

RIVERSIDE COMMUNITY COLLEGE DISTRICT
District Budget Advisory Council Meeting

Friday, October 16, 2020 – [Zoom Conference Call](#)

Meeting ID: 970 5544 2613 - Passcode: 245813

2:00 p.m. - 4:00 p.m.

AGENDA

- I. Welcome and Call to Order
- II. Approval of Minutes
 - A. September 11, 2020
- III. Guided Pathways – At Scale (Guests: Dr. Isaac, Dr. Kim-Han, Rebeccah Goldware and Laurie McQuay-Peninger)
- IV. State Budget Update
- V. Tax Revenue and Anticipation Notes (TRAN)
- VI. Measure C Reconciliation
- VII. Budget Allocation Model
 - A. FY 2021-22 Budget Development
 - B. Unique Programs Exchange Rate Determination
 - C. New Faculty Positions Allocation Methodology Development
 - D. Strong Workforce Allocation Methodology
- VIII. DBAC Membership Update
- IX. Next Meeting – Friday, November 13, 2020

RIVERSIDE COMMUNITY COLLEGE DISTRICT
District Budget Advisory Council Meeting

Friday, September 11, 2020
1:00 p.m. – 3:00 p.m.

Zoom Conference Call Meeting Recording:

https://cccconfer.zoom.us/rec/share/MgsPYiEvG4yyMdTxUtMSyclLfok2FaL_T3pocbKHc8Xv-DcLxkwAT0XYvoonc99l.Od95-2uh11rZ7sTF?startTime=1599854575000

MEETING MINUTES

Members Present

Aaron Brown	(District)
Majd Askar	(District)
Cyndi Gundersen	(District)
Jennifer Floerke	(Moreno Valley College)
Nathaniel Jones	(Moreno Valley College)
Michael McQuead	(Moreno Valley College)
MaryAnn Doherty	(Moreno Valley College)
Michael Collins	(Norco College)
Quinten Bemiller	(Norco College)
Courtney Buchanan	(Norco College)
Andy Aldasoro	(Norco College)
Esmeralda Abajar	(Norco College)
Chip West	(Riverside City College)
Mark Sellick	(Riverside City College)
Asatar Bair	(Riverside City College)
Elena Santa Cruz	(Riverside City College)
Liz Tatum	(Riverside City College)
Rachelle Arispe	(Recorder)

Members Not Present

Ivan Hess	(Student)
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Guests

Misty Cheatham	(District)
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I. CALLED TO ORDER

A. By Aaron Brown

II. APPROVAL OF MINUTES

A. Once a quorum was achieved, Collins moved and West seconded approval of the minutes for July 31, 2020.

III. STATE BUDGET UPDATE

A. Brown indicated that there was not a lot to report on the State Budget. However, a trailer bill was enacted in September (SB115) which had a few items such as expanded definition of restricted lottery money to include laptops and hotspots. Also included was an appointment of another lieutenant governor to the Board of Governors. Additionally, the federal stimulus is still in limbo. Therefore, the \$800 million of deferrals tied to the stimulus is also in limbo. For our district, the deferrals are about \$46 million for this fiscal year.

IV. DISTRICT BUDGET UPDATE

- A. Brown reviewed the FY 2020-21 final Budget presentation that will be presented at the Board of Trustees Resources Committee meeting October 6, 2020 and then for approval at the October 20, 2020 Board meeting. Brown reviewed relevant points as following:
1. Prop 98 is incurring a significant reduction in revenue. (slide 3)
 2. There is a no growth, no cola, and no other unrestricted revenue. (slide 4)
 3. The major items impacting the state budget are the COVID-19 Block Grant, Dreamer Resource Liaisons, and Legal Services for Undocumented Immigrants – totaling \$136 million. (slide 5)
 - a. Askar will look into distribution of the Legal Services for Undocumented Immigrants and provide the information.
 4. Physical Plant and Instructional Equipment money was not received. Proposition 51 added an additional 8 new funded projects. Included is RCC's Life Science/Physical Science project at \$26.59 million. (slide 6)
 5. Additional budget items include \$2.3 billion to reduce CalSTRS and CalPERS employer contribution rates in FY 2020-21 and FY 2021-22; extension of SCFF hold harmless provisions for an additional two years through 2023-24; cut to Calbright College by \$5 million in ongoing funds and \$40 million in one-time funds; and preservation of apportionment and categorical funding at FY 2019-20 levels.
 6. COVID-19 Pandemic Relief Funding includes FEMA, CARES Act I, II, III, and COVID-19 Response Block Grant (Federal) totaling \$22.47 million. There are many restrictions on the funds. Determination of costs is still in review/discussion. (Correction: COVID-19 Response Block Grant should only indicate Federal Pass-Through to the State.) (slide 8)
 7. FY 2019-20 Credit FTES is reported at P1 instead of the annual P3, based on our application for COVID-19 Emergency Conditions Apportionment Protection. (slide 10)

