0  
ABSENT: 2 (Quiñones-Perez, Rader)

# Exhibit A - Land Exchange

Figure 1. SMC exchanges ownership with Expo of 2.35-acre shuttle property (orange) for 2.35-acre buffer (blue) property.



Figure 2. SMC exchanges lease of 2.35-acre buffer property to City for 2.7-acre airport property from City. SMC also has option to lease additional 0.4-acres of airport property.



<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

MAJOR ITEMS OF BUSINESS

**RECOMMENDATION NO. 5**

**SUBJECT:** **PUBLIC HEARING AND ADOPTION OF THE SMCCD INITIAL PROPOSAL TO SMC FACULTY ASSOCIATION**

**SUBMITTED BY:** Superintendent/President

**REQUESTED ACTION:** It is recommended that the Board of Trustees conduct a public hearing to receive comments on the Santa Monica Community College District’s initial collective bargaining proposal to the SMC Faculty Association.

**PUBLIC HEARING:** Open Public Hearing: 8:12 p.m.  
 Motion Made By: Andrew Walzer  
 Seconded By: Michelle Olivarez  
 Student Advisory: Aye  
 Ayes: 5  
 Noes: 0  
 Absent: 2 (Quiñones-Perez, Rader)

Public Comments: None

Close Public Hearing: 8:13 p.m.  
 Motion Made By: Andrew Walzer  
 Seconded By: Michelle Olivarez  
 Student Advisory: Aye  
 Ayes: 5  
 Noes: 0  
 Absent: 2 (Quiñones-Perez, Rader)

**REQUESTED ACTION:** It is recommended that the Board of Trustees adopt the Santa Monica Community College District initial collective bargaining proposal to the SMC Faculty Association.

The District proposes extending the term of the Agreement between the Santa Monica College Faculty Association and Santa Monica Community College District for two years to August 24, 2015 without modification. In the event the District receives a COLA from the State for the 2013-14 fiscal year, the District agrees that for academic year 2013-14, all salary schedules shall be increased by a percentage equal to the actually-received COLA in the adopted budget less 1.5%. In the event the District receives a COLA from the State for the 2014-15 fiscal year, the District agrees that for academic year 2014-15, all salary schedules shall be increased by a percentage equal to the actually-received COLA in the adopted budget less 1.5%.

COMMENT:

The Santa Monica Community College District's initial proposal to the SMC Faculty Association for a collective bargaining agreement was presented on April 2, 2013 pursuant to Government Code Section 3547(a) and Board Policy 3134.

MOTION MADE BY:	Michelle Olivarez
SECONDED BY:	Susan Aminoff
STUDENT ADVISORY:	Aye
AYES:	5
NOES:	0
ABSENT:	2 (Quiñones-Perez, Rader)

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
SANTA MONICA COMMUNITY COLLEGE DISTRICT	May 7, 2013

MAJOR ITEMS OF BUSINESS

**RECOMMENDATION NO. 6**

**SUBJECT:** **PROCESS TO APPOINT MEMBERS OF THE CITIZENS' BOND OVERSIGHT COMMITTEE**

**SUBMITTED BY:** Superintendent/President

**REQUESTED ACTION:** It is recommended that the Board of Trustees commence the application process (1) to fill vacancies on the Citizens' Bond Oversight Committee (CBOC) caused by expiring/unfilled terms of current members, effective July 1, 2013, and (2) to possibly appoint additional members to serve on the Citizens' Bond Oversight Committee.

**SUMMARY:** The Government Code and Education Code require that the Citizens' Bond Oversight Committee shall consist of a minimum of seven (7) members appointed by the Board of Trustees, with at least:

1. one representative of the business community within the District
2. one person active in a senior citizens' organization
3. one person active in a bona fide taxpayers' organization
4. one student who is currently enrolled at SMC
5. one person active in the support and organization of the District
6. additional appointees to represent the communities of Santa Monica and Malibu

Following is the status of Citizens' Bond Oversight Committee membership:

Members with <b>continuing terms</b> through June 30, 2014	Todd Flora, Business community/taxpayers' organization representative Corin Kahn, Community representative Katherine Reuter, Senior Citizens' Organization Samuel Zivi, Local Community/ Business/Senior Citizens' Organization
Members with terms expiring June 30, 2013 <b>who are eligible</b> to apply for reappointment	Heather Anderson, Community representative Barry Snell, Community representative
Member with term expiring June 30, 2013 <b>who is not eligible</b> for reappointment	Bruce Sultan, Business Community representative
Student Representative term expiring June 30, 2013	Parker Jean, Associated Students President

The Committee meets quarterly (July, October, January and April) and reviews quarterly expenditure reports produced by the District to ensure that (a) bond proceeds are expended only for the purposes set forth in the ballot measure; (b) no bond proceeds are used for any teacher or administrative salaries or other operating expenses; (c) bond proceeds are maximized. Members of the Citizens' Bond Oversight Committee shall serve for no more than two consecutive terms (Education Code Section 15282.)

MOTION MADE BY:	Andrew Walzer
SECONDED BY:	David Finkel
STUDENT ADVISORY:	Aye
AYES:	5
NOES:	0
ABSENT:	2 (Quiñones-Perez, Rader)



<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

**MAJOR ITEMS OF BUSINESS**

**RECOMMENDATION NO. 7**

**SUBJECT:**                   **RESOLUTION AUTHORIZING ISSUANCE OF SANTA MONICA COMMUNITY COLLEGE DISTRICT GENERAL OBLIGATION REFUNDING BONDS, 2002 ELECTION, SERIES 2013A**

**SUBMITTED BY:**           Vice President, Business and Administration

**REQUESTED ACTION:**   It is recommended that the Board of Trustees approve a resolution authorizing the issuance of Santa Monica Community College District General Obligation Refunding Bonds, 2002 Election, Series 2013A.

See Appendix A for full text of resolution.

**COMMENT:**               This resolution provides authority for the District to issue up to \$122,000,000 of its General Obligation Refunding Bonds, 2002 Election, Series 2013A (the “2013A Bonds”). The proceeds of the 2013A Bonds will both pay off a portion of the District’s outstanding general obligation bonds from the 2002 Election (the “2002 Bonds”) and pay for their costs of issuance. The District’s Financial Advisor, First Southwest Company, and Managing Underwriter, RBC Capital Markets, anticipate considerable savings to the taxpayers as a consequence of this refunding under today’s highly favorable market conditions, taking into account the costs of issuance of the 2013A Bonds. The resolution also approves the necessary documents for this transaction, including a form of Preliminary Official Statement (which will also be used for the District’s 2013B Bonds, see below), a Bond Purchase Contract and an Escrow Agreement. The net proceeds of sale of the 2013A Bonds will be deposited under the Escrow Agreement and invested until the first call date for the 2002 Bonds.

This recommendation will result in an estimated \$14,000,000 in gross savings to taxpayers.

RBC Capital will be the lead underwriter and will be working with co-manager Mitsubishi UFJ Securities (USA), Inc. The District’s Bond Counsel will be Nixon Peabody, LLP, and First Southwest will act as District’s Financial Advisor.

**MOTION MADE BY:**       Andrew Walzer  
**SECONDED BY:**         David Finkel  
**STUDENT ADVISORY:**   Aye  
**AYES:**                    5  
**NOES:**                    0  
**ABSENT:**                 2 (Quiñones-Perez, Rader)

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

**MAJOR ITEMS OF BUSINESS**

**RECOMMENDATION NO. 8**

**SUBJECT:**                   **RESOLUTION AUTHORIZING ISSUANCE OF SANTA MONICA COMMUNITY COLLEGE DISTRICT GENERAL OBLIGATION REFUNDING BONDS, 2004 ELECTION, SERIES 2013B (FEDERALLY TAXABLE)**

**SUBMITTED BY:**           Vice President, Business and Administration

**REQUESTED ACTION:**   It is recommended that the Board of Trustees approve a resolution authorizing the issuance of Santa Monica Community College District General Obligation Refunding Bonds, 2004 Election, Series 2013B (Federally Taxable).

See Appendix B for full text of resolution.

**COMMENT:**               This resolution provides authority for the District to issue up to \$25,000,000 of its General Obligation Refunding Bonds, 2004 Election, Series 2013B (Federally Taxable) (the "2013B Bonds"). The proceeds of the 2013B Bonds will both pay off in full the District's outstanding General Obligation Refunding Bonds, 2004 Election, 2007 Series C (the "2007 Bonds") and pay for their costs of issuance. The District's Financial Advisor, First Southwest Company, and Managing Underwriter, RBC Capital Markets, anticipate savings to the taxpayers as a consequence of this refunding, even though the 2007 Bonds were tax-exempt, and the 2013B Bonds will be subject to federal income taxation under today's highly favorable market conditions, taking into account the costs of issuance of the 2013B Bonds. The resolution also approves the necessary documents for this transaction, including the composite form of Preliminary Official Statement, a Bond Purchase Contract and an Escrow Agreement. The net proceeds of sale of the 2013B Bonds will be deposited under the Escrow Agreement and invested until the first call date for the 2007 Bonds.

This recommendation will result in lowering the tax rates and savings of approximately \$149,000 in gross savings to taxpayers. It will also allow the District to issue the remaining 2004 Election bonds in the near future.

**MOTION MADE BY:**       Andrew Walzer  
**SECONDED BY:**         David Finkel  
**STUDENT ADVISORY:**   Aye  
**AYES:**                   5  
**NOES:**                   0  
**ABSENT:**                 2 (Quiñones-Perez, Rader)

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

MAJOR ITEMS OF BUSINESS

**RECOMMENDATION NO. 9**

**SUBJECT:** **2012-2013 QUARTERLY BUDGET REPORT and 311Q**

SUBMITTED BY: Vice-President, Business/Administration

REQUESTED ACTION: Acknowledge receipt of the 2012-2013 Quarterly Budget Report, as of March 31, 2013 (Appendix D).

COMMENT: The Board of Trustees is presented on a quarterly basis with a set of financial statements for the general fund along with the quarterly 311Q report required by the Chancellor's Office.

MOTION MADE BY: Michelle Olivarez

SECONDED BY: David Finkel

STUDENT ADVISORY: Aye

AYES: 5

NOES: 0

ABSENT: 2 (Quiñones-Perez, Rader)

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
SANTA MONICA COMMUNITY COLLEGE DISTRICT	May 7, 2013

MAJOR ITEMS OF BUSINESS

**RECOMMENDATION NO. 10**

**SUBJECT:** **RECEIPT OF PERSONNEL COMMISSION 2013-2014 PROPOSED BUDGET**

**SUBMITTED BY:** Superintendent/President

**REQUESTED ACTION #1:** It is recommended that the Board of Trustees acknowledge receipt of the 2013-2014 proposed budget for the Santa Monica Community College District Personnel Commission. The Personnel Commission Budget will be discussed as part of the District’s regular budget process.

**SUMMARY:** Per Merit Rule 2.4, the Director of Classified Personnel shall prepare and submit to the Personnel Commission a proposed operating budget for the Commission for the next ensuing fiscal year. The budget shall be submitted not later than the appropriate Commission meeting in April.

The proposed budget being presented to the Board of Trustees represents the first reading of the Personnel Commission’s proposed operating budget presented at its April 17, 2013 meeting. The Personnel Commission will hold a public hearing on its proposed budget on May 15, 2013 at which time it will fully consider all comments and suggestions that may be offered by District administration, the Board or other concerned persons or organizations.

The Personnel Commission is requesting an increase in Consultant fees related to the recruitment and assessment for a permanent Director of Classified Personnel. Increases in Clerical Hourly salaries are being requested to provide temporary support to cover immediate increases in overall staff workload, and to cover the backfill for the Supervising Personnel Analyst who will be working out of class during a portion of fiscal year 2013-2014. The District is anticipating an increase in employee benefits; therefore, these increases are also reflected in the attached proposed budget.

Software Tech Support (Object Code 4410) shown \$9,000 on the budget for fiscal year 2012-2013. This amount has been reassigned to “Software Licensing” (Object Code 5840), since this reflects the actual account from which the annual licensing fees were paid last year.

The Personnel Commission has agreed to take a 20% reduction in supplies, an 18% reduction in advertising, and an 11% reduction in the training budget.

The Personnel Commission has agreed to continue deferring the hiring for one Personnel Analyst position for another fiscal year, and return un-used funds (\$79,587.00) to the District's general fund at the end of the 2013-2014 fiscal year. The Personnel Commission has agreed to continue operating understaffed for an additional year in order to help offset requested budget increases associated with the Director of Classified Personnel transition.

MOTION MADE BY:	David Finkel
SECONDED BY:	Michelle Olivarez
STUDENT ADVISORY:	Aye
AYES:	5
NOES:	0
ABSENT:	2 (Quiñones-Perez, Rader)

**PERSONNEL COMMISSION D 2013-2014 PROPOSED BUDGET**

<b>Description</b>	<b>Object</b>	<b>2011/12</b>	<b>2012/13</b>	<b>2013/14</b>	<b>Difference</b>
Administrative & Management	2110	\$228,385.00	\$242,920.00	\$246,312.00	\$3,392.00
Clerical	2120	\$247,628.00	\$233,093.00	\$233,757.00	\$664.00
Clerical Hourly	2323	\$5,150.00	\$5,150.00	\$21,150.00	\$16,000.00
Clerical Overtime	2324	\$-	\$-		\$-
Personnel Commissioners	2380	\$7,725.00	\$7,725.00	\$7,725.00	\$-
Other Classified Hourly	2393	\$-	\$-	\$-	\$-
Benefits (Staff - 38%)	Various	\$165,318.00	\$165,318.00	\$182,426.00	\$17,108.00
Benefits (Commissioners)	Various	\$70,714.00	\$70,714.00	\$70,714.00	\$-
Salary and benefits costs of deferred position. Funds proposed to be returned to the District at year end. <i>It is projected that approximately \$45,000 will be returned to the District. The difference of \$30,000 is being used for temporary classified and small amount of overtime.</i>			\$75,536.00	\$79,587.00	\$-
					\$-
<b>Total Salary &amp; Benefits</b>		\$724,920.00	\$800,456.00	\$841,671.00	\$41,215.00
					\$-
<b>Supplies &amp; Periodicals</b>					\$-
Reference Books	4230	\$250.00	\$250.00	\$250.00	\$-
Periodicals	4240	\$-	\$-	\$-	\$-
Software	4410	\$9,000.00	\$9,000.00	\$9,000.00	\$-
Supplies	4550	\$5,498.00	\$5,498.00	\$4,363.00	\$(1,135.00)
<b>Total Supplies &amp; Periodicals</b>		\$14,748.00	\$14,748.00	\$13,613.00	\$(1,135.00)
Consultants	5110	\$4,000.00	\$4,000.00	\$25,000.00	\$21,000.00
Mileage	5210	\$300.00	\$300.00	\$300.00	
Conf./Training/Staff Development	5220	\$6,200.00	\$6,200.00	\$5,500.00	\$(700.00)
Meeting Reimbursements	5241	\$500.00	\$500.00	\$500.00	
Meals/Catering for Raters	5242	\$2,000.00	\$2,000.00	\$2,000.00	
Dues & Memberships	5310	\$6,000.00	\$6,000.00	\$6,000.00	
Repairs and Equipment Maintenance	5650	\$400.00	\$400.00	\$400.00	
Legal	5730	\$32,312.00	\$32,312.00	\$32,312.00	\$-
Off Campus Printing	5820	\$500.00	\$500.00	\$2,100.00	\$1,600.00
Advertising	5830	\$5,000.00	\$5,000.00	\$4,100.00	\$(900.00)
Postage	5850	\$200.00	\$200.00	\$200.00	
Delivery Services	5851	\$-	\$-	\$-	
Damages, Claims	5870	\$-	\$-	\$-	
Other Contract Services	5890	\$1,500.00	\$1,500.00	\$1,500.00	
<b>Total Operating Expenses</b>		\$58,912.00	\$58,912.00	\$79,912.00	\$21,000.00
Capitalized Equipment New	6410	\$-	\$-	\$-	\$-
Non-Capitalized Equipment	6450	\$3,000.00	\$3,000.00	\$3,000.00	\$-
Equipment Replacement & Lease	6520	\$-	\$-	\$-	
<b>Total New Equipment</b>		\$3,000.00	\$3,000.00	\$3,000.00	\$-
<b>Total Expenses w/o Labor</b>		\$76,660.00	\$76,660.00	\$96,525.00	
<b>Total Budget</b>		\$801,580.00	\$877,116.00	\$938,196.00	\$61,080.00

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

MAJOR ITEMS OF BUSINESS

**RECOMMENDATION NO. 11**

**SUBJECT:** **PUBLIC HEARING AND ADOPTION OF EDUCATION PROTECTION ACCOUNT (EPA) FUNDING AND EXPENDITURES**

**SUBMITTED BY:** Vice-President, Business/Administration

**REQUESTED ACTION:** It is recommended that the Board of Trustees conduct a public hearing to receive comments on the Santa Monica Community College District’s Education Protection Account Funding and Expenditures.

**SUMMARY:** Proposition 30, *The Schools and Local Public Safety Protection Act of 2012*, passed in November 2012. This proposition temporarily raises the sales and use tax by .25 cents for four years and raises the income tax rate for high-income earners (\$250,000 for individuals and \$500,000 for couples) for seven years to provide continuing funding for local school districts and community colleges. The Education Protection Account (EPA) is created in the General Fund to receive and disburse these temporary tax revenues.

Districts have sole authority to determine how the moneys received from the EPA are spent, provided that the governing board makes these spending determinations in open session of a public meeting of the governing board. Each entity receiving funds must annually publish on its Internet web site an accounting of how much money was received from the EPA and how that money was spent. Additionally, the annual independent financial and compliance audit required of community colleges shall ascertain and verify whether the funds provided from the EPA have been properly disbursed and expended as required by law. Expenses incurred to comply with these additional audit requirements may be paid from the EPA.

Since the District now has the information needed to make a spending determination, this recommendation is submitted to comply with the Chancellor’s Office and Proposition 30 provision requiring the governing board to make the spending determination in an open session of a public meeting of the governing board. The estimated EPA funds that the Santa Monica Community College District will receive are \$16,486,930 and the entire amount will be spent in the category of instructional salaries. The EPA funds are NOT additional funds but rather are components of the “computational revenue” calculations.

**PUBLIC HEARING:** Open Public Hearing: 8:56 p.m.  
 Motion Made By: Andrew Walzer  
 Seconded By: David Finkel  
 Student Advisory: Aye  
 Ayes: 5  
 Noes: 0  
 Absent: 2 (Quiñones-Perez, Rader)

Public Comments: None

Close Public Hearing: 8:57 p.m.

Motion Made By: David Finkel

Seconded By: Michelle Olivarez

Student Advisory: Aye

Ayes 5

Noes: 0

Absent: 2 (Quiñones-Perez, Rader)

**REQUESTED ACTION:**

It is recommended that the Board of Trustees approve the plan to expend the EPA funds of \$16,486,930 on instructional salaries.

MOTION MADE BY: David Finkel

SECONDED BY: Andrew Walzer

STUDENT ADVISORY: Aye

AYES: 5

NOES: 0

ABSENT: 2 (Quiñones-Perez, Rader)



<b>BOARD OF TRUSTEES</b>	<b>INFORMATION</b>
Santa Monica Community College District	May 7, 2013

MAJOR ITEMS OF BUSINESS

**INFORMATION ITEM 12**

**SUBJECT:** INSTITUTIONAL EFFECTIVENESS UPDATE AND STUDENT SUCCESS SCORECARD

SUBMITTED BY: Vice-President, Enrollment Development

Institutional Effectiveness Update

Institutional Effectiveness is the systematic and continuous process of measuring the extent to which a college achieves its mission, as expressed through the goals developed in a strategic or educational master plan. The current report provides longitudinal data for 42, including 4 new, key indicators identified as appropriate measure of institutional effectiveness for Santa Monica College (SMC). The report provides an assessment of the college's process towards target goals for the indicators on the Institutional Priorities Dashboard and a discussion of the follow-up studies being conducted to address targets not met. A new feature of the dashboards is the reporting of institution-set standards for student success measures.

The ultimate purpose of the institutional effectiveness process is to build and sustain college effectiveness. Institutional effectiveness identifies and prioritizes the college areas that need critical attention and improvement. Institutional effectiveness supports the process of collaborative inquiry among campus constituents by prompting questions and sparking robust dialogue around college performance; it aims to drive evidence-based college planning and decision-making processes.

The 2013 Institutional Effectiveness Report can be found in the Supplement to the agenda. The report should serve as a starting point from which to conduct further analyses of key indicators and engage the college community in further inquiry to identify ways to improve institutional effectiveness.

Student Success Scorecard

The Student Success Scorecard, a comprehensive accountability system for California Community Colleges, replaces the old system known as the Accountability Reporting for the Community Colleges (ARCC). The Student Success Scorecard was developed to address one recommendation of the Student Success Task Force (SSTF) to build on the existing reporting system (ARCC) to develop a more clear and concise tool to track student progress and success. Legislation requires that each college's local Board of Trustees review the college's Scorecard annually. No action is required by the Board; review of the narrative, and the selection of materials contained in Appendix D in the agenda fulfills this legislative requirement.

Teresita Rodriguez, Vice President of Enrollment Development, and Dr. Hannah Lawler, Director of Institutional Research, presented the Institutional Effectiveness data, as well as an overview of the Student Success Scorecard.

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
SANTA MONICA COMMUNITY COLLEGE DISTRICT	May 7, 2013

**VIII. CONSENT AGENDA**

*Any recommendation pulled from the Consent Agenda will be held and discussed in Section VIII, Consent Agenda – Pulled Recommendations*

**RECOMMENDATION:**

The Board of Trustees take the action requested on Consent Agenda Recommendations #13-#28.

Recommendations pulled for separate action and discussed in Section VIII, Consent Agenda – Pulled Recommendations: #16-B, #17

Action on Consent Agenda, excluding #16-B, #17

MOTION MADE BY: David Finkel  
 SECONDED BY: Louise Jaffe  
 STUDENT ADVISORY: Aye  
 AYES: 5  
 NOES: 0  
 ABSENT: 2 (Quiñones-Perez, Rader)

**IX. CONSENT AGENDA – Pulled Recommendations**

Recommendation #16-B – Ratification of Contracts and Consultants

MOTION MADE BY: Andrew Walzer  
 SECONDED BY: Michelle Olivarez  
 STUDENT ADVISORY: Aye  
 AYES: 5  
 NOES: 0  
 ABSENT: 2 (Quiñones-Perez, Rader)

Recommendation #17 – Academic Personnel

MOTION MADE BY: Michelle Olivarez  
 SECONDED BY: David Finkel  
 STUDENT ADVISORY: Aye  
 AYES: 5  
 NOES: 0  
 ABSENT: 2 (Quiñones-Perez, Rader)

**X. REPORTS FROM DPAC CONSTITUENCIES**

- Associated Students
- CSEA
- Faculty Association
- Management Association

**RECOMMENDATION NO. 13 APPROVAL OF MINUTES**

Approval of the minutes of the following meetings of the Santa Monica Community College District Board of Trustees:

April 2, 2013 (Regular Board of Trustees Meeting)

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

CONSENT AGENDA: GRANTS AND CONTRACTS

**RECOMMENDATION NO. 14 LICENSE AGREEMENT FOR SMC’S INTEGRATED APPLICATION PORTAL PLATFORM (iAPP)**

*Approved by: Randal Lawson, Executive Vice-President*  
*Requested Action: Approval*

Approval of a License Agreement with Kairos, LLC, a subsidiary of Tango Mobile LLC to use, enhance, upgrade, productize, and market SMC’s Integrated Application Portal platform (iApp).

Comment: Integrated Application Portal (iApp) is a patented SMC developed software solution that was originally designed to provide the International Education Center (IEC) with a world-class system that combines admissions application, communication, eDocument management, and business process workflow. When iApp was demonstrated at the 2012 regional NAFSA: Association of International Educators conference in San Jose, numerous colleges and universities expressed a strong interest.

SMC discussed potential license agreements with several software companies, including one of the world’s largest higher education software companies. In the final analysis, Kairos LLC, a venture capital funded start-up founded by former SMC students who transferred and graduated from UCLA and Stanford, offered SMC a long-term revenue stream without the need to forfeit ownership of iApp’s intellectual property (patent).

The iApp license agreement provides SMC with ten percent of gross sales plus a three percent annual maintenance fee royalty. The agreement provides for target sales of a minimum of 10 end-users within 12 months, 20 end-users within 24 months, and 15 end-users annually for the subsequent three years. Each sale should gross between \$70,000 and \$100,000, depending upon international student headcount.

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

CONSENT AGENDA: GRANTS AND CONTRACTS

**RECOMMENDATION NO. 15 CONTRACTS FOR CELEBRATE AMERICA, 2013**

*Requested Action: Approval/Ratification*

*Requested Action: Linda Sullivan, Director Facilities Programming*

*Approved By: Don Girard, Senior Director, Government Relations/Institutional Communications*

Approval of the following contracts for Celebrate America 2013, scheduled for Saturday, June 29, 2013. All activities including entertainment and community picnic will be held on Corsair Field. There will be live music and an MC on the Corsair Stage and a spectacular fireworks show from the top of the Gym building and the driveway between the Gym and the Library. All costs are covered by sponsorships and donations.

	Provider	Amount	Service	Funding Source
A	Pyro Spectaculars - Fireworks	\$17,500	Fireworks	Sponsorships and Donations
B	Chris Mulkey Band	\$1,200	Music entertainment	Sponsorships and Donations
C	Eddie Jauregui, MC	\$300	Master of Ceremonies	Sponsorships and Donations
D	Denise Flachbart	\$2,500	Production services	Sponsorships and Donations
E	Field Turf	\$3,500	Maintenance of Corsair Field	Sponsorships and Donations
F	Ling Audio Prod. – Stage and Sound	\$4,500	Stage and Sound System	Sponsorships and Donations
G	Festival Lighting – Stage Lighting	\$1,975	Lighting rental	Sponsorships and Donations
H	Andy Gump	\$1,869	Portal restrooms and 300 gallon sink	Sponsorships and Donations
I	Athens Services	\$228	Waste Collection Disposal	Sponsorships and Donations
J	Global Events – Security	\$5,608	Event Security Services	Sponsorships and Donations
K	SMC Campus Police	\$8,500	Security	Sponsorships and Donations
L	SMC Grounds/Maintenance/ Custodial Services	\$8,060	Custodial/clean-up John Adams	Sponsorships and Donations
M	Smart Party Rents	\$5,608	Canopies, lighting, tables, and chairs	Sponsorships, Donations and Vendor Fees
N	West Coast Litho, Inc.	\$978	Flyers and programs	Sponsorships and Donations
O	Commercial Landscape Supply	\$291	Caution Banner and Hoses	Sponsorships and Donations

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

CONSENT AGENDA: GRANTS AND CONTRACTS

**RECOMMENDATION NO. 16 RATIFICATION OF CONTRACTS AND CONSULTANTS**

Approved by: Chui L. Tsang, Superintendent/President

Requested Action: Ratification

The following contracts for goods, services, equipment and rental of facilities, and acceptance of grants in the amount of \$50,000 or less have been entered into by the Superintendent/President and are presented to the Board of Trustees for ratification.

Authorization: Board Policy Section 6255, Delegation to Enter Into and Amend Contracts

Approved by Board of Trustees: 9/8/08

Reference: Education Code Sections 81655, 81656

Provider/Contract	Term/Amount	Service	Funding Source
A First Southwest Company	April 19, 2013 to June 30, 2014  \$150 to \$295 per hour plus reimbursable expenses, not to exceed \$25,000	First Southwest Company will provide third-party financial advisory services to the District for 2013 General Obligation Bonds 2002 Election (Measure U) and 2004 Election (Measure S) refinancing.	Measure U, S
Requested by: Greg Brown, Director, Facilities/Planning Approved by: Robert Isomoto, Vice-President, Business/Administration			
B The Career Ladders Project	May 2013 – December 2013  Not to Exceed \$45,000	The Career Ladders Project (CLP), which was founded by the CCC Board of Governors, provides research-based policy and practice recommendations to the system regarding career pathway programs. CLP will plan, develop, and facilitate a range of technical assistance activities in support of the Redesigning CTE for Career Pathways Project at Santa Monica College. CLP activities will include direct assistance through regular communications, campus visits, and engagement of internal and external partners to identify and document up to three CTE Career Pathways. As Technical Assistance Provider, CLP will assist SMC in strengthening Pathways strategies through a collaborative process of professional development, evidence based discussion, and documentation.	Perkins IV (CTEA) and CTE – SB 70

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

CONSENT AGENDA: GRANTS AND CONTRACTS

**RECOMMENDATION NO. 16 RATIFICATION OF CONTRACTS AND CONSULTANTS (continued)**

Provider/Contract	Term/Amount	Service	Funding Source
C Lavin Agency  (Paul Tough, Keynote Speaker)	May 13-16, 2013  Not to Exceed \$4,000	Santa Monica College's Spring 2013 Symposium "Urban Youth: Fostering Success through GRIT" will contract with the Lavin Agency to bring New York Times bestselling author and expert on education and politics Paul Tough as keynote speaker from May 13-16, 2013. Tough will share his extensive research on the interrelated topics of educating, parenting, poverty and politics as it relates to the 21st century educational process. This professional development event will allow SMC faculty, K-12 partners, community and industry partners to exchange information that will create a synergy amongst them to further develop new workforce initiatives that will unlock opportunities to connect youth with education and employment. (Note: The remainder of the fee for Mr. Tough's services: \$16,000 will be paid from the SMC Foundation Public Policy Academic Fund – privately-raised, non-District funds).	Perkins IV (CTEA): 50%  CTE V (SB70): 50%
D A+ Safety Training	Not to exceed \$24,850  May 1, 2013 - December 31, 2013	A + Safety will provide training to ETP (Employer Training Panel) clients who request specialized training in the area of OSHA (Occupational Safety and Health Administration) compliance. Classes in Hazardous Materials Handling and Quality Control are approved categories of training for ETP contractors. The scope of work and class learning outcomes are clearly outlined by OSHA and adhered to by A+ Safety Training.	ETP Contract (100%)
E Vicenti, Lloyd, Stutzman, LLP	\$20,600	Federal Record audit of sub-recipients for U.S. Department of Labor/Education and Training Administration Jobs Training Grant.	Restricted Funds

B, C, D, and E  
 Requested By: Patricia Ramos, Dean, Workforce and Economic Development  
 Approved By: Jeff Shimizu, Vice President, Academic Affairs

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

CONSENT AGENDA: GRANTS AND CONTRACTS

**RECOMMENDATION NO. 16 RATIFICATION OF CONTRACTS AND CONSULTANTS (continued)**

Provider/Contract	Term/Amount	Service	Funding Source
F Transparent Language	Not to exceed \$1,250  August 21, 2014 - December 14, 2014  February 6, 2014 - June 17, 2014	Transparent Language, a language learning software company, will provide Internet access to five language programs (Hebrew, Korean, Persian, and Turkish) in the Modern Languages and Cultures Department (MLCD) Language Lab in the Fall 2014 and Spring 2014 semesters.	MLCD District Lottery Budget (100%)
<p><i>Requested by: Toni Trives, Department Chair, Modern Languages &amp; Cultures</i>  <i>Approved by: Jeff Shimizu, Vice President, Academic Affairs</i></p>			
G Tyrone Hayes	Not to exceed \$750  April 25, 2013	Tyrone Hayes, a revolutionary environmental scientist/activist and professor of Integrative Biology at UC Berkeley delivered a guest lecture on April 25, 2013 during Earth Week on issues concerning toxins in pesticides affecting the food supply.	STEM Grant (100%)
H Cobblestone Applied Research and Evaluation Inc. (Title V HSI STEM External Evaluation Team)	2012-2013 \$15,000 2013-2014 \$48,000 2014-2015 \$36,000 2015-2016 \$36,000 2016 Final Report \$18,000	The Title V/STEM grant requires that SMC conduct both a formative and summative evaluation that includes regular monitoring of the implementation plan, review of longitudinal success data, and a comprehensive evaluation of program services on student and faculty knowledge, skills and attitudes. Cobblestone specializes in evaluating STEM education programs designed to assist minority and disadvantaged participants as well as assess the effective use of technology, career development, service learning and training components of Federal Title V grants. Cobblestone Inc. came highly recommended from colleagues at UCLA.	Title V/STEM Grant
<p><i>G and H</i>  <i>Requested by: Melanie Bocanegra, Director, STEM Initiatives</i>  <i>Approved by: Jeff Shimizu, Vice-President, Academic Affairs</i></p>			

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

CONSENT AGENDA: GRANTS AND CONTRACTS

**RECOMMENDATION NO. 16 RATIFICATION OF CONTRACTS AND CONSULTANTS (continued)**

Provider/Contract	Term/Amount	Service	Funding Source
I Alonzo E. Jones III and Gary J. Locke	June 10, 2013 - July 31, 2013  \$50 per hour (not to exceed 20 hours per week) Total: \$6,000 each	The consultants will facilitate workshops in high school science for high school participants in the Upward Bound six-week summer program as required by federal regulations governing the grant	TRIO/Upward Bound Grant
<i>Requested by: Roberto Gonzalez, Associate Dean, Student Success Initiatives</i> <i>Approved by Mike Tuitasi, Vice President, Student Affairs</i>			
J Transportation Connection, Inc (Global Transportation Solutions)	Hourly rates remain the same as bid. Approximate cost of additional services through June 2013: \$9,735	This is amendment #2 to the contract (#10-11/005 SF) for shuttle transportation services to extend daily shuttle service between Airport Arts and Bundy Campus Monday through Friday, 3:45 pm-10pm	2012-2013 General Fund Rents and Leases/Shuttle
<i>Requested by: Cynthia Moore, Director, Purchasing</i> <i>Approved by: Bob Isomoto, Vice-President, Business/Administration</i>			
K Anna L. Laguzza, Inc./The Works Consulting	May 8, 2013 – June 30, 2013  \$980	The consultant will conduct a DISC assessment (a series of questions allowing analysis of communication style) of managers in Fiscal Services, followed by a 90-minute workshop in which communication styles will be discussed and how each participant can maximize interaction with others. Participants will better understand how their communication style is perceived by others and tips on how to improve overall communication with others in the workplace. The workshop is interactive and uses the assessment as a basis for discussion.	2012-2013 General Fund Human Resources
<i>Requested by: Sandy Chung, Assistant Director, Human Resources</i> <i>Approved by: Marcy Wade, Vice-President, Human Resources</i>			



<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

CONSENT AGENDA: HUMAN RESOURCES

**RECOMMENDATION NO. 17 ACADEMIC PERSONNEL**

*Requested Action: Approval/Ratification*  
*Reviewed by: Sherri Lee-Lewis, Dean, Human Resources*  
*Approved by: Marcia Wade, Vice-President, Human Resources*

ELECTION

<u>PROJECT MANAGERS (Extension)</u>	<u>EFFECTIVE DATE</u>
Cascio, Joe, Athletics	07/01/13 – 06/30/14
Cooper, Bonita, Upward Bound	07/01/13 – 06/30/14
DeMorst, Wendy, TRIO Student Support Services	07/01/13 – 06/30/14
King, Sasha, Employment Training Panel (ETP)	07/01/13 – 06/30/14
Leon-Vasquez, Maria, Workforce Development	07/01/13 – 06/30/14
Penchansky, Audra, Workforce Development	07/01/13 – 06/30/14
Prestby, Anthony, Supplemental Instruction	07/01/13 – 10/31/13

ADJUNCT FACULTY

Approval/ratification of the hiring of adjunct faculty. (List on file in the Office of Human Resources)

<u>RETIREMENT</u>	<u>EFFECTIVE DATE</u>
Carroll, Ann, Instructor, Mathematics (31+ years)	06/30/13
Green, Terry, Instructor, Mathematics (37+ years)	06/11/13
Goodfellow, Candyce, Instructor, Psychology (35+ years)	06/30/13
Jones, Robert L., Instructor, Photo & Fashion (39+ years)	06/30/13
McDonald, Suzanne, Counselor, General (38+ years)	06/11/13
Morgan, Dana, Instructor, English (15+ years)	06/30/13
<b>Ness, Brenda, Instructor, History (XX years)</b>	<b>06/30/13</b>
Quevedo, Juan, Instructor, Modern Language (38+ years)	07/27/13
Schwartz, Judith, Counselor, DSPS (38+ years)	06/11/13
Shishido, Lynette, Instructor, Business (37+ years)	06/11/13
Sindell, Steven, Instructor, Business (35+ years)	06/15/13
Ware, Robert, Instructor, Photo & Fashion (14+ years)	06/28/13
Weil, Mary Jane, Counselor DSPS (28+ years)	06/11/13

The Board hereby accepts immediately the retirements of the above listed personnel to be effective as indicated.