8. FY 2019-20 Apportionment calculation under the SCFF is reflected on slides 10-13. The State Chancellor's Office passed through a .95% system-wide deficit to total apportionment which results in a \$1.9 million reduction of our total calculated revenue. Because of the Emergency Protection, we did not fare too poorly for 2019-20. There is only about a \$600K reduction.
9. FY 2019-20 Revenues reflect a substantial loss due to the pandemic. Basically we are at a breakeven point as far as the budgeted revenue versus actual revenues. (slide 14)
10. FY 2019-20 Expenditures reflect an over expenditure of salaries and benefits by \$5.5 million primarily related to two issues: Part-Time Faculty and Overload, and the retirement incentive. The retirement incentive exceeded our budgeted amount significantly primarily because we almost doubled the number of individuals taking the incentive versus what was originally anticipated.
 - a. Sellick requested that if an analysis is done, a comparison of part-time faculty versus full-time faculty that are being hired to teach those positions should be done. If we had full time faculty instead, it could show a larger deficit in terms of the cost of salaries.

The Supplies and Services category includes most of our holding accounts which shows significant savings. The total is \$26.95 million. Transfers to Support Other Funds Due to COVID-19 Pandemic includes federal work study, prior year Prop 39, DSPS, and non-resident tuition for the College Promise Grant. (slide 15)
11. Support to Other Funds is self-explanatory. (slide 16)
12. FY 2020-21 Assumptions were reviewed briefly. Brown indicated that there is still uncertainty for winter and spring 2021. We may not know until we get closer to the new year. If we are to go fully online for the spring term, we would incur additional lost revenue associated with the parking fund and food services. The state budget included a .85% deficit to apportionment therefore it has been applied in the calculation. The FTES targets for 20-21 were the same due to emergency conditions. There will be reductions in interest income, bookstore commissions, instructional program, sales, facility rental and so on. COLA was not provided. Contractual increases for full time employees is at 2% for full time employees and 2.5% for part time faculty. Step and column and professional growth has been included. Increases to PERS and STRS is included at reduced rates. Sixteen new full time faculty positions and five new distance education positions have been included. (slide 18)
13. FY 2020-21 Credit FTES Projections reflect calculation based on no growth numbers. Includes 1,571 unfunded for the year. (slide 19)

14. Historical Look at Resident Credit identifies the ups and downs of funding levels in comparison to what we actually produced. (slide 20)
15. FY 2020-21 Apportionment Calculation Under the Proposed New SCFF is reflected on slides 21-23. Because we are using the same measurement period the rates are identified with COLA. However, Brown may change the wording to indicate “prior year rates”.
16. FY 2020-21 Ongoing Revenue Budget reflects either additions or reductions to the base budget. The effect is a \$.5 million decrease to the budget for the general fund revenue. (slide 24)
17. FY 2020-21 Ongoing Expenditure Budget \$222 million and includes increases mentioned previously. Total additions to ongoing expenditures is a shortfall of about \$13.6 million. (slide 26)
18. The next three slides (27-29) include One-Time Revenue, One-Time Expenditures, and a Summary of the Net Ongoing and One-Time Budget. There is a total decrease to the budget, which is an offset to the beginning balance to arrive at our ending 5% reserve balance of \$12.97 million.
19. Support for Other Funds details the support provided to parking and food services that estimates lost revenue for the summer and fall terms due to online instruction for those terms, with the exception of the essential CTE and labs. (slide 30)
20. Summary of Revenues and Expenditures are reflected in slides 31-32.
21. Challenges and Opportunities was reviewed briefly. There could be some mid-year reductions or possible reductions for 2021-22 fiscal year. It is dependent on a variety of factors such as the recovery of the state economy, federal economy, stimulus package, etc. Normally Brown provides a projection, but due to so many unknowns it is increasingly difficult to make projections and to make accurate prediction. Other challenges include enrollment decline, multi-year rate increases for STRS and PERS, health insurance rate and cost increases, new ERP system implementation, collective bargaining agreements, and impact on other funds and activities (parking, Performance Riverside, Community Ed, Customized Training, and Facility Rental. (slide 34)
22. The remainder of the presentation is historical information.
23. Collins on behalf of the colleges, thanked the district staff for their hard work and commitment to developing the budget. Brown responded that he appreciated the recognition. Brown added that his own contribution is very small compared to the time commitment of budget staff, Askar and Griffin to put all the parts together. The development of the budget is definitely more complex with the BAM and the pandemic.
24. There were no objections to move the Final Budget to DSPC.