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

CONSENT AGENDA: HUMAN RESOURCES

**RECOMMENDATION NO. 18 CLASSIFIED PERSONNEL - REGULAR**

*Requested Action: Approval/Ratification*  
*Reviewed by: Sherri Lee-Lewis, Dean, Human Resources*  
*Approved by: Marcia Wade, Vice-President, Human Resources*

<u>PROBATIONARY</u>	<u>EFFECTIVE DATE</u>
Brown, Reginald M., Student Services Clerk, Outreach	04/15/13

<u>ADVANCE STEP PLACEMENT</u>	
Williams, Monet, CC Police Dispatcher, Campus Police Step B	02/20/13

<u>WORKING OUT OF CLASS ASSIGNMENT (PROVISIONAL)</u>	
Diaz, Veronica, Director, Fiscal Services, 50%	4/15/2013 for 90 working days

Gilden, JoAnne, Director, Fiscal Services, 50%	4/15/2013 for 90 working days
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Long, Carol, Director, Classified Personnel, 100%	03/20/2013 for 90 working days
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Monzon, Karen, Personnel Analyst, 100%	4/17/13-6/30/13
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<u>LEAVES OF ABSENCE - UNPAID</u>	
Fierro, Yolanda, CCPEO, Campus Police	02/11 – 12/31/13

<u>SEPARATION</u>	<u>LAST DAY OF PAID SERVICE</u>
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<u>RESIGNATION</u>	
Bonvenuto, Christopher M., Director, Fiscal Services (amended)	04/14/13

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

CONSENT AGENDA: HUMAN RESOURCES

**RECOMMENDATION NO. 19 CLASSIFIED PERSONNEL – LIMITED DURATION**

*Requested Action: Approval/Ratification*  
*Reviewed by: Sherri Lee-Lewis, Dean, Human Resources*  
*Approved by: Marcia Wade, Vice-President, Human Resources*

ELECTIONS EFFECTIVE DATE

PROVISIONAL: Temporary personnel who meet minimum qualifications and are assigned to work 90 working days; who have not come from an eligibility list.

O'Brian, Jeremiah, Theater Technical Specialist, SMC Performing Arts	04/19/13-06/30/13
Tateri, Jon-Erik S., Instructional Assistant-English, English	04/29/13-04/16/14

LIMITED TERM: Positions established to perform duties not expected to exceed 6 months in one Fiscal Year or positions established to replace temporarily absent employees; all appointments are made from eligibility lists or former employees in good standing.

Kotin, Daniel, Student Services Clerk, Library	04/25/13-10/25/13
Shepperd, Devina M., Student Services Clerk, Library	04/29/13-10/29/13

**RECOMMENDATION NO. 20 CLASSIFIED PERSONNEL - NON MERIT**

*Requested Action: Approval/Ratification*  
*Reviewed by: Sherri Lee-Lewis, Dean, Human Resources*  
*Approved by: Marcia Wade, Vice-President, Human Resources*

All personnel assigned will be elected on a temporary basis to be used as needed in accordance with District policies and salary schedules.

STUDENT EMPLOYEES

College Student Assistant, \$8.00/hour (STHP)	43
College Work-Study Student Assistant, \$8.00/hour (FWS)	27

SPECIAL SERVICE

Art Models, \$18.00/hour	15
Community Services Specialist I, \$35/hour	61
Community Services Specialist II, \$50/hour	6
Recreation Leader Director II, \$10.59/hour	3

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

CONSENT AGENDA: FACILITIES AND FISCAL

Requested by: Greg Brown, Director, Facilities Planning  
 Approved by: Robert Isomoto, Vice President of Business and Administration  
 Requested Action: Approval/Ratification

**RECOMMENDATION NO. 21 FACILITIES**

21-A CHANGE ORDER NO. 4 – TEMPORARY MODULAR OFFICES AND BIKE PARKING

Change Order 4 – MINCO CONSTRUCTION on the Bike Parking and Temporary Modular Offices project in the amount of \$12,799.

Original Contract Amount	\$1,337,700
Previously Approved Change Orders	\$78,380
Change Order 4	<u>\$12,799</u>
Revised Contract Amount	\$1,428,879

This change order results in no change to the contract length.

Funding Source: Measure AA

Comment: Change Order 4 provides for the labor and material for providing decomposed granite paving in lieu of planting at areas around modular building near the Liberal Arts building and the modification and installation of 24” x 24” vision lite in all ten interior office doors. Also provides to rotate Talk-A-Phone security tower located at the west side of the Bike Parking area near the skateboard dock 90 degrees and removal of adjacent skateboard dock from it’s current location and installation in new location. Also provides for site maintenance at AET Construction project area and Student Services site. This Change Order also includes a credit to the District for omitting removing the existing street light fixture and obtaining a city permit and for omitting installation of campus directory.

21-B CHANGE ORDER 1 – ACADEMY OF ENTERTAINMENT AND TECHNOLOGY RELOCATION

Change Order 1 – FAST TRACK CONSTRUCTION on the AET Relocation project in the amount of \$78,250.

Original Contract Amount	\$2,303,600
Previously Approved Change Orders	\$0
Change Order 1	<u>\$78,250</u>
Revised Contract Amount	\$2,381,850

This change order results in no change to the contract length.

Funding Source: Measure AA

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

CONSENT AGENDA: FACILITIES AND FISCAL

**RECOMMENDATION NO. 21 FACILITIES (continued)**

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21-A REJECT BID – STUDENT SERVICES AND ADMINISTRATION BUILDING

Reject the following sole bid received for construction of the Students Services and Administration Building.

Bernards Brothers, Inc.	\$102,629,588
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Comment: The bid was 25 percent over budget. District staff has analyzed the bid and recommends rejection of the bid. District staff is continuing to analyze alternatives based on a review of the history of this project, a comparison of this project to recently completed student services projects at other community colleges, available funding, and program urgency. The analysis will assist in identifying next steps to be brought forward to the Board at the June meeting.

21-D RENEWAL OF AGREEMENT FOR CONSTRUCTION PROJECT INSPECTION SERVICES

Renewal of the agreement with JL INSPECTION for construction project inspection services at \$105 per hour per inspector plus reimbursable expenses, total amount not to exceed \$378,000 for the period of May 7, 2013 to June 30, 2014 for DSA certified Class 1 Inspection Services.

Funding Source: Measure AA

Comment: The firm will provide DSA Certified Class 1 construction project Inspection services for the Information Technology Relocation, AET, Performing Arts East Wing, and Health/PE/Fitness/Dance projects during the term of the contract.

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

CONSENT AGENDA: FACILITIES AND FISCAL

**RECOMMENDATION NO. 21 FACILITIES** *(continued)*

21-E CONTRACT FOR BUILDERS RISK INSURANCE – BOND CONSTRUCTION PROGRAM

Agreement with Westchester Surplus Lines Insurance Company for Builder’s Risk Insurance Coverage not to exceed \$105,200 for the period of May 15, 2013 to May 15, 2015. The agreement is subject to limits for all covered causes of loss in any one occurrence up to \$60,00,000.

Funding Source: Measure AA

Comment: Builder’s Risk insurance covers loss or damage to property during the construction process including new buildings, construction materials and equipment. This coverage was previously obtained by the contractors themselves but the District can realize substantial savings by obtaining coverage for the entire bond construction program.

21-F POOL PAYMENTS UNDER JOINT USE FACILITIES AGREEMENT

Payment to: City of Santa Monica  
Amount: \$91,947.28  
For the Period: October 1 – December 31, 2012 (3 months)  
Funding Source: 2012-2013 District General Fund

Comment: Under the terms of the Joint Use of Facilities Agreement with the City of Santa Monica, the District pays a pro rata share of maintenance and operation costs of the pool based on the number of hours the College uses the pool compared to the total hours of pool use by all parties. College paid the City of Santa Monica \$91,773.22 for the same period last year.

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

CONSENT AGENDA: FACILITIES AND FISCAL

**RECOMMENDATION NO. 22 BUDGET TRANSFERS**

22-A FUND 01.0 – GENERAL FUND - UNRESTRICTED

Period: March 21, 2013 to April 23, 2013

Object Code	Description	Net Amount of Transfer
1000	Academic Salaries	0
2000	Classified/Student Salaries	-3,027
3000	Benefits	135
4000	Supplies	-4,736
5000	Contract Services/Operating Exp	250,938
6000	Sites/Buildings/Equipment	3,868
7000	Other Outgo/Student Payments	-247,178
Net Total:		0

22-B FUND 01.3 – GENERAL FUND - RESTRICTED

Period: March 21, 2013 to April 23, 2013

Object Code	Description	Net Amount of Transfer
1000	Academic Salaries	22,044
2000	Classified/Student Salaries	-2,633
3000	Benefits	-19,734
4000	Supplies	1,838
5000	Contract Services/Operating Exp	-4,231
6000	Sites/Buildings/Equipment	-13,234
7000	Other Outgo/Student Payments	15,950
Net Total:		0

Comment: The Adopted Budget needs to be amended to reflect the totals of the departmental budgets. The current system of the Los Angeles County Office of Education requires Board approvals each month for budget adjustments. Only the net amount of the transfers in or out of the object codes is shown. In addition to the budget adjustments, transfers result from requests by managers to adjust budgets to meet changing needs during the course of the year.





<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

CONSENT AGENDA: FACILITIES AND FISCAL

**RECOMMENDATION NO. 23 BUDGET AUGMENTATION** *(continued)*

23-C SMALL BUSINESS DEVELOPMENT CENTER (SBDC): PROGRAM INCOME

Granting Agency: Small Business Administration (SBA)  
Long Beach Community College Lead Center (LBCC)

Program Income: \$25,000

Performance Period: January 1, 2013 – December 31, 2013

Summary: As mandated by the SBA Service Agreement, each SBDC service center is required to generate a targeted amount of Program Income as a means of supporting the SBDC program’s operations. Program Income is gross income earned by the SBDC that is directly generated by fees collected from SBDC workshops and/or earned through award funds. The Santa Monica College SBDC, in collaboration with LBCC, will deploy short-term, low cost training activities and small business free one-on-one counseling that will enable individuals to learn entrepreneurship. The SMC SBDC’s services are available for any community member who has a business idea and needs assistance to develop small business ownership, or business owners who need start up or expansion assistance and consultation.

Budget Augmentation: This is an estimated budget projection for the SBDC’s Program Income (Restricted fund 01.3)

Revenue	
8800 Local Income	\$25,000
Expenditures	
2000 Non-instructional Salaries	\$19,000
3000 Employee Benefits	\$2,000
5000 Other Operating Expenditures	\$4,000

23-D DISABLED STUDENTS PROGRAM AND SERVICES (DSPS)

Granting Agency: State of California

Appropriated Funding: \$373,464

Matching Funds: none

Performance Period: July 1, 2012 – June 30, 2013

Summary: The District qualifies for an additional \$373,464 in DSPS funding per the letter from Chancellor’s Office dated 03-22-13.

Budget Augmentation:

Revenue:	
8600 State Revenue	\$ 373,464
Expenditures:	
1000 Academic Salaries	\$ 261,425
2000 Non Academic Salaries	\$ 78,429
3000 Employee Benefits	\$ 33,610



<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

CONSENT AGENDA: FACILITIES

**RECOMMENDATION NO. 27 PURCHASING**

*Requested by: Cynthia Moore, Director of Purchasing*

*Approved by: Robert Isomoto, Vice President*

*Requested Action: Approval/Ratification*

27-A AWARD OF PURCHASE ORDERS

Establish purchase orders and authorize payments to all vendors upon delivery and acceptance of services or goods ordered. All purchases and payments are made in accordance with Education Code requirements and allocated to approved budgets. Lists of vendors on file in the Purchasing Department

March 1 – March 31, 2013

\$13,217,582.68

<b>BOARD OF TRUSTEES</b>	<b>INFORMATION</b>
Santa Monica Community College District	May 7, 2013

**INFORMATION ITEM 28**                      **CITIZENS’ BOND OVERSIGHT COMMITTEE MEETING – APRIL 17, 2013**

A meeting of the Santa Monica Community College District Citizens’ Bond Oversight Committee was held on Wednesday, April 17, 2013 in Drescher Hall Room 300-E (the Loft) at Santa Monica College, 1900 Pico Boulevard, Santa Monica, California.

**1.            CALL TO ORDER - 8:06 a.m.**

**2.            ROLL CALL**

- Todd Flora, Chair – Present
- Heather Anderson – Present
- Parker Jean – Present
- Corin Kahn – Present
- Katherine Reuter – Present
- Barry Snell – Present
- Bruce Sultan – Present
- Sam Zivi – Present

Others Present:

- Greg Brown, Director of Facilities and Planning
- Don Girard, Senior Director, Institutional Communications/Government Relations
- Bob Isomoto, Vice-President, Business/Administration
- Lisa Rose, Citizens’ Bond Oversight Committee Coordinator
- Charlie Yen, Director, Contracts

**3.            APPROVAL OF MINUTES – January 23, 2013**

Motion was made by Katherine Reuter and seconded by Barry Snell to approve the minutes of Citizen’s Bond Oversight Committee meeting on January 23, 2013.

Ayes:                      8  
Noes:                        0

**4.            REPORTS and DISCUSSION**

SMC Bond Construction Projects Update

- The Information Technology Relocation project has started at the south end of the campus. It is a two-story extension to the Media Center that consolidates all technology functions into one area.
- A grand opening for the Bike Parking was held about six weeks ago.
- The relocation of the Academy of Entertainment and Technology campus to new portable facilities at the Bundy and Airport campuses was completed over spring break. Construction at the AET will start this summer and will take approximately two years.
- The Shuttle lot at Stewart and Exposition has been vacated and will be constructed as a light rail maintenance yard by the City of Santa Monica. In exchange, the college is getting additional property at the SM Airport.

- The College is working with the City of Santa Monica on the Early Childhood Development/Childcare project
- Malibu Campus: A preliminary rendition of the Malibu campus was presented to the Malibu Joint Powers Authority (JPA) and was received very positively. It will be submitted to the City of Malibu for review.
- Student Services Building: The District received a bid for the construction and considering the amount of the bid staff is proceeding with a full examination of the situation and will be looking at other options.

Measure U, S and AA and Bond Sales Expenses Reports (reports included with agenda)

- Measure U: The final retention payment from FEMA in the amount \$1,127,807 has been received. This payment closes out all FEMA claims and reimbursements. Total Measure U expenditures last period were \$885,785; total remaining funds are \$18,249,947;
- Measure S: Total expenditures last period were \$294,143, which includes \$170,961 for architectural services for Malibu and \$73,323 for the Student Services parking garage. Total remaining funds are \$70,190,697.
- Measure AA: Total expenditures last period were \$4,627,171, which included \$1,237,905 for the Information Technology Relocation, \$1,628,465 for AET Relocation and \$1,294,774 for energy efficiency projects. Total remaining funds are \$252,538,390.
- The *Bond Sales/Expenses Report* indicates total bond amounts, bond issue dates/amounts, unsold bond amount and total available as of March 31, 2013.

Total Bond	\$598,500,000
Total Available	\$383,496,730
Total Expenses as of 3-31-13	\$257,520,963
Total Available Remaining	\$125,975,767
Total Unsold Bond	\$215,003,270

- The *SMC Bond Construction Program Contractor List* as of March 31, 2013 was presented for information.
- Current information on all bond construction projects is available at: <http://smcbondprogram.com/>

**5. INFORMATION – Expiring terms of members of the Citizens’ Bond Oversight Committee**

The terms of the following members of the Citizens’ Bond Oversight Committee are expiring effective July 1, 2013 and are eligible for reappointment for a second two-year term:

Heather Anderson  
Barry Snell

The student representative will be selected in September.

The term of the following members of the Citizens’ Bond Oversight Committee is expiring effective July 1, 2013 and is not eligible for reappointment for another two-year term:

Bruce Sultan

The Board of Trustees will follow a recruitment and application process to appoint/reappoint members to fill the vacancies.

*The Committee thanked Bruce Sultan for his service on the Committee and encouraged Heather Anderson and Barry Snell to apply for reappointment.*

**6. PUBLIC COMMENTS - None**

**7. SCHEDULE OF MEETINGS, 2013-2014**

Wednesdays at 8 a.m.

July 17, 2013

October 16, 2013

January 22, 2014

April 16, 2014

**8. ADJOURNMENT – 9:01 a.m.**

The next meeting of the Citizens' Bond Oversight Committee will be held on Wednesday, July 17, 2013 at 8 a.m. in Drescher Hall Room 300-E (the Loft) at Santa Monica College, 1900 Pico Boulevard, Santa Monica, California.

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
SANTA MONICA COMMUNITY COLLEGE DISTRICT	May 7, 2013

XII. BOARD COMMENTS AND REQUESTS

XIII. ADJOURNMENT – 9:53 p.m.

The meeting was adjourned in memory of **Sal Castro**, a Los Angeles Chicano rights activist; **Joan Cooper**, wife of retired Communications instructor Ray Cooper; **Pam Grant-Dixon**, SMC counselor in the Office of Outreach and Recruitment; **Dr. Art Verge**, retired SMC instructor and administrator; and the SMC student who took his life.

There will be a special meeting/closed session on **Tuesday, May 21, 2013** at 5:30 p.m. at the Santa Monica College, Business Building Room 111, 1900 Pico Boulevard, Santa Monica, California.

The next regular meeting of the Santa Monica Community College District Board of Trustees will be held on **Tuesday, June 4, 2013** at 7 p.m. (5:30 p.m. if there is a closed session) in the Santa Monica College Board Room and Conference Center, Business Building Room 117, 1900 Pico Boulevard, Santa Monica, California.

The agenda for the next meeting will include the following:

1. Tentative 2013-2014 Budget
2. Appointment to Citizens' Bond Oversight Committee
3. Reports: Title V/Stem, Institutional Imagination Initiative (I<sup>3</sup>),  
Enrollment Priorities, Curriculum
4. Five-Year Construction Plan
5. Annual Agreements and Organizational Memberships

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

**APPENDIX A**

**RECOMMENDATION NO. 7**

**SUBJECT: RESOLUTION AUTHORIZING ISSUANCE OF SMCCD GENERAL OBLIGATION REFUNDING BONDS, 2002 ELECTION, SERIES 2013A**

**RESOLUTION NO. 7**

**RESOLUTION OF THE BOARD OF TRUSTEES  
OF SANTA MONICA COMMUNITY COLLEGE DISTRICT  
AUTHORIZING THE ISSUANCE AND SALE OF  
SANTA MONICA COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION REFUNDING BONDS, 2002 ELECTION, SERIES 2013A  
IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$122,000,000 AND APPROVING  
CERTAIN OTHER MATTERS RELATING TO SAID BONDS**

The complete Resolution is posted on the SMC Website – Trustees Meeting Information:  
<http://www.smc.edu/ACG/Pages/Trustees-Meeting-Information.aspx>



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**RESOLUTION OF THE BOARD OF TRUSTEES  
OF SANTA MONICA COMMUNITY COLLEGE DISTRICT  
AUTHORIZING THE ISSUANCE AND SALE OF  
SANTA MONICA COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION REFUNDING BONDS, 2002 ELECTION, SERIES 2013A  
IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$122,000,000 AND  
APPROVING CERTAIN OTHER MATTERS RELATING TO SAID BONDS**

---

**WHEREAS**, a duly called election was held in the Santa Monica Community College District, a community college district duly organized and existing under the laws of the State of California (the “**District**”), County of Los Angeles (the “**County**”), State of California, on March 5, 2002 (the “**2002 Election**”), and thereafter canvassed pursuant to law; and

**WHEREAS**, at the 2002 Election, there was submitted to and approved by the requisite fifty-five percent (55%) vote of the qualified electors of the District voting on the proposition a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum amount of \$160,000,000, payable from the levy of an *ad valorem* tax against the taxable property in the District; and

**WHEREAS**, as authorized at the 2002 Election, the Board of Trustees of the District (the “**Governing Board**”) has previously approved the issuance, among other series, of \$25,000,000 aggregate principal amount of the District’s General Obligation Bonds, Election of 2002, Series 2002A (the “**2002A Bonds**”), of which \$10,310,000 aggregate principal amount is presently outstanding and subject to refunding on an advance basis, \$21,999,971.25 initial principal amount of the District’s General Obligation Bonds, Election of 2002, Series 2004B (the “**2004B Bonds**”), of which \$12,660,000 aggregate principal amount is presently outstanding and subject to refunding on an advance basis, and \$89,999,923.35 initial principal amount of the District’s General Obligation Bonds, Election of 2002, Series 2005C (the “**2005C Bonds**,” and collectively with the 2002A Bonds and the 2004B Bonds, the “**Prior Bonds**”) of which \$68,773,637.55 of initial issue amount is presently outstanding and subject to refunding on an advance basis; and

**WHEREAS**, pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (commencing with Sections 53550 and 53580, respectively), the District is authorized to issue, or cause to be issued, general obligation bonds to refund all or a portion of the Prior Bonds (hereafter, the “**Refunded Bonds**”); and

**WHEREAS**, the Governing Board has now determined that conditions in the financial markets have become favorable for the refunding the Refunded Bonds by issuing its Santa Monica Community College District General Obligation Refunding Bonds, 2002 Election, Series 2013A (the “**Bonds**”), resulting in substantial savings to the taxpayers of the District; and

**WHEREAS**, pursuant to Section 53558(a) of the Government Code, the District is authorized to deposit certain proceeds of the sale of the Bonds in escrow in an amount sufficient to pay the principal of and interest and redemption premiums, if any, on the Refunded Bonds as

they become due or at designated dates prior to maturity, and to use certain proceeds of the Bonds to pay the costs of issuance of the Bonds; and

**WHEREAS**, this Governing Board has determined that it is desirable to sell the Bonds pursuant to a negotiated underwriting, to RBC Capital Markets, LLC, as representative (the “**Representative**”) of the underwriters, pursuant to a Contract of Purchase (as defined herein), a form of which has been submitted to this meeting of the Governing Board and is on file with the Clerk thereof (the “**Clerk**”); and

**WHEREAS**, a form of escrow agreement (the “**Escrow Agreement**”), by and between the District and U.S. Bank National Association, as escrow agent (the “**Escrow Agent**”), directing the establishment of an escrow fund for deposit of certain proceeds of sale of the Bonds for the purpose of paying and redeeming the Refunded Bonds has been submitted to this meeting of the Governing Board and is on file with the Clerk; and

**WHEREAS**, a form of the preliminary official statement (the “**Preliminary Official Statement**”) relating to the Bonds has been submitted to this meeting of the Governing Board and is on file with the Clerk; and

**WHEREAS**, a form of continuing disclosure undertaking (the “**Continuing Disclosure Undertaking**”), attached as Appendix C to the Preliminary Official Statement, has been submitted to this meeting of the Governing Board and is on file with the Clerk; and

**WHEREAS**, this Governing Board desires that the County of Los Angeles Treasurer and Tax Collector (the “**Treasurer**”) should levy and collect an *ad valorem* property tax on all taxable property within the District sufficient to provide for payment of the Bonds, and intends by the adoption of this Resolution to notify the Board of Supervisors of the County, the Auditor-Controller of the County, the Treasurer and other officials of the County that they should take such actions as shall be necessary to provide for the levy and collection of such tax and payment of the Bonds; and

**WHEREAS**, all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general obligation bonds of the District, and the indebtedness of the District, including this proposed issue of Bonds, is within all limits prescribed by law;

**NOW THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED** by the Board of Trustees of the Santa Monica Community College District as follows:

**SECTION 1.** Definitions. Capitalized terms used but not defined herein shall have the meanings set forth in the Recitals hereto. Additionally, the following terms shall for all purposes of this Resolution have the following meanings:

“Accreted Value” when used with respect to those of the Refunded Bonds which constitute Capital Appreciation Bonds, shall mean the accreted value of such Refunded Bond on the scheduled redemption date therefor, calculated in accordance with such Accreted Values Table.

“Accreted Values Table” shall mean the table of that name included in the final official statement for and applicable to the 2004B and the 2005C Bonds that constitute Capital Appreciation Bonds.

“Auditor-Controller” shall mean the Auditor-Controller of the County.

“Authorizing Law” shall mean Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with Sections 53550 and 53580, respectively) of the Government Code.

“Board of Supervisors” shall mean the Board of Supervisors of the County.

“Bond Counsel” shall mean Nixon Peabody LLP or any other firm that is a nationally recognized bond counsel firm.

“Bond Register” shall mean the books referred to in Section 15 of this Resolution.

“Business Day” shall mean a day which is not a Saturday, Sunday or a day on which banking institutions in the State or the State of New York and the New York Stock Exchange are authorized or required to be closed.

“Capital Appreciation Bonds” shall mean those 2004B and 2005C Bonds which, by their terms, do not pay interest on a current basis, but accrete interest at the rates specified in the applicable Accreted Values Table.

“Code” shall mean the Internal Revenue Code of 1986, as amended.

“Contract of Purchase” shall mean the Contract of Purchase by and between the District and the Representative of the Underwriters relating to the Bonds.

“Costs of Issuance” shall mean all of the authorized costs of issuing the Bonds as described in the Authorizing Law, including but not limited to, all printing and document preparation expenses in connection with this Resolution, the Bonds and the Preliminary Official Statement and the Official Statement pertaining to the Bonds and any and all other agreements, instruments, certificates or other documents prepared in connection therewith; financial advisory fees; underwriter’s fees; rating agency fees; auditor’s fees; CUSIP service bureau charges; legal fees and expenses of counsel with respect to the financing, including the fees and expenses of Bond Counsel; the initial fees and expenses of the Paying Agent, the Escrow Agent and the Verification Agent; fees for credit enhancement (if any) relating to the Bonds; and other fees and expenses incurred in connection with the issuance of the Bonds, to the extent such fees and expenses are approved by the District.

“County” shall mean the County of Los Angeles, California.

“County Office of Education” shall mean the Office of Education of the County and such other persons as may be designated by the County Office of Education to perform the operational and disbursement functions hereunder.

“Debt Service” shall have the meaning given to that term in Section 17 of this Resolution.

“Debt Service Fund” shall mean the Debt Service Fund established pursuant to Section 17 of this Resolution.

“Defeasance Securities” shall mean lawful money or noncallable direct obligations issued by the United States Treasury or obligations which are unconditionally guaranteed by the United States of America and permitted under Section 149(c) of the Code and Regulations which, in the opinion of Bond Counsel, will not impair the exclusion from gross income for federal income tax purposes of interest on the Bonds.

“Depository” shall mean DTC and its successors and assigns or if (a) the then-acting Depository resigns from its functions as securities depository for the Bonds, or (b) the District discontinues use of the Depository pursuant to this Resolution, any other securities depository which agrees to follow procedures required to be followed by a securities depository in connection with the Bonds.

“DTC” shall mean The Depository Trust Company, New York, New York, and its successors and assigns.

“Escrow Fund” shall mean the fund by that name established under the Escrow Agreement, into which the net proceeds of sale of the Bonds shall be deposited in order to effect the advance refunding of the Refunded Bonds.

“Excess Earnings Fund” shall mean the Excess Earnings Fund established pursuant to Section 19 of this Resolution.

“Federal Securities” shall mean direct obligations of the United States Treasury or obligations which are unconditionally guaranteed by the United States or which are issued or guaranteed by the Export-Import Bank of the United States, the Farmers Home Administration, the General Services Administration, the Small Business Administration, the Government National Mortgage Association, the United States Department of Housing and Urban Affairs and the Federal Housing Administration (including obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States), provided the principal of and interest on such obligations are backed by the full faith and credit of the United States of America.

“Financial Advisor” shall mean First Southwest Company, Santa Monica, California, acting as financial advisor to the District in connection with the issuance and sale of the Bonds.

“Fiscal Year” shall mean the twelve-month period commencing on July 1 of each year and ending on the following June 30 or any other fiscal year selected by the District.

“Interest Payment Date” shall mean February 1 and August 1 in each year, commencing August 1, 2013 or as otherwise specified in the Contract of Purchase.

“Moody’s” shall mean Moody’s Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, except that if such corporation shall no longer perform the functions of a securities rating agency for any reason, the

term “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency selected by the District.

“MSRB” means the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive the reports described in the Continuing Disclosure Undertaking. 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>.

“Nominee” shall mean the nominee of the Depository which may be the Depository, as determined from time to time by the Depository.

“Nonarbitrage Certificate” shall mean the Tax and Nonarbitrage Certificate of the District delivered in connection with the issuance of the Bonds.

“Official Statement” shall mean the final official statement of the District describing the Bonds.

“Outstanding,” when used with reference to the Bonds, shall mean, as of any date, Bonds theretofore issued or thereupon being issued under this Resolution except:

- (i) Bonds canceled at or prior to such date;
- (ii) Bonds in lieu of or in substitution for which other Bonds shall have been delivered pursuant to Section 14 hereof;
- (iii) Bonds for the payment or redemption of which funds or eligible securities in the necessary amount shall have been set aside (whether on or prior to the maturity or redemption date of such Bonds), in accordance with Section 41 of this Resolution.

“Owner” shall mean the registered owner, as indicated in the Bond Register, of any Bond.

“Participant” shall mean a member of or participant in the Depository.

“Paying Agent” shall mean the paying agent designated pursuant to Section 31 hereof.

“Pledged Moneys” shall have the meaning given to that term in Section 18 of this Resolution.

“Record Date” shall mean the close of business on the fifteenth calendar day of the month next preceding an Interest Payment Date.

“Regulations” shall mean the regulations of the United States Department of the Treasury proposed or promulgated under Sections 103 and 141 through 150 of the Code which by their terms are effective with respect to the Bonds and similar Treasury Regulations to the extent not

inconsistent with Sections 103 and 141 through 150 of the Code, including regulations promulgated under Section 103 of the Internal Revenue Code of 1954, as amended.

“S&P” shall mean Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business, its successors and assigns, except that if such corporation shall no longer perform the functions of a securities rating agency for any reason, the term “S&P” shall be deemed to refer to any other nationally recognized securities rating agency selected by the District.

“Securities Depositories” shall mean The Depository Trust Company, 55 Water Street, New York, New York 10041, Facsimile transmission: (212) 785-9681, (212) 855-3215, and, in accordance with then-current guideline of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the District may designate in a Certificate delivered to the Paying Agent.

“State” shall mean the State of California.

“Superintendent” shall mean the Superintendent/President of the District.

“Supplemental Resolution” shall mean any resolution supplemental to or amendatory of this Resolution, adopted by the District in accordance with Section 38 or Section 39 hereof.

“Transfer Amount” shall mean, with respect to any Outstanding Bond, the aggregate principal amount thereof.

“Treasurer” shall mean the Treasurer and Tax Collector of the County or any authorized deputy thereof.

“Underwriters” shall mean RBC Capital Markets, LLC, as Representative of itself and Mitsubishi UFJ Securities (USA), Inc., as underwriters of the Bonds.

“Verification Agent” shall mean Grant Thornton LLP, certified public accountants, in their capacity as verification agent for the sufficiency of amounts on deposit in the Escrow Fund for the payment and redemption of the Refunded Bonds.

**SECTION 2.** Rules of Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders, and vice versa. Except where the context otherwise requires, words importing the singular shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

**SECTION 3.** Authority for this Resolution. This Resolution is adopted pursuant to the provisions of the Authorizing Law.

**SECTION 4.** Resolution to Constitute Contract. In consideration of the purchase and acceptance of any and all of the Bonds authorized to be issued hereunder by those who shall own the same from time to time, this Resolution shall be deemed to be and shall constitute a contract among the District and the Owners from time to time of the Bonds; and the



pledge made in this Resolution shall be for the equal benefit, protection and security of the Owners of any and all of the Bonds, all of which, regardless of the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof.

**SECTION 5.**     Approval of Documents; Determination of Method of Sale and Terms of Bonds.

(a)     The Superintendent and any other officers of the District designated by the Governing Board (each, an “**Authorized Officer**”), in consultation with the Financial Advisor and Bond Counsel and the other officers of the District are, and each of them acting alone is, hereby authorized and directed to issue and deliver the Bonds and to establish the initial aggregate principal amount thereof; provided, however, that such initial aggregate principal amount shall not exceed the maximum aggregate principal amount of \$122,000,000.

(b)     The form of the Contract of Purchase is hereby approved. The Authorized Officers are, and each of them acting alone is, authorized and directed to execute and deliver the Contract of Purchase to the Underwriters for and in the name and on behalf of the District, with such additions, changes or corrections therein as the Authorized Officer executing the same on behalf of the District may approve, in his or her discretion, as being in the best interests of the District including, without limitation (i) such changes as are necessary to reflect the final terms of the Bonds to the extent such terms differ from those set forth in this Resolution, such approval to be conclusively evidenced by such Authorized Officer’s execution thereof and (ii) any other documents required to be executed thereunder. The Authorized Officers are, and each of them acting alone is, hereby authorized and directed to determine the specific maturities and amounts of the 2002A Bonds, the 2004B Bonds and the 2005C Bonds or portions thereof to be refunded based upon market conditions existing at the time of the pricing of the Bonds. In addition, the Authorized Officers are, and each of them acting alone is, hereby authorized to negotiate with the Representative the interest rates on the Bonds and the purchase price of the Bonds to be paid by the Underwriters, which purchase price shall reflect an underwriter’s discount of not more than 0.5% (not including original issue discount and any costs of issuance paid by the Representative) of the principal amount thereof. The interest rate on the Bonds shall not exceed the legal maximum under State law.

(c)     The form of the Escrow Agreement is hereby approved. The Authorized Officers are, and each of them acting alone is, hereby authorized and directed, for and in the name of and on behalf of the District, to execute and deliver the Escrow Agreement in substantially the form on file with the District and considered at this meeting, with such changes therein as the Authorized Officer executing the same on behalf of the District may approve, in his or her discretion, as being in the best interests of the District, such approval to be conclusively evidenced by the execution and delivery of the Escrow Agreement by such Authorized Officer. The Authorized Officers are, and each of them acting alone is, hereby authorized and directed to make changes to the Escrow Agreement to achieve the purposes for which the Bonds are being executed and delivered.

(d)     The form of the Continuing Disclosure Undertaking is hereby approved. The Authorized Officers are, and each of them acting alone is, hereby authorized to execute and

deliver the Continuing Disclosure Undertaking on behalf of the District, with such changes therein as the officer executing the same on behalf of the District may approve, in his or her discretion, as being in the best interests of the District, such approval to be conclusively evidenced by such Authorized Officer's execution thereof, and any other documents required to be executed thereunder, and to deliver the same to the Underwriters. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Undertaking. Notwithstanding any other provision of this Resolution, failure of the District to comply with the Continuing Disclosure Undertaking shall not be considered an event of default and shall not be deemed to create any monetary liability on the part of the District to any other persons, including Owners of the Bonds.

(e) The form of the Preliminary Official Statement is hereby approved. This Governing Board also hereby authorizes the use and distribution of: (a) the Preliminary Official Statement with such changes as the Authorized Officer executing the certificate described below may approve, such approval to be conclusively evidenced by such Authorized Officer's execution of such certificate; and (b) an Official Statement in substantially the form of the Preliminary Official Statement with such changes as may be necessary or desirable in connection with the sale of the Bonds as determined by the Authorized Officer executing the Official Statement, such determination to be conclusively evidenced by the execution and delivery of the Official Statement by such Authorized Officer; and (c) any amendments or supplements to the Preliminary Official Statement or the Official Statement which an Authorized Officer may deem necessary or desirable, such determination to be conclusively evidenced by the execution of such amendment or supplement or of a certificate as described below by such Authorized Officer. The Authorized Officers are, and each of them acting alone hereby is, authorized to approve such additions, deletions or changes to the Preliminary Official Statement and Official Statement, as are necessary or desirable to effect the purposes of this Resolution and to comply with applicable laws and to deliver copies of the Preliminary Official Statement and the Official Statement. The Authorized Officers also are, and each of them acting alone hereby is, authorized to determine whether any Preliminary Official Statement and/or Official Statement shall be used in connection with the sale of the Bonds. Upon approval of the Preliminary Official Statement by such Authorized Officer as evidenced by execution of a certificate substantially in the form of Exhibit B attached hereto and by this reference incorporated herein, with such changes as may be necessary or desirable, the Preliminary Official Statement shall be deemed final as of its date except for the omission of certain information as provided in and pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934.

(f) This Governing Board also hereby authorizes the preparation of a paying agent agreement in connection with the Bonds, in such form as shall be determined by an Authorized Officer, such determination to be conclusively evidenced by the execution and delivery of the paying agent agreement by such Authorized Officer; or, the District may engage the Treasurer in such role and use for such purposes the master paying agent agreement of U.S. Bank National Association, as agent of the Treasurer, on file with the County.

**SECTION 6.** Authorization of Officers. The officers of the District, including but not limited to the Superintendent, and their authorized representatives are, and each of them acting alone is, hereby authorized to execute any and all documents and do and perform

any and all acts and things, from time to time, consistent with this Resolution and necessary or appropriate to carry the same into effect and to carry out its purposes.

**SECTION 7.** Use of Bond Proceeds. The proceeds of the Bonds, together with other available funds, shall be applied to pay the principal or Accreted Value of and interest and redemption premium, if any, on the Refunded Bonds as they become due or at their redemption dates and to pay Costs of Issuance.

**SECTION 8.** Designation and Form; Payment.

(a) A series of Bonds entitled to the benefit, protection and security of this Resolution is hereby authorized in an aggregate principal amount not to exceed \$122,000,000. Such Bonds shall be general obligations of the District, payable as to principal, premium, if any, and interest from *ad valorem* taxes to be levied upon all of the taxable property in the District. The Bonds shall be designated the “Santa Monica Community College District General Obligation Refunding Bonds, 2002 Election, Series 2013A.” The Bonds shall be issued as current interest bonds and may be issued as serial bonds or term bonds, as set forth in the Contract of Purchase, subject to the provisions of this Resolution.

(b) The form of the Bonds shall be substantially in conformity with the standard form of registered community college district bonds, a copy of which is attached hereto as Exhibit A and incorporated herein by this reference, with such changes as are necessary to reflect the final terms of the Bonds.

(c) Principal, premium, if any, and interest with respect to any Bond are payable in lawful money of the United States of America. Principal and premium, if any, is payable upon surrender thereof at maturity or earlier redemption at the office designated by the Paying Agent.

**SECTION 9.** Description of the Bonds.

(a) The Bonds shall be issued in fully registered form, in denominations of \$5,000 or any integral multiple thereof, except as provided in the Contract of Purchase. The Bonds shall be dated and shall mature on the dates, in the years and in the principal amounts, and interest shall be computed at the rates, set forth in the Contract of Purchase.

(b) Interest on each Bond shall accrue from its dated date as set forth in the Contract of Purchase. Interest on Bonds shall be computed using a year of 360 days comprised of twelve 30-day months and shall be payable on each Interest Payment Date to the Owner thereof as of the close of business on the Record Date. Interest with respect to each Bond will be payable from the Interest Payment Date next preceding the date of registration thereof, unless (i) it is registered after the close of business on any Record Date and before the close of business on the immediately following Interest Payment Date, in which event interest with respect thereto shall be payable from such following Interest Payment Date; or (ii) it is registered prior to the close of business on the first Record Date, in which event interest shall be payable from its dated date; provided, however, that if at the time of registration of any Bond, interest with respect thereto is in default, interest with respect thereto shall be payable from the Interest Payment Date to which interest has previously been paid or made available for payment. Payments of interest

on the Bonds will be made on each Interest Payment Date by check or draft of the Paying Agent sent by first-class mail, postage prepaid, to the Owner thereof on the Record Date, or by wire transfer to any Owner of \$1,000,000 principal amount or more of such Bonds, to the account specified by such Owner in a written request delivered to the Paying Agent on or prior to the Record Date for such Interest Payment Date; provided, however, that payments of defaulted interest shall be payable to the person in whose name such Bond is registered at the close of business on a special record date fixed therefor by the Paying Agent which shall not be more than fifteen days and not less than ten days prior to the date of the proposed payment of defaulted interest.

**SECTION 10.** Tax Covenants. In order to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds, this Governing Board hereby covenants to comply with each applicable requirement of Section 103 and Sections 141 through 150 of the Internal Revenue Code of 1986, as amended. In furtherance of these covenants, the District agrees to comply with the covenants contained in the Nonarbitrage Certificate. The District hereby agrees to deliver instructions to the Paying Agent as may be necessary in order to comply with the Nonarbitrage Certificate.

**SECTION 11.** Book-Entry System.

(a) The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds. Upon initial issuance, the ownership of each such global Bond shall be registered in the Bond Register in the name of the Nominee as nominee of the Depository. Except as provided in subsection (c) hereof, all of the Outstanding Bonds shall be registered in the Bond Register in the name of the Nominee and the Bonds may be transferred, in whole but not in part, only to the Depository, to a successor Depository or to another nominee of the Depository or of a successor Depository. Each Bond shall bear a legend describing restrictions on transfer, as may be prescribed by the Depository.

With respect to Bonds registered in the Bond Register in the name of the Nominee, the District shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds a beneficial interest in the Bonds. Without limiting the immediately preceding sentence, the District 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 beneficial ownership interest in the Bonds, (ii) the delivery to any Participant, beneficial owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any Redemption Notice (as defined in Section 28 below), (iii) the selection by the Depository and the Participants of the beneficial interests in the Bonds to be redeemed in part, or (iv) the payment to any Participant, beneficial owner or any other person, other than the Depository, of any amount with respect to principal of, premium, if any, and interest on the Bonds. The District and the Paying Agent may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute Owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on such Bond, for the purpose of giving Redemption Notices and other notices with respect to such Bond, and for all other purposes whatsoever, including, without limitation, registering transfers with respect to the Bonds.

The Paying Agent shall pay all principal of, premium, if any, and interest on the Bonds only to the respective Owners, as shown in the Bond Register, and all such payments shall be valid hereunder with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Bond Register, shall receive a Bond evidencing the obligation to make payments of principal of, premium, if any, and interest, pursuant to this Resolution. Upon delivery by the Depository to the Paying Agent 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 hereof with respect to Record Dates, the word Nominee in this Resolution shall refer to such new nominee of the Depository.

(b) In order to qualify the Bonds for the Depository's book-entry system, the District is hereby authorized to execute and deliver to such Depository a letter from the District representing such matters as shall be necessary to so qualify the Bonds (the "**Representation Letter**"). The execution and delivery of the Representation Letter shall not in any way limit the provisions of subsection (a) hereof or in any other way impose upon the District any obligation whatsoever with respect to persons having beneficial interests in the Bonds other than the Owners, as shown in the Bond Register. In addition to the execution and delivery of the Representation Letter, the District, and its deputies and designees, are hereby authorized to take any other actions, not inconsistent with this Resolution, to qualify the Bonds for the Depository's book-entry program.

(c) If at any time the Depository notifies the District that it is unwilling or unable to continue as Depository with respect to the Bonds or if at any time the Depository shall no longer be registered or in good standing under the Securities Exchange Act or other applicable statute or regulation and a successor Depository is not appointed by the District within 90 days after the District receive notice or become aware of such condition, as the case may be, subsection (a) hereof shall no longer be applicable and the District shall cause the issuance of bonds representing the Bonds as provided below. In addition, the District may determine at any time that the Bonds shall no longer be lodged with a Depository and that the provisions of subsection (a) hereof shall no longer apply to the Bonds. In any such event the District shall cause the execution and delivery of certificated securities representing the Bonds as provided below. Bonds issued in exchange for global bonds pursuant to this subsection (c) shall be registered in such names and delivered in such denominations as the Depository shall instruct the District. The District shall cause delivery of such certificated securities representing the Bonds to the persons in whose names such Bonds are so registered.

If the District determines to replace the Depository with another qualified securities depository, the District shall prepare or cause to be prepared a new fully registered global bond for each of the maturities of Bonds, registered in the name of such successor or substitute securities depository or its nominee, or make such other arrangements as are acceptable to the District and such securities depository and not inconsistent with the terms of this Resolution.

(d) Notwithstanding any other provision of this Resolution to the contrary, so long as any Bond is registered in the name of the Nominee, all payments with respect to principal of, premium, if any, and interest on such Bond and all notices with respect to such Bond shall be

made and given, respectively, as provided in the Representation Letter or as otherwise instructed by the Depository.

(e) The initial Depository under this Resolution shall be DTC. The initial Nominee shall be Cede & Co., as nominee of DTC.

**SECTION 12.** Execution of the Bonds.

(a) The Bonds shall be executed in the manner required by the Authorizing Law. In case any one or more of the officers who shall have signed any of the Bonds shall cease to be such officer before the Bonds so signed shall have been issued by the District, such Bonds may, nevertheless, be issued, as herein provided, as if the persons who signed such Bonds had not ceased to hold such offices.

(b) The Bonds shall bear thereon a certificate of authentication executed manually by the Paying Agent. Only such Bonds as shall bear thereon such certificate of authentication duly executed by the Paying Agent shall be entitled to any right or benefit under this Resolution and no Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Paying Agent. Such certificate of the Paying Agent upon any Bond shall be conclusive evidence that the Bond so authorized has been duly authenticated and delivered under this Resolution and that the Owner thereof is entitled to the benefit of this Resolution.

**SECTION 13.** Transfer and Exchange. The registration of any Bond may be transferred upon the Bond Register upon surrender of such Bond to the Paying Agent. Such Bond shall be endorsed or accompanied by delivery of the written instrument of transfer shown in Exhibit A hereto, duly executed by the Owner or his duly authorized attorney, and payment of such reasonable transfer fees as the Paying Agent may establish. Upon such registration of transfer, a new Bond or Bonds, of like tenor and maturity in the same Transfer Amount and in authorized denominations, will be executed and delivered to the transferee in exchange therefor.

The Paying Agent shall deem and treat the person in whose name any Outstanding Bond shall be registered upon the Bond Register as the absolute owner of such Bond, whether the principal, premium, if any, or interest with respect to such Bond shall be overdue or not, for the purpose of receiving payment of principal, premium, if any, and interest with respect to such Bond and for all other purposes, and any such payments so made to any such Owner or upon his order shall be valid and effective to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and the District or the Paying Agent shall not be affected by any notice to the contrary.

Bonds may be exchanged at the office of the Paying Agent for Bonds of like tenor, maturity and Transfer Amount of other authorized denominations. All Bonds surrendered in any such exchange shall thereupon be cancelled by the Paying Agent. The Paying Agent may charge the Owner a reasonable sum for each new Bond executed and delivered upon any exchange (except in the case of the first exchange of any Bond in the form in which it is originally delivered, for which no charge shall be imposed) and the Paying Agent may 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 Paying Agent shall not be required to register the transfer or exchange of any Bond (i) during the period beginning at the close of business on any Record Date through the close of business on the immediately following Interest Payment Date, or (ii) that has been called or is subject to being called for redemption, during a period beginning at the opening of business 15 days before any selection of Bonds to be redeemed through the close of business on the applicable redemption date, except for the unredeemed portion of any Bond to be redeemed only in part.

**SECTION 14.** Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated, the Paying Agent, at the expense of the Owner, shall deliver a new Bond of like date, interest rate, maturity, Transfer Amount and tenor as the Bond so mutilated in exchange and substitution for such mutilated Bond, upon surrender and cancellation thereof. All Bonds so surrendered shall be cancelled. If any Bond shall be destroyed, stolen or lost, evidence of such destruction, theft or loss may be submitted to the Paying Agent and if such evidence is satisfactory to the Paying Agent that such Bond has been destroyed, stolen or lost, and upon furnishing the Paying Agent with indemnity satisfactory to the Paying Agent and complying with such other reasonable regulations as the Paying Agent may prescribe and paying such expenses as the Paying Agent may incur, the Paying Agent shall, at the expense of the Owner, execute and deliver a new Bond of like date, interest rate, maturity, Transfer Amount and tenor in lieu of and in substitution for the Bond so destroyed, stolen or lost. Any new Bonds issued pursuant to this Section in substitution for Bonds alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the District, whether or not the Bonds so alleged to be destroyed, stolen or lost are at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportionate benefits with all other Bonds issued under this Resolution in any moneys or securities held by the Paying Agent for the benefit of the Owners of the Bonds.

**SECTION 15.** Bond Register. The Paying Agent shall keep or cause to be kept at its office sufficient books for the registration and registration of transfer of the Bonds. Upon presentation for registration of transfer, the Paying Agent shall, as above provided and under such reasonable regulations as it may prescribe subject to the provisions hereof, register or register the transfer of the Bonds, or cause the same to be registered or cause the registration of the same to be transferred, on such books. While the Bonds are held in the book-entry system, the Paying Agent is not required to keep the Bond Register.

**SECTION 16.** Unclaimed Money. All money which the Paying Agent shall have received from any source and set aside for the purpose of paying or redeeming any of the Bonds shall be held in trust for the respective Owners of such Bonds, but any money which shall be so set aside or deposited by the Paying Agent and which shall remain unclaimed by the Owners of such Bonds for a period of one year after the date on which any payment or redemption with respect to such Bonds shall have become due and payable shall be transferred to the General Fund of the District; provided, however, that the Paying Agent, before making such payment, shall cause notice to be mailed to the Owners of such Bonds, by first-class mail, postage prepaid, not less than 90 days prior to the date of such payment to the effect that said

money has not been claimed and that after a date named therein any unclaimed balance of said money then remaining will be transferred to the General Fund of the District. Thereafter, the Owners of such Bonds shall look only to the General Fund of the District for payment of such Bonds.

**SECTION 17.** Application of Proceeds; Escrow Agreement; Debt Service Fund.

(a) A portion of the net proceeds of sale of the Bonds shall be transferred to the Escrow Agent for deposit into the Escrow Fund in an amount necessary to purchase the Defeasance Securities needed to defease, pay and redeem the Refunded Bonds.

(b) Accrued interest, if any, shall be kept separate and apart in the fund hereby created and established and to be designated as the “Santa Monica Community College District General Obligation Refunding Bonds, 2002 Election, Series 2013A Debt Service Fund” (the “**Debt Service Fund**”) and used only for payments of principal of and interest on the Bonds. Any excess proceeds of the Bonds not needed for the authorized purposes set forth herein for which the Bonds are being issued shall be transferred to the Debt Service Fund and applied to the payment of the principal of and interest on the Bonds.

(c) All Pledged Moneys shall be deposited upon collection by the County into the Debt Service Fund and used for the payment of the principal of, premium, if any, and interest on the Bonds.

(d) On the Business Day immediately preceding each Interest Payment Date if the Paying Agent is not the Treasurer, and on the Interest Payment Date if the Paying Agent is the Treasurer, the District shall transfer or cause to be transferred from the Debt Service Fund to the Paying Agent, an amount, in immediately available funds, sufficient to pay all the principal of, premium, if any, and interest on the Bonds coming due (collectively, the “**Debt Service**”) on such payment date. Debt Service on the Bonds shall be paid by the Paying Agent in the manner provided by law for the payment of Debt Service.

(e) The District shall cause moneys to be transferred to the Excess Earnings Fund, to the extent needed to comply with the Nonarbitrage Certificate. Any amounts on deposit in the Debt Service Fund when there are no longer any Bonds Outstanding shall be transferred to the general fund of the District subject to any conditions set forth in the Nonarbitrage Certificate.

(f) Certain proceeds of the Bonds shall be applied to pay Costs of Issuance as provided in Section 20 below.

**SECTION 18.** Payment of and Security for the Bonds. There shall be levied on all the taxable property in the District, in addition to all other taxes a continuing direct *ad valorem* tax annually during the period the Bonds are outstanding in an amount sufficient to pay the principal of and interest on the Bonds when due, which monies when collected will be placed in the Debt Service Fund of the District, which fund is irrevocably pledged for the payment of the principal of and interest on the Bonds when and as the same fall due (the “**Pledged Moneys**”). The District covenants to cause the County to take all actions necessary to levy such *ad valorem* tax in accordance with this Section and Section 53559 of the Government Code.



Except as required below to satisfy the requirements of Section 148(f) of the Code, interest earned on the investment of monies held in the Debt Service Fund shall be retained in the Debt Service Fund and used to pay principal and interest on the Bonds when due.

**SECTION 19.** Establishment and Application of Excess Earnings Fund. There is hereby established in trust a special fund designated “Santa Monica Community College District General Obligation Refunding Bonds, Series 2013A Excess Earnings Fund” (the “**Excess Earnings Fund**”) which shall be held by the County Office of Education for the account of the District and which shall be kept separate and apart from all other funds and accounts held hereunder. The District shall transfer, or cause to be transferred, moneys to the Excess Earnings Fund in accordance with the provisions of the Nonarbitrage Certificate. Amounts on deposit in the Excess Earnings Fund shall only be applied to payments made to the United States or otherwise transferred to other accounts or funds established hereunder in accordance with the Nonarbitrage Certificate.

**SECTION 20.** Payment of Costs of Issuance. Proceeds of the sale of the Bonds necessary to pay all costs of issuing the Bonds shall be deposited in the fund of the District known as the “Santa Monica Community College District 2002 Election, Series 2013A Cost of Issuance Fund” (the “**Cost of Issuance Fund**”) and shall be kept separate and distinct from all other District funds, and those proceeds shall be used solely for the purpose of paying Costs of Issuance of the Bonds. The Cost of Issuance Fund may be held and administered by the Paying Agent. Notwithstanding the foregoing, all or a portion of the costs of issuance may be paid by the Underwriters or by a fiscal agent designated for such purpose. Any amounts retained for payment of Costs of Issuance and returned to the District pursuant to the Contract of Purchase shall be transferred to the Debt Service Fund to be applied to the payment of the principal of and/or interest on the Bonds.

**SECTION 21.** Negotiated Sale/Method of Sale. The Bonds shall be sold by negotiated sale to the Underwriters inasmuch as: (i) such a sale will allow the District to integrate the sale of the Bonds with other public financings undertaken, or to be undertaken, by the District in order to refinance outstanding debt or finance and fund its public education facilities; (ii) such a sale will allow the District to utilize the services of consultants who are familiar with the financial needs, status and plans of the District; and (iii) such a sale will allow the District to control the timing of the sale of the Bonds to the municipal bond market and, potentially, take advantage of interest rate opportunities for favorable sale of the Bonds to such market and the generation of increased savings to the taxpayers of the District.

**SECTION 22.** Engagement of Consultants; Parameters of Sale. Nixon Peabody LLP has been selected as the District’s bond and disclosure counsel and RBC Capital Markets, LLC and Mitsubishi UFJ Securities (USA), Inc. have been selected to act as Underwriters with respect to the authorization, sale and issuance of the Bonds. The estimated costs of issuance associated with the sale of the Bonds are approximately 0.3% of the estimated par amount of the Bonds, which include bond and disclosure counsel fees, costs of printing the Official Statement, rating agency fees, Paying Agent fees, Escrow Agent fees, the fees of the Verification Agent, the fees of the Financial Advisor and other related costs. In addition, the estimated Underwriters’ discount, which is not included in the percentage above, is 0.5% of the

estimated par amount. An estimate of the itemized fees and expenses is on file with the Superintendent.

**SECTION 23.** Establishment of Additional Funds and Accounts. If at any time it is deemed necessary or desirable by the District, the Treasurer, the County Office of Education, the Paying Agent, or the District may establish additional funds under this Resolution and/or accounts within any of the funds or accounts established hereunder.

**SECTION 24.** Request for Necessary County Actions.

(a) The Board of Supervisors, the Auditor-Controller, the Treasurer, and other officials of the County, are hereby requested to take and authorize such actions as may be necessary pursuant to law to provide for the levy and collection of a property tax on all taxable property of the District sufficient to provide for payment of all principal of, redemption premium, if any, and interest on the Bonds as the same shall become due and payable as necessary for the payment of the Bonds, and the Clerk of the Board is hereby authorized and directed to deliver certified copies of this Resolution to the Executive Officer-Clerk of the Board of Supervisors of the County, the Auditor-Controller of the County, and the Treasurer. The Board hereby agrees to reimburse the County for any costs associated with the levy and collection of said tax, upon such documentation of said costs as the District shall reasonably request.

(b) The Board of Supervisors, the Auditor-Controller, the Treasurer and other officials of the County, are hereby requested to take and authorize such actions as may be necessary, upon, but only upon, the defeasance or redemption of the Refunded Bonds from proceeds of the Bonds, to discontinue the levy of property taxes on all taxable property of the District for the payment of the Refunded Bonds, pursuant to Section 53561 of the Government Code.

**SECTION 25.** Notice of Redemption of Refunded Bonds. The Escrow Agent is hereby authorized and directed to give notice of redemption of the Refunded Bonds, pursuant to the terms of the resolution of the County Board of Supervisors authorizing the issuance thereof and pursuant to the terms of the Escrow Agreement.

**SECTION 26.** Redemption. The Bonds shall be subject to redemption as provided in the Contract of Purchase.

**SECTION 27.** Selection of Bonds for Redemption. Whenever provision is made in this Resolution or in the Contract of Purchase for the redemption of the Bonds and less than all Outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District given at least 60 days prior to the payment date designated for such redemption, shall select Bonds for redemption in the manner directed by the District. Within a maturity, the Paying Agent shall select Bonds for redemption by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, that the portion of any Bond to be redeemed in part shall be in the principal amount of \$5,000 or any integral multiple thereof.

**SECTION 28.** Notice of Redemption. When redemption is authorized or required pursuant to this Resolution or the Contract of Purchase, the Paying Agent, upon written

instruction from the District given at least 60 days prior to the payment date designated for such redemption, shall give notice (each, a **“Redemption Notice”**) of the redemption of the Bonds. Such Redemption Notice shall specify: (a) the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (f) the Bond numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the principal amount of such Bond to be redeemed, and (g) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice shall further state (a) that on the specified date there shall become due and payable upon each Bond or portion thereof being redeemed the redemption price, together with the interest accrued to the redemption date, and (b) that from and after such date interest with respect thereto shall cease to accrue and be payable.

The Paying Agent shall take the following actions with respect to such Redemption Notice:

(a) At least 20 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given to the respective Owners of Bonds designated for redemption by first class mail, postage prepaid, at their addresses appearing on the Bond Register.

(b) In the event that the Bonds shall no longer be held in book-entry-only form, at least 35 but not more than 45 days before the redemption date, such Redemption Notice shall be given by (i) first class mail, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service, to each of the Securities Depositories.

(c) In the event that the Bonds shall no longer be held in book-entry-only form, at least 35 but not more than 45 days before the redemption date, such Redemption Notice shall be given by (i) first class mail, postage prepaid, or (ii) overnight delivery service, to the MSRB.

Neither failure to receive any Redemption Notice nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Bonds. Each check issued or other transfer of funds made by the Paying Agent for the purpose of redeeming Bonds shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

**SECTION 29.** Partial Redemption of Bonds. Upon the surrender of any Bond redeemed in part only, the Paying Agent shall execute and deliver to the Owner thereof a new Bond or Bonds of like tenor and maturity and of authorized denominations equal in Transfer Amounts to the unredeemed portion of the Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the District shall be released and discharged thereupon from all liability to the extent of such payment.

**SECTION 30.** Effect of Notice of Redemption. Notice having been given as aforesaid, and the moneys for the redemption (including the interest to the applicable date of

redemption) having been set aside in the Debt Service Fund, the Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Bonds to be redeemed as provided in this Resolution and the Contract of Purchase, together with interest to such redemption date, shall be held by the Paying Agent so as to be available therefor on such redemption date, and if notice of redemption thereof shall have been given as aforesaid, then from and after such redemption date, interest with respect to the Bonds to be redeemed shall cease to accrue and become payable. All money held by or on behalf of the Paying Agent for the redemption of Bonds shall be held in trust for the account of the Owners of the Bonds so to be redeemed.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Resolution and the Contract of Purchase shall be cancelled upon surrender thereof and delivered to or upon the order of the District. All or any portion of a Bond purchased by the District shall be cancelled by the Paying Agent upon written notice by the District given to the Paying Agent.

**SECTION 31. Paying Agent; Appointment and Acceptance of Duties.**

(a) The Treasurer or his or her designated agent is hereby appointed as the initial Paying Agent. All fees and expenses incurred for services of the Paying Agent shall be the sole responsibility of the District. The Paying Agent shall keep accurate records of all funds administered by it and of all Bonds paid and discharged by it.

(b) Unless otherwise provided, the office of the Paying Agent designated by the Paying Agent shall be the place for the payment of principal of, premium, if any, and interest on the Bonds.

**SECTION 32. Liability of Paying Agent.** The Paying Agent makes no representations as to the validity or sufficiency of this Resolution or of any Bonds issued hereunder or as to the security afforded by this Resolution, and the Paying Agent shall incur no liability in respect hereof or thereof.

**SECTION 33. Evidence on Which Paying Agent May Act.** The Paying Agent, upon receipt of any notice, resolution, request, consent, order, certificate, report, opinion, bond, or other paper or document furnished to it pursuant to any provision of this Resolution, shall examine such instrument to determine whether it conforms to the requirements of this Resolution and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. The Paying Agent may consult with counsel, who may or may not be counsel to the District, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Resolution in good faith and in accordance therewith.

**SECTION 34. Compensation.** The District shall pay to the Paying Agent from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and

duties under this Resolution, all of which may, pursuant to Education Code Section 15232, be paid from the County's annual levy of *ad valorem* taxes.

**SECTION 35.** Ownership of Bonds Permitted. The Paying Agent or the Underwriters may become the Owner of any Bonds.

**SECTION 36.** Resignation or Removal of Paying Agent and Appointment of Successor.

(a) The initially appointed Paying Agent may resign from service as Paying Agent at any time. Prior to such resignation a new Paying Agent shall be appointed by the District in accordance with applicable law, which shall be the Treasurer or a bank or trust company doing business in and having a corporate trust office in Los Angeles or San Francisco, California, with at least \$50,000,000 in net assets. Such successor Paying Agent shall signify the acceptance of its duties and obligations hereunder by executing and delivering to the District, a written acceptance thereof. Resignation of the initial or a successor Paying Agent shall be effective upon appointment and acceptance of a successor Paying Agent.

(b) Any Paying Agent appointed may resign from service as Paying Agent and may be removed at any time by the District as provided in the Paying Agent's service agreement. If at any time the Paying Agent shall resign or be removed, a new Paying Agent shall be appointed in accordance with applicable law, which shall be either the Treasurer or a bank or trust company doing business in and having a corporate trust office in Los Angeles or San Francisco, California, with at least \$50,000,000 in net assets. Such successor Paying Agent shall signify the acceptance of its duties and obligations hereunder by executing and delivering to the District, a written acceptance thereof. Resignation or removal of the Paying Agent shall be effective upon appointment and acceptance of a successor Paying Agent.

(c) In the event of the resignation or removal of the Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it as Paying Agent to its successor. The District shall promptly provide notice of the name and principal corporate trust office address of the Paying Agent appointed to replace any resigned or removed Paying Agent to the Owners of the Bonds by first class mail, postage prepaid, at their addresses appearing on the Bond Register.

**SECTION 37.** Valuation and Sale of Investments. Obligations purchased as an investment of moneys in any fund or account shall be deemed at all times to be a part of such fund or account. Profits or losses attributable to any fund or account shall be credited or charged to such fund or account. In computing the amount in any fund or account created under the provisions of this Resolution for any purpose provided in this Resolution, obligations purchased as an investment of moneys therein shall be valued at cost, plus, where applicable, accrued interest.

**SECTION 38.** Supplemental Resolutions with Consent of Owners. This Resolution, and the rights and obligations of the District and of the Owners of the Bonds issued hereunder, may be modified or amended at any time by a Supplemental Resolution adopted by the District with the written consent of Owners owning at least 60% in aggregate principal

amount of the Outstanding Bonds, exclusive of Bonds, if any, owned by the District. Notwithstanding the foregoing, no such modification or amendment shall, without the express consent of the Owner of each Bond affected, reduce the principal amount of any Bond, reduce the interest rate payable thereon, advance the earliest redemption date thereof, extend its maturity or the times for paying interest thereon or change the monetary medium in which principal and interest is payable, nor shall any modification or amendment reduce the percentage of consents required for amendment or modification. No such Supplemental Resolution shall change or modify any of the rights or obligations of any Paying Agent without its written assent thereto. Notwithstanding anything herein to the contrary, no such consent shall be required if the Owners are not directly and adversely affected by such amendment or modification.

**SECTION 39.** Supplemental Resolutions Effective Without Consent of Owners. For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution of the District may be adopted, which, without the requirement of consent of the Owners, shall be fully effective in accordance with its terms:

(a) To add to the covenants and agreements of the District in this Resolution, other covenants and agreements to be observed by the District which are not contrary to or inconsistent with this Resolution as theretofore in effect;

(b) To add to the limitations and restrictions in this Resolution, other limitations and restrictions to be observed by the District which are not contrary to or inconsistent with this Resolution as theretofore in effect;

(c) To confirm as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by this Resolution, of any moneys, securities or funds, or to establish any additional funds, or accounts to be held under this Resolution;

(d) To cure any ambiguity, supply any omission, or cure to correct any defect or inconsistent provision in this Resolution; or

(e) To amend or supplement this Resolution in any other respect, provided such Supplemental Resolution does not, in the opinion of Bond Counsel, adversely affect the interests of the Owners.

**SECTION 40.** Effect of Supplemental Resolution. Any act done pursuant to a modification or amendment so consented to shall be binding upon the Owners of all the Bonds and shall not be deemed an infringement of any of the provisions of this Resolution, whatever the character of such act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of this Resolution, and after consent relating to such specified matters has been given, no Owner shall have any right or interest to object to such action or in any manner to question the propriety thereof or to enjoin or restrain the District or any officer or agent thereof from taking any action pursuant thereto.

**SECTION 41.** Defeasance. If any or all Outstanding Bonds shall be paid and discharged in any one or more of the following ways:

- (1) by paying or causing to be paid the principal, premium, if any, and interest on such Bonds, and when the same become due and payable;
- (2) by depositing with the Paying Agent, in trust, at or before maturity, cash which together with the amounts then on deposit in the Debt Service Fund (and the accounts therein other than amounts that are not available to pay Debt Service) together with the interest to accrue thereon without the need for further investment, is fully sufficient to pay such Bonds at maturity thereof, including any premium and all interest thereon, notwithstanding that any Bonds shall not have been surrendered for payment; or
- (3) by depositing with an institution that meets the requirements of serving as successor Paying Agent pursuant to Section 36 selected by the District, in trust, lawful money or noncallable direct obligations issued by the United States Treasury (including State and Local Government Series) or obligations which are unconditionally guaranteed by the United States of America and permitted under Section 149(b) of the Code and Regulations which, in the opinion of nationally recognized bond counsel, will not impair the exclusion from gross income for federal income tax purposes of interest on the Bonds, in such amount as will, together with the interest to accrue thereon without the need for further investment, be fully sufficient to pay and discharge such Bonds at maturity or earlier redemption thereof, for which notice has been given or provided for, including any premium and all interest thereon, notwithstanding that any Bonds shall not have been surrendered for payment;

then all obligations of the District and the Paying Agent under this Resolution with respect to such Bonds shall cease and terminate, except only the obligation of the Paying Agent to pay or cause to be paid to the Owners of such Bonds all sums due thereon, and the obligation of the District to pay to the Paying Agent amounts owing to the Paying Agent under Section 34 hereof.

**SECTION 42.** Approval of Actions; Miscellaneous.

(a) The Superintendent and the other officers of the District are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance of the Bonds or otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

(b) The County, its Board of Supervisors, officers, agents, and employees shall not be responsible for any proceedings or the preparation or contents of any resolutions, certificates, statements, disclosures, notices, contracts, or other documents relating to the sale and issuance of the Bonds.

(c) The principal of and interest and redemption premium (if any) on the Bonds shall not constitute debt or an obligation of the County, its Board of Supervisors, officers,

agents, or employees, and the County, its Board of Supervisors, officers, agents, and employees thereof shall not be liable thereon. In no event shall the principal of and interest and redemption premium (if any) on any Bond be payable out of any funds or property of the County.

(d) The Clerk shall send a certified copy of this Resolution, together with the final debt service schedule for the Bonds, to the Treasurer.

**SECTION 43.** Conflicts. If there is any inconsistency or conflict between any provision of this Resolution and any provision of the Contract of Purchase, the Contract of Purchase prevails to the extent of the inconsistency or conflict.

**SECTION 44.** Effective Date. This Resolution shall take effect immediately upon its passage.

ADOPTED, SIGNED AND APPROVED this \_\_\_\_\_ day of May, 2013, by the Board of Trustees of the Santa Monica Community College District, at a regularly scheduled meeting held in Santa Monica, California, at a location freely accessible to the public, by the following vote:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

ABSENT: \_\_\_\_\_

**BOARD OF TRUSTEES OF SANTA MONICA  
COMMUNITY COLLEGE DISTRICT**

By: \_\_\_\_\_  
President of the Board of Trustees

Attest:

By: \_\_\_\_\_  
Clerk of the Board of Trustees



**EXHIBIT A**

**FORM OF BOND**

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AS DEFINED IN THE RESOLUTION) TO THE BOND REGISTRAR FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

UNITED STATES OF AMERICA

STATE OF CALIFORNIA

**SANTA MONICA COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION REFUNDING BONDS, 2002 ELECTION, SERIES 2013A**

\$ \_\_\_\_\_

No. R-

Interest

Rate  
\_\_\_\_\_%

Maturity Date  
August 1, \_\_\_\_\_

Dated Date

CUSIP

REGISTERED OWNER:

PRINCIPAL AMOUNT:

The Santa Monica Community College District (the “**District**”), a community college district duly organized and existing under the laws of the State of California, located within the County of Los Angeles, State of California (the “**County**”), for value received, hereby acknowledges itself indebted and promises to pay to the Registered Owner set forth above the principal amount set forth above, on the Maturity Date set forth above, together with interest thereon from the dated date set forth above until the principal amount hereof shall have been paid or provided for, in accordance with the Resolution hereinafter referred to, at the interest rate set forth above. Interest on this Bond is payable on August 1, 2013, and semiannually thereafter on the first day of February and August (each, an “**Interest Payment Date**”) in each year to the registered owner hereof from the Interest Payment Date next preceding the date on which this Bond is registered (unless it is registered after the close of business on the fifteenth calendar day of the month preceding any Interest Payment Date (each, a “**Record Date**”) and before the close of business on the immediately following Interest Payment Date, in which event it shall bear

interest from such following Interest Payment Date, or unless this Bond is registered prior to the close of business on the first Record Date, in which event it shall bear interest from its date; *provided, however*, that if at the time of registration of this Bond, interest with respect hereto is in default, interest with respect hereto shall be payable from the Interest Payment Date to which interest has previously been paid or made available for payment). The principal amount hereof is payable at the office of U.S. Bank National Association, as agent of the Treasurer and Tax Collector of the County of Los Angeles, as paying agent (the “**Paying Agent**”), or at the office of a successor Paying Agent appointed pursuant to the Resolution (as hereinafter defined). The interest hereon is payable by check or draft mailed by first class mail to each registered owner (an “Owner”), at his address as it appears on the registration books kept by the Paying Agent as of the Record Date, or by wire transfer to any Owner of \$1,000,000 in principal amount or more of Bonds, to the account specified by the Owner in a written request delivered to the Paying Agent on or prior to the Record Date for such Interest Payment Date; *provided, however*, that payments of defaulted interest shall be payable to the person in whose name this Bond is registered at the close of business on a special record date fixed therefor by the Paying Agent which shall not be more than fifteen days and not less than ten days prior to the date of the proposed payment of defaulted interest.

The Bonds of this issue are comprised of \$ \_\_\_\_\_ principal amount of Santa Monica Community College District General Obligation Refunding Bonds, 2002 Election, Series 2013A. This Bond is issued by the District under and in accordance with the provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with Sections 53550 and 53580, respectively) of the Government Code of the State of California, and pursuant to a resolution adopted by the Board of Trustees of the District on May 7, 2013 (the “**Resolution**”). Reference is hereby made to the Resolution, a copy of which is on file with the Clerk of the Board of Trustees of the District, for a description of the terms on which the Bonds are delivered, and the rights thereunder of the registered owners of the Bonds and the rights and duties of the Paying Agent, and the District, to all of the provisions of which the registered owner of this Bond, by acceptance hereof, assents and agrees. All capitalized terms used but not otherwise defined herein shall have the respective meanings set forth in the Resolution.