- a. Collins inquired if the BAM will be included. Brown responded that the budget narrative will include information on the BAM.
- b. Jones suggested that if the projections are completed, Brown include the key assumptions that the particular projections were based on.

V. BUDGET ALLOCATION MODEL

- A. Jones posed a question at the last DBAC Subgroup meeting regarding how STRS was calculated for the escalation factor. Jones provided the data by email to the group to review.
 1. Jones reviewed the items he adjusted in the data. One is using the actual data in terms of a rate change and the other is an estimate. Jones asked why would we use an estimate when we know what the actual rate is. The actual value of 2% was used for COLA and the .95% was used for STRS. Jones thinks using the actuals is more accurate and is worth doing for consistency.
 2. Askar explained how the cost/FTES were calculated. The model uses prior year data and applies an increase in STRS, contract and COLA (as applicable) to get to the budget year cost/per FTES. FY 2020-21 final budget uses FY 2018-19 median cost and applies increases to FY 19-20 and FY 20-21.
 3. Griffin explained that the numbers calculated by Jones used PERS and not the STRS percent change.
 4. Jones explained that the calculation had a mathematical difference. He believes model should use actual change in STRS and not percent change.
 5. Askar explained that the base is determined by the cost of direct instructional and remaining revenue balance was allocated to the colleges to fund student services, business services and other.
 6. Brown responded that the Budget Office reviewed it, but if we need to discuss this further, we should do it prospectively for next fiscal year and come to a collective decision. Brown recommends not making a change now.

VI. DBAC MEMBERSHIP - UPDATE

- A. Brown reviewed the DBAC membership list with the group.
 1. Floerke will find a replacement for the Moreno Valley District Academic Senate representative now that everyone is back in session.
 2. Aldasoro will work on appointing a replacement for the Moreno Valley classified representative.

VII. NEXT MEETING

- A. Next meeting scheduled for Friday, October 16, 2020

VIII. MEETING ADJOURNED



California Community Colleges

2021-22 SYSTEM BUDGET & LEGISLATIVE REQUEST

September 2020

CALIFORNIA COMMUNITY COLLEGE

2021-22 SYSTEM BUDGET & LEGISLATIVE REQUEST

INTRODUCTION

The California Community Colleges is the largest system of higher education in the nation, made up of 73 districts and 116 colleges. In 2020, this system mobilized to help 2.1 million students maintain access to education in the middle of a global pandemic. The state's community colleges provide a range of educational needs aimed at supporting Californians' social and economic mobility, with students seeking to build foundational skills, gain career-related skills to enter or advance in their careers, or earn a degree or transfer to a four-year university.

In 2017, the Board of Governors embraced the *Vision for Success (Vision)*, which identifies the North Star our system must follow if we are to meet California's needs. The California Community Colleges' *Vision* guides interrelated reforms that will make higher education more accessible and equitable for millions of Californians at a time when the state needs it most.

Specifically, to intensify the focus on students' end goals, the Board of Governors adopted the following systemwide goals, which were built off the most recent data when the *Vision* was initially developed:

- Increase by at least 20 percent the number of students annually who acquire associate degrees, credentials, certificates, or specific skill sets that prepare them for in-demand jobs.
- Increase by 35 percent the number of students transferring annually to a University of California (UC) or a California State University (CSU).
- Decrease the average number of units accumulated by students earning an associate degree, from approximately 87 total units to 79 total units.
- Increase the percentage of exiting CTE students who report being employed in their field of study, from 60 percent to an improved rate of 69 percent.
- Reduce equity gaps across all of the above measures by 40 percent by 2022 and closing those achievement gaps for good by 2027.
- Reduce regional achievement gaps across all of the above measures, with the ultimate goal of closing regional achievement gaps for good by 2027.