The Bonds are being issued for the purpose of effecting an advance refunding of certain outstanding general obligation bonds of the District issued pursuant to an authorization obtained from the qualified electors of the District on March 5, 2002, for the issuance of \$160,000,000 aggregate principal amount of general obligation bonds and to pay costs of issuance with regard to the Bonds.

This Bond is a general obligation of the District, payable as to both principal and interest from *ad valorem* taxes which, under the laws now in force, may be levied without limitation as to rate or amount upon all of the taxable property in the District. Neither the payment of the principal of this Bond, or any part thereof, nor any interest or premium hereon constitutes a debt, liability or obligation of the County.

This Bond is issued in fully registered. Registration of this Bond is transferable by the registered owner hereof, in person or by his attorney duly authorized in writing, at the aforesaid offices of the Paying Agent, but only in the manner, subject to the limitations, and upon payment of the charges, provided in the Resolution and upon surrender and cancellation of this Bond.

Upon such registration of transfer, a new Bond or Bonds, of like tenor and maturity in the same principal Amount and in authorized denominations will be issued to the transferee in exchange herefor. The District and the Paying Agent may treat the registered owner hereof as the absolute owner hereof for all purposes, whether or not this Bond shall be overdue, and shall not be affected by any notice to the contrary.

[The Bonds maturing on and prior to August 1, 20 \_\_, shall not be subject to redemption prior to their scheduled maturities; Bonds maturing on and after August 1, 20 \_\_, shall be subject to optional redemption at a price of par, plus accrued interest to the date of redemption, on August 1, 20 \_\_ and any date thereafter.]

The rights and obligations of the District and of the Owners of the Bonds may be modified or amended at any time by a supplemental resolution adopted by the District with the written consent of Owners of at least 60% in aggregate principal amount of the Outstanding Bonds, exclusive of Bonds, if any, owned by the District. Notwithstanding the foregoing, no such modification or amendment shall, without the express consent of the Owner of each Bond affected, reduce the principal amount of any Bond, reduce the interest rate payable thereon, advance the earliest redemption date thereof, extend its maturity or the times for paying interest thereon or change the monetary medium in which principal and interest is payable, nor shall any modification or amendment reduce the percentage of consents required for amendment or modification. No such supplemental resolution shall change or modify any of the rights or obligations of any Paying Agent without its written assent thereto. Notwithstanding anything herein to the contrary, no such consent shall be required if the Owners are not directly and adversely affected by such amendment or modification.

A supplemental resolution of the District may be adopted, which, without the requirement of consent of the Owners, shall be fully effective in accordance with its terms: (1) to add to the covenants and agreements of the District in the Resolution, other covenants and agreements to be observed by the District which are not contrary to or inconsistent with the Resolution as theretofore in effect; (2) to add to the limitations and restrictions in the Resolution, other limitations and restrictions to be observed by the District which are not contrary to or inconsistent with the Resolution as theretofore in effect; (3) to confirm as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by the Resolution, of any moneys, securities or funds, or to establish any additional funds or accounts to be held under the Resolution; (4) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Resolution; or (5) to amend or supplement the Resolution in any other respect, provided such supplemental resolution does not, in the opinion of nationally-recognized bond counsel, adversely affect the interests of the owners.

If this Bond is called for redemption and the principal amount of this Bond plus premium, if any, and accrued interest due with respect hereto are duly provided therefor as specified in the Resolution, then interest shall cease to accrue with respect hereto from and after the date fixed for redemption.

This Bond shall not become valid or obligatory for any purpose until the Certificate of Authentication hereon endorsed shall have been dated and executed manually by the Paying Agent.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED, that an election was duly and legally called, held and conducted, and the notices thereof duly given, and the results thereof canvassed and declared in accordance with the provisions of the Authorizing Law and that all of the proceedings of the Board of Trustees of the District and in the matter of the issuance of this Bond were regular and in strict accordance with the provisions of the Authorizing Law and of the Constitution of the State of California.

IN WITNESS WHEREOF, the Santa Monica Community College District has caused this Bond to be executed as of the date hereof.

SANTA MONICA COMMUNITY COLLEGE  
DISTRICT

Dated: \_\_\_\_\_, 20\_\_

By:[FORM ONLY] \_\_\_\_\_  
President, Board of Trustees

Attest:

By:[FORM ONLY] \_\_\_\_\_  
Clerk of the Board of Trustees

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Resolution of Santa Monica Community College District.

DATED: \_\_\_\_\_

U.S. BANK NATIONAL ASSOCIATION,  
as Paying Agent

By: \_\_\_\_\_  
Authorized Signatory

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned registered owner hereby sells, assigns and transfers unto

Name of Transferee: \_\_\_\_\_

Address for Payment of Interest: \_\_\_\_\_

\_\_\_\_\_  
Social Security Number or other Tax Identification No.:

the within-mentioned Bond and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney, to transfer the same on the books of the Paying Agent with full power of substitution in the premises.

\_\_\_\_\_  
Registered Owner

Dated: \_\_\_\_\_

NOTICE: The signature on this Assignment must correspond with the name as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature \_\_\_\_\_  
guaranteed

[Bank, Trust Company or Firm]

By: \_\_\_\_\_  
Authorized Officer

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

**EXHIBIT B**

FORM OF 15c2-12 CERTIFICATE

With respect to the proposed sale of its General Obligation Refunding Bonds, 2002 Election, Series 2013A in the maximum aggregate principal amount of not to exceed \$\_\_\_\_,000,000, the Santa Monica Community College District (the “**District**”) has delivered to you a Preliminary Official Statement, dated as of the date hereof (the “**Preliminary Official Statement**”). The District, for purposes of compliance with Rule 15c2-12 of the Securities Exchange Commission (“**Rule 15c2-12**”), deems the Preliminary Official Statement to be final as of its date, except for the omission of no more than the information permitted under Rule 15c2-12.

SANTA MONICA COMMUNITY COLLEGE  
DISTRICT

Dated: \_\_\_\_\_, 2013

By: [FORM ONLY]  
Authorized Officer

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

**APPENDIX B**

**RECOMMENDATION NO. 8**

**SUBJECT: RESOLUTION AUTHORIZING ISSUANCE OF SMCCD GENERAL OBLIGATION REFUNDING BONDS, 2002 ELECTION, SERIES 2013B (FEDERALLY TAXABLE)**

**RESOLUTION NO. 8**

**RESOLUTION OF THE BOARD OF TRUSTEES  
OF SANTA MONICA COMMUNITY COLLEGE DISTRICT  
AUTHORIZING THE ISSUANCE AND SALE OF  
SANTA MONICA COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION REFUNDING BONDS, 2004 ELECTION,  
SERIES 2013B (FEDERALLY TAXABLE)  
IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$25,000,000 AND APPROVING  
CERTAIN OTHER MATTERS RELATING TO SAID BONDS**

The complete Resolution is posted on the SMC Website – Trustees Meeting Information:  
<http://www.smc.edu/ACG/Pages/Trustees-Meeting-Information.aspx>



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**RESOLUTION OF THE BOARD OF TRUSTEES  
OF SANTA MONICA COMMUNITY COLLEGE DISTRICT  
AUTHORIZING THE ISSUANCE AND SALE OF  
SANTA MONICA COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION REFUNDING BONDS, 2004 ELECTION,  
SERIES 2013B (FEDERALLY TAXABLE)  
IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$25,000,000 AND  
APPROVING CERTAIN OTHER MATTERS RELATING TO SAID BONDS**

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**WHEREAS**, a duly called election was held in the Santa Monica Community College District, a community college district duly organized and existing under the laws of the State of California (the “**District**”), County of Los Angeles (the “**County**”), State of California, on November 2, 2004 (the “**2004 Election**”), and thereafter canvassed pursuant to law; and

**WHEREAS**, at the 2004 Election, there was submitted to and approved by the requisite fifty-five percent (55%) vote of the qualified electors of the District voting on the proposition a question as to the issuance and sale of general obligation bonds of the District for various purposes set forth in the ballot submitted to the voters, in the maximum amount of \$135,000,000, payable from the levy of an *ad valorem* tax against the taxable property in the District; and

**WHEREAS**, as authorized at the 2004 Election, the Board of Trustees of the District (the “**Governing Board**”) previously caused to be issued \$58,000,000 principal amount of the District’s General Obligation Bonds, 2004 Election, 2005 Series A (the “**2005A Bonds**”), which were refunded on an advance basis by the District through the issuance of the District’s \$40,064,768.35 aggregate principal and initial issue amount of General Obligation Refunding Bonds, 2004 Election, 2007 Series C (the “**2007C Refunding Bonds**”), of which \$18,225,607.00 initial issue amount are presently outstanding and eligible for refunding; and

**WHEREAS**, pursuant to Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code (commencing with Sections 53550 and 53580, respectively), the District is authorized to issue, or cause to be issued, general obligation bonds to refund the 2007C Refunding Bonds, upon a demonstration of savings in debt service; and

**WHEREAS**, the Governing Board has now determined that conditions in the financial markets have become favorable for refunding the 2007C Refunding Bonds by issuing its Santa Monica Community College District General Obligation Refunding Bonds, 2004 Election, Series 2013B (Federally Taxable) (the “**Bonds**”), resulting in savings to the taxpayers of the District; and

**WHEREAS**, pursuant to Section 53558(a) of the Government Code, the District is authorized to deposit proceeds of the sale of the Bonds in escrow in an amount sufficient to pay the principal of and interest and redemption premiums, if any, on the outstanding 2007C Refunding Bonds (hereinafter, the “**Refunded Bonds**”) as they become due or at designated dates prior to maturity, and to use proceeds of the Bonds to pay the costs of issuance of the Bonds; and

**WHEREAS**, this Governing Board has determined that it is desirable to sell the Bonds pursuant to a negotiated underwriting, to RBC Capital Markets, LLC, as representative of the underwriters (the “**Representative**”), pursuant to a Contract of Purchase (as defined herein), a form of which has been submitted to this meeting of the Governing Board and is on file with the Clerk thereof (the “**Clerk**”); and

**WHEREAS**, a form of escrow agreement (the “**Escrow Agreement**”), by and between the District and U.S. Bank National Association, as escrow agent (the “**Escrow Agent**”), directing the establishment of an escrow fund for deposit of certain proceeds of sale of the Bonds for the purpose of paying and redeeming the Refunded Bonds has been submitted to this meeting of the Governing Board and is on file with the Clerk; and

**WHEREAS**, a form of the preliminary official statement (the “**Preliminary Official Statement**”) relating to the Bonds has been submitted to this meeting of the Governing Board and is on file with the Clerk; and

**WHEREAS**, a form of continuing disclosure undertaking (the “**Continuing Disclosure Undertaking**”), attached as Appendix C to the Preliminary Official Statement, has been submitted to this meeting of the Governing Board and is on file with the Clerk; and

**WHEREAS**, this Governing Board desires that the County of Los Angeles Treasurer and Tax Collector (the “**Treasurer**”) should levy and collect an *ad valorem* property tax on all taxable property within the District sufficient to provide for payment of the Bonds, and intends by the adoption of this Resolution to notify the Board of Supervisors of the County, the Auditor-Controller of the County, the Treasurer and other officials of the County that they should take such actions as shall be necessary to provide for the levy and collection of such tax and payment of the Bonds; and

**WHEREAS**, all acts, conditions and things required by law to be done or performed have been done and performed in strict conformity with the laws authorizing the issuance of general obligation bonds of the District, and the indebtedness of the District, including this proposed issue of Bonds, is within all limits prescribed by law;

**NOW THEREFORE, BE IT RESOLVED, DETERMINED AND ORDERED** by the Board of Trustees of Santa Monica Community College District as follows:

**SECTION 1. Definitions.** Capitalized terms used but not defined herein shall have the meanings set forth in the Recitals hereto. Additionally, the following terms shall for all purposes of this Resolution have the following meanings:

“Auditor-Controller” shall mean the Auditor-Controller of the County.

“Authorizing Law” shall mean Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with Sections 53550 and 53580, respectively) of the Government Code.

“Board of Supervisors” shall mean the Board of Supervisors of the County.

“Bond Counsel” shall mean Nixon Peabody LLP or any other firm that is a nationally recognized bond counsel firm.

“Bond Register” shall mean the books referred to in Section 15 of this Resolution.

“Business Day” shall mean a day which is not a Saturday, Sunday or a day on which banking institutions in the State or the State of New York and the New York Stock Exchange are authorized or required to be closed.

“Contract of Purchase” shall mean the Contract of Purchase by and between the District and the Underwriters relating to the Bonds.

“Costs of Issuance” shall mean all of the authorized costs of issuing the Bonds as described in the Authorizing Law, including but not limited to, all printing and document preparation expenses in connection with this Resolution, the Bonds and the Preliminary Official Statement and the Official Statement pertaining to the Bonds and any and all other agreements, instruments, certificates or other documents prepared in connection therewith; financial advisory fees; underwriter’s fees; rating agency fees; auditor’s fees; CUSIP service bureau charges; legal fees and expenses of counsel with respect to the financing, including the fees and expenses of Bond Counsel; the initial fees and expenses of the Paying Agent, the Escrow Agent and the Verification Agent; fees for credit enhancement (if any) relating to the Bonds; and other fees and expenses incurred in connection with the issuance of the Bonds, to the extent such fees and expenses are approved by the District.

“County” shall mean the County of Los Angeles, California.

“County Office of Education” shall mean the Office of Education of the County and such other persons as may be designated by the County Office of Education to perform the operational and disbursement functions hereunder.

“Debt Service” shall have the meaning given to that term in Section 17 of this Resolution.

“Debt Service Fund” shall mean the Debt Service Fund established pursuant to Section 17 of this Resolution.

“Defeasance Securities” shall mean lawful money or noncallable direct obligations issued by the United States Treasury or obligations which are unconditionally guaranteed by the United States of America.

“Depository” shall mean DTC and its successors and assigns or if (a) the then-acting Depository resigns from its functions as securities depository for the Bonds, or (b) the District discontinues use of the Depository pursuant to this Resolution, any other securities depository which agrees to follow procedures required to be followed by a securities depository in connection with the Bonds.

“DTC” shall mean The Depository Trust Company, New York, New York, and its successors and assigns.

“Escrow Fund” shall mean the fund by that name established under the Escrow Agreement, into which the net proceeds of sale of the Bonds shall be deposited in order to effect the advance refunding of the Refunded Bonds.

“Federal Securities” shall mean direct obligations of the United States Treasury or obligations which are unconditionally guaranteed by the United States or which are issued or guaranteed by the Export-Import Bank of the United States, the Farmers Home Administration, the General Services Administration, the Small Business Administration, the Government National Mortgage Association, the United States Department of Housing and Urban Affairs and the Federal Housing Administration (including obligations issued or held in book-entry form on the books of the Department of the Treasury of the United States), provided the principal of and interest on such obligations are backed by the full faith and credit of the United States of America.

“Financial Advisor” shall mean First Southwest Company, Santa Monica, California, acting as financial advisor to the District in connection with the issuance and sale of the Bonds.

“Fiscal Year” shall mean the twelve-month period commencing on July 1 of each year and ending on the following June 30 or any other fiscal year selected by the District.

“Interest Payment Date” shall mean February 1 and August 1 in each year, commencing August 1, 2013 or as otherwise specified in the Contract of Purchase.

“Moody’s” shall mean Moody’s Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, except that if such corporation shall no longer perform the functions of a securities rating agency for any reason, the term “Moody’s” shall be deemed to refer to any other nationally recognized securities rating agency selected by the District.

“MSRB” means the Municipal Securities Rulemaking Board or any other entity designated or authorized by the Securities and Exchange Commission to receive the reports described in the Continuing Disclosure Undertaking. 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>.

“Nominee” shall mean the nominee of the Depository which may be the Depository, as determined from time to time by the Depository.

“Official Statement” shall mean the final official statement of the District describing the Bonds.

“Outstanding,” when used with reference to the Bonds, shall mean, as of any date, Bonds theretofore issued or thereupon being issued under this Resolution except:

- (i) Bonds canceled at or prior to such date;
- (ii) Bonds in lieu of or in substitution for which other Bonds shall have been delivered pursuant to Section 14 hereof;
- (iii) Bonds for the payment or redemption of which funds or eligible securities in the necessary amount shall have been set aside (whether on or prior to the maturity or redemption date of such Bonds), in accordance with Section 40 of this Resolution.

“Owner” shall mean the registered owner, as indicated in the Bond Register, of any Bond.

“Participant” shall mean a member of or participant in the Depository.

“Paying Agent” shall mean the paying agent designated pursuant to Section 30 hereof.

“Pledged Moneys” shall have the meaning given to that term in Section 18 of this Resolution.

“Record Date” shall mean the close of business on the fifteenth calendar day of the month next preceding an Interest Payment Date.

“S&P” shall mean Standard & Poor’s Ratings Services, a Standard & Poor’s Financial Services LLC business, its successors and assigns, except that if such corporation shall no longer perform the functions of a securities rating agency for any reason, the term “S&P” shall be deemed to refer to any other nationally recognized securities rating agency selected by the District.

“Securities Depositories” shall mean The Depository Trust Company, 55 Water Street, New York, New York 10041, Facsimile transmission: (212) 785-9681, (212) 855-3215, and, in accordance with then-current guideline of the Securities and Exchange Commission, such other addresses and/or such other securities depositories as the District may designate in a Certificate delivered to the Paying Agent.

“State” shall mean the State of California.

“Superintendent” shall mean the Superintendent/President of the District.

“Supplemental Resolution” shall mean any resolution supplemental to or amendatory of this Resolution, adopted by the District in accordance with Section 38 or Section 39 hereof.

“Transfer Amount” shall mean, with respect to any Outstanding Bond, the aggregate Principal Amount thereof.

“Treasurer” shall mean the Treasurer and Tax Collector of the County or any authorized deputy thereof.

“Underwriters” shall mean, collectively, RBC Capital Markets, LLC, as Representative of itself and Mitsubishi UFJ Securities (USA), Inc.

“Verification Agent” shall mean Grant Thornton LLP, certified public accountants, in their capacity as verification agent for the sufficiency of amounts on deposit in the Escrow Fund to pay and redeem the Refunded Bonds in accordance with their terms.

**SECTION 2. Rules of Construction.** Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders, and vice versa. Except where the context otherwise requires, words importing the singular shall include the plural and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

**SECTION 3.** Authority for this Resolution. This Resolution is adopted pursuant to the provisions of the Authorizing Law.

**SECTION 4.** Resolution to Constitute Contract. In consideration of the purchase and acceptance of any and all of the Bonds authorized to be issued hereunder by those who shall own the same from time to time, this Resolution shall be deemed to be and shall constitute a contract among the District and the Owners from time to time of the Bonds; and the pledge made in this Resolution shall be for the equal benefit, protection and security of the Owners of any and all of the Bonds, all of which, regardless of the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof.

**SECTION 5.** Approval of Documents; Determination of Method of Sale and Terms of Bonds.

(a) The Superintendent and the other officers of the District (each, an “**Authorized Officer**”), in consultation with the Financial Advisor, Bond Counsel and the other officers of the District, are, and each of them acting alone is, hereby authorized and directed to issue and deliver the Bonds and to establish the initial aggregate principal amount thereof; *provided, however*, that such initial aggregate principal amount shall not exceed the maximum aggregate principal amount of \$25,000,000.

(b) The form of the Contract of Purchase is hereby approved. The Authorized Officers are, and each of them acting alone is, authorized and directed to execute and deliver the Contract of Purchase to the Underwriters for and in the name and on behalf of the District, with such additions, changes or corrections therein as the Authorized Officer executing the same on behalf of the District may approve, in his or her discretion, as being in the best interests of the District including, without limitation (i) such changes as are necessary to reflect the final terms of the Bonds to the extent such terms differ from those set forth in this Resolution, such approval to be conclusively evidenced by such Authorized Officer’s execution thereof and (ii) any other documents required to be executed thereunder. The Authorized Officers are, and each of them acting alone is, hereby authorized and directed to determine the specific maturities and amounts of the 2007C Refunding Bonds or portions thereof to be refunded based upon market conditions existing at the time of the pricing of the Bonds. In addition, the Authorized Officers are, and each of them acting alone is, hereby authorized to negotiate with the Representative the interest rates on the Bonds and the purchase price of the Bonds to be paid by the Underwriters, which purchase price shall reflect an Underwriters’ discount of not more than 0.5% (not including original issue discount and any costs of issuance paid by the Representative) of the principal amount thereof. The interest rate on the Bonds shall not exceed the legal maximum under State law.

(c) The form of the Escrow Agreement is hereby approved. The Authorized Officers are, and each of them acting alone is, hereby authorized and directed, for and in the name of and on behalf of the District, to execute and deliver the Escrow Agreement in substantially the form on file with the District and considered at this meeting, with such changes therein as the Authorized Officer executing the same on behalf of the District may approve, in his or her discretion, as being in the best interests of the District, such approval to be conclusively evidenced by the execution and delivery of the Escrow Agreement by such Authorized Officer. The Authorized Officers are, and each of them acting alone is, hereby



authorized and directed to make changes to the Escrow Agreement to achieve the purposes for which the Bonds are being executed and delivered.

(d) The form of the Continuing Disclosure Undertaking is hereby approved. The Authorized Officers are, and each of them acting alone is, hereby authorized to execute and deliver the Continuing Disclosure Undertaking on behalf of the District, with such changes therein as the officer executing the same on behalf of the District may approve, in his or her discretion, as being in the best interests of the District, such approval to be conclusively evidenced by such Authorized Officer's execution thereof, and any other documents required to be executed thereunder, and to deliver the same to the Underwriters. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Undertaking. Notwithstanding any other provision of this Resolution, failure of the District to comply with the Continuing Disclosure Undertaking shall not be considered an event of default and shall not be deemed to create any monetary liability on the part of the District to any other persons, including Owners of the Bonds.

(e) The form of the Preliminary Official Statement is hereby approved. This Governing Board also hereby authorizes the use and distribution of: (a) the Preliminary Official Statement with such changes as the Authorized Officer executing the certificate described below may approve, such approval to be conclusively evidenced by such Authorized Officer's execution of such certificate; and (b) an Official Statement in substantially the form of the Preliminary Official Statement with such changes as may be necessary or desirable in connection with the sale of the Bonds as determined by the Authorized Officer executing the Official Statement, such determination to be conclusively evidenced by the execution and delivery of the Official Statement by such Authorized Officer; and (c) any amendments or supplements to the Preliminary Official Statement or the Official Statement which an Authorized Officer may deem necessary or desirable, such determination to be conclusively evidenced by the execution of such amendment or supplement or of a certificate as described below by such Authorized Officer. The Authorized Officers are, and each of them acting alone hereby is, authorized to approve such additions, deletions or changes to the Preliminary Official Statement and Official Statement, as are necessary or desirable to effect the purposes of this Resolution and to comply with applicable laws and to deliver copies of the Preliminary Official Statement and the Official Statement. The Authorized Officers also are, and each of them acting alone hereby is, authorized to determine whether any Preliminary Official Statement and/or Official Statement shall be used in connection with the sale of the Bonds. Upon approval of the Preliminary Official Statement by such Authorized Officer as evidenced by execution of a certificate substantially in the form of Exhibit B attached hereto and by this reference incorporated herein, with such changes as may be necessary or desirable, the Preliminary Official Statement shall be deemed final as of its date except for the omission of certain information as provided in and pursuant to Rule 15c2-12 promulgated under the Securities Exchange Act of 1934.

(f) This Governing Board also hereby authorizes the preparation of a paying agent agreement in connection with the Bonds, in such form as shall be determined by an Authorized Officer, such determination to be conclusively evidenced by the execution and delivery of the paying agent agreement by such Authorized Officer; or, the District may engage the Treasurer in such role and use for such purposes the master paying agent agreement of U.S. Bank National Association, as agent of the Treasurer, on file with the County.

**SECTION 6.** Authorization of Officers. The officers of the District, including but not limited to the Superintendent, and their authorized representatives are, and each of them acting alone is, hereby authorized to execute any and all documents and do and perform any and all acts and things, from time to time, consistent with this Resolution and necessary or appropriate to carry the same into effect and to carry out its purposes.

**SECTION 7.** Use of Bond Proceeds. The proceeds of the Bonds, together with other available funds and investment earnings thereon, shall be applied to pay the principal or Accreted Value of and interest and redemption premium, if any, on the Refunded Bonds as they become due or at their redemption dates and to pay Costs of Issuance.

**SECTION 8.** Designation and Form; Payment.

(a) A series of Bonds entitled to the benefit, protection and security of this Resolution is hereby authorized in an aggregate principal amount not to exceed \$25,000,000. Such Bonds shall be general obligations of the District, payable as to principal, premium, if any, and interest from *ad valorem* taxes to be levied upon all of the taxable property in the District. The Bonds shall be designated the “Santa Monica Community College District General Obligation Refunding Bonds, 2004 Election, Series 2013B (Federally Taxable).” The Bonds shall be issued as current interest bonds and may be issued as serial bonds or term bonds, as set forth in the Contract of Purchase, subject to the provisions of this Resolution.

(b) The form of the Bonds shall be substantially in conformity with the standard form of registered community college district bonds, a copy of which is attached hereto as Exhibit A and incorporated herein by this reference, with such changes as are necessary to reflect the final terms of the Bonds.

(c) Principal, premium, if any, and interest with respect to any Bond are payable in lawful money of the United States of America. Principal and premium, if any, is payable upon surrender thereof at maturity or earlier redemption at the office designated by the Paying Agent.

**SECTION 9.** Description of the Bonds.

(a) The Bonds shall be issued in fully registered form, in denominations of \$5,000 or any integral multiple thereof, except as provided in the Contract of Purchase. The Bonds shall be dated and shall mature on the dates, in the years and in the principal amounts, and interest shall be computed at the rates, set forth in the Contract of Purchase.

(b) Interest on each Bond shall accrue from its dated date as set forth in the Contract of Purchase. Interest on Bonds shall be computed using a year of 360 days comprised of twelve 30-day months and shall be payable on each Interest Payment Date to the Owner thereof as of the close of business on the Record Date. Interest with respect to each Bond will be payable from the Interest Payment Date next preceding the date of registration thereof, unless (i) it is registered after the close of business on any Record Date and before the close of business on the immediately following Interest Payment Date, in which event interest with respect thereto shall be payable from such following Interest Payment Date; or (ii) it is registered prior to the close of business on the first Record Date, in which event interest shall be payable from its dated date; provided, however, that if at the time of registration of any Bond interest with respect

thereto is in default, interest with respect thereto shall be payable from the Interest Payment Date to which interest has previously been paid or made available for payment. Payments of interest on the Bonds will be made on each Interest Payment Date by check or draft of the Paying Agent sent by first-class mail, postage prepaid, to the Owner thereof on the Record Date, or by wire transfer to any Owner of \$1,000,000 principal amount or more of such Bonds, to the account specified by such Owner in a written request delivered to the Paying Agent on or prior to the Record Date for such Interest Payment Date; provided, however, that payments of defaulted interest shall be payable to the person in whose name such Bond is registered at the close of business on a special record date fixed therefor by the Paying Agent which shall not be more than fifteen days and not less than ten days prior to the date of the proposed payment of defaulted interest.

**SECTION 10.** [Reserved.]

**SECTION 11.** Book-Entry System.

(a) The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds. Upon initial issuance, the ownership of each such global Bond shall be registered in the Bond Register in the name of the Nominee as nominee of the Depository. Except as provided in subsection (c) hereof, all of the Outstanding Bonds shall be registered in the Bond Register in the name of the Nominee and the Bonds may be transferred, in whole but not in part, only to the Depository, to a successor Depository or to another nominee of the Depository or of a successor Depository. Each Bond shall bear a legend describing restrictions on transfer, as may be prescribed by the Depository.

With respect to Bonds registered in the Bond Register in the name of the Nominee, the District shall have no responsibility or obligation to any Participant or to any person on behalf of which such a Participant holds a beneficial interest in the Bonds. Without limiting the immediately preceding sentence, the District 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 beneficial ownership interest in the Bonds, (ii) the delivery to any Participant, beneficial owner or any other person, other than the Depository, of any notice with respect to the Bonds, including any Redemption Notice (as defined in Section 27 below), (iii) the selection by the Depository and the Participants of the beneficial interests in the Bonds to be redeemed in part, or (iv) the payment to any Participant, beneficial owner or any other person, other than the Depository, of any amount with respect to Principal of, premium, if any, and interest on the Bonds. The District and the Paying Agent may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute Owner of such Bond for the purpose of payment of principal of, premium, if any, and interest on such Bond, for the purpose of giving Redemption Notices and other notices with respect to such Bond, and for all other purposes whatsoever, including, without limitation, registering transfers with respect to the Bonds.

The Paying Agent shall pay all principal of, premium, if any, and interest on the Bonds only to the respective Owners, as shown in the Bond Register, and all such payments shall be valid hereunder with respect to payment of principal of, premium, if any, and interest on the Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the Bond Register, shall receive a Bond evidencing the obligation to make payments of Principal of, premium, if any, and interest, pursuant to this Resolution. Upon delivery by the Depository to

the Paying Agent 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 hereof with respect to Record Dates, the word Nominee in this Resolution shall refer to such new nominee of the Depository.

(b) In order to qualify the Bonds for the Depository's book-entry system, the District is hereby authorized to execute and deliver to such Depository a letter from the District representing such matters as shall be necessary to so qualify the Bonds (the "**Representation Letter**"). The execution and delivery of the Representation Letter shall not in any way limit the provisions of subsection (a) hereof or in any other way impose upon the District any obligation whatsoever with respect to persons having beneficial interests in the Bonds other than the Owners, as shown in the Bond Register. In addition to the execution and delivery of the Representation Letter, the District, and its deputies and designees, are hereby authorized to take any other actions, not inconsistent with this Resolution, to qualify the Bonds for the Depository's book-entry program.

(c) If at any time the Depository notifies the District that it is unwilling or unable to continue as Depository with respect to the Bonds or if at any time the Depository shall no longer be registered or in good standing under the Securities Exchange Act or other applicable statute or regulation and a successor Depository is not appointed by the District within 90 days after the District receive notice or become aware of such condition, as the case may be, subsection (a) hereof shall no longer be applicable and the District shall cause the issuance of bonds representing the Bonds as provided below. In addition, the District may determine at any time that the Bonds shall no longer be lodged with a Depository and that the provisions of subsection (a) hereof shall no longer apply to the Bonds. In any such event the District shall cause the execution and delivery of certificated securities representing the Bonds as provided below. Bonds issued in exchange for global bonds pursuant to this subsection (c) shall be registered in such names and delivered in such denominations as the Depository shall instruct the District. The District shall cause delivery of such certificated securities representing the Bonds to the persons in whose names such Bonds are so registered.

If the District determines to replace the Depository with another qualified securities depository, the District shall prepare or cause to be prepared a new fully-registered global bond for each of the maturities of Bonds, registered in the name of such successor or substitute securities depository or its nominee, or make such other arrangements as are acceptable to the District and such securities depository and not inconsistent with the terms of this Resolution.

(d) Notwithstanding any other provision of this Resolution to the contrary, so long as any Bond is registered in the name of the Nominee, all payments with respect to Principal of, premium, if any, and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, as provided in the Representation Letter or as otherwise instructed by the Depository.

(e) The initial Depository under this Resolution shall be DTC. The initial Nominee shall be Cede & Co., as nominee of DTC.

**SECTION 12.** Execution of the Bonds.

(a) The Bonds shall be executed in the manner required by the Authorizing Law. In case any one or more of the officers who shall have signed any of the Bonds shall cease to be such officer before the Bonds so signed shall have been issued by the District, such Bonds may, nevertheless, be issued, as herein provided, as if the persons who signed such Bonds had not ceased to hold such offices.

(b) The Bonds shall bear thereon a certificate of authentication executed manually by the Paying Agent. Only such Bonds as shall bear thereon such certificate of authentication duly executed by the Paying Agent shall be entitled to any right or benefit under this Resolution and no Bond shall be valid or obligatory for any purpose until such certificate of authentication shall have been duly executed by the Paying Agent. Such certificate of the Paying Agent upon any Bond shall be conclusive evidence that the Bond so authorized has been duly authenticated and delivered under this Resolution and that the Owner thereof is entitled to the benefit of this Resolution.

**SECTION 13.** Transfer and Exchange. The registration of any Bond may be transferred upon the Bond Register upon surrender of such Bond to the Paying Agent. Such Bond shall be endorsed or accompanied by delivery of the written instrument of transfer shown in Exhibit A hereto, duly executed by the Owner or his duly authorized attorney, and payment of such reasonable transfer fees as the Paying Agent may establish. Upon such registration of transfer, a new Bond or Bonds, of like tenor and maturity in the same Transfer Amount and in authorized denominations, will be executed and delivered to the transferee in exchange therefor.

The Paying Agent shall deem and treat the person in whose name any Outstanding Bond shall be registered upon the Bond Register as the absolute owner of such Bond, whether the principal, premium, if any, or interest with respect to such Bond shall be overdue or not, for the purpose of receiving payment of principal, premium, if any, and interest with respect to such Bond and for all other purposes, and any such payments so made to any such Owner or upon his order shall be valid and effective to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and the District or the Paying Agent shall not be affected by any notice to the contrary.

Bonds may be exchanged at the office of the Paying Agent for Bonds of like tenor, maturity and Transfer Amount of other authorized denominations. All Bonds surrendered in any such exchange shall thereupon be cancelled by the Paying Agent. The Paying Agent may charge the Owner a reasonable sum for each new Bond executed and delivered upon any exchange (except in the case of the first exchange of any Bond in the form in which it is originally delivered, for which no charge shall be imposed) and the Paying Agent may 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 Paying Agent shall not be required to register the transfer or exchange of any Bond (i) during the period beginning at the close of business on any Record Date through the close of business on the immediately following Interest Payment Date, or (ii) that has been called or is subject to being called for redemption, during a period beginning at the opening of business 15 days before any selection of Bonds to be redeemed through the close of business on the

applicable redemption date, except for the unredeemed portion of any Bond to be redeemed only in part.

**SECTION 14.** Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated, the Paying Agent, at the expense of the Owner, shall deliver a new Bond of like date, interest rate, maturity, Transfer Amount and tenor as the Bond so mutilated in exchange and substitution for such mutilated Bond, upon surrender and cancellation thereof. All Bonds so surrendered shall be cancelled. If any Bond shall be destroyed, stolen or lost, evidence of such destruction, theft or loss may be submitted to the Paying Agent and if such evidence is satisfactory to the Paying Agent that such Bond has been destroyed, stolen or lost, and upon furnishing the Paying Agent with indemnity satisfactory to the Paying Agent and complying with such other reasonable regulations as the Paying Agent may prescribe and paying such expenses as the Paying Agent may incur, the Paying Agent shall, at the expense of the Owner, execute and deliver a new Bond of like date, interest rate, maturity, Transfer Amount and tenor in lieu of and in substitution for the Bond so destroyed, stolen or lost. Any new Bonds issued pursuant to this Section in substitution for Bonds alleged to be destroyed, stolen or lost shall constitute original additional contractual obligations on the part of the District, whether or not the Bonds so alleged to be destroyed, stolen or lost are at any time enforceable by anyone, and shall be equally secured by and entitled to equal and proportionate benefits with all other Bonds issued under this Resolution in any moneys or securities held by the Paying Agent for the benefit of the Owners of the Bonds.

**SECTION 15.** Bond Register. The Paying Agent shall keep or cause to be kept at its office sufficient books for the registration and registration of transfer of the Bonds. Upon presentation for registration of transfer, the Paying Agent shall, as above provided and under such reasonable regulations as it may prescribe subject to the provisions hereof, register or register the transfer of the Bonds, or cause the same to be registered or cause the registration of the same to be transferred, on such books. While the Bonds are held in the book-entry system, the Paying Agent is not required to keep the Bond Register.

**SECTION 16.** Unclaimed Money. All money which the Paying Agent shall have received from any source and set aside for the purpose of paying or redeeming any of the Bonds shall be held in trust for the respective Owners of such Bonds, but any money which shall be so set aside or deposited by the Paying Agent and which shall remain unclaimed by the Owners of such Bonds for a period of one year after the date on which any payment or redemption with respect to such Bonds shall have become due and payable shall be transferred to the General Fund of the District; provided, however, that the Paying Agent, before making such payment, shall cause notice to be mailed to the Owners of such Bonds, by first-class mail, postage prepaid, not less than 90 days prior to the date of such payment to the effect that said money has not been claimed and that after a date named therein any unclaimed balance of said money then remaining will be transferred to the General Fund of the District. Thereafter, the Owners of such Bonds shall look only to the General Fund of the District for payment of such Bonds.

**SECTION 17.** Application of Proceeds; Escrow Agreement; Debt Service Fund.

(a) A portion of the net proceeds of sale of the Bonds shall be transferred to the Escrow Agent for deposit into the Escrow Fund in an amount necessary to purchase the Defeasance Securities needed to defease, pay and redeem the Refunded Bonds.

(b) Accrued interest, if any, shall be kept separate and apart in the fund hereby created and established and to be designated as the “Santa Monica Community College District General Obligation Refunding Bonds, 2004 Election, Series 2013B Debt Service Fund” (the “**Debt Service Fund**”) and used only for payments of principal of and interest on the Bonds. Any excess proceeds of the Bonds not needed for the authorized purposes set forth herein for which the Bonds are being issued shall be transferred to the Debt Service Fund and applied to the payment of the principal of and interest on the Bonds.

(c) All Pledged Moneys shall be deposited upon collection by the County into the Debt Service Fund and used for the payment of the principal of, premium, if any, and interest on the Bonds.

(d) On the Business Day immediately preceding each Interest Payment Date if the Paying Agent is not the Treasurer, and on the Interest Payment Date if the Paying Agent is the Treasurer, the District shall transfer or cause to be transferred from the Debt Service Fund to the Paying Agent, an amount, in immediately available funds, sufficient to pay all the principal of, premium, if any, and interest on the Bonds coming due (collectively, the “**Debt Service**”) on such payment date. Debt Service on the Bonds shall be paid by the Paying Agent in the manner provided by law for the payment of Debt Service.

(e) Certain proceeds of the Bonds shall be applied to pay Costs of Issuance as provided in Section 19 below.

**SECTION 18.** Payment of and Security for the Bonds. There shall be levied on all the taxable property in the District, in addition to all other taxes a continuing direct *ad valorem* tax annually during the period the Bonds are outstanding in an amount sufficient to pay the principal of and interest on the Bonds when due, which monies when collected will be placed in the Debt Service Fund of the District, which fund is irrevocably pledged for the payment of the principal of and interest on the Bonds when and as the same fall due (the “**Pledged Moneys**”). The District covenants to cause the County to take all actions necessary to levy such *ad valorem* tax in accordance with this Section and Section 53559 of the Government Code.

**SECTION 19.** Payment of Costs of Issuance. Proceeds of the sale of the Bonds necessary to pay all costs of issuing the Bonds shall be deposited in the fund of the District known as the “Santa Monica Community College District, 2004 Election, Series 2013B Cost of Issuance Fund” (the “**Cost of Issuance Fund**”) and shall be kept separate and distinct from all other District funds, and those proceeds shall be used solely for the purpose of paying Costs of Issuance of the Bonds. The Cost of Issuance Fund may be held and administered by the Paying Agent. Notwithstanding the foregoing, all or a portion of the costs of issuance may be paid by the Underwriters or by a fiscal agent designated for such purpose. Any amounts retained for payment of Costs of Issuance and returned to the District pursuant to the Contract of

Purchase shall be transferred to the Debt Service Fund to be applied to the payment of the principal of and/or interest on the Bonds.

**SECTION 20.** Negotiated Sale/Method of Sale. The Bonds shall be sold by negotiated sale to the Underwriters inasmuch as: (i) such a sale will allow the District to integrate the sale of the Bonds with other public financings undertaken, or to be undertaken, by the District in order to refinance outstanding debt or finance and fund its public education facilities; (ii) such a sale will allow the District to utilize the services of consultants who are familiar with the financial needs, status and plans of the District; and (iii) such a sale will allow the District to control the timing of the sale of the Bonds to the municipal bond market and, potentially, take advantage of interest rate opportunities for favorable sale of the Bonds to such market and the generation of increased savings to the taxpayers of the District.

**SECTION 21.** Engagement of Consultants; Parameters of Sale. Nixon Peabody LLP has been selected as the District's bond and disclosure counsel and RBC Capital Markets, LLC and Mitsubishi UFJ Securities (USA), Inc. have been selected to act as underwriters with respect to the authorization, sale and issuance of the Bonds. The estimated costs of issuance associated with the sale of the Bonds are approximately 0.4% of the estimated par amount of the Bonds, which include bond and disclosure counsel fees, costs of printing the Official Statement, rating agency fees, Paying Agent fees, Escrow Agent fees, the fees of the Verification Agent, the fees of the Financial Advisor and other related costs. In addition, the estimated Underwriters' discount, which is not included in the percentage above, is 0.5% of the estimated par amount. An estimate of the itemized fees and expenses is on file with the Superintendent.

**SECTION 22.** Establishment of Additional Funds and Accounts. If at any time it is deemed necessary or desirable by the District, the Treasurer, the County Office of Education, the Paying Agent, or the District may establish additional funds under this Resolution and/or accounts within any of the funds or accounts established hereunder.

**SECTION 23.** Request for Necessary County Actions.

(a) The Board of Supervisors, the Auditor-Controller, the Treasurer, and other officials of the County, are hereby requested to take and authorize such actions as may be necessary pursuant to law to provide for the levy and collection of a property tax on all taxable property of the District sufficient to provide for payment of all principal of, redemption premium, if any, and interest on the Bonds as the same shall become due and payable as necessary for the payment of the Bonds, and the Clerk of the Board is hereby authorized and directed to deliver certified copies of this Resolution to the Executive Officer-Clerk of the Board of Supervisors of the County, the Auditor-Controller of the County, and the Treasurer. The Board hereby agrees to reimburse the County for any costs associated with the levy and collection of said tax, upon such documentation of said costs as the District shall reasonably request.

(b) The Board of Supervisors, the Auditor-Controller, the Treasurer and other officials of the County, are hereby requested to take and authorize such actions as may be necessary, upon, but only upon, the defeasance or redemption of the Refunded Bonds from proceeds of the Bonds, to discontinue the levy of property taxes on all taxable property of the



District for the payment of the Refunded Bonds, pursuant to Section 53561 of the Government Code.

**SECTION 24.** Notice of Redemption of Refunded Bonds. The Escrow Agent is hereby authorized and directed to give notice of redemption of the Refunded Bonds, pursuant to the terms of the resolution of the County Board of Supervisors authorizing the issuance thereof and pursuant to the terms of the Escrow Agreement.

**SECTION 25.** Redemption. The Bonds shall be subject to redemption as provided in the Contract of Purchase.

**SECTION 26.** Selection of Bonds for Redemption. Whenever provision is made in this Resolution or in the Contract of Purchase for the redemption of the Bonds and less than all Outstanding Bonds are to be redeemed, the Paying Agent, upon written instruction from the District given at least 60 days prior to the payment date designated for such redemption, shall select Bonds for redemption in the manner directed by the District. Within a maturity, the Paying Agent shall select Bonds for redemption by lot. Redemption by lot shall be in such manner as the Paying Agent shall determine; provided, however, that the portion of any Bond to be redeemed in part shall be in the principal amount of \$5,000 or any integral multiple thereof.

**SECTION 27.** Notice of Redemption. When redemption is authorized or required pursuant to this Resolution or the Contract of Purchase, the Paying Agent, upon written instruction from the District given at least 60 days prior to the payment date designated for such redemption, shall give notice (each, a “**Redemption Notice**”) of the redemption of the Bonds. Such Redemption Notice shall specify: (a) the Bonds or designated portions thereof (in the case of redemption of the Bonds in part but not in whole) which are to be redeemed, (b) the date of redemption, (c) the place or places where the redemption will be made, including the name and address of the Paying Agent, (d) the redemption price, (e) the CUSIP numbers (if any) assigned to the Bonds to be redeemed, (f) the Bond numbers of the Bonds to be redeemed in whole or in part and, in the case of any Bond to be redeemed in part only, the principal amount of such Bond to be redeemed, and (g) the original issue date, interest rate and stated maturity date of each Bond to be redeemed in whole or in part. Such Redemption Notice shall further state (a) that on the specified date there shall become due and payable upon each Bond or portion thereof being redeemed the redemption price, together with the interest accrued to the redemption date, and (b) that from and after such date interest with respect thereto shall cease to accrue and be payable.

The Paying Agent shall take the following actions with respect to such Redemption Notice:

(a) At least 20 but not more than 45 days prior to the redemption date, such Redemption Notice shall be given to the respective Owners of Bonds designated for redemption by first class mail, postage prepaid, at their addresses appearing on the Bond Register.

(b) In the event that the Bonds shall no longer be held in book-entry-only form, at least 35 but not more than 45 days before the redemption date, such Redemption Notice shall be given by (i) first class mail, postage prepaid, (ii) telephonically confirmed facsimile transmission, or (iii) overnight delivery service, to each of the Securities Depositories.

(c) In the event that the Bonds shall no longer be held in book-entry-only form, at least 35 but not more than 45 days before the redemption date, such Redemption Notice shall be given by (i) first class mail, postage prepaid, or (ii) overnight delivery service, to the MSRB.

Neither failure to receive any Redemption Notice nor any defect in any such Redemption Notice so given shall affect the sufficiency of the proceedings for the redemption of the affected Bonds. Each check issued or other transfer of funds made by the Paying Agent for the purpose of redeeming Bonds shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

**SECTION 28.** Partial Redemption of Bonds. Upon the surrender of any Bond redeemed in part only, the Paying Agent shall execute and deliver to the Owner thereof a new Bond or Bonds of like tenor and maturity and of authorized denominations equal in Transfer Amounts to the unredeemed portion of the Bond surrendered. Such partial redemption shall be valid upon payment of the amount required to be paid to such Owner, and the District shall be released and discharged thereupon from all liability to the extent of such payment.

**SECTION 29.** Effect of Notice of Redemption. Notice having been given as aforesaid, and the moneys for the redemption (including the interest to the applicable date of redemption) having been set aside in the Debt Service Fund, the Bonds to be redeemed shall become due and payable on such date of redemption.

If on such redemption date, money for the redemption of all the Bonds to be redeemed as provided this Resolution and the Contract of Purchase, together with interest to such redemption date, shall be held by the Paying Agent so as to be available therefor on such redemption date, and if notice of redemption thereof shall have been given as aforesaid, then from and after such redemption date, interest with respect to the Bonds to be redeemed shall cease to accrue and become payable. All money held by or on behalf of the Paying Agent for the redemption of Bonds shall be held in trust for the account of the Owners of the Bonds so to be redeemed.

All Bonds paid at maturity or redeemed prior to maturity pursuant to the provisions of this Resolution and the Contract of Purchase shall be cancelled upon surrender thereof and delivered to or upon the order of the District. All or any portion of a Bond purchased by the District shall be cancelled by the Paying Agent upon written notice by the District given to the Paying Agent.

**SECTION 30.** Paying Agent; Appointment and Acceptance of Duties.

(a) U.S. Bank National Association is hereby appointed as the initial Paying Agent. All fees and expenses incurred for services of the Paying Agent shall be the sole responsibility of the District. The Paying Agent shall keep accurate records of all funds administered by it and of all Bonds paid and discharged by it.

(b) Unless otherwise provided, the office of the Paying Agent designated by the Paying Agent shall be the place for the payment of principal of, premium, if any, and interest on the Bonds.

**SECTION 31.** Liability of Paying Agent. The Paying Agent makes no representations as to the validity or sufficiency of this Resolution or of any Bonds issued hereunder or as to the security afforded by this Resolution, and the Paying Agent shall incur no liability in respect hereof or thereof.

**SECTION 32.** Evidence on Which Paying Agent May Act. The Paying Agent, upon receipt of any notice, resolution, request, consent, order, certificate, report, opinion, bond, or other paper or document furnished to it pursuant to any provision of this Resolution, shall examine such instrument to determine whether it conforms to the requirements of this Resolution and shall be protected in acting upon any such instrument believed by it to be genuine and to have been signed or presented by the proper party or parties. The Paying Agent may consult with counsel, who may or may not be counsel to the District, and the opinion of such counsel shall be full and complete authorization and protection in respect of any action taken or suffered by it under this Resolution in good faith and in accordance therewith.

**SECTION 33.** Compensation. The District shall pay to the Paying Agent from time to time reasonable compensation for all services rendered under this Resolution, and also all reasonable expenses, charges, counsel fees and other disbursements, including those of its attorneys, agents, and employees, incurred in and about the performance of their powers and duties under this Resolution, all of which may, pursuant to Education Code Section 15232, be paid from the County's annual levy of *ad valorem* taxes.

**SECTION 34.** Ownership of Bonds Permitted. The Paying Agent or the Underwriters may become the Owner of any Bonds.

**SECTION 35.** Resignation or Removal of Paying Agent and Appointment of Successor.

(a) The initially appointed Paying Agent may resign from service as Paying Agent at any time. Prior to such resignation a new Paying Agent shall be appointed by the District in accordance with applicable law, which shall be the Treasurer or a bank or trust company doing business in and having a corporate trust office in Los Angeles or San Francisco, California, with at least \$50,000,000 in net assets. Such successor Paying Agent shall signify the acceptance of its duties and obligations hereunder by executing and delivering to the District, a written acceptance thereof. Resignation of the initial or a successor Paying Agent shall be effective upon appointment and acceptance of a successor Paying Agent.

(b) Any Paying Agent appointed may resign from service as Paying Agent and may be removed at any time by the District as provided in the Paying Agent's service agreement. If at any time the Paying Agent shall resign or be removed, a new Paying Agent shall be appointed in accordance with applicable law, which shall be either the Treasurer or a bank or trust company doing business in and having a corporate trust office in Los Angeles or San Francisco, California, with at least \$50,000,000 in net assets. Such successor Paying Agent shall signify the acceptance of its duties and obligations hereunder by executing and delivering to the District, a written acceptance thereof. Resignation or removal of the Paying Agent shall be effective upon appointment and acceptance of a successor Paying Agent.

(c) In the event of the resignation or removal of the Paying Agent, such Paying Agent shall pay over, assign and deliver any moneys held by it as Paying Agent to its

successor. The District shall promptly provide notice of the name and principal corporate trust office address of the Paying Agent appointed to replace any resigned or removed Paying Agent to the Owners of the Bonds by first class mail, postage prepaid, at their addresses appearing on the Bond Register.

**SECTION 36.** Valuation and Sale of Investments. Obligations purchased as an investment of moneys in any fund or account shall be deemed at all times to be a part of such fund or account. Profits or losses attributable to any fund or account shall be credited or charged to such fund or account. In computing the amount in any fund or account created under the provisions of this Resolution for any purpose provided in this Resolution, obligations purchased as an investment of moneys therein shall be valued at cost, plus, where applicable, accrued interest.

**SECTION 37.** Supplemental Resolutions with Consent of Owners. This Resolution, and the rights and obligations of the District and of the Owners of the Bonds issued hereunder, may be modified or amended at any time by a Supplemental Resolution adopted by the District with the written consent of Owners owning at least 60% in aggregate principal amount of the Outstanding Bonds, exclusive of Bonds, if any, owned by the District. Notwithstanding the foregoing, no such modification or amendment shall, without the express consent of the Owner of each Bond affected, reduce the Principal Amount of any Bond, reduce the interest rate payable thereon, advance the earliest redemption date thereof, extend its maturity or the times for paying interest thereon or change the monetary medium in which principal and interest is payable, nor shall any modification or amendment reduce the percentage of consents required for amendment or modification. No such Supplemental Resolution shall change or modify any of the rights or obligations of any Paying Agent without its written assent thereto. Notwithstanding anything herein to the contrary, no such consent shall be required if the Owners are not directly and adversely affected by such amendment or modification.

**SECTION 38.** Supplemental Resolutions Effective Without Consent of Owners. For any one or more of the following purposes and at any time or from time to time, a Supplemental Resolution of the District may be adopted, which, without the requirement of consent of the Owners, shall be fully effective in accordance with its terms:

(a) To add to the covenants and agreements of the District in this Resolution, other covenants and agreements to be observed by the District which are not contrary to or inconsistent with this Resolution as theretofore in effect;

(b) To add to the limitations and restrictions in this Resolution, other limitations and restrictions to be observed by the District which are not contrary to or inconsistent with this Resolution as theretofore in effect;

(c) To confirm as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by this Resolution, of any moneys, securities or funds, or to establish any additional funds, or accounts to be held under this Resolution;

(d) To cure any ambiguity, supply any omission, or cure to correct any defect or inconsistent provision in this Resolution; or

(e) To amend or supplement this Resolution in any other respect, provided such Supplemental Resolution does not, in the opinion of Bond Counsel, adversely affect the interests of the Owners.

**SECTION 39.** Effect of Supplemental Resolution. Any act done pursuant to a modification or amendment so consented to shall be binding upon the Owners of all the Bonds and shall not be deemed an infringement of any of the provisions of this Resolution, whatever the character of such act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of this Resolution, and after consent relating to such specified matters has been given, no Owner shall have any right or interest to object to such action or in any manner to question the propriety thereof or to enjoin or restrain the District or any officer or agent thereof from taking any action pursuant thereto.

**SECTION 40.** Defeasance. If any or all Outstanding Bonds shall be paid and discharged in any one or more of the following ways:

- (1) by paying or causing to be paid the principal, premium, if any, and interest on such Bonds, and when the same become due and payable;
- (2) by depositing with the Paying Agent, in trust, at or before maturity, cash which together with the amounts then on deposit in the Debt Service Fund (and the accounts therein other than amounts that are not available to pay Debt Service) together with the interest to accrue thereon without the need for further investment, is fully sufficient to pay such Bonds at maturity thereof, including any premium and all interest thereon, notwithstanding that any Bonds shall not have been surrendered for payment; or
- (3) by depositing with an institution that meets the requirements of serving as successor Paying Agent pursuant to Section 36 selected by the District, in trust, lawful money or noncallable direct obligations issued by the United States Treasury (including State and Local Government Series) or obligations which are unconditionally guaranteed by the United States of America and permitted under Section 149(b) of the Code and Regulations which, in the opinion of nationally recognized bond counsel, will not impair the exclusion from gross income for federal income tax purposes of interest on the Bonds, in such amount as will, together with the interest to accrue thereon without the need for further investment, be fully sufficient to pay and discharge such Bonds at maturity or earlier redemption thereof, for which notice has been given or provided for, including any premium and all interest thereon, notwithstanding that any Bonds shall not have been surrendered for payment;

then all obligations of the District and the Paying Agent under this Resolution with respect to such Bonds shall cease and terminate, except only the obligation of the Paying Agent to pay or cause to be paid to the Owners of such Bonds all sums due thereon, and the obligation of the District to pay to the Paying Agent amounts owing to the Paying Agent under Section 34 hereof.

**SECTION 41.** Approval of Actions; Miscellaneous.

(a) The Superintendent and the other officers of the District are hereby authorized and directed, jointly and severally, to do any and all things and to execute and deliver any and all documents which they may deem necessary or advisable in order to proceed with the issuance of the Bonds or otherwise carry out, give effect to and comply with the terms and intent of this Resolution. Such actions heretofore taken by such officers, officials and staff are hereby ratified, confirmed and approved.

(b) The County, its Board of Supervisors, officers, agents, and employees shall not be responsible for any proceedings or the preparation or contents of any resolutions, certificates, statements, disclosures, notices, contracts, or other documents relating to the sale and issuance of the Bonds.

(c) The principal of and interest and redemption premium (if any) on the Bonds shall not constitute debt or an obligation of the County, its Board of Supervisors, officers, agents, or employees, and the County, its Board of Supervisors, officers, agents, and employees thereof shall not be liable thereon. In no event shall the Principal of and interest and redemption premium (if any) on any Bond be payable out of any funds or property of the County.

(d) The Clerk of the Governing Board shall send a certified copy of this Resolution, together with the final debt service schedule for the Bonds, to the Treasurer.

**SECTION 42.** Conflicts. If there is any inconsistency or conflict between any provision of this Resolution and any provision of the Contract of Purchase, the Contract of Purchase prevails to the extent of the inconsistency or conflict.

**SECTION 43.** Effective Date. This Resolution shall take effect immediately upon its passage.

ADOPTED, SIGNED AND APPROVED this \_\_\_\_\_ day of May, 2013, by the Board of Trustees of the Santa Monica Community College District, at a regularly scheduled meeting held in Santa Monica, California, at a location freely accessible to the public, by the following vote:

AYES: \_\_\_\_\_

NOES: \_\_\_\_\_

ABSTAIN: \_\_\_\_\_

ABSENT: \_\_\_\_\_

**BOARD OF TRUSTEES OF SANTA MONICA  
COMMUNITY COLLEGE DISTRICT**

By: \_\_\_\_\_

President of the Board of Trustees

Attest:

By: \_\_\_\_\_  
Clerk of the Board of Trustees

**EXHIBIT A**

**FORM OF BOND**

UNLESS THIS BOND IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AS DEFINED IN THE RESOLUTION) TO THE BOND REGISTRAR FOR REGISTRATION OF TRANSFER, EXCHANGE, OR PAYMENT, AND ANY BOND ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

UNITED STATES OF AMERICA

STATE OF CALIFORNIA

**SANTA MONICA COMMUNITY COLLEGE DISTRICT  
GENERAL OBLIGATION REFUNDING BONDS, 2004 ELECTION, SERIES 2013B  
(FEDERALLY TAXABLE)**

\$ \_\_\_\_\_

No. R-

Interest

Rate  
\_\_\_\_\_%

Maturity Date  
August 1, \_\_\_\_\_

Dated Date

CUSIP

REGISTERED OWNER:

PRINCIPAL AMOUNT:

The Santa Monica Community College District (the “**District**”), a community college district duly organized and existing under the laws of the State of California, located within the County of Los Angeles, State of California (the “**County**”), for value received, hereby acknowledges itself indebted and promises to pay to the Registered Owner set forth above the Principal Amount set forth above, on the Maturity Date set forth above, together with interest thereon from the dated date set forth above until the Principal Amount hereof shall have been paid or provided for, in accordance with the Resolution hereinafter referred to, at the interest rate set forth above. Interest on this Bond is payable on August 1, 2013, and semiannually thereafter on the first day of February and August (each, an “**Interest Payment Date**”) in each year to the registered owner hereof from the Interest Payment Date next preceding the date on which this Bond is registered (unless it is registered after the close of business on the fifteenth calendar day of the month preceding any Interest Payment Date (each, a “**Record Date**”) and before the close



of business on the immediately following Interest Payment Date, in which event it shall bear interest from such following Interest Payment Date, or unless this Bond is registered prior to the close of business on the first Record Date, in which event it shall bear interest from its date; *provided, however*, that if at the time of registration of this Bond interest with respect hereto is in default, interest with respect hereto shall be payable from the Interest Payment Date to which interest has previously been paid or made available for payment). The Principal Amount hereof is payable at the office of U.S. Bank National Association, as paying agent (the “**Paying Agent**”), or at the office of a successor Paying Agent appointed pursuant to the Resolution (as hereinafter defined). The interest hereon is payable by check or draft mailed by first class mail to each registered owner, at his address as it appears on the registration books kept by the Paying Agent as of the Record Date, or by wire transfer to any Owner of \$1,000,000 in principal amount or more of Bonds, to the account specified by the Owner in a written request delivered to the Paying Agent on or prior to the Record Date for such Interest Payment Date; provided, however, that payments of defaulted interest shall be payable to the person in whose name this Bond is registered at the close of business on a special record date fixed therefor by the Paying Agent which shall not be more than fifteen days and not less than ten days prior to the date of the proposed payment of defaulted interest.

The Bonds of this issue are comprised of \$ \_\_\_\_\_ principal amount of Santa Monica Community College District General Obligation Refunding Bonds, 2004 Election, Series 2013B (Federally Taxable). This Bond is issued by the District under and in accordance with the provisions of Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 (commencing with Sections 53550 and 53580, respectively) of the Government Code of the State of California, and pursuant to a resolution adopted by the Board of Trustees of the District on May 7, 2013 (the “**Resolution**”). Reference is hereby made to the Resolution, a copy of which is on file with the Clerk of the Board of Trustees of the District, for a description of the terms on which the Bonds are delivered, and the rights thereunder of the registered owners of the Bonds and the rights and duties of the Paying Agent, and the District, to all of the provisions of which the registered owner of this Bond, by acceptance hereof, assents and agrees. All capitalized terms used but not otherwise defined herein shall have the respective meanings set forth in the Resolution.

The Bonds are being issued for the purpose of effecting an advance refunding of certain outstanding general obligation refunding bonds of the District previously issued pursuant to an authorization obtained from the qualified electors of the District on November 2, 2004, for the issuance of \$135,000,000 aggregate principal amount of general obligation bonds, and to pay costs of issuance with regard to the Bonds.

This Bond is a general obligation of the District, payable as to both principal and interest from *ad valorem* taxes which, under the laws now in force, may be levied without limitation as to rate or amount upon all of the taxable property in the District. Neither the payment of the principal of this Bond, or any part thereof, nor any interest or premium hereon constitutes a debt, liability or obligation of the County.

This Bond is issued in fully registered form. Registration of this Bond is transferable by the registered owner hereof, in person or by his attorney duly authorized in writing, at the aforesaid offices of the Paying Agent, but only in the manner, subject to the limitations, and upon payment of the charges, provided in the Resolution and upon surrender and cancellation of

this Bond. Upon such registration of transfer, a new Bond or Bonds, of like tenor and maturity in the same Principal Amount and in authorized denominations will be issued to the transferee in exchange herefor. The District and the Paying Agent may treat the registered owner hereof as the absolute owner hereof for all purposes, whether or not this Bond shall be overdue, and shall not be affected by any notice to the contrary.

The rights and obligations of the District and of the owners of the Bonds may be modified or amended at any time by a supplemental resolution adopted by the District with the written consent of Owners of at least 60% in aggregate principal amount of the Outstanding Bonds, exclusive of Bonds, if any, owned by the District. Notwithstanding the foregoing, no such modification or amendment shall, without the express consent of the Owner of each Bond affected, reduce the Principal Amount of any Bond, reduce the interest rate payable thereon, advance the earliest redemption date thereof, extend its maturity or the times for paying interest thereon or change the monetary medium in which Principal and interest is payable, nor shall any modification or amendment reduce the percentage of consents required for amendment or modification. No such supplemental resolution shall change or modify any of the rights or obligations of any Paying Agent without its written assent thereto. Notwithstanding anything herein to the contrary, no such consent shall be required if the Owners are not directly and adversely affected by such amendment or modification.

A supplemental resolution of the District may be adopted, which, without the requirement of consent of the registered owners, shall be fully effective in accordance with its terms: (1) to add to the covenants and agreements of the District in the Resolution, other covenants and agreements to be observed by the District which are not contrary to or inconsistent with the Resolution as theretofore in effect; (2) to add to the limitations and restrictions in the Resolution, other limitations and restrictions to be observed by the District which are not contrary to or inconsistent with the Resolution as theretofore in effect; (3) to confirm as further assurance, any pledge under, and the subjection to any lien or pledge created or to be created by the Resolution, of any moneys, securities or funds, or to establish any additional funds or accounts to be held under the Resolution; (4) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision in the Resolution; or (5) to amend or supplement the Resolution in any other respect, provided such supplemental resolution does not, in the opinion of nationally-recognized bond counsel, adversely affect the interests of the owners.

If this Bond is called for redemption and the Principal Amount of this Bond plus premium, if any, and accrued interest due with respect hereto are duly provided therefor as specified in the Resolution, then interest shall cease to accrue with respect hereto from and after the date fixed for redemption.

This Bond shall not become valid or obligatory for any purpose until the Certificate of Authentication hereon endorsed shall have been dated and executed manually by the Paying Agent.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED, that an election was duly and legally called, held and conducted, and the notices thereof duly given, and the results thereof canvassed and declared in accordance with the provisions of the Authorizing Law and that all of the proceedings of the Board of Trustees of the District and in the matter of the issuance of this

Bond were regular and in strict accordance with the provisions of the Authorizing Law and of the Constitution of the State of California.

IN WITNESS WHEREOF, the Santa Monica Community College District has caused this Bond to be executed as of the date hereof.

SANTA MONICA COMMUNITY COLLEGE  
DISTRICT

Dated: \_\_\_\_\_, 20\_\_

By: [FORM ONLY] \_\_\_\_\_  
President, Board of Trustees

Attest:

By: [FORM ONLY] \_\_\_\_\_  
Clerk of the Board of Trustees

CERTIFICATE OF AUTHENTICATION

This is one of the Bonds described in the within-mentioned Resolution of Santa Monica Community College District.

DATED: \_\_\_\_\_

U.S. BANK NATIONAL ASSOCIATION,  
as Paying Agent

By: \_\_\_\_\_  
Authorized Signatory

FORM OF ASSIGNMENT

FOR VALUE RECEIVED, the undersigned registered owner hereby sells, assigns and transfers unto

Name of Transferee: \_\_\_\_\_

Address for Payment of Interest: \_\_\_\_\_

\_\_\_\_\_  
Social Security Number or other Tax Identification No.:  
\_\_\_\_\_

the within-mentioned Bond and hereby irrevocably constitutes and appoints \_\_\_\_\_ attorney, to transfer the same on the books of the Paying Agent with full power of substitution in the premises.

\_\_\_\_\_  
Registered Owner

Dated: \_\_\_\_\_

NOTICE: The signature on this Assignment must correspond with the name as written on the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Signature \_\_\_\_\_  
guaranteed

[Bank, Trust Company or Firm]

By: \_\_\_\_\_  
Authorized Officer

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

**EXHIBIT B**

FORM OF 15c2-12 CERTIFICATE

With respect to the proposed sale of its General Obligation Refunding Bonds, 2004 Election, Series 2013B (Federally Taxable) in the maximum aggregate principal amount of not to exceed \$\_\_\_\_,000,000, the Santa Monica Community College District (the “**District**”) has delivered to you a Preliminary Official Statement, dated as of the date hereof (the “**Preliminary Official Statement**”). The District, for purposes of compliance with Rule 15c2-12 of the Securities Exchange Commission (“**Rule 15c2-12**”), deems the Preliminary Official Statement to be final as of its date, except for the omission of no more than the information permitted under Rule 15c2-12.

SANTA MONICA COMMUNITY COLLEGE  
DISTRICT

Dated: \_\_\_\_\_, 2013

By: [FORM ONLY] \_\_\_\_\_  
Authorized Officer

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

**APPENDIX C**

**RECOMMENDATION NO. 8**

**SUBJECT:**            **CONTRACT OF PURCHASE**  
SANTA MONICA COMMUNITY COLLEGE DISTRICT  
(County of Los Angeles, California)

    \$[2013A Principal Amount]  
General Obligation Refunding Bonds,  
2002 Election, 2013 Series A

    \$[2013B Principal Amount]  
General Obligation Refunding Bonds,  
2004 Election, 2013 Series B  
(Federally Taxable)

The complete document is posted on the SMC Website – Trustees Meeting Information:  
<http://www.smc.edu/ACG/Pages/Trustees-Meeting-Information.aspx>

SANTA MONICA COMMUNITY COLLEGE DISTRICT  
(County of Los Angeles, California)

**[\$[2013A Principal Amount]  
General Obligation Refunding Bonds,  
2002 Election, 2013 Series A**

**[\$[2013B Principal Amount]  
General Obligation Refunding Bonds,  
2004 Election, 2013 Series B  
(Federally Taxable)**

**CONTRACT OF PURCHASE**

[Pricing Date]

Vice President, Business and Administration  
Santa Monica Community College District  
1900 Pico Boulevard  
Santa Monica, California 90405-1628

Ladies and Gentlemen:

The undersigned, RBC Capital Markets, LLC, as representative (the “Representative”) of itself and Mitsubishi UFJ Securities (USA), Inc. (collectively, the “Underwriters”), acting on their own behalf and not as fiduciaries or agents for you, hereby offers to enter into this Contract of Purchase (this “Purchase Contract”) with the Santa Monica Community College District (the “District”), which, upon your acceptance hereof, will be binding upon the District and the Underwriters. By execution of this Purchase Contract, the District and the Underwriters acknowledge the terms hereof and recognize that each will be bound by certain of the provisions hereof, and to the extent binding on the District, acknowledge and agree to such terms. This offer is made subject to the written acceptance of this Purchase Contract by the District and delivery of such acceptance to us at or prior to 11:59 p.m., California Time, on the date hereof.

1. *Purchase and Sale of the Bonds.* Subject to the terms and conditions and in reliance upon the representations, warranties and agreements set forth herein, the Underwriters hereby agree to purchase from the District for reoffering to the public, and the District hereby agrees to sell to the Underwriters for such purpose, all (but not less than all) of the District’s General Obligation Refunding Bonds, 2002 Election, 2013 Series A (the “2013A Bonds”) in an aggregate principal amount of [\$[2013A Principal Amount] and General Obligation Refunding Bonds, 2004 Election, 2013 Series B (Federally Taxable) (the “2013B Bonds” and, together with the 2013A Bonds, the “Bonds”). The Bonds will be issued as current interest bonds and shall be dated and bear interest at the rates and mature in the years as set forth in Schedule I hereto. The 2013B Bonds are not subject to redemption prior to the stated maturity dates thereof. The Bonds shall otherwise be as described in, and shall be issued and secured pursuant to, with respect to the 2013A Bonds, the provisions of the resolution adopted by the Board of Trustees of the District (the “District Board”) on [District Resolution Date] (the “2013A Resolution”) and, with respect to the 2013B Bonds, the provisions of the resolution adopted by the District Board on [District Resolution Date] (the “2013B Resolution” and, together with the 2013A Resolution, the “Resolutions”), this Purchase Contract and Articles 9 and 11 of Chapter 3 of Part 1 of Division 2 of Title 5 of the California Government Code, commencing with Section 53550 and Section 53580, respectively (the “Act”).

Inasmuch as this purchase and sale represents a negotiated transaction, the District acknowledges and agrees that: (i) the transaction contemplated by this Purchase Contract is an arm’s



length, commercial transaction between the District and the Underwriters in which the Underwriters are acting solely as principals and are not acting as municipal advisors, financial advisors or fiduciaries to the District; (ii) the Underwriters have not assumed any advisory or fiduciary responsibility to the District with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriters have provided other services or are currently providing other services to the District on other matters); (iii) the Underwriters are acting solely in their capacity as underwriters for their own respective accounts, (iv) the only obligations the Underwriters have to the District with respect to the transactions contemplated hereby expressly are set forth in this Purchase Contract; and (v) the District has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate.

The Bonds shall be executed and delivered under and in accordance with the provisions of this Purchase Contract and the Resolutions. The Bonds shall be in definitive form, shall bear CUSIP numbers, and shall be in book-entry form, registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”). The Bonds of each Series shall be in authorized denominations of \$5,000 each or integral multiples thereof.

The Underwriters shall purchase the 2013A Bonds at a price of \$\_\_\_\_\_ (consisting of the principal amount of the 2013A Bonds of \$[2013A Principal Amount], plus/less a net original issue premium/discount of \$\_\_\_\_\_, less Underwriters’ discount of \$\_\_\_\_\_ and less \$\_\_\_\_\_ to be used to pay certain costs of issuance). The Underwriters shall purchase the 2013B Bonds at a price of \$\_\_\_\_\_ (consisting of the principal amount of the 2013B Bonds of \$[2013B Principal Amount], plus/less a net original issue premium/discount of \$\_\_\_\_\_, less Underwriters’ discount of \$\_\_\_\_\_ and less \$\_\_\_\_\_ to be used to pay certain costs of issuance).

2. *Public Offering.* The Underwriters agree to make a bona fide public offering of all of the Bonds at a price not to exceed the public offering price set forth herein and may subsequently change such offering price without any requirement of prior notice. The Underwriters may offer and sell Bonds to certain dealers (including dealers depositing the Bonds into investment trusts) and others at prices lower than the public offering prices stated on the inside cover page of the Official Statement (as defined herein).

3. *The Official Statement.* (a) The District has previously delivered to the Underwriters the Preliminary Official Statement dated [POS Date] (the “Preliminary Official Statement”), including the cover page and appendices thereto, of the District relating to the Bonds. The final Official Statement delivered pursuant to Section 3(c) below is hereinafter called the “Official Statement.”