California Community Colleges have initiated innovative and student-centered disruption focused on achieving these goals. California restructured the way community colleges are funded to reward community colleges that improve outcomes for low-income students; phasing out high-stakes placement exams and develop for-credit alternatives to remedial classes; expanding access to structured academic and career pathways; and

“Community colleges are at the vanguard for preparing Californians who are on the front lines of protecting public health. Now is the time to support and strengthen colleges’ efforts to provide instruction to students who will lead our state to economic recovery.”
— Chancellor Eloy Ortiz Oakley

The Board of Governors’ Budget and Legislative Request for 2021-21 furthers the *Vision* by proposing budget adjustments and policy changes that respond to these clear signals from state leaders about the outcomes necessary to support the state’s future. It largely prioritizes additional resources in programs that leave discretion at the local level for districts to determine spending needs. The request responds to the input received from educators, advocates, and students themselves about what support is necessary to further the implementation of recent reforms and achieve the *Vision* goals. It also emphasizes the need for continual review of existing laws and policies to determine whether they are advancing—or constraining—colleges’ ability to achieve the *Vision*.

This request also recognizes that per-student resources for the California Community Colleges has long been far too low, even as costs increase oftentimes faster than inflation, making it more difficult for colleges to even maintain existing programs. Historically, the Governor and the Legislature have not appropriated resources above the minimum guarantee of appropriations to schools and community colleges enacted in Proposition 98 and related laws. The impacts are real: for each student enrolled, the California Community Colleges receive less funding than the UC and the CSU do, even though the community colleges are likelier to enroll students who have faced the greatest barriers to educational attainment, including students from low-income families, first generation students, and black and Latinx students. State leaders must grapple with what this budget reality means for California’s future. As a system, we strongly request both adequacy and equity. The state can make progress incrementally. It can expand support for programs that have historically been

funded outside of the minimum guarantee, including financial aid for students, districts' retirement costs, and infrastructure.

This request also aims to build on the work Governor Newsom and the Legislature have advanced to create a California for All and support the state through the response and recovery from the COVID-19 pandemic. Today, too many Californians have faced systemic barriers to postsecondary educational attainment, and they now face greater risks as the state grapples with a pandemic, an economic recession, and a future of work characterized by rapid change and instability. The California Community Colleges have always enrolled the most vulnerable Californians, and this request is designed to better support that work. At the same time, we recognize that our colleges must be bettered for coming budgets in which revenues will be more constrained. This request asks that existing obligations be preserved first and that the Governor and Legislature give the Board of Governors and the Chancellor's Office the tools to provide support most effectively.

Process

The California Constitution specifies that money may be drawn from the state treasury only through an appropriation made by law. The annual budget act is a bill that serves as the primary authority for expenditures (accounting for about two-thirds of appropriations). Other bills providing for appropriations related to the budget act (often referred to as trailer bills) are typically enacted with the budget. Existing law requires the Board of Governors, in consultation with institutional representatives of the California Community Colleges and statewide faculty and staff organizations, to develop criteria and standards for the purpose of making the annual budget request for the California Community Colleges to the Governor and the Legislature.

Similarly, existing law requires the Chancellor's Office to prepare a five-year capital outlay plan identifying the statewide needs and priorities of the California Community Colleges. To allow the Chancellor's Office to meet this requirement, existing law also requires the governing board of each community college district to both prepare and submit to the Board of Governors of the California Community Colleges a systemwide five-year plan for capital construction annually. The Chancellor's Office reviews and approves the districts' five-year capital outlay plans as part of the annual capital outlay grant application process. The California Community Colleges Five-Year Capital Outlay Plan is compiled using information from the districts' approved plans.

Outside of the budget process, the Legislature also makes policy through bills and resolutions considered in the legislative process, with bills enacted by the Legislature presented to the Governor for consideration. The standing orders of the Board of Governors also generally require the Chancellor to seek the advice of the Consultation Council regarding positions on state legislation.