(b) The Preliminary Official Statement has been prepared for use by the Underwriters by Disclosure Counsel in connection with the public offering, sale and distribution of the Bonds. The District hereby represents and warrants that the Preliminary Official Statement was deemed final by the District as of its date, except for the omission of such information which is dependent upon the final pricing of the Bonds for completion, all as permitted to be excluded by Section (b)(1) of Rule 15c2-12 under the Securities Exchange Act of 1934, as amended (the “Rule”).

(c) The District hereby authorizes the Official Statement and the information therein contained to be used by the Underwriters in connection with the public offering and the sale of the Bonds. The District consents to the use by the Underwriters prior to the date hereof of the Preliminary Official Statement in connection with the public offering of the Bonds. The District shall provide, or cause to be provided, to the Underwriters as soon as practicable after the date of the District’s acceptance of this Purchase Contract (but, in any event, not later than within seven (7) business days after the District’s acceptance of this Purchase Contract and in sufficient time to accompany any confirmation that requests

payment from any customer) copies of the Official Statement which is complete as of the date of its delivery to the Underwriters in such quantity as the Underwriters shall request in order to comply with Section (b)(4) of the Rule and the rules of the Municipal Securities Rulemaking Board (the “MSRB”).

(d) The Underwriters agree that prior to the time the final Official Statement relating to the Bonds is available, the Underwriters will send to any potential purchaser of the Bonds, upon the request of such potential purchaser, a copy of the Preliminary Official Statement. Such Preliminary Official Statement shall be sent by first class mail or electronic distribution (or other equally prompt means) not later than the first business day following the date upon which each such request is received.

(e) During the period ending on the 25th day after the End of the Underwriting Period (as defined below) (or such other period as may be agreed to by the District and the Underwriters), the District (i) shall not supplement or amend the Official Statement or cause the Official Statement to be supplemented or amended without the prior written consent of the Representative and (ii) shall notify the Underwriters promptly if any event shall occur, or information comes to the attention of the District, that is reasonably likely to cause the Official Statement (whether or not previously supplemented or amended) to contain any untrue statement of a material fact or to omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. If, in the opinion of the Underwriters, such event requires the preparation and distribution of a supplement or amendment to the Official Statement, the District shall prepare and furnish to the Underwriters, at the District’s expense, such number of copies of the supplement or amendment to the Official Statement, in form and substance mutually agreed upon by the District and the Representative, as the Representative may reasonably request. If such notification shall be given subsequent to the Closing, the District also shall furnish, or cause to be furnished, such additional legal opinions, certificates, instruments and other documents as the Representative may reasonably deem necessary to evidence the truth and accuracy of any such supplement or amendment to the Official Statement.

For purposes of this Purchase Contract, the “End of the Underwriting Period” is used as defined in Rule 15c2-12 and shall occur on the later of (a) the date of Closing or (b) when the Underwriters no longer retain an unsold balance of the Bonds; unless otherwise advised in writing by the Representative on or prior to the Closing Date, or otherwise agreed to by the District and the Representative, the District may assume that the End of the Underwriting Period is the Closing Date.

(f) The Underwriters hereby agree to file the Official Statement with the MSRB or any other repository approved by the Securities and Exchange Commission.

4. *Representations, Warranties, and Covenants of the District.* The District hereby represents and warrants to and covenants with the Underwriters that:

(a) The District is a community college district, duly created, organized and existing under the laws of the State of California (the “State”), and has full legal right, power and authority, and at the date of the Closing will have full legal right, power and authority (i) to enter into, execute and deliver this Purchase Contract, the Continuing Disclosure Undertaking (the “Undertaking”) as defined in Section 6(h)(3) hereof and all documents required hereunder and thereunder to be executed and delivered by the District (this Purchase Contract, the Resolutions and the Undertaking are hereinafter referred to as the “District Documents”), (ii) to sell, issue and deliver the Bonds pursuant to the Act to the Underwriters as provided herein, and (iii) to carry out and complete the transactions described in the District Documents and the Official Statement, and the District has complied, and will at the Closing be in compliance in all respects, with the terms of the District Documents as they pertain to such transactions;

(b) By all necessary official action of the District prior to or concurrently with the acceptance hereof, the District has duly authorized all necessary action to be taken by it for (i) the adoption of the Resolutions and the issuance and sale of the Bonds, (ii) the approval, execution and delivery of, and the performance by the District of the obligations on its part, contained in the Bonds and the District Documents and (iii) the completion by it of all other transactions described in the Official Statement, and the District Documents and any and all such other agreements and documents as may be required to be executed, delivered and/or received by the District in order to carry out, give effect to, and complete the transactions contemplated herein and in the Official Statement;

(c) The District Documents constitute legal, valid and binding obligations of the District, enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights; the Bonds, when issued, delivered and paid for, in accordance with the Resolutions and this Purchase Contract, will constitute legal, valid and binding obligations of the District entitled to the benefits of the Resolutions and enforceable in accordance with their respective terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights;

(d) The District is not in breach of or default under any applicable constitutional provision, law or administrative regulation of the State or the United States 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 the District is or any of its property or assets are otherwise subject, in any material respect, and no event has occurred and is continuing which constitutes or with the passage of time or the giving of notice, or both, would constitute a default or event of default by the District under any of the foregoing; and the execution and delivery of the Bonds, the District Documents and the adoption of the Resolutions and compliance with the provisions on the District's part contained therein, will not conflict with or constitute a breach of or default under any constitutional provision, administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is a party or to which the District is or to which any of its property or assets are otherwise subject 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 property or assets of the District to be pledged to secure the Bonds or under the terms of any such law, regulation or instrument, except as provided by the Bonds and the Resolutions;

(e) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matter which are required to be obtained by the District for the due authorization of, which would constitute a condition precedent to, or the absence of which would materially adversely affect the due performance by the District of its obligations under the District Documents and the Bonds or with respect to the projects to be financed with the proceeds of the Bonds have been duly obtained, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any jurisdiction in connection with the offering and sale of the Bonds;

(f) The Bonds conform to the descriptions thereof contained in the Official Statement under the caption "THE BONDS;" the Resolutions conform to the descriptions thereof contained in the Official Statement under the caption "THE BONDS – Authority for Issuance and Security for the Bonds;" the proceeds of the sale of the Bonds will be applied generally as described in the Official Statement under the caption "PURPOSE FOR THE BONDS AND PLAN OF REFUNDING" and the Continuing Disclosure Undertaking conforms to the description thereof contained in the Official Statement under the caption "THE BONDS – Continuing Disclosure Undertaking" and the form set forth as Appendix d to the Official Statement;

(g) No legislation has been introduced, nor is there any 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 the best knowledge of the District after due inquiry, threatened against the District, affecting the existence of the District or the titles of its officers to their respective offices, or affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the 2013A Bonds pursuant to the 2013A District Resolution or the 2013B Bonds pursuant to the 2013B District Resolution or in any way contesting or affecting the validity or enforceability of the Bonds, the District Documents, or contesting the exclusion from gross income of interest on the 2013A Bonds for federal income tax purposes or the exclusion from gross income of interest on the Bonds for State income tax purposes, or contesting in any way the completeness or accuracy of the Preliminary Official Statement or the Official Statement or any supplement or amendment thereto or contesting the powers of the District or any authority for the issuance of the Bonds, the adoption of the Resolutions or the execution and delivery of the District Documents, nor, to the best knowledge of the District, is there any basis therefor, wherein an unfavorable decision, ruling or finding would materially adversely affect the validity or enforceability of the Bonds or the District Documents;

(h) As of the date thereof, the Preliminary Official Statement (excluding any information relating to DTC and DTC's book-entry system contained in Appendix E to the Preliminary Official Statement and the County Treasury (the "County Treasury Pool") contained in Appendix F to the Preliminary Official Statement) did not contain any untrue statement of a material fact or omit 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;

(i) At the time of the District's acceptance hereof and (unless the Official Statement is amended or supplemented pursuant to paragraph (d) of Section 3 of this Purchase Contract) at all times subsequent thereto during the period up to and including the date of Closing, the Preliminary Official Statement (excluding any information relating to DTC and DTC's book-entry system contained in Appendix E to the Preliminary Official Statement and the County Treasury Pool contained in Appendix F to the Preliminary Official Statement) as of its date does not and the Official Statement (excluding any information relating to DTC and DTC's book-entry system contained in Appendix E to the Official Statement and the County Treasury Pool contained in Appendix F to the Official Statement) will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(j) If the Official Statement is supplemented or amended pursuant to paragraph (d) of Section 3 of this Purchase Contract, at the time of each supplement or amendment thereto (unless subsequently again supplemented or amended pursuant to such paragraph) the District agrees to provide the Underwriters with a certificate dated the date of any such supplement or amendment stating that the Official Statement as so supplemented or amended (excluding any information relating to DTC and DTC's book-entry system contained in Appendix E to the Official Statement and the County Treasury Pool contained in Appendix F to the Official Statement) does not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which made, not misleading;

(k) As of the date of Closing, the District will have complied with the Internal Revenue Code of 1986, as amended (the "Code"), with respect to the 2013A Bonds;

(l) The District will furnish such information and execute such instruments and take such action in cooperation with the Underwriters as the Representative may reasonably request to qualify the Bonds for offer and sale under the Blue Sky or other securities laws and regulations of such states and

other jurisdictions in the United States as the Representative may designate and determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions and to continue such qualifications in effect so long as required for the distribution of the Bonds (provided, however, that the District will not be required to qualify as a foreign corporation or to file any general or special consents to service of process under the laws of any jurisdiction) and will advise the Underwriters immediately of receipt by the District of any notification with respect to the suspension of the qualification of the Bonds for sale in any jurisdiction or the initiation or threat of any proceeding for that purpose;

(m) The financial statements of, and other financial information regarding the District, in the Official Statement fairly present the financial position and results of the District as of the dates and for the periods therein set forth. Prior to the Closing, there will be no adverse change of a material nature in such financial position, results of operations or condition, financial or otherwise, of the District except as disclosed in the Official Statement. The District is not a party to any litigation or other proceeding pending or, to its knowledge, threatened which, if decided adversely to the District, would have a materially adverse effect on the financial condition of the District;

(n) Prior to the Closing, the District will not offer or issue any bonds, notes or other obligations for borrowed money or incur any material liabilities, direct or contingent, payable from or secured by *ad valorem* property taxes without the prior approval of the Representative; and

(o) Any certificate, signed by any official of the District authorized to do so in connection with the transactions contemplated by this Purchase Contract, shall be deemed a representation and warranty by the District to the Underwriters as to the statements made therein.

5. *Closing.* 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 Treasurer and Tax Collector of the County (the “*Treasurer*”), including the designated agents, successors and assigns of the Treasurer acting in such capacity as Paying Agent (herein, the “*Paying Agent*”) and registrar for the Bonds will deliver to the Underwriters, through the facilities of DTC in New York, New York, or at such other place as the District and the Representative may mutually agree upon, the Bonds in fully registered book-entry form, duly executed, together with the other documents hereinafter mentioned. Upon fulfillment of all conditions to Closing herein, the Underwriters will accept such delivery and pay the purchase price thereof in immediately available funds (by check, wire transfer or such other manner of payment as the Representative and the Treasurer shall reasonably agree upon) to the order of the District.

6. *Closing Conditions.* The Representative has entered into this Purchase Contract on behalf of the Underwriters in reliance upon the representations, warranties and agreements of the District contained herein, and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the District of its obligations hereunder, both as of the date hereof and as of the date of the Closing. Accordingly, the Underwriters’ obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds shall be conditioned upon the performance by the District of their respective obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following additional conditions, including the delivery by the District of such documents as are enumerated herein, in form and substance reasonably satisfactory to the Underwriters:

(a) The representations and warranties of the District contained herein shall be true, complete and correct on the date hereof and on and as of the date of the Closing, as if made on the date of the Closing;

(b) The District shall have performed and complied with all agreements and conditions required by this Purchase Contract to be performed or complied with by it prior to or at the Closing;

(c) At the time of the Closing, (i) the District Documents and the Bonds shall be in full force and effect in the form heretofore approved by the Representative and shall not have been amended, modified or supplemented, and the Official Statement shall not have been supplemented or amended, except in any such case as may have been agreed to by the Representative; and (ii) all actions of the District required to be taken by the District shall be performed in order for Bond Counsel, Disclosure Counsel and Underwriters' Counsel to deliver their respective opinions referred to hereafter;

(d) At or prior to the Closing, the Resolutions shall have been duly adopted by the District Board, and the Bonds shall have been duly executed, delivered and authenticated;

(e) At the time of the Closing, there shall not have occurred any change or any development involving a prospective change in the projects to be financed with the proceeds of the Bonds, in the condition, financial or otherwise, or in the revenues or operations of the District, from that set forth in the Official Statement that in the reasonable judgment of the Representative, is material and adverse and that makes it, in the reasonable judgment of the Representative, impracticable to market the Bonds on the terms and in the manner contemplated in the Official Statement;

(f) The District has not failed to pay principal or interest when due on any of its outstanding obligations for borrowed money;

(g) All steps to be taken and all instruments and other documents to be executed, and all other legal matters in connection with the transactions contemplated by this Purchase Contract shall be reasonably satisfactory in legal form and effect to the Representative;

(h) At or prior to the Closing, the Representative shall have received copies of each of the following documents:

(1) The Official Statement, and each supplement or amendment thereto, if any, executed on behalf of the District by its authorized representative, or such other official as may have been agreed to by the Representative, and the reports and audits referred to or appearing in the Official Statement;

(2) The Resolutions, with such supplements or amendments as may have been agreed to by the Representative;

(3) The Undertaking of the District which satisfies the requirements of Section (b)(5)(i) of the Rule;

(4) The final approving opinion of Bond Counsel with respect to the Bonds, in substantially the form attached to the Official Statement;

(5) A reliance letter from Bond Counsel to the effect that the Underwriters may rely upon the approving opinion described in Section 7(h)(4) above, together with a supplemental opinion, dated the Closing Date and addressed to the Representative, to the effect that:

(i) the District has full right and lawful authority to enter into and perform its duties under this Purchase Contract and this Purchase Contract has been duly authorized, executed and delivered by the District and, assuming due authorization,

execution and delivery by the other respective parties thereto, constitutes a legal, valid and binding obligation of the District, enforceable in accordance with its terms, except as the same may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws relating to or affecting generally the enforcement of creditors' rights and by the application of equitable principles if equitable remedies are sought;

(ii) by all necessary official action of the District prior to or concurrently with the acceptance hereof, the District has duly authorized all necessary action to be taken by it for the adoption of the Resolutions and the issuance and sale of the Bonds;

(iii) the Resolutions and all other proceedings of the District pertinent to the validity and enforceability of the Bonds have been duly and validly adopted or undertaken in compliance with all applicable procedural requirements of the District and in compliance with the Constitution and laws of the State, including the Act;

(iv) the statements contained in the Official Statement in the sections entitled "THE BONDS," "SECURITY AND SOURCES OF PAYMENT FOR THE BONDS" and "TAX MATTERS" (excluding any information relating to DTC and DTC's book-entry system contained in Appendix E to the Official Statement and the County Treasury Pool contained in Appendix F to the Official Statement) insofar as such statements purport to summarize certain provisions of the Bonds and the Resolutions and the tax status of the Bonds for federal and State income tax purposes, present a fair and accurate summary of such documents, such tax status and the matters discussed therein;

(v) no authorization, approval, consent or other order of the State or any local agency of the State, other than such authorizations, approvals and consents which have been obtained, is required for the valid authorization, execution and delivery by the District of this Purchase Contract or the consummation by the District of the other transactions contemplated by such agreement (provided no opinion is expressed as to any action required under state securities or blue sky laws in connection with the purchase or distribution of the Bonds by the Underwriters); and

(vi) the Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Resolutions are exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended;

(6) An opinion of counsel for the Underwriters, dated the date of the Closing and addressed to the Underwriters, in form and substance acceptable to the Representative;

(7) An opinion of Disclosure Counsel addressed to the District, together with a reliance letter addressed to the Representative, dated the date of Closing, to the effect that, based upon information made available to such counsel in the course of such counsel's participation in the transaction as Disclosure Counsel and assuming the accuracy, completeness and fairness of the statements contained in the Official Statement, nothing has come to such counsel's attention which has led such counsel to believe that the Official Statement (excluding any information relating to DTC and DTC's book-entry system contained in Appendix E to the Official Statement and the County Treasury Pool contained in Appendix F to the Official Statement and financial and statistical data included therein and assumptions with respect thereto) as of the date of the Official Statement and as of the date of Closing contained or contains any untrue statement of a material fact or omitted or omits to state a material fact required to be stated therein necessary to

make the statements made therein, in light of the circumstances under which they were made, not misleading in any material respect;

(8) A certificate, dated the date of Closing, of the District to the effect that (i) the representations and warranties of the District contained herein are true and correct in all material respects on and as of the date of Closing as if made on the date of Closing; (ii) no litigation or proceeding against it is pending or, to its knowledge, threatened in any court or administrative body nor is there a basis for litigation which would (a) contest the right of the members or officials of the District to hold and exercise their respective positions, (b) contest the due organization and valid existence of the District, (c) contest the validity, due authorization and execution of the Bonds or the District Documents or (d) attempt to limit, enjoin or otherwise restrict or prevent the District from functioning and collecting revenues, including payments on the Bonds, pursuant to the District Resolution, and other income or the levy or collection of the taxes pledged or to be pledged to pay the principal of and interest on the Bonds, or the pledge thereof; (iii) the Resolutions authorizing the execution, delivery and/or performance of the Official Statement, the Bonds and the District Documents have been duly adopted by the District, are in full force and effect and have not been modified, amended or repealed, and (iv) to the best of its knowledge, no event affecting the District has occurred since the date of the Official Statement which should be disclosed in the Official Statement for the purpose for which it is to be used or which it is necessary to disclose therein in order to make the statements and information therein, in light of the circumstances under which they were made, not misleading in any respect as of the time of Closing, and (v) the information contained in the Official Statement (excluding any information relating to DTC and DTC's book-entry system contained in Appendix E to the Official Statement and the County Treasury Pool contained in Appendix F to the Official Statement) is correct in all material respects and, as of its date the Official Statement (excluding any information relating to DTC and DTC's book-entry system contained in Appendix E to the Official Statement and the County Treasury Pool contained in Appendix F to the Official Statement) did not, and as of the date of the Closing does not, contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading;

(9) A certificate of the District in form and substance satisfactory to Bond Counsel and counsel to the Underwriters (a) setting forth the facts, estimates and circumstances in existence on the date of the Closing, which establish that it is not expected that the proceeds of the Bonds will be used in a manner that would cause the 2013A Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code and any applicable regulations (whether final, temporary or proposed), issued pursuant to the Code, and (b) certifying that to the best of the knowledge and belief of the District there are no other facts, estimates or circumstances that would materially change the conclusions, representations and expectations contained in such certificate;

(10) Evidence satisfactory to the Representative that the Bonds have been rated "\_\_\_" and "\_\_\_" by Moody's Investors Service and Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, respectively, and that such ratings have not been revoked or downgraded; and

(11) Such additional legal opinions, certificates, instruments and other documents as Bond Counsel, the Representative or counsel to the Underwriters may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the date of the Closing, of the District's representations and warranties contained herein and of the statements and information



contained in the Official Statement and the due performance or satisfaction by the District on or prior to the date of the Closing of all the respective agreements then to be performed and conditions then to be satisfied by the District.

If the District shall be unable to satisfy the conditions to the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds contained in this Purchase Contract, or if the obligations of the Underwriters to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Purchase Contract, this Purchase Contract shall terminate and neither the Underwriters nor the District shall be under any further obligation hereunder, except that the respective obligations of the District and the Underwriters set forth in Sections 4, 5 and 8 hereof shall continue in full force and effect.

7. *Termination.* The Underwriters shall have the right to cancel their obligation to purchase the Bonds if, between the date of this Purchase Contract and the Closing, the market price or marketability of the Bonds shall be materially adversely affected by the occurrence of any of the following:

(a) legislation shall be enacted by or introduced in the Congress of the United States or recommended to the Congress for passage by the President of the United States, or the Treasury Department of the United States or the Internal Revenue Service or any member of the Congress or the State legislature or favorably reported for passage to either House of the Congress by any committee of such House to which such legislation has been referred for consideration, a decision by a court of the United States or of the State or the United States Tax Court shall be rendered, or an order, ruling, regulation (final, temporary or proposed), statement or other form of notice by or on behalf of the Treasury Department of the United States, the Internal Revenue Service or other governmental agency shall be made or proposed, the effect of any or all of which would be to impose, directly or indirectly, federal income taxation with respect to the 2013A Bonds or State income taxation upon interest received on obligations of the general character of the Bonds or, with respect to State taxation, of the interest on the Bonds as described in the Official Statement, or other action or events shall have transpired which may have the purpose or effect, directly or indirectly, of changing the federal income tax consequences or State income tax consequences of any of the transactions contemplated herein;

(b) legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree, or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary, or proposed), or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds, including any or all underlying arrangements, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended, or that the Resolutions are not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering, or sale of obligations of the general character of the Bonds, including any or all underlying arrangements, as contemplated hereby or by the Official Statement or otherwise, is or would be in violation of the federal securities law as amended and then in effect;

(c) any state blue sky or securities commission or other governmental agency or body shall have withheld registration, exemption or clearance of the offering of the Bonds as described herein, or issued a stop order or similar ruling relating thereto;

(d) a general suspension of trading in securities on the New York Stock Exchange or the American Stock Exchange LLC, the establishment of minimum prices on either such exchange, the establishment of material restrictions (not in force as of the date hereof) upon trading securities generally

by any governmental authority or any national securities exchange, a general banking moratorium declared by federal, State of New York, or State officials authorized to do so;

(e) the New York Stock Exchange or other national securities exchange or any governmental authority, shall impose, as to the Bonds or as to obligations of the general character of the Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the extension of credit by, or the charge to the net capital requirements of underwriters in general;

(f) any amendment to the federal or state Constitution or action by any federal or state court, legislative body, regulatory body, or other authority materially adversely affecting the tax status of the District, its property, income securities (or interest thereon), or the validity or enforceability of the assessments or the levy of taxes to pay principal of and interest on the Bonds;

(g) any event occurring, or information becoming known which, in the reasonable judgment of the Representative, makes untrue in any material respect any statement or information contained in the Official Statement, or has the effect that the Official Statement contains any untrue statement of material fact or omits to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading;

(h) there shall have occurred since the date of this Purchase Contract any materially adverse change in the affairs or financial condition of the District;

(i) the United States shall have become engaged in hostilities which have resulted in a declaration of war or a national emergency or there shall have occurred any other outbreak or escalation of major hostilities or a national or international calamity or crisis, financial or otherwise;

(j) there shall have occurred or any notice shall have been given of any intended review, downgrading, suspension, withdrawal, or negative change in credit watch status by any national rating service to any of the District's obligations; and

(k) the purchase of and payment for the Bonds by the Underwriters, or the resale of the Bonds by the Underwriters, on the terms and conditions herein provided shall be prohibited by any applicable law, governmental authority, board, agency or commission.

8. *Expenses.* The Underwriters shall cause to be paid by the Fiscal Agent the following expenses incident to the offering and sale of the Bonds, up to the amount of \$\_\_\_\_\_, in accordance with Section 1 above: (i) the fees and disbursements of Bond Counsel and Disclosure Counsel; (ii) the cost of the preparation, printing and delivery of the Bonds; (iii) the fees, if any, for Bond ratings, including all expenses related to obtaining the ratings, such as meals, transportation and lodging, if any; (iv) the cost of the printing and distribution of the Official Statement; (v) the fees of the Paying Agent and Dissemination Agent through the maturity of the bonds, if any; (vi) the fees of the California Debt and Investment Advisory Commission; and (vii) all other fees and expenses incident to the issuance and sale of Bonds. Any expenses owing following the depletion of said amount shall be paid from lawfully available funds of the District.

9. *Notices.* Any notice or other communication to be given under this Purchase Contract may be given by delivering the same in writing to the District at Santa Monica Community College District, 1900 Pico Boulevard, Santa Monica, California 90405-1628 Attention: Vice President, Business and Administration, to the Underwriters at RBC Capital Markets, LLC, 777 South Figueroa Street, Suite 850, Los Angeles, California 90017, Attention: Public Finance and Roderick A. Carter, Managing Director.

10. *Parties in Interest.* This Purchase Contract as heretofore specified shall constitute the entire agreement between the parties hereto and is made solely for the benefit of the District and the Underwriters (including successors or assigns of the Underwriters) and no other person shall acquire or have any right hereunder or by virtue hereof. This Purchase Contract may not be assigned by the District. All of the District's representations, warranties and agreements contained in this Purchase Contract shall remain operative and in full force and effect, regardless of (i) any investigations made by or on behalf of the Underwriters; (ii) delivery of and payment for the Bonds pursuant to this Purchase Contract; and (iii) any termination of this Purchase Contract.

11. *Effectiveness.* This Purchase Contract shall become effective upon the acceptance hereof by the District and shall be valid and enforceable at the time of such acceptance.

12. *Choice of Law.* This Purchase Contract shall be governed by and construed in accordance with the law of the State of California.

13. *Severability.* If any provision of this Purchase Contract shall be held or deemed to be or shall, in fact, be invalid, inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions, or in all jurisdictions because it conflicts with any provisions of any Constitution, statute, rule of public policy, or any other reason, such circumstances shall not have the effect of rendering the provision in question invalid, inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions of this Purchase Contract invalid, inoperative or unenforceable to any extent whatever.

14. *Business Day.* For purposes of this Purchase Contract, "business day" means any day other than (a) a Saturday or Sunday, (b) a day on which the District or the Paying Agent is required by law to close, or (c) a day on which banks located in Los Angeles, California are required by law to close.

15. *Section Headings.* Section headings have been inserted in this Purchase Contract as a matter of convenience of reference only, and it is agreed that such section headings are not a part of this Purchase Contract and will not be used in the interpretation of any provisions of this Purchase Contract.

16. *Counterparts.* This Purchase Contract may be executed in several counterparts, each of which shall be regarded as an original (with the same effect as if the signatures thereto and hereto were upon the same document) and all of which shall constitute one and the same document. This Purchase Contract shall become a binding agreement between the parties hereto when the last counterpart shall have been signed by or on behalf of each of the parties hereto.

Very truly yours,

RBC CAPITAL MARKETS, LLC, as Representative  
of itself and Mitsubishi UFJ Securities

By: \_\_\_\_\_  
Roderick A. Carter  
Managing Director

SANTA MONICA  
COMMUNITY COLLEGE DISTRICT

By: \_\_\_\_\_  
Robert G. Isomoto  
Vice President, Business and Administration

ACCEPTED at \_\_\_ [a.m./p.m.] Pacific Time  
on this \_\_\_ day of \_\_\_\_\_, 2013.

**SCHEDULE I**

**MATURITY SCHEDULE**

**[\$2013A Principal Amount]  
SANTA MONICA COMMUNITY COLLEGE DISTRICT  
(County of Los Angeles, California)  
General Obligation Refunding Bonds, 2002 Election, 2013 Series A**

<b>Maturity (August 1)</b>	<b>Principal Amount</b>	<b>Interest Rate</b>	<b>Yield</b>
	\$	%	%

(c) Yield to call at par on August 1, 20\_\_

\$ \_\_\_\_\_ % Term Bonds due August 1, 20\_\_ – Yield \_\_\_\_\_ %

**[\$2013B Principal Amount]  
SANTA MOMNICA COMMUNITY COLLEGE DISTRICT  
(County of Los Angeles, California)  
General Obligation Refunding Bonds, 2004 Election, 2013 Series B (Federally Taxable)**

<b>Maturity (August 1)</b>	<b>Principal Amount</b>	<b>Interest Rate</b>	<b>Yield</b>
	\$	%	%

**TERMS OF REDEMPTION**

The 2013A Bonds are subject to redemption prior to the stated maturity dates. The terms of redemption set forth in the 2013A Resolution are supplemented and amended to include the following:

**Redemption of the 2013A Bonds**

Optional Redemption. The 2013A Bonds maturing on or before August 1, 20\_\_ are not subject to redemption prior to their fixed maturity dates. The 2013A Bonds maturing on and after August 1, 20\_\_ are subject to redemption prior to their stated maturity dates, at the option of the District, from any source of available funds, on any date on or after August 1, 20\_\_, as a whole or in part, at a redemption price equal to the principal amount of the 2013A Bonds called for redemption, with interest accrued thereon to the date of redemption, without premium.

Mandatory Sinking Fund Redemption. The 2013A Bonds maturing on August 1, 20\_\_, are also subject to mandatory sinking fund redemption, in part, on August 1 of each year on and after August 1, 20\_\_ from moneys in the Debt Service Fund established under the 2013A District Resolution and in the respective principal amounts as set forth in the following schedule, at a redemption price equal to the principal amount thereof, together with accrued interest to the date fixed for redemption, without premium. The principal amount to be redeemed in each year shown below will be reduced proportionately, in integral multiples of \$5,000, by any portion of the 2013A Bonds optionally redeemed prior to the mandatory sinking fund redemption date.

Mandatory Sinking Fund Payment Date (August 1)	Mandatory Sinking Fund Payment
20__	\$
20__	
20__	
20__	
20__ <sup>(1)</sup>	

(1) Maturity

<b>BOARD OF TRUSTEES</b>	<b>ACTION</b>
Santa Monica Community College District	May 7, 2013

**APPENDIX D**

**RECOMMENDATION NO. 10**

**SUBJECT:**                   **2012-2013 QUARTERLY REPORT AND 311Q**

**UNRESTRICTED GENERAL FUND 01.0  
2012-2013 REVENUE BUDGET**

<b>ACCOUNTS</b>	<b>2012-2013 ADOPTED BUDGET</b>	<b>March 31, 2013 ACTUAL REVENUE</b>	<b>2012-2013 PROJECTED BUDGET</b>
<b>FEDERAL</b>			
FIN AID ADM ALLOWANCES	126,921	119,436	119,436
<b>TOTAL FEDERAL</b>	<b>126,921</b>	<b>119,436</b>	<b>119,436</b>
<b>STATE</b>			
GENERAL APPORTIONMENT	74,405,308	28,278,683	55,900,905
EDUCATION PROTECTION ACCOUNT - PROP 30	-	-	16,486,930
GROWTH/RESTORATION OF WORKLOAD REDUCTION	1,000,641	560,550	1,108,087
PRIOR YEAR APPORTIONMENT ADJUSTMENTS	-	416,586	416,586
HOMEOWNERS EXEMPT	101,571	50,300	101,600
STATE LOTTERY REVENUE	3,065,720	1,032,158	3,091,531
MANDATED COST RECOVERY	570,157	581,043	581,043
OTHER STATE	812,336	627,253	822,214
<b>TOTAL STATE</b>	<b>79,955,733</b>	<b>31,546,573</b>	<b>78,508,896</b>
<b>LOCAL</b>			
PROP TAX SHIFT (ERAF)	-	880,478	880,478
SECURED TAX	10,633,722	6,789,895	6,789,895
SUPPLEMENTAL TAXES	84,532	55,790	55,790
UNSECURED TAX	434,813	432,998	432,998
PRIOR YRS TAXES	889,399	649,728	649,728
PROPERTY TAX - RDA PASS THRU	1,807,045	4,977,271	4,977,271
PROPERTY TAX - RDA RESIDUAL	-	703,268	703,268
PRIVATE DONATIONS	-	35,890	292,047
RENTS	150,000	83,673	120,000
INTEREST	135,000	26,377	84,000
ENROLLMENT FEES	11,975,840	13,375,112	13,381,480
STUDENT RECORDS	420,100	217,325	419,200
NON-RESIDENT TUITION/INTENSIVE ESL	25,484,257	24,085,530	24,381,324
FEE BASED INSTRUCTION	400,000	2,625,300	2,625,300
OTHER STUDENT FEES & CHARGES	131,400	107,147	131,000
F1 APPLICATION FEES	324,300	192,370	324,300
OTHER LOCAL	549,200	1,191,155	1,314,800
I. D. CARD SERVICE CHARGE	1,017,600	966,156	1,015,398
LIBRARY CARDS	200	20	200
LIBRARY FINES	11,000	4,794	11,000
PARKING FINES	185,500	138,620	185,500
<b>TOTAL LOCAL</b>	<b>54,633,908</b>	<b>57,538,897</b>	<b>58,774,977</b>
<b>TOTAL REVENUE</b>	<b>134,716,562</b>	<b>89,204,906</b>	<b>137,403,309</b>
TRANSFER IN	135,934	67,805	135,934
<b>TOTAL REVENUE AND TRANSFERS</b>	<b>134,852,496</b>	<b>89,272,711</b>	<b>137,539,243</b>



**UNRESTRICTED GENERAL FUND 01.0  
2012-2013 EXPENDITURE BUDGET**

<b>ACCOUNTS</b>	<b>2012-2013 ADOPTED BUDGET</b>	<b>March 31, 2013 ACTUAL EXPENDITURES</b>	<b>2012-2013 PROJECTED BUDGET</b>
INSTRUCTION	24,154,803	15,671,554	24,156,792
ACADEMIC MANAGERS	5,458,060	3,644,554	5,542,347
NON-INSTRUCTION	6,067,119	3,663,126	6,044,387
HOURLY INSTRUCTION	23,114,767	15,805,901	25,052,656
HOURLY INSTRUCTION-FEE BASED INSTRUCTION	-	689,768	689,768
HOURLY NON-INSTRUCTION	3,827,673	2,481,212	3,908,286
FACULTY RETRO AND ONE-TIME PAYMENT	338,813	338,813	338,813
VACANT POSITIONS	367,708	-	241,198
VACANCY SAVINGS	(183,854)	-	(211,048)
<b>TOTAL ACADEMIC</b>	<b>63,145,089</b>	<b>42,294,928</b>	<b>65,763,199</b>
CLASSIFIED REGULAR	19,890,887	12,888,137	19,886,113
CLASSIFIED MANAGERS	4,125,430	2,730,632	4,160,886
CLASS REG INSTRUCTION	2,756,222	1,768,478	2,831,379
CLASSIFIED HOURLY	1,854,079	1,180,818	1,875,602
CLASS HRLY INSTRUCTION	590,031	388,221	597,425
CLASSIFIED ONE-TIME PAYMENT	-	-	397,000
VACANT POSITIONS	723,939	-	1,463,240
VACANCY SAVINGS	(361,970)	-	(1,280,335)
<b>TOTAL CLASSIFIED</b>	<b>29,578,618</b>	<b>18,956,286</b>	<b>29,931,310</b>
STRS	3,939,453	2,808,062	4,270,685
PERS	3,741,008	2,285,355	3,763,145
OASDI/MEDICARE	2,919,877	2,075,057	3,046,626
H/W	13,054,283	7,656,065	13,066,283
RETIREEES' H/W	2,833,505	2,215,155	2,833,505
RETIREEE - OPEB	-	-	2,000,000
SUI	1,195,460	767,783	1,227,432
WORKERS' COMPENSATION	1,329,323	837,019	1,329,323
ALTERNATIVE RETIREMENT	500,000	177,102	265,000
BENEFITS REL TO FACULTY RETRO AND ONE-TIME PAYMENT	41,932	41,932	41,932
BENEFITS REL TO CLASSIFIED ONE-TIME PAYMENT	-	-	87,340
BENEFITS RELATED TO VACANT POSITIONS	240,161	-	374,975
BENEFITS RELATED TO VACANCY SAVINGS	(120,081)	-	(328,103)
<b>TOTAL BENEFITS</b>	<b>29,674,921</b>	<b>18,863,530</b>	<b>31,978,143</b>
SUPPLIES	931,471	529,712	934,671
<b>TOTAL SUPPLIES</b>	<b>931,471</b>	<b>529,712</b>	<b>934,671</b>
CONTRACTS/SERVICES	10,975,354	6,907,503	11,221,189
INSURANCE	968,215	949,663	968,215
UTILITIES	2,884,437	1,868,669	2,884,437
<b>TOTAL SERVICES</b>	<b>14,828,006</b>	<b>9,725,835</b>	<b>15,073,841</b>
BLDG & SITES	38,250	-	38,250
EQUIPMENT	347,435	50,005	347,435
LEASE PURCHASES	67,735	-	67,735
<b>TOTAL CAPITAL</b>	<b>453,420</b>	<b>50,005</b>	<b>453,420</b>
<b>TOTAL EXPENDITURES</b>	<b>138,611,525</b>	<b>90,420,296</b>	<b>144,134,584</b>
OUTGOING TRANSFER/FINANCIAL AID	268,596	129,240	268,596
<b>TOTAL TRANSFERS/FINANCIAL AID</b>	<b>268,596</b>	<b>129,240</b>	<b>268,596</b>
<b>TOTAL EXPENDITURES &amp; TRANSFERS</b>	<b>138,880,121</b>	<b>90,549,536</b>	<b>144,403,180</b>

**UNRESTRICTED GENERAL FUND 01.0  
2012-2013 FUND BALANCE BUDGET**

<b>ACCOUNTS</b>	<b>2012-2013 ADOPTED BUDGET</b>	<b>March 31, 2013 ACTUAL FUND BALANCE</b>	<b>2012-2013 PROJECTED BUDGET</b>
TOTAL REVENUE AND TRANSFERS	134,282,339	87,722,564	135,989,096
TOTAL EXPENDITURES AND TRANSFERS	137,833,473	90,110,267	141,065,694
VACANT POSITIONS WITH PAYROLL RELATED BENEFITS	1,331,808	-	2,079,413
VACANT SAVINGS WITH PAYROLL RELATED BENEFITS	(665,905)	-	(1,819,486)
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>(4,217,037)</b>	<b>(2,387,703)</b>	<b>(5,336,525)</b>
ONE-TIME ITEMS			
PRIOR YEAR APPORTIONMENT ADJ	-	416,586	416,586
MANDATED COST RECOVERY	570,157	581,043	581,043
REFUND FROM CA EDD (RECOVERY)	-	552,518	552,518
FACULTY RETRO AND ONE-TIME PAYMENT WITH RELATED BENE	(380,745)	(380,745)	(380,745)
CLASSIFIED ONE-TIME PAYMENT WITH RELATED BENE	-	-	(484,340)
RETIREE - OPEB	-	-	(2,000,000)
WIA AND VETERANS TUITION REFUND	-	(58,524)	(212,474)
<b>OPERATING SURPLUS/(DEFICIT) WITH ONE-TIME ITEMS</b>	<b>(4,027,625)</b>	<b>(1,276,825)</b>	<b>(6,863,937)</b>
BEGINNING BALANCE***	11,662,215	11,662,215	11,662,215
TRANSFER TO DESIGNATED RESERVE - NET	1,207,825	1,207,825	3,207,825
<b>ENDING FUND BALANCE ***</b>	<b>8,842,415</b>	<b>11,593,215</b>	<b>8,006,103</b>
<b>FUND BALANCE RATIO TO TTL EXPENSES &amp; TRANSFERS**</b>	<b>6.37%</b>	<b>12.80%</b>	<b>5.54%</b>
<b>ENDING FUND BALANCE - UNDESIGNATED</b>	<b>8,842,415</b>	<b>11,593,215</b>	<b>8,006,103</b>
<b>DESIGNATED RESERVE FOR:</b>			
UNFUNDED RETIREE BENEFITS	2,000,000	2,000,000	-
CLASSIFIED EMPLOYEE WELFARE FUND	100,000	100,000	100,000
NEW FACULTY TO BE HIRED	167,332	167,332	167,332
<b>TOTAL</b>	<b>2,267,332</b>	<b>2,267,332</b>	<b>267,332</b>
<b>TOTAL FUND BALANCE</b>	<b>11,109,747</b>	<b>13,860,547</b>	<b>8,273,435</b>
<b>FUND BALANCE RATIO TO TTL EXPENSES &amp; TRANSFERS**</b>	<b>8.00%</b>	<b>15.31%</b>	<b>5.73%</b>

\*\* Chancellor's Office recommended ratio is 5%.

\*\*\* Fund Balance excludes Designated Reserves.

**RESTRICTED GENERAL FUND 01.3  
2012-2013 REVENUE BUDGET**

<b>ACCOUNTS</b>	<b>2012-2013 ADOPTED BUDGET</b>	<b>March 31, 2013 ACTUAL REVENUE</b>	<b>2012-2013 PROJECTED BUDGET</b>
<b>FEDERAL</b>			
PERKINS IV TITLE I-C	595,937	336,003	595,937
FWS-FEDERAL WORK STUDY	549,819	234,425	549,819
RADIO GRANTS	1,706,035	795,692	1,706,035
TANF-TEMPORARY ASSISTANCE FOR NEEDY FAMILIES	53,549	44,572	53,549
AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA)	82,554	59,893	82,554
FEDERAL CARRYOVERS	1,709,005	1,200,447	1,709,005
OTHER FEDERAL	4,453,717	1,159,341	5,425,512
<b>TOTAL FEDERAL</b>	<b>9,150,616</b>	<b>3,830,373</b>	<b>10,122,411</b>
<b>STATE</b>			
LOTTERY	703,608	188,915	703,608
BASIC SKILLS INITIATIVE	420,248	329,873	420,248
SFAA-STUDENT FINANCIAL AID ADMIN	782,717	611,693	804,859
EOPS-EXTENDED OPPORTUNITY PROG & SERV	820,970	628,763	827,320
CARE-COOP AGENCIES RESOURCES FOR EDUCATION	53,086	42,468	55,879
DSPS-DISABLED STUDENTS PROGRAM & SERVICES	804,706	895,409	895,409
NON-CREDIT MATRICULATION	21,959	16,689	21,959
MATRICULATION	646,648	490,165	646,648
MATRICULATION-TRANSFER RELATED	47,500	37,387	47,500
EQUAL EMPLOYMENT OPPORTUNITY-STAFF/FACULTY DIVERSITY	8,696	6,609	8,696
CALWORKS	163,965	137,736	163,965
ENROLLMENT GROWTH	118,187	80,367	118,187
STATE CARRYOVERS	1,572,999	1,138,353	1,572,999
OTHER STATE	101,656	277,925	375,500
<b>TOTAL STATE</b>	<b>6,266,945</b>	<b>4,882,352</b>	<b>6,662,777</b>
<b>LOCAL</b>			
PICO PARTNERSHIP	155,230	155,230	155,230
HEALTH FEES	1,363,000	1,212,256	1,363,000
PARKING FEES	1,780,000	1,599,048	1,780,000
DONATIONS-KCRW	2,364,514	862,960	2,364,514
COMMUNITY SERVICES	1,040,000	458,113	1,040,000
COUNTY CALWORKS	64,000	41,979	64,000
CONSOLIDATED CONTRACT ED-LOCAL	200,070	6,400	191,665
LOCAL CARRYOVERS	327,681	261,987	336,086
OTHER LOCAL	4,411,832	4,135,352	4,522,560
<b>TOTAL LOCAL</b>	<b>11,706,327</b>	<b>8,733,325</b>	<b>11,817,055</b>
<b>TOTAL REVENUE</b>	<b>27,123,888</b>	<b>17,446,050</b>	<b>28,602,243</b>

**RESTRICTED GENERAL FUND 01.3  
2012-2013 EXPENDITURE BUDGET**

<b>ACCOUNTS</b>	<b>2012-2013 ADOPTED BUDGET</b>	<b>March 31, 2013 ACTUAL EXPENDITURES</b>	<b>2012-2013 PROJECTED BUDGET</b>
INSTRUCTION	-	12,158	12,158
MANAGEMENT	1,372,831	788,789	1,631,862
NON-INSTRUCTION	1,270,417	1,092,681	1,314,656
HOURLY INSTRUCTION	286,703	88,414	321,967
HOURLY NON-INSTRUCTION	1,338,179	1,182,901	1,550,634
<b>TOTAL ACADEMIC</b>	<b>4,268,130</b>	<b>3,164,943</b>	<b>4,831,277</b>
CLASSIFIED REGULAR	2,333,773	1,724,916	2,283,943
CLASSIFIED MANAGERS	390,392	253,318	402,037
CLASS REG INSTRUCTION	-	-	-
CLASSIFIED HOURLY	1,866,598	1,210,687	2,280,152
CLASS HRLY INSTRUCTION	439,630	130,889	439,630
<b>TOTAL CLASSIFIED</b>	<b>5,030,393</b>	<b>3,319,810</b>	<b>5,405,762</b>
BENEFITS HOLDING ACCOUNT	2,233,706		871,913
STRS	-	223,883	223,883
PERS	-	233,956	233,956
OASDI/MEDICARE	-	226,292	226,292
H/W	-	578,340	578,340
SUI	-	65,233	65,233
WORKERS' COMP.	-	82,092	82,092
ALTERNATIVE RETIREMENT	-	35,284	35,284
<b>TOTAL BENEFITS</b>	<b>2,233,706</b>	<b>1,445,080</b>	<b>2,316,993</b>
<b>TOTAL SUPPLIES</b>	<b>1,045,652</b>	<b>318,520</b>	<b>1,036,390</b>
CONTRACTS/SERVICES	7,133,722	2,734,927	7,353,400
INSURANCE	3,012,000	3,395,076	3,012,000
UTILITIES	222,350	97,249	224,150
<b>TOTAL SERVICES</b>	<b>10,368,072</b>	<b>6,227,252</b>	<b>10,589,550</b>
BLDG & SITES	1,725,000	373,404	1,725,000
EQUIPMENT/LEASE PURCHASE	1,668,610	968,587	1,871,296
<b>TOTAL CAPITAL</b>	<b>3,393,610</b>	<b>1,341,991</b>	<b>3,596,296</b>
<b>TOTAL EXPENDITURES</b>	<b>26,339,563</b>	<b>15,817,596</b>	<b>27,776,268</b>
OTHER OUTGO - STUDENT AID	480,783	67,805	493,182
OTHER OUTGO - TRANSFERS	135,934	306,936	165,185
<b>TOTAL OTHER OUTGO</b>	<b>616,717</b>	<b>374,741</b>	<b>658,367</b>
<b>TOTAL EXPENDITURES &amp; OTHER OUTGO</b>	<b>26,956,280</b>	<b>16,192,337</b>	<b>28,434,635</b>

**RESTRICTED GENERAL FUND 01.3  
2012-2013 FUND BALANCE BUDGET**

<b>ACCOUNTS</b>	<b>2012-2013 ADOPTED BUDGET</b>	<b>March 31, 2013 ACTUAL FUND BALANCE</b>	<b>2012-2013 PROJECTED BUDGET</b>
TOTAL REVENUE AND TRANSFERS	27,123,888	17,446,050	28,602,243
TOTAL EXPENDITURES AND TRANSFERS	26,956,280	16,192,337	28,434,635
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>167,608</b>	<b>1,253,713</b>	<b>167,608</b>
BEGINNING BALANCE	4,648,310	4,648,310	4,648,310
<b>CONTINGENCY RESERVE/ENDING FUND BALANCE</b>	<b>4,815,918</b>	<b>5,902,023</b>	<b>4,815,918</b>
<b>FUND BALANCE RATIO TO TTL EXPENDITURES &amp; TRANSFERS</b>	<b>17.87%</b>	<b>36.45%</b>	<b>16.94%</b>

**CAPITAL OUTLAY FUND 40.0  
2012-2013 REVENUE AND EXPENDITURE BUDGET**

<b>ACCOUNTS</b>	<b>2012-2013 ADOPTED BUDGET</b>	<b>March 31, 2013 ACTUAL</b>	<b>2012-2013 PROJECTED BUDGET</b>
<b>REVENUE</b>			
PROPERTY TAX - RDA PASS THRU	-	59,152	59,152
RENTS	90,000	86,975	90,000
INTEREST	130,800	36,384	52,300
NON-RESIDENT CAPITAL CHARGE	2,105,543	1,902,058	2,105,543
LOCAL INCOME	151,500	125,619	151,500
<b>TOTAL REVENUE</b>	<b>2,477,843</b>	<b>2,210,188</b>	<b>2,458,495</b>
<b>EXPENDITURES</b>			
SUPPLIES	50,000	1,598	50,000
CONTRACT SERVICES	425,000	76,448	425,000
CAPITAL OUTLAY	11,042,420	1,443,977	11,023,072
<b>TOTAL EXPENDITURES</b>	<b>11,517,420</b>	<b>1,522,023</b>	<b>11,498,072</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>(9,039,577)</b>	<b>688,165</b>	<b>(9,039,577)</b>
<b>BEGINNING BALANCE</b>	<b>9,039,577</b>	<b>9,039,577</b>	<b>9,039,577</b>
<b>ENDING FUND BALANCE</b>	<b>-</b>	<b>9,727,742</b>	<b>-</b>

**EARTHQUAKE FUND 41.0**  
**2012-2013 REVENUE AND EXPENDITURE BUDGET**

ACCOUNTS	2012-2013 ADOPTED BUDGET	March 31, 2013 ACTUAL	2012-2013 PROJECTED BUDGET
<b>REVENUE</b>			
FEDERAL/FEMA FUNDING	-	-	-
INTEREST	8	3	8
<b>TOTAL REVENUE</b>	<b>8</b>	<b>3</b>	<b>8</b>
<b>EXPENDITURES</b>			
CONTRACT SERVICES	-	-	-
CAPITAL OUTLAY	2,262,272	-	2,262,272
TRANSFER OUT	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>2,262,272</b>	<b>-</b>	<b>2,262,272</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>(2,262,264)</b>	<b>3</b>	<b>(2,262,264)</b>
<b>BEGINNING BALANCE</b>	<b>2,262,264</b>	<b>2,262,264</b>	<b>2,262,264</b>
<b>ENDING FUND BALANCE</b>	<b>-</b>	<b>2,262,267</b>	<b>-</b>

**MEASURE U FUND 42.2  
2012-2013 REVENUE AND EXPENDITURE BUDGET**

<b>ACCOUNTS</b>	<b>2012-2013 ADOPTED BUDGET</b>	<b>March 31, 2013 ACTUAL</b>	<b>2012-2013 PROJECTED BUDGET</b>
<b>REVENUE</b>			
OTHER FINANCING SOURCES	-	-	-
INTEREST	223,400	79,741	138,600
<b>TOTAL REVENUE</b>	<b>223,400</b>	<b>79,741</b>	<b>138,600</b>
<b>EXPENDITURES</b>			
SUPPLIES	25,000	-	25,000
CONTRACT SERVICES	340,000	12,979	340,000
CAPITAL OUTLAY	23,541,739	309,754	23,456,939
<b>TOTAL EXPENDITURES</b>	<b>23,906,739</b>	<b>322,733</b>	<b>23,821,939</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>(23,683,339)</b>	<b>(242,992)</b>	<b>(23,683,339)</b>
<b>BEGINNING BALANCE</b>	23,683,339	23,683,339	23,683,339
<b>ENDING FUND BALANCE</b>	-	<b>23,440,347</b>	-



**MEASURE S FUND 42.3  
2012-2013 REVENUE AND EXPENDITURE BUDGET**

<b>ACCOUNTS</b>	<b>2012-2013 ADOPTED BUDGET</b>	<b>March 31, 2013 ACTUAL</b>	<b>2012-2013 PROJECTED BUDGET</b>
<b>REVENUE</b>			
OTHER FINANCING SOURCES	-	-	-
INTEREST	555,900	199,122	345,500
<b>TOTAL REVENUE</b>	<b>555,900</b>	<b>199,122</b>	<b>345,500</b>
<b>EXPENDITURES</b>			
SUPPLIES	100,000	-	100,000
CONTRACT SERVICES	1,826,500	106,127	1,826,500
CAPITAL OUTLAY	57,789,000	590,813	57,578,600
<b>TOTAL EXPENDITURES</b>	<b>59,715,500</b>	<b>696,940</b>	<b>59,505,100</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>(59,159,600)</b>	<b>(497,818)</b>	<b>(59,159,600)</b>
<b>BEGINNING BALANCE</b>	59,159,600	59,159,600	59,159,600
<b>ENDING FUND BALANCE</b>	-	<b>58,661,782</b>	-

**MEASURE AA FUND 42.4**  
**2012-2013 REVENUE AND EXPENDITURE BUDGET**

ACCOUNTS	2012-2013 ADOPTED BUDGET	March 31, 2013 ACTUAL	2012-2013 PROJECTED BUDGET
<b>REVENUE</b>			
OTHER FINANCING SOURCES	-	-	-
INTEREST	591,300	227,713	373,500
<b>TOTAL REVENUE</b>	<b>591,300</b>	<b>227,713</b>	<b>373,500</b>
<b>EXPENDITURES</b>			
SUPPLIES	100,000	16,660	100,000
CONTRACT SERVICES	1,667,250	176,794	1,667,250
CAPITAL OUTLAY	67,577,650	9,033,726	67,359,850
<b>TOTAL EXPENDITURES</b>	<b>69,344,900</b>	<b>9,227,180</b>	<b>69,127,100</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>	<b>(68,753,600)</b>	<b>(8,999,467)</b>	<b>(68,753,600)</b>
<b>BEGINNING BALANCE</b>	68,753,600	68,753,600	68,753,600
<b>ENDING FUND BALANCE</b>	-	<b>59,754,133</b>	-

**STUDENT FINANCIAL AID FUND 74.0  
2012-2013 REVENUE AND EXPENDITURE BUDGET**

<b>ACCOUNTS</b>	<b>2012-2013 ADOPTED BUDGET</b>	<b>March 31, 2013 ACTUAL</b>	<b>2012-2013 PROJECTED BUDGET</b>
<b>REVENUE</b>			
FEDERAL GRANTS	35,599,989	21,771,984	35,599,989
FEDERAL LOANS	3,300,000	1,610,446	3,300,000
CAL GRANTS	1,504,300	944,690	1,504,300
TRANSFER	268,596	129,228	268,596
<b>TOTAL REVENUE</b>	<b>40,672,885</b>	<b>24,456,348</b>	<b>40,672,885</b>
<b>EXPENDITURES</b>			
FINANCIAL AID	40,672,885	24,977,975	40,672,885
<b>TOTAL EXPENDITURES</b>	<b>40,672,885</b>	<b>24,977,975</b>	<b>40,672,885</b>
<b>ENDING FUND BALANCE*</b>	<b>-</b>	<b>(521,627)</b>	<b>-</b>

\*Negative ending balance is a result of a timing difference between financial aid check issuance and deposit of Federal and CAL Grant Funds.

**AUXILIARY FUND  
2012-2013 REVENUE AND EXPENDITURE BUDGET**

ACCOUNTS	2012-2013 ADOPTED BUDGET	March 31, 2013 ACTUAL	2012-2013 PROJECTED BUDGET
<b>BEGINNING BALANCE</b>	1,888,758	1,888,758	1,888,758
ADJ. TO BEG. BALANCE	-	-	-
<b>ADJUSTED BEGINNING BALANCE</b>	<u>1,888,758</u>	<u>1,888,758</u>	<u>1,888,758</u>
<b>REVENUE</b>			
GROSS SALES	5,523,972	5,362,545	6,322,684
LESS: COST OF GOODS	<u>(3,871,766)</u>	<u>(3,683,964)</u>	<u>(4,315,430)</u>
NET	1,652,206	1,678,581	2,007,254
VENDOR INCOME	648,175	509,427	679,236
AUXILIARY PROGRAM INCOME	<u>245,499</u>	<u>248,129</u>	<u>282,605</u>
NET INCOME	2,545,880	2,436,137	2,969,095
INTEREST	<u>27,050</u>	<u>21,147</u>	<u>27,050</u>
<b>TOTAL REVENUE</b>	<u>2,572,930</u>	<u>2,457,284</u>	<u>2,996,145</u>
<b>TOTAL FUNDS AVAILABLE</b>	<u>4,461,688</u>	<u>4,346,042</u>	<u>4,884,903</u>
<b>EXPENDITURES</b>			
STAFFING	1,129,793	750,832	1,129,793
FRINGE BENEFITS	337,981	194,790	337,981
OPERATING	<u>2,040,386</u>	<u>874,761</u>	<u>2,073,941</u>
<b>TOTAL EXPENDITURES</b>	<u>3,508,160</u>	<u>1,820,383</u>	<u>3,541,715</u>
<b>ENDING FUND BALANCE</b>	<u>953,528</u>	<u>2,525,659</u>	<u>1,343,188</u>

**CALIFORNIA COMMUNITY COLLEGES  
CHANCELLOR'S OFFICE**

**Quarterly Financial Status Report, CCFS-311Q**  
**VIEW QUARTERLY DATA**

**CHANGE THE PERIOD**

**Fiscal Year: 2012-2013**

**District: (780) SANTA MONICA**

**Quarter Ended: (Q3) Mar 31, 2013**

Line	Description	As of June 30 for the fiscal year specified			
		Actual 2009-10	Actual 2010-11	Actual 2011-12	Projected 2012-2013
<b>I. Unrestricted General Fund Revenue, Expenditure and Fund Balance:</b>					
A.	<b>Revenues:</b>				
A.1	Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)	133,204,874	136,383,429	130,112,632	137,403,309
A.2	Other Financing Sources (Object 8900)	145,184	147,494	143,887	135,934
A.3	<b>Total Unrestricted Revenue (A.1 + A.2)</b>	<b>133,350,058</b>	<b>136,530,923</b>	<b>130,256,519</b>	<b>137,539,243</b>
B.	<b>Expenditures:</b>				
B.1	Unrestricted General Fund Expenditures (Objects 1000-6000)	131,958,636	133,634,588	138,821,019	144,134,584
B.2	Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)	330,078	277,594	275,973	268,596
B.3	<b>Total Unrestricted Expenditures (B.1 + B.2)</b>	<b>132,288,714</b>	<b>133,912,182</b>	<b>139,096,992</b>	<b>144,403,180</b>
C.	<b>Revenues Over(Under) Expenditures (A.3 - B.3)</b>	<b>1,061,344</b>	<b>2,618,741</b>	<b>-8,840,473</b>	<b>-6,863,937</b>
D.	<b>Fund Balance, Beginning</b>	<b>19,408,758</b>	<b>20,470,102</b>	<b>23,088,843</b>	<b>15,137,372</b>
D.1	Prior Year Adjustments + (-)	0	0	889,002	0
D.2	<b>Adjusted Fund Balance, Beginning (D + D.1)</b>	<b>19,408,758</b>	<b>20,470,102</b>	<b>23,977,845</b>	<b>15,137,372</b>
E.	<b>Fund Balance, Ending (C. + D.2)</b>	<b>20,470,102</b>	<b>23,088,843</b>	<b>15,137,372</b>	<b>8,273,435</b>
F.1	Percentage of GF Fund Balance to GF Expenditures (E. / B.3)	15.5%	17.2%	10.9%	5.7%

**II. Annualized Attendance FTES:**

G.1	<b>Annualized FTES (excluding apprentice and non-resident)</b>	23,443	22,545	21,359	20,932
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**III. Total General Fund Cash Balance (Unrestricted and Restricted)**

	Description	As of the specified quarter ended for each fiscal year			
		2009-10	2010-11	2011-12	2012-2013
H.1	Cash, excluding borrowed funds		31,725,982	25,100,212	12,084,601
H.2	Cash, borrowed funds only		0	0	20,000,000
H.3	<b>Total Cash (H.1+ H.2)</b>	<b>29,394,225</b>	<b>31,725,982</b>	<b>25,100,212</b>	<b>32,084,601</b>

**IV. Unrestricted General Fund Revenue, Expenditure and Fund Balance:**

Line	Description	Adopted Budget (Col. 1)	Annual Current Budget (Col. 2)	Year-to-Date Actuals (Col. 3)	Percentage (Col. 3/Col. 2)
<b>I. Revenues:</b>					
I.1	Unrestricted General Fund Revenues (Objects 8100, 8600, 8800)	134,716,562	137,403,309	89,204,906	64.9%
I.2	Other Financing Sources (Object 8900)	135,934	135,934	67,805	49.9%
I.3	<b>Total Unrestricted Revenue (I.1 + I.2)</b>	<b>134,852,496</b>	<b>137,539,243</b>	<b>89,272,711</b>	<b>64.9%</b>
<b>J. Expenditures:</b>					
J.1	Unrestricted General Fund Expenditures (Objects 1000-6000)	138,611,525	144,134,584	90,420,296	62.7%
J.2	Other Outgo (Objects 7100, 7200, 7300, 7400, 7500, 7600)	268,596	268,596	129,240	48.1%
J.3	<b>Total Unrestricted Expenditures (J.1 + J.2)</b>	<b>138,880,121</b>	<b>144,403,180</b>	<b>90,549,536</b>	<b>62.7%</b>
K.	<b>Revenues Over(Under) Expenditures (I.3 - J.3)</b>	<b>-4,027,625</b>	<b>-6,863,937</b>	<b>-1,276,825</b>	
L.	Adjusted Fund Balance, Beginning	15,137,372	15,137,372	15,137,372	
L.1	<b>Fund Balance, Ending (C. + L.2)</b>	<b>11,109,747</b>	<b>8,273,435</b>	<b>13,860,547</b>	
M.	Percentage of GF Fund Balance to GF Expenditures (L.1 / J.3)	8%	5.7%		

**V. Has the district settled any employee contracts during this quarter?**

**NO**

**If yes, complete the following: (If multi-year settlement, provide information for all years covered.)**

Contract Period Settled (Specify)	Management	Academic		Classified
		Permanent	Temporary	

YYYY-YY	Total Cost Increase	% *	Total Cost Increase	% *	Total Cost Increase	% *	Total Cost Increase	% *
<b>a. SALARIES:</b>								
Year 1:								
Year 2:								
Year 3:								
<b>b. BENEFITS:</b>								
Year 1:								
Year 2:								
Year 3:								

\* As specified in Collective Bargaining Agreement or other Employment Contract

c. Provide an explanation on how the district intends to fund the salary and benefit increases, and also identify the revenue source/object code.

**VI. Did the district have significant events for the quarter (include incurrence of long-term debt, settlement of audit findings or legal suits, significant differences in budgeted revenues or expenditures, borrowing of funds (TRANS), issuance of COPs, etc.)?** **YES**

If yes, list events and their financial ramifications. (Enter explanation below, include additional pages if needed.)

In order to meet the current cash flow requirements, the District acquired a \$20M debt through the issuance of 2012-13 Pooled Tax and Revenue Anticipation Notes (TRANS) for the District by the Board of Supervisors of the County of Los Angeles.

**VII. Does the district have significant fiscal problems that must be addressed?** **This year? YES**  
**Next year? YES**

If yes, what are the problems and what actions will be taken? (Enter explanation below, include additional pages if needed.)

- 1) Based on an actuarial study issued November 13, 2012, the District has an unfunded liability for OPEB of \$86,905,288. The District is developing a plan to meet this obligation.
- 2) The District needs to develop a plan to increase revenues and decrease expenditures to offset the current operating deficit of \$5.3M.

# Student Success Scorecard: An Accountability Framework for the California Community Colleges

## *An Analysis of Santa Monica College's Scorecard*

Last fall, Governor Jerry Brown signed into law the Student Success Act of 2012, a legislative bill aimed to improve educational outcomes for California Community College students, to close the achievement gap for historically underrepresented students, and to better prepare the workforce to meet the changing landscape of the state's economy. The Senate Bill was the product of the work done by the California Community Colleges Board of Governors Student Success Task Force (SSTF), which developed a set of comprehensive recommendations aimed to increase student success.

One of the recommendations direct the California Community College Chancellor's Office (CCCCO) and community colleges to design and implement a more clear and focused accountability system measuring performance on key student success indicators. The purpose of the recommendation was to ensure that student success metrics were being presented in a clear and concise manner, and to make equity gaps more transparent.

In April 2013, the CCCCCO unveiled the statewide and college-level Student Success Scorecard. The scorecard built on the existing accountability reporting system, the Accountability Reporting for the Community Colleges (ARCC). A comparison of the old and new accountability systems are highlighted below:

- Of the six scorecard metrics, four (Student Progress & Achievement or Completion, Persistence, At Least 30 Units, and Career Development and College Preparation rates) were carried over from the old ARCC framework, but the **methods to calculate the metrics were modified**.
  - Two of the scorecard metrics (Remedial Progress and Career Technical Education rates) are new.
  - Three of the old ARCC metrics (Vocational Successful Course Completion, Basic Skills Successful Course Completion, and Basic Skills Course Improvement rates) have been eliminated in the scorecard system.
- The scorecard data is presented in a web-based interface while the old ARCC system presented data in an 800+ page static document.
- The scorecard disaggregates the performance data by student age, gender, ethnicity/race, and by level of preparedness upon college entry (when applicable). The old ARCC system did not provide disaggregated data.
- Unlike the old ARCC system, colleges will be primarily measured against themselves (year-to-year comparison) in the scorecard, not against peer colleges.
  - However, peer groupings of colleges are available for comparison in a supplemental report.
- The self-assessment summary requirement has been eliminated in the new scorecard system. In the ARCC system, colleges were required to provide an evaluation of their performance on the metrics.
- The requirement for colleges to present the accountability report to the local Board of Trustees remains with the new scorecard.

The current report provides an analysis of Santa Monica College’s performance on the scorecard metrics, including a description of the methodologies used to calculate the metrics, five year trend analyses, and a comparison of student subgroups.

The new scorecard system is intended to expand the populations being measured. However, one major limitation of the scorecard methodology is the exclusion of students without valid social security numbers (SSNs). Santa Monica College (SMC) enrolls a large proportion of F-1 visa international and AB540 (undocumented) students. For example, in fall of 2012, approximately 11% of the credit students were international students and 4% were AB540 students. Over 98% of these two student populations did not report a valid SSN. Overall, more than 14% of the fall 2012 student population did not report a valid SSN, including non-international and non-AB540 students. Because the scorecard excludes students without valid SSNs in the dataset, the metrics do not provide a completely accurate picture of Santa Monica College’s performance on the student success metrics.

To address this limitation, the Office of Institutional Research recalculated the rates by adding students without valid SSNs into the cohorts for each metric.

The following table provides a brief description of the six scorecard metrics.

<b>Metric</b>	<b>Description</b>
<b>Completion (Student Progress &amp; Attainment)</b>	Percentage of degree and/or transfer seeking first-time students who successfully completed a degree, certificate, or transfer related outcome within six year.
<b>Persistence</b>	Percentage of degree and/or transfer seeking first-time students who subsequently enroll in three consecutive primary terms anywhere in the California Community College system.
<b>30 Units</b>	Percentage of degree and/or transfer seeking first-time students who complete at least 30 units within six years.
<b>Remedial Progress</b>	Percentage of credit basic skills students who complete a college-level course in the same discipline within six years.
<b>Career Technical Education (CTE)</b>	Percentage of CTE students who successfully completed a degree, certificate, or transfer related outcome within six years.
<b>Career Development and College Preparation (CDCP)</b>	Percentage of CDCP students who successfully completed a CDCP certificate or other degree, certificate, or transfer related outcome within six years.



## Scorecard Summary

The following figure provides a summary of the college's performance on the scorecard, including the recalculated rates and the system-wide (state) rates for the most recently reported cohort.

Metric	Cohort Year					Recalculated 2006-2007	Statewide 2006-2007
	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007		
Completion	58.2%	62.4%	55.8%	52.3%	51.4%	53.6%	49.2%
Persistence	62.5%	67.8%	62.4%	63.8%	64.4%	64.8%	65.8%
30 Units	68.9%	70.9%	66.2%	67.1%	68.6%	70.0%	66.4%
Remedial Progress - Math	31.4%	33.0%	30.0%	28.1%	29.4%	38.8%	25.9%
Remedial Progress - English	48.4%	47.9%	42.3%	42.0%	43.4%	42.9%	38.1%
Remedial Progress - ESL	61.6%	64.8%	59.2%	62.0%	63.0%	70.0%	23.6%
CTE	52.1%	58.1%	52.6%	53.2%	51.7%	56.1%	55.0%
CDCP	NA	NA	NA	NA	7.7%	8.1%	12.4%

The following trends in scorecard performance are observed:

- The scorecard indicates a five-year decreasing trend for the completion, remedial math progress, remedial English progress, and CTE rates.
- The college demonstrated improvement in the remedial ESL and persistence rates over the last five years.
- For all metrics, the “peak” performance is observed for the 2003-04 cohorts. The high rates for this cohort may partly be attributed to the large reduction in course offerings during the 2003 and 2004 years at SMC, which in turn, reduced the total number of students in the cohort, making the cohort less variable.
- Adding students without valid SSNs into the calculation increased the college's performance on all metrics, with the exception of the remedial English progress rate. This finding suggests that excluding the students without SSNs from the metric calculations has a negative impact on the college's performance on the scorecard metrics.
- SMC performed better on three metrics than the system-wide averages (completion, 30 units, and remedial progress for all disciplines).

## Completion Rate

Completion (also known as the Student Progress and Attainment) rate describes the percentage of degree and/or transfer seeking first-time students who successfully completed a degree, certificate, or transfer related outcome within six years.

### Denominator (Cohort):

SMC students who met the following criteria were included in the cohort:

- First-time college student at SMC;
- Reported a valid SSN;
- Earned six or more credit units at SMC and/or anywhere in the system during the first three years of enrollment; and,
- Attempted any credit math or English course in the first three years of enrollment.

### Numerator (Outcome):

Students in the cohort who met the following criteria within six years of entering the CCC system for the first time were counted as having “completed”:

- Earned an Associate of Arts or Science degree at any CCC (California Community College);
- Earned a Chancellor’s Office approved Certificate of Achievement at any CCC;
- Transferred to a four-year institution; and/or,
- Completed 60 or more UC/CSU transferable units with a GPA of 2.0 or higher anywhere in the CCC system.

The following table describes the overall completion rates by cohort year (as reported on the scorecard) as well as the recalculated rate which includes the students without valid SSNs.

Table 1a. Original and Recalculated Completion Rates

	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
Cohort Size	3,138	2,641	3,504	3,752	3,877
Completed	1,827	1,647	1,955	1,962	1,991
% Completed	58.2%	62.4%	55.8%	52.3%	51.4%
% Recalculated	60.7%	63.8%	56.9%	53.8%	53.6%

On average, approximately 56% of degree and/or transfer seeking first-time freshmen completed a degree, certificate, or transfer related outcome within six years. The college’s performance on this metric peaked at 62.4% for the 2003-04 cohort. The high rate for this cohort may partly be attributed to the large reduction in course offerings during the 2003 and 2004 years at SMC, which in turn, reduced the total number of students in the cohort, making the cohort less variable. The completion rates have steadily decreased since the 2003-04 cohort year, yet the size of the cohorts has increased.

Recalculating the completion rates to include students without valid SSNs improves the college’s performance on this indicator. Including the students without valid SSNs in the cohort improved the rate by over 2%, from 51.4% to 53.6%, for the most recently reported cohort (2006-07).

The following table disaggregates the completion rates for students without valid SSNs by AB540, F1 international, or other students without valid SSNs (including students with other visas).