In May, the Chancellor's Office began the process to develop the Board of Governors' budget and legislative request for the 2021-22 fiscal year, with a working session and discussion with members of the Consultation Council about concepts for inclusion in the proposal. During those discussions, members engaged in a review of unmet 2020-21 budget and legislative priorities. In addition to discussions at Consultation Council meetings, Chancellor's Office staff distributed a survey to stakeholders and Council members in late July requesting a priority ranking of all potential Budget and Legislative Request items. In light of historic economic conditions and changing legislative dynamics, members of the Consultation Council and stakeholders sought an approach that focused on the fundamental needs for the system and a strategy preserve already limited resources.

From those working sessions and survey rankings, the Chancellor's Office developed a draft proposals to distributed broadly for comments and considerations. The public comment period yielded responses from a wide ranging representation of community college stakeholder. The Chancellor's Office has incorporated feedback from that consultative process into this document.

The table on the following pages summarizes categories and specific proposals included in the 2021-22 Budget and Legislative Request. The report articulates existing challenges and opportunities motivating the requests and the specific details of the requested actions.

2021-22 REQUEST SUMMARY

PROPOSITION 98 FUNDS	REQUEST AMOUNT
Foundational Resources	
Funding to Meet Current Obligations and Provide Cost Adjustments	\$150 million ongoing
Focus on Faculty and Staff	
Implementation of Faculty and Staff Diversity Taskforce Recommendations	\$77 million (one-time and ongoing)
Part-Time Faculty Support	\$5 million ongoing
Targeted Resources to Address Student Needs	
Student Emergency Supports and Emergency Response Block Grant	\$50 million one-time
Expansion of State Supports to Serve System Needs	
CCC Library System	\$4 million ongoing

NON-PROPOSITION 98 Funds	REQUEST AMOUNT
Foundational Resources	
Board of Governors' Capital Outlay Program	\$707 million (one-time bond funds)

NON-PROPOSITION 98 Funds	REQUEST AMOUNT
Targeted Resources to Address Student Needs	
Expansion of Mental Health Services (Proposition 63)	\$ 10 Million ongoing
Cal Grant Reform	
Expansion of State Supports to Serve System Needs	
Core Support for CCCCCO Operations	\$1.1 Million ongoing

2021-22 REQUEST NARRATIVE

Funding to Meet Fundamental Needs and Growing Obligations

Across the system, there is near-universal recognition of the insufficient level of funding provided to the California Community Colleges, even as faculty, staff, and other leaders work to do the vital work of preparing millions of students for active participation in our society and our economy. To achieve the *Vision*, colleges must be able to access greater levels of resources.

The Century Foundation, in a report released in 2019, noted the need for greater discussions around adequacy of community college funding. The report notes:

“Today, higher education tends to shower the greatest resources on wealthy and high-achieving students with the fewest educational needs, and devotes the fewest resources to economically disadvantaged students with the greatest educational needs. At the most selective four-year colleges, students from the wealthiest socioeconomic quartile outnumber those from the poorest quartile by 14 to 1, yet at community colleges disadvantaged students outnumber those from the richest quarter by 2 to 1...”

The report presents an important caution, based on a large body of evidence on education finance, for policy discussions moving forward:

“It simply is inefficient to enroll students in programs that are not adequately supported with institutional resources.”
— *The Century Foundation, 2019*

California Community Colleges rapidly mobilized in response to the coronavirus pandemic, converting from in-person to remote or online instruction for nearly every course while continuing to provide hands-on training for over 20,000 first responders and essential health care professionals who will be ready to enter the workforce this year. However, as a system of 2.1 million students, the largest in the nation, we still face many challenges in adapting to multiple technologies and strategies to serve the state’s most vulnerable and deeply affected populations. In light of rising unemployment rates, historical trends indicate that Californians will turn to community colleges to improve their career prospects. It is critical for colleges to

be positioned and sufficiently funded to support the upskilling and reemployment needs of the millions of Californians displaced by the public health crisis.

California Community Colleges recognize that state revenues are expected to be scarce for the foreseeable future. Yet, it's important to see community colleges as an investment that can support Californians most vulnerable populations when they need it most. From that lens, the Board of Governors requests that, at a minimum, the state fund the costs of existing obligations and other workload adjustments that are typically made for community college apportionments as part of the budget process. Base resources would help colleges keep pace with growing costs. In total, this request requires an additional \$150 million in Proposition 98 resources. This request assumes funding for categorical programs is maintained at current levels, consistent with the commitment and intent expressed by the Administration and the Legislature during 2020-21 budget negotiations.

The Board of Governors request protection from year-over-year cuts. Funding protections would enable continuity of quality, responsive education and ensure we can meet increased demand and prepare the workforce needed for California's economic recovery.

In approving this request, the state would recognize increases in the districts' operating expenses while providing them with discretionary resources to meet their students' needs.

Property Tax Backfill

California Community Colleges continues to request that the Governor and Legislature enact statutes to authorize adjustments of state General Fund appropriations to account for revised estimates of costs and offsetting revenues. That is, if costs are higher than budgeted, General Fund appropriations would increase. Further, if offsetting revenues are lower than budgeted, General Fund appropriations would also increase. This change would provide districts with necessary stability in their budgets and avoid mid-year changes that disrupt programs in the short-term and create challenges for a district's fiscal health over a longer term.

Further, the Board of Governors continues to request that the Governor and Legislature enact statutes to authorize adjustments of state General Fund appropriations for Apportionments to account for revised estimates of costs and offsetting revenues. That is, if costs are higher than budgeted, General Fund appropriations would increase. Further, if offsetting revenues are lower than budgeted, General Fund appropriations would also increase. This change would provide districts with necessary stability in their budgets and avoid mid-year changes

that disrupt programs in the short-term and create challenges for a district's fiscal health over a longer term.

Implementation of Faculty and Staff Diversity Task Force Recommendations

California's community college students attend campuses across a diverse system in which 73 percent of students are students of color, immigrants, or both, yet the majority of college faculty and staff are white. Improving faculty and staff diversity is vital to ensure that students can identify with faculty and staff, and faculty and staff can connect with students from diverse backgrounds to help them succeed.

In November 2018, the Board of Governors requested that the Chancellor's Office establish a Faculty and Staff Diversity Taskforce (Taskforce) in response to a statewide study that found that the demographics of campus faculty and leadership are not representative of the students they serve. The Taskforce has presented a set of statewide recommendations on structural changes, including policies, practices, and tools that will improve system equal employment opportunity (EEO) implementation and support diversity initiatives. Concurrent to the work of the Taskforce, the California Community Colleges Dreamers Project, a collaborative effort between the Chancellor's Office, Immigrants Rising, and the Foundation for California Community Colleges, released a report outlining six challenges institutions face in effectively serving undocumented community college students. One specific challenge was the need for guidance from the Chancellor's Office in effectively building institutional capacity for supporting undocumented students' academic success.

Currently, colleges receive \$50,000 annually in EEO funds to support efforts and comply with reporting requirements. However, additional funding would support stronger integration of faculty and staff diversity initiatives into the *Vision* and integrate the recommendations made by the Taskforce and Dreamers Project into Chancellor's Office and local practice.

The Board of Governors requests \$77 million, as outlined below, to support the implementation of the Taskforce recommendations:

- \$20 million ongoing to expand district EEO implementation. This includes \$10 million ongoing for professional development for full-time faculty, part-time faculty and classified staff to drive individual and systemic cultural change to improve the equal educational opportunity for all students. This is an augmentation to the existing EEO fund allocation.

- \$15 million one-time to establish a Statewide Pilot Fellowship program to improve faculty diversity hiring. This program has been proposed by the Consultation Council for several years. Establishing a statewide fellowship program has been proven nationally as a successful strategy to diversify worksites in the public and private sector.
- \$1 million one-time to modernize the CCC Registry and add system-wide online trainings such as cultural competency and unconscious bias training.
- \$40 million ongoing for full-time faculty hiring.
- \$407,699 ongoing general fund to provide additional support for Chancellor’s Office positions that will provide leadership in statewide best practices and closely monitor EEO plan implementation and district reporting obligations.
- \$600,000 one-time resources for a taskforce focused on the successful implementation of AB 1460 (Weber) to enable seamless transfers to CSU with ethnic studies general education requirements.

Part-Time Faculty Support

California Community Colleges requests \$5 million ongoing to support programs for part-time faculty, which will help these faculty be included in college efforts to implement the Guided Pathways framework and achieve the goals of the *Vision*. Part-time faculty are key to the success of California 2.1 million community college students. In 2018, the Faculty Association of California Community Colleges (FACCC) published a literature review titled, “Why Faculty Matter: The Role of Faculty in the Success of Community College Students” pointing to “the importance of full-time tenured faculty as an essential and necessary component for student success.” Equally important, as the research collected in that publication shows, part-time faculty, in order to be fully effective in helping students reach their goals, “must be included more fully in all aspects of institutional work and the faculty/student support network.” Similar conclusions around the link between part-time faculty support and student success have been reached by the Academic Senate of California Community Colleges, the Accrediting Commission for Community and Junior Colleges, the American Association of University Professors, the American Federation of Teachers, the National Education Association, as well as dozens of independent researchers. The annual budget includes \$38 million for three programs targeted at part-time faculty—for compensation, office hours, and health benefits.

System Wide Broadband Connectivity

The Corporation for Educational Network Initiatives in California (CENIC) is a nonprofit organization which operates California Research and Education Network (CalREN), a high-bandwidth, high-capacity computer network across California supporting all public education in California. Both CENIC Membership and requisite broadband connectivity through CalREN, is funded for all California Community College Campuses at the direction of the California Community Colleges Chancellor's Office (CCCCO). The Board of Governors of the California Community Colleges requests \$8M in Proposition 98 funds to continue providing essential infrastructure broadband connectivity to all California Community Colleges on an ongoing basis. Immediate needs include circuit upgrades and critical backup circuits for a number of colleges and centers. Without these funds internet broadband connectivity for the California Community College System will be significantly at risk affecting faculty, administration and students. Many at-risk populations reside in rural areas of California and the increase in continued funding will ensure we can address the needs of this population.

Online Education Infrastructure

This suite of investments would provide a robust and equitable online infrastructure for all CCC students and faculty during the statewide emergency.

- **Expand Canvas Daytime Support to Colleges Without Daytime Coverage:** With a significant portion of faculty moving courses to Canvas, coupled with the fact that their students in remote instruction courses have the highest need, local daytime help desk resources are being overwhelmed. Additional daytime telephone Canvas support is necessary and can address this capacity gap.
- **Increase Access to Online Tutoring for to All CCCs:** Many colleges do not currently have an online tutoring option available to students. Online tutoring services would provide 24x7 tutoring, including multi-lingual tutoring in core subjects such as English and math, and integrate directly into Canvas.
- **Extend Online Proctoring Platform to Unlimited Use for All CCCs:** Colleges are grappling with instructional continuity and a core consideration is academic integrity of exams and student authentication of identity. Online proctoring service use will be in higher demand than anticipated and all colleges would be provided with access.

- **Extend Counseling, Student Services, and Mental Health Delivery to Online Platforms for All CCCs:** Canvas includes a fully integrated platform for counseling and general student services use that is available at 57 colleges. This platform also provides a HIPAA-compliant method for mental health or telemedicine sessions. Without downloading any software, a student can have access to virtual drop-in or scheduled services with counselors, Financial Aid staff, Admissions and Records staff, mental health services, tutors, and professors. As need for online student services grows, especially for students in remote locations, expansion of these platforms would provide a suite of services to all colleges.
- **ADA/508 Compliant Remediation Support:** Colleges and faculty are struggling with ensuring that courses and instructional materials converted to online instruction meet the Americans with Disabilities Act (ADA) and Section 508 compliance requirements. Many colleges have a single individual on campus tasked with assisting faculty with web accessibility and/or alternate media for students. A critical, yet often overlooked, way to support students and faculty is to enable an automated tool to detect non-accessible content and remediate it. This software would be available to all colleges and become integrated into Canvas to immediately index and convert uploaded content to accessible formats.

Expansion of Proposition 63 Funded Mental Health Services

Nearly half of community college students report suffering from at least one mental health condition. For many young adults, the California Community Colleges represents their best, and perhaps only, access point for mental health services. In 2019, AB 74 provided \$7 million one-time from Mental Health Service Act (Proposition 63) funds for colleges to improve access to mental health services and early identification or intervention programs. While these one-time funds have been beneficial in supporting mental health services at California Community Colleges, challenges remain with the ability to hire staff and continue to provide a consistent level of service without the guarantee of ongoing funding. While colleges have put these prior allocations to good use, the mental health needs of community college students continue to persist because a long-term investment is lacking. California Community Colleges requests \$10 million ongoing from Proposition 63 funds to provide students with quality