Table 1b. Completion Rates – Students without Valid SSNs

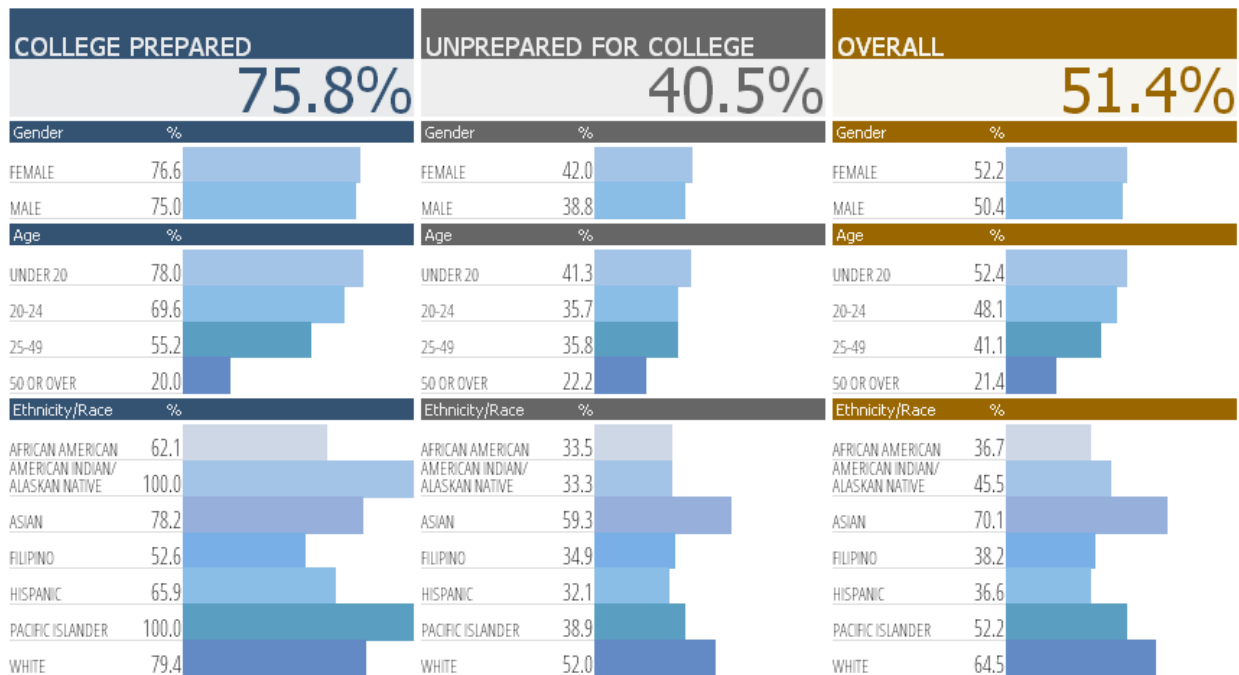
	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
AB540 Cohort	137	144	214	251	248
% Completed	28.5%	34.0%	30.8%	29.5%	30.2%
F1 Cohort	670	511	512	693	799
% Completed	71.2%	78.5%	73.8%	70.0%	71.6%
Other Cohort	295	40	26	28	26
% Completed	78.6%	82.5%	84.6%	75.0%	65.4%
Total – No SSN	1,102	695	752	972	1,073
% Completed	67.9%	69.5%	62.0%	59.7%	61.9%

The data indicate that the largest proportions of students without valid SSNs in the completion cohorts are international students. International students completed a degree, certificate, and/or transfer related outcome at higher rates than both the AB540 population and the overall population of students reporting a valid SSN. Over seven in ten international students who are degree and/or transfer seeking, completed a degree, certificate, and/or transfer related outcome within six years of enrolling at SMC. In the 2002-03 to 2005-06 years, the “other” students without SSNs outperformed the international and AB540 groups on the completion rates. The “other” group represents the smallest proportion of students without valid SSNs since 2003-04.

The following figure describes the completion rates by student demographic (gender, ethnicity/race, age) and level of preparedness for the most recently reported cohort (2006-07).

### Completion

Percentage of degree and/or transfer-seeking students tracked for six years through 2011-12 who completed a degree, certificate or transfer related outcomes.



COLLEGE PREPARED: Student's lowest course attempted in Math and/or English was college level  
 UNPREPARED FOR COLLEGE: Student's lowest course attempted in Math and/or English was remedial level  
 OVERALL: Student attempted any level of Math or English in the first three years  
 0%: Cohort with no students attaining an outcome  
 N/A: Cohort has no students

The data indicate that students who were college prepared (student’s lowest attempted math and/or English course was degree applicable) completed the outcomes at higher rates (75.8%) than students who are unprepared for college (40.5%). Overall, Asian (70.1%), Pacific Islander (52.2%), and White (64.5%) students completed their outcomes at higher rates than African American (36.7%), Filipino (38.2%) and Hispanic (36.6%) students.

## Persistence Rate

Persistence rate describes the percentage of degree and/or transfer seeking first-time students who enrolled in the first three consecutive terms. This metric is considered a milestone or momentum point. Research indicates that students who stay enrolled in college are more likely to succeed.

### Denominator (Cohort):

SMC students who met the following criteria were included in the cohort:

- First-time college student at SMC;
- Reported a valid SSN;
- Earned six or more credit units at SMC and/or anywhere in the system during the first three years of enrollment; and,
- Attempted any credit math or English course in the first three years of enrollment.

### Numerator (Outcome):

Students in the cohort who met the following criteria within six years of entering the CCC system for the first time were counted as having “persisted”:

- Enrolled in a credit course three consecutive primary semesters three (spring and fall) in the first three subsequent semesters. For example, a student who was a degree and/or transfer seeking first-time student in fall of 2006, and subsequently was enrolled in a credit course in spring of 2007, fall of 2007, and spring of 2008, was counted as having “persisted”.

The following table describes the overall persistence rates by cohort year (as reported on the scorecard) as well as the recalculated rate which includes the students without valid SSNs.

Table 2a. Original and Recalculated Persistence Rates

	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
Cohort Size	3,138	2,641	3,504	3,752	3,877
Persisted	1,962	1,791	2,186	2,395	2,498
% Persisted	62.5%	67.8%	62.4%	63.8%	64.4%
% Recalculated	62.3%	67.6%	62.9%	63.8%	64.8%

On average, approximately 64% of degree and/or transfer seeking first-time freshmen persisted and enrolled in three consecutive primary terms within six years of entry. The college’s performance on this metric peaked at 67.8% for the 2003-04 cohort. The high rate for this cohort may partly be attributed to the large reduction in course offerings during the 2003 and 2004 years at SMC, which in turn, reduced the total number of students in the cohort, making the cohort less variable. The college has improved by nearly 2% on this metric, from 62.5% in 2002-03 to 64.4% in 2006-07.

Recalculating the completion rates to include students without valid SSNs improves the college's performance on this indicator. Including the students without valid SSNs in the cohort improved the rate by nearly 0.5%, from 64.4% to 64.8%, for the most recently reported cohort (2006-07).

The following table disaggregates the completion rates for students without valid SSNs by AB540, F1 international, or other students without valid SSNs (including students with other visas).

Table 2b. Persistence Rates – Students without Valid SSNs

	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
AB540 Cohort	137	144	214	251	248
% Persisted	51.8%	56.9%	50.0%	49.4%	54.8%
F1 Cohort	670	511	512	693	799
% Persisted	64.9%	72.4%	72.3%	69.9%	70.5%
Other Cohort	295	40	26	28	26
% Persisted	56.9%	30.0%	50.0%	32.1%	46.2%
Total – No SSN	1,102	695	752	972	1,073
% Persisted	61.5%	66.9%	65.4%	63.7%	66.4%

The data indicate that the largest proportions of students without valid SSNs in the persistence cohorts are international students. International students persisted at higher rates than the AB540 population, other students without valid SSNs, and the overall population of students reporting a valid SSN. Over seven in ten international students who are degree and/or transfer seeking enrolled in three or more consecutive terms within six years of enrolling at SMC. International students may be more motivated to enroll in consecutive terms (without stopping out) in order to maintain their student visa status.

The following figure describes the persistence rates by student demographic (gender, ethnicity/race, age) and level of preparedness for the most recently reported cohort (2006-07).

## Persistence

Percentage of degree and/or transfer-seeking students tracked for six years through 2011-12 who enrolled in the first three consecutive terms. This metric is considered a milestone or momentum point, research shows that students with sustained enrollment are more likely to succeed.

COLLEGE PREPARED		UNPREPARED FOR COLLEGE		OVERALL	
61.4%		65.7%		64.4%	
Gender	%	Gender	%	Gender	%
FEMALE	59.9	FEMALE	63.8	FEMALE	62.7
MALE	62.9	MALE	68.0	MALE	66.3
Age	%	Age	%	Age	%
UNDER 20	60.8	UNDER 20	66.7	UNDER 20	64.9
20-24	69.6	20-24	60.2	20-24	63.6
25-49	56.9	25-49	58.3	25-49	57.9
50 OR OVER	60.0	50 OR OVER	66.7	50 OR OVER	64.3
Ethnicity/Race	%	Ethnicity/Race	%	Ethnicity/Race	%
AFRICAN AMERICAN	53.4	AFRICAN AMERICAN	65.2	AFRICAN AMERICAN	63.9
AMERICAN INDIAN/ ALASKAN NATIVE	0.0	AMERICAN INDIAN/ ALASKAN NATIVE	100.0	AMERICAN INDIAN/ ALASKAN NATIVE	81.8
ASIAN	65.9	ASIAN	68.6	ASIAN	67.1
FILIPINO	52.6	FILIPINO	53.0	FILIPINO	52.9
HISPANIC	54.3	HISPANIC	65.3	HISPANIC	63.8
PACIFIC ISLANDER	80.0	PACIFIC ISLANDER	50.0	PACIFIC ISLANDER	56.5
WHITE	65.1	WHITE	65.7	WHITE	65.4

COLLEGE PREPARED: Student's lowest course attempted in Math and/or English was college level

UNPREPARED FOR COLLEGE: Student's lowest course attempted in Math and/or English was remedial level

OVERALL: Student attempted any level of Math or English in the first three years

0%: Cohort with no students attaining an outcome

N/A: Cohort has no students

Unlike the completion metric, students who were college prepared persisted at lower rates (61.4%) than students who are unprepared for college (65.7%). Overall, American Indian/Alaskan Native students persisted at the highest rates (81.8%); however, this group represents only 0.3% of the cohort

## 30 Units Rate

The 30 units rate describes the percentage of degree and/or transfer seeking first-time students who earned at least 30 units. Credit accumulation, 30 units specifically, tends to be positively correlated with completion and wage gain.

### Denominator (Cohort):

SMC students who met the following criteria were included in the cohort:

- First-time college student at SMC;
- Reported a valid SSN;
- Earned six or more credit units at SMC and/or anywhere in the system during the first three years of enrollment; and,
- Attempted any credit math or English course in the first three years of enrollment.

**Numerator (Outcome):**

Students in the cohort who completed 30 or more credit units with a grade of A, B, C, D, or P anywhere in the CCC were counted as having completed 30 units.

The following table describes the overall 30 units rates by cohort year (as reported on the scorecard) as well as the recalculated rate which includes the students without valid SSNs.

Table 3a. Original and Recalculated 30 Units Rates

	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
Cohort Size	3,138	2,641	3,504	3,752	3,877
30 Units	2,163	1,873	2,320	2,518	2,659
% 30 Units	68.9%	70.9%	66.2%	67.1%	68.6%
% Recalculated	69.3%	71.4%	67.4%	68.6%	70.0%

On average, over 68% of degree and/or transfer seeking first-time freshmen successfully completed 30 or more credit units within six years of entry. The college's performance on this metric peaked at 70.9% for the 2003-04 cohort. The high rate for this cohort may partly be attributed to the large reduction in course offerings during the 2003 and 2004 years at SMC, which in turn, reduced the total number of students in the cohort, making the cohort less variable. In 2004-05, the rate dropped to 66.2%, but by 2006-07, the rate reverted back to the levels observed in 2002-03 (over 68%).

Recalculating the completion rates to include students without valid SSNs improves the college's performance on this indicator. Including the students without valid in the cohort improved the rate by nearly 1.5%, from 68.6% to 70.0%, for the most recently reported cohort (2006-07).

The following table disaggregates the completion rates for students without valid SSNs by AB540, F1 international, or other students without valid SSNs (including students with other visas).

Table 3b. 30 Units Rates – Students without Valid SSNs

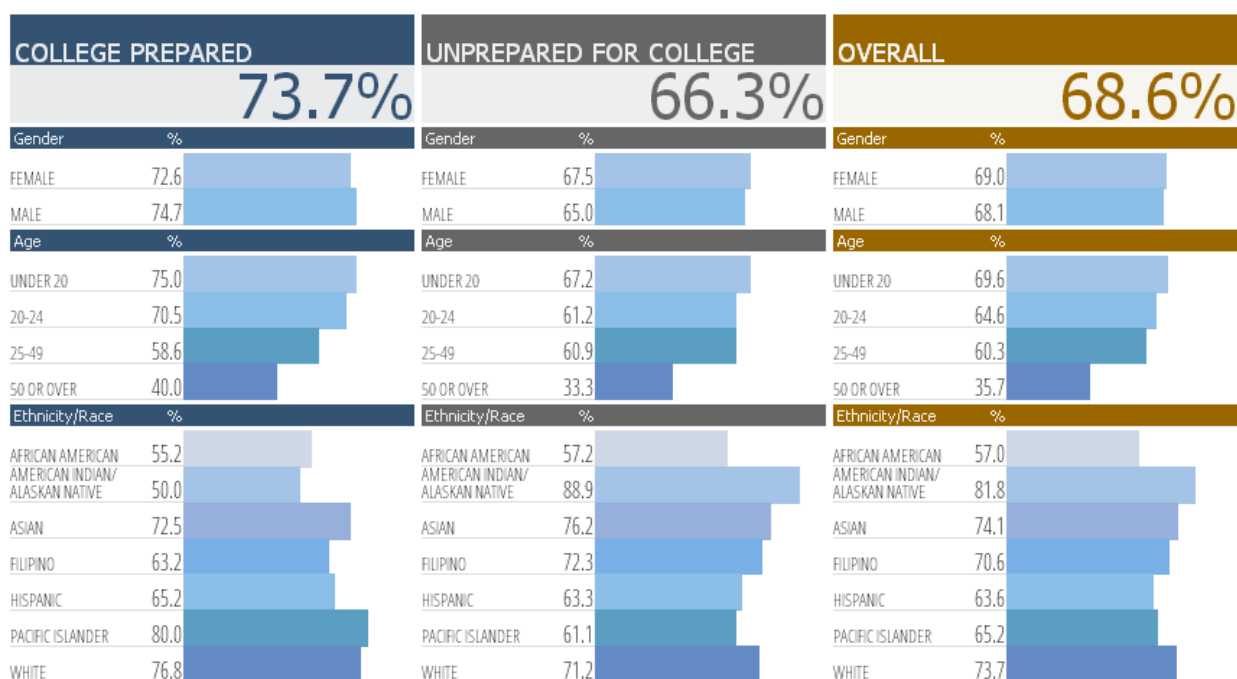
	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
AB540 Cohort	137	144	214	251	248
% 30 Units	52.6%	61.8%	53.3%	53.8%	60.5%
F1 Cohort	670	511	512	693	799
% 30 Units	74.9%	79.1%	81.8%	82.9%	80.4%
Other Cohort	295	40	26	28	26
% 30 Units	65.1%	37.5%	50.0%	46.4%	42.3%
Total – No SSN	1,102	695	752	972	1,073
% 30 Units	70.2%	73.4%	72.9%	74.6%	74.9%

The data indicate that the largest proportions of students without valid SSNs in the 30 units cohorts are international students. International students successfully completed 30 or more credit units at higher rates than the AB540 population, other students without valid SSNs, and the overall population of students reporting a valid SSN. Over eight in ten international students who are degree and/or transfer seeking successfully completed 30 or more units within six years enrolling at SMC. International students may be more likely to complete more units because in most cases, international students need to carry a full-time course load (12 or more units) each term in order to maintain their student visa status.

The following figure describes the 30 units rates by student demographic (gender, ethnicity/race, age) and level of preparedness for the most recently reported cohort (2006-07).

## 30 Units

Percentage of degree and/or transfer seeking students tracked for six years through 2011-12 who achieved at least 30 units. Credit accumulation, 30 units specifically, tend to be positively correlated with completion and wage gain.



COLLEGE PREPARED: Student's lowest course attempted in Math and/or English was college level

UNPREPARED FOR COLLEGE: Student's lowest course attempted in Math and/or English was remedial level

OVERALL: Student attempted any level of Math or English in the first three years

0%: Cohort with no students attaining an outcome

N/A: Cohort has no students

The data indicate that students who were college prepared (student's lowest attempted math and/or English course was degree applicable) completed 30 or more units at higher rate (73.7%) than students who are unprepared for college (66.3%). Overall, American Indian/Alaska Native (81.8%), Asian (74.1%), and White (73.7%) students completed 30 or more units at higher rates than other ethnicity/race groups. African American students completed 30 or more credit units at the lowest rate at 57%.

## Remedial Progress Rate

The remedial progress rates describe the percentage of credit students who started below transfer level in math, English, and/or ESL who completed a college-level course in the same discipline within six years.

### Denominator (Cohort):

SMC students who met the following criteria were included in the cohort:

- First attempt of a credit math, English, and/or ESL course was in a course that was two to four levels below transfer, but not degree applicable;
  - Math: MATH 81, MATH 84, or MATH 31;
  - English writing: ENGL 81A, ENGL 81B, ENGL 84W, or ENGL 21A; and/or
  - ESL: ESL 10G, ESL 10W, ESL 11A, ESL 15, ESL 17, or ESL 23.



### Numerator (Outcome):

Students in the cohort who met the following criteria within six years were counted as having progressed through the remedial sequence:

- Math cohort: Earned an A, B, C, or P grade in any UC/CSU transferable math course;
- English cohort: Earned an A, B, C, or P grade in any UC/CSU transferable English course; and/or,
- ESL cohort: Earned an A, B, C, or P grade in any UC/CSU transferable English course or earned an A, B, C, or P grade in ESL 11B, ESL 21A, ESL 21B, or ESL 25.

The following tables describe the overall remedial progress rates for math, English, and ESL by cohort year (as reported on the scorecard) as well as the recalculated rate which includes the students without valid SSNs.

### Math

Table 4a. Original and Recalculated Remedial Progress Rates for Math

	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
Cohort Size	1,899	1,853	3,088	3,091	3,018
Progressed Math	597	612	925	868	886
% Progressed Math	31.4%	33.0%	30.0%	28.1%	29.4%
% Recalculated	42.6%	43.5%	39.0%	36.8%	38.8%

On average, over 30% of basic skills math students completed a college-level math course within six years. The college's performance on this metric peaked at 33.0% for the 2003-04 cohort. The high rate for this cohort may partly be attributed to the large reduction in course offerings during the 2003 and 2004 years at SMC, which in turn, reduced the total number of students in the cohort, making the cohort less variable. The college experienced a decrease in the remedial math progress rate between cohort years 2003-04 and 2005-06, however, by 2006-07, the rate experienced a small increase.

Recalculating the completion rates to include students without valid SSNs improves the college's performance on this indicator. Including the students without valid SSNs in the cohort improved the rate by over 9%, from 29.4% to 38.8%, for the most recently reported cohort (2006-07).

The following table disaggregates the completion rates for students without valid SSNs by AB540, F1 international, or other students without valid SSNs (including students with other visas).

Table 4b. Math Remedial Progress Rates – Students without Valid SSNs

	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
AB540 Cohort	107	152	257	307	285
% Progressed	30.8%	45.4%	41.6%	36.5%	39.6%
F1 Cohort	950	743	794	819	986
% Progressed	69.3%	70.8%	72.9%	69.6%	66.6%
Other Cohort	526	137	104	57	46
% Progressed	37.3%	35.8%	43.3%	36.8%	52.2%
Total – No SSN	1,583	1,032	1,155	1,183	1,317
% Progressed	56.0%	62.4%	63.3%	59.4%	60.3%

The data indicate that the largest proportions of students without valid SSNs in the math remedial progress rates are international students. International students successfully progressed in the math

course sequence at higher rates than the AB540 population, other students without valid SSNs, and the overall population of students reporting a valid SSN. In fact, the international student remedial math progress rate is over twice the rate of students with valid SSNs in 2006-07. Approximately two-thirds of international basic skills math students progressed through the math sequence and completed a college-level math course within six years.

## English Writing

Table 4c. Original and Recalculated Remedial Progress Rates for English Writing

	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
Cohort Size	2,137	2,015	2,905	3,166	3,060
Progressed English	1,035	965	1,228	1,331	1,326
% Progressed Engl	48.4%	47.9%	42.3%	42.0%	43.3%
% Recalculated	47.2%	47.6%	41.8%	41.6%	42.9%

On average, over 45% of basic skills English writing students completed college-level English course within six years. The college's performance on this indicator has decreased by over 5% over the last five cohort years.

Recalculating the completion rates to include students without valid SSNs does not improve the college's performance on this indicator. Including the students without valid SSNs in the cohort dropped the rate by less than 0.5%, from 43.3% to 42.9%, for the most recently reported cohort (2006-07).

Table 4d. English Writing Remedial Progress Rates – Students without Valid SSNs

	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
AB540 Cohort	95	109	171	215	197
% Progressed	35.8%	44.0%	33.3%	35.8%	36.0%
F1 Cohort	76	31	28	23	24
% Progressed	40.8%	48.4%	50.0%	39.1%	50.0%
Other Cohort	48	11	12	5	13
% Progressed	22.9%	18.2%	16.7%	0.0%	23.1%
Total – No SSN	219	151	211	243	234
% Progressed	34.7%	43.0%	34.6%	35.4%	36.8%

Disproportionately fewer students without valid SSNs are international students when compared with the other metrics. In fact, only 11% of the no-SSN students are international students. Most international students begin their writing course sequences in the ESL discipline, and not in the English discipline, therefore, they are not expected to represent large numbers in this metric. Nonetheless, basic skills English international students progressed at higher rates than the AB540 students, other students without valid SSNs, and students with valid SSN.

## ESL

Table 4e. Original and Recalculated Remedial Progress Rates for ESL

	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
Cohort Size	432	315	277	300	262
Progressed ESL	266	204	164	186	165
% Progressed ESL	61.6%	64.8%	59.2%	62.0%	63.0%
% Recalculated	67.1%	66.9%	67.3%	68.0%	70.0%

On average, over 62% of basic skills ESL students completed the college-level English and/or ESL within six years. The college's performance on this metric peaked at 64.8% for the 2003-04 cohort. The high rate for this cohort may partly be attributed to the large reduction in course offerings during the 2003 and 2004 years at SMC, which in turn, reduced the total number of students in the cohort, making the cohort less variable. The college experienced the highest rate on this metric in the most recently reported year (2006-07) since the 2003-04 year.

Recalculating the completion rates to include students without valid SSNs improves the college's performance on this indicator. Including the students without valid SSNs in the cohort improved the rate by 7%, from 63% to 70%, for the most recently reported cohort (2006-07).

Table 4f. ESL Remedial Progress Rates – Students without Valid SSNs

	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
AB540 Cohort	8	27	35	31	36
% Progressed	25.0%	44.4%	54.3%	61.3%	58.3%
F1 Cohort	348	282	274	328	341
% Progressed	77.6%	73.0%	77.7%	75.0%	77.1%
Other Cohort	41	19	4	10	8
% Progressed	43.9%	42.1%	25.0%	40.0%	50.0%
Total – No SSN	397	328	313	369	385
% Progressed	73.0%	68.9%	74.4%	72.9%	74.8%

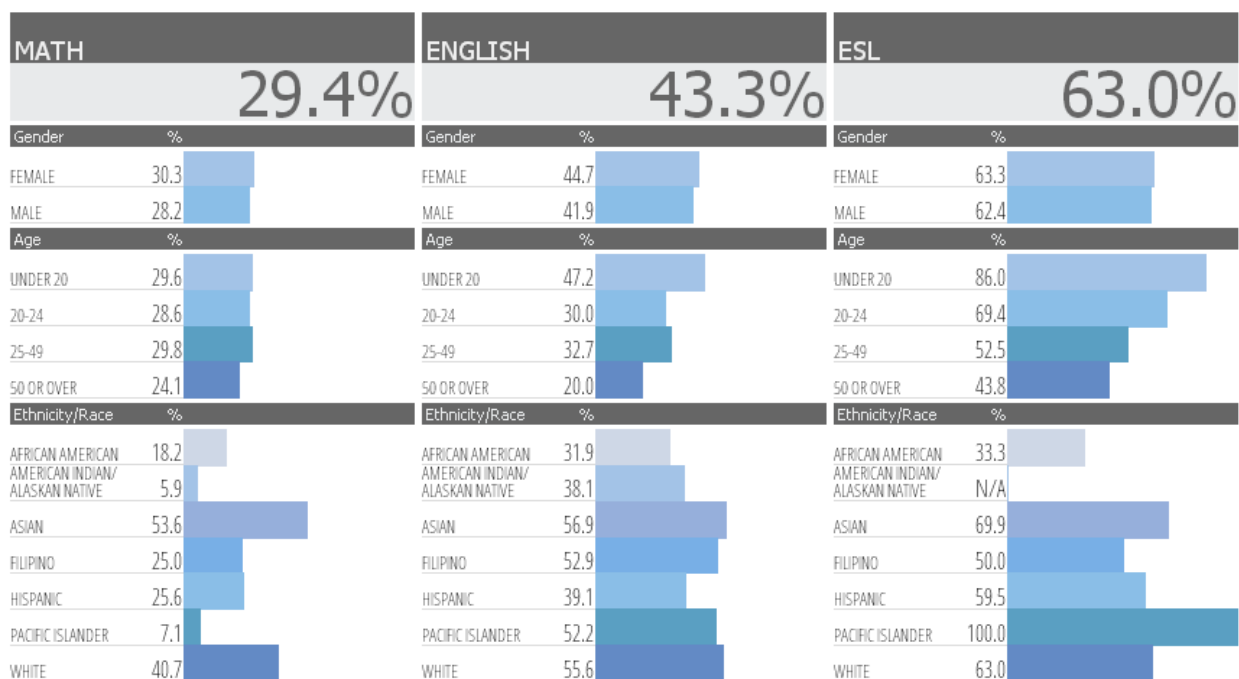
The largest proportions of students without valid SSNs in the ESL remedial progress rates are international students. In fact, the international student without valid SSN cohort size (n = 341 in 2006-07) is larger than the entire students with SSN population (n = 262 in 2006-07). This finding reveals that the scorecard is excluding a large proportion of the SMC population when calculating this metric.

International students successfully progressed in the ESL course sequence at higher rates than the AB540 students, other students without valid SSNs, and the overall population of students reporting a valid SSN. Over three-quarters of international basic skills ESL students progressed and completed the college-level English and/or ESL course within six years.

The following figure describes the remedial progress rates by student demographic (gender, ethnicity/race, age) and discipline.

## Remedial

Percentage of credit students tracked for six years through 2011-12 who started below transfer level in English, mathematics, and/or ESL and completed a college-level course in the same discipline.



0%: Cohort with no students attaining an outcome

N/A: Cohort has no students

The college performs the best on the remedial ESL progress rate (63.0%) metric when compared with the English (43.3%) and math (29.4%) indicators. In the ESL metric, the youngest students (under 20), Asians/Pacific Islander and White students progress at the highest rates. Similar patterns are observed for the English cohort. In the math cohort, the progress rates are somewhat similar across all age groups and Asian and White students progress at the highest rates.

## Career Technical Education (CTE) Rate

The CTE rate describes the percentage of CTE students who successfully completed a degree, certificate, or transfer related outcome within six years.

### Denominator (Cohort):

SMC students who met the following criteria were included in the cohort:

- First-time college student at SMC;
- Reported a valid SSN; and,
- Earned eight or more credit units in a single discipline at SMC and/or anywhere in the system during the first three years of enrollment.
  - At least one of the courses is designated as “clearly” or “advanced” occupational; and,
  - Units earned in courses with same 2-digit vocational TOP code.

### Numerator (Outcome):

Students in the cohort who met the following criteria within six years of entering the CCC system for the first time were counted as having completed a CTE outcome:

- Earned an Associate of Arts or Science degree at any CCC (California Community College);
- Earned a Chancellor’s Office approved Certificate of Achievement at any CCC;
- Transferred to a four-year institution; and/or,
- Completed 60 or more UC/CSU transferable units with a GPA of 2.0 or higher anywhere in the CCC system.

The following table describes the overall CTE completion rates by cohort year (as reported on the scorecard) as well as the recalculated rate which includes the students without valid SSNs.

Table 5a. Original and Recalculated CTE Rates

	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
Cohort Size	1,940	1,447	1,640	1,856	1,986
Completed CTE	1,010	840	862	988	1,027
% Completed CTE	52.1%	58.1%	52.6%	53.2%	51.7%
% Recalculated	55.0%	61.8%	56.2%	56.0%	56.1%

On average, nearly 54% of CTE students completed a degree, certificate, or transfer related outcome within six years. The college’s performance on this metric peaked at 58.1% for the 2003-04 cohort. The high rate for this cohort may partly be attributed to the large reduction in course offerings during the 2003 and 2004 years at SMC, which in turn, reduced the total number of students in the cohort, making the cohort less variable. The college had the lowest CTE completion rate for the 2006-07 cohort (51.7%) when compared with the last five cohorts.

This scorecard metric does not take into account students who achieved a departmental certificate. Departmental certificates are short-term certificates of achievement that typically require fewer units for completion than Chancellor’s Office approved certificates of achievement. Departmental certificates are currently not reported to the CCCCO, and therefore, are not counted toward completion.

Recalculating the completion rates to include students without valid SSNs improves the college’s performance on this indicator. Including the students without valid SSNs in the cohort improved the rate by over 4%, from 51.7% to 56.1%, for the most recently reported cohort (2006-07).

The following table disaggregates the completion rates for students without valid SSNs by AB540, F1 international, or other students without valid SSNs (including students with other visas).

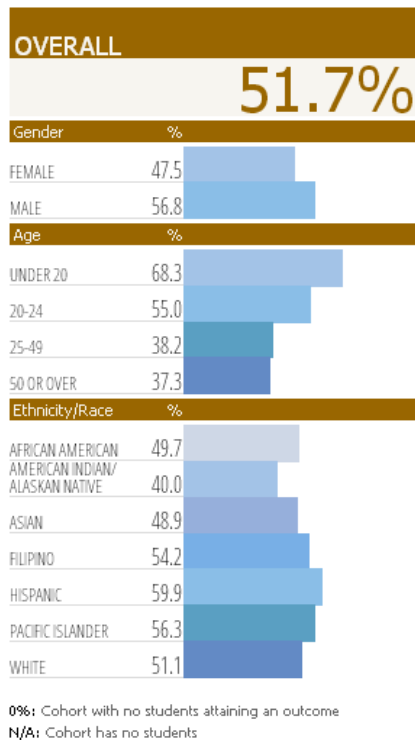
Table 5b. CTE Rates – Students without Valid SSNs

	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007
AB540 Cohort	23	20	24	30	47
% Completed CTE	65.2%	80.0%	75.0%	66.7%	63.8%
F1 Cohort	284	215	210	294	358
% Completed CTE	76.1%	86.0%	82.9%	72.8%	79.1%
Other Cohort	55	5	2	1	8
% Completed CTE	45.5%	40.0%	0.0%	0.0%	87.5%
Total – No SSN	362	240	236	325	413
% Completed CTE	70.7%	84.6%	81.4%	72.0%	77.5%

The data indicate that the largest proportions of students without valid SSNs in the CTE cohorts are international students. International students successfully completed a CTE outcome at higher rates than both the AB540 population and the overall population of students reporting a valid SSN. The AB540 population completed CTE outcomes at higher rates than the population of students with SSNs. Nearly eight in ten international CTE students successfully completed a degree, certificate, and/or transfer related outcome within six years enrolling at SMC.

## Career Technical Education

Percentage of students tracked for six years through 2011-12 who completed several courses classified as career technical education (or vocational) in a single discipline and completed a degree, certificate or transferred.



Male students had higher CTE rates for the 2006-07 cohort (51.7%) when compared with female students (47.5%). In general, the youngest students (68.3%), Hispanic (59.9%), and Pacific Islander (56.3%) students had the highest CTE rates.

## Career Development & College Preparation (CDCP) Rate

The CDCP rate describes the percentage of CDCP who successfully completed a degree, certificate, or transfer related outcome within six years.

### Denominator (Cohort):

SMC students who met the following criteria were included in the cohort:

- First-time college student at SMC;
- Reported a valid SSN; and,
- Enrolled in at least two or more CDCP courses, with a minimum of 4 attendance hours in each of those courses within three years of initial enrollment.
  - CDCP course is defined as a non-credit course classified as a workforce preparation or basic skills (including ESL) necessary to participate in job-specific technical training.

### Numerator (Outcome):

Students in the cohort who met the following criteria within six years of entering the CCC system for the first time were counted as having completed a CTE outcome:

- Earned a CDCP certificate;
- Earned an Associate of Arts or Science degree at any CCC (California Community College);
- Earned a Chancellor’s Office approved Certificate of Achievement at any CCC;
- Transferred to a four-year institution; and/or,
- Completed 60 or more UC/CSU transferable units with a GPA of 2.0 or higher anywhere in the CCC system.

The following table describes the overall CDCP rates by cohort year (as reported on the scorecard) as well as the recalculated rate which includes the students without valid SSNs. The scorecard only included data for the 2006-07 cohort.

Table 6a. Original and Recalculated CDCP Rates

2006-2007	
Cohort Size	391
Completed CDCP	30
% Completed CDCP	7.7%
% Recalculated	8.1%

In 2006-07, the college’s CDCP rate was 7.7%, which indicates that fewer than 8 out of 100 students who enrolled in at least two non-credit courses achieved a certificate, degree, and/or transfer outcome within six years. In general, SMC offers a very small number of non-credit CDCP courses. In fall 2012, CDCP course enrollments represented 2.5% of all course enrollments. The CDCP cohort size is small compared to the cohorts for the other metrics. In addition, students who enroll in CDCP courses may not necessarily have a goal to complete a credential or transfer to a four-year.

Recalculating the completion rates to include students without valid SSNs improves the college's performance on this indicator. Including the students without valid SSNs in the cohort improved the rate by nearly 0.5%, from 7.7% to 8.1%.

The following table disaggregates the completion rates for students without valid SSNs by AB540, F1 international, or other students without valid SSNs (including students with other visas).

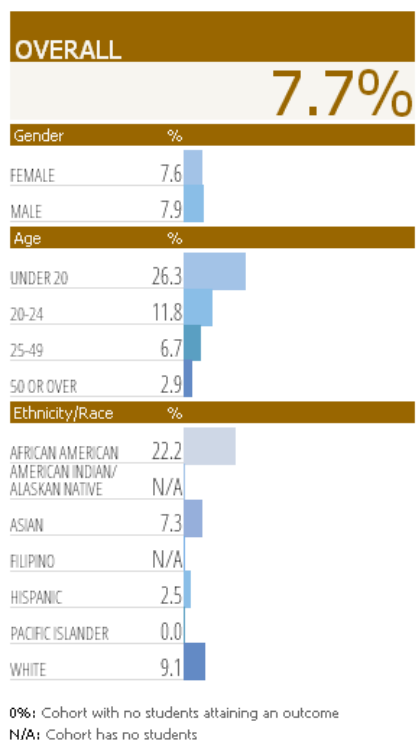
Table 6b. CTE Rates – Students without Valid SSNs

2006-2007	
AB540 Cohort	2
% Completed CDCP	0%
F1	4
% Completed CDCP	50%
Total – No SSN	6
% Completed CDCP	33.3%

A total of 6 students without valid SSNs were part of the cohort. There were no students in the cohort who were part of the “other” no SSN category; only students in the AB540 and international student groups were part of the 2006-07 CDCP cohort. Overall, students without SSNs had a higher CDCP completion rate (33.3%) when compared to the student population reporting valid SSNs (7.7%).

## Career Development and College Preparation (Non-credit)

Percentage of students tracked for six years through 2011-12 who started in a Career Development and College Preparation course and completed a certificate, degree or transfer related outcomes.



The youngest groups of students (under 20) (26.3%) and African American students (22.2%) have the highest CDCP rate.



## Summary

SMC demonstrates improvement on four of the six scorecard metrics (persistence, 30 units, remedial progress, CTE) when compared with the prior year's performance. However, the five-year trend suggests a decrease in overall performance on three of the six scorecard metrics (completion, remedial math & English, and CTE). Performance on the 30 units metric has remained relatively stable over the last five years.

While the scorecard has its value, for example, the ability to disaggregate performance by student subgroup, it is not without its limitations. Currently, the scorecard excludes students who do not report a valid SSN in the calculations of the metric, including international and undocumented students. Because SMC enrolls a large proportion of F-1 visa international and AB540 (undocumented) students who do not report SSNs, the current scorecard metrics do not account a large number of SMC students.

Adding students without valid SSNs into the metric calculations increased the college's performance on all metrics, with the exception of the remedial English progress rate. This finding suggests that excluding students without valid SSNs from the metric calculations has a negative impact on the college's performance on the scorecard metrics.

The scorecard metrics are aligned with the college's Institutional Effectiveness (IE) Report. Four of the six scorecard metrics are addressed in some way the IE report, although the methodologies to calculate the metrics are different. The college's scorecard data are reported separately from the college's annual discussion of institutional effectiveness as the legislation for the scorecard requires that a college's local Board of Trustees annually review the college's scorecard. No action is required by the Board; this narrative fulfills this legislative requirement. The scorecard, when paired with the more comprehensive IE report, is intended to stimulate dialogue about local trends, SMC students, educational practice and programs among various campus constituents. SMC's performance on scorecard is best understood within the context of local conditions. Therefore, the scorecard is only the starting point in assessing college performance related to student learning and achievement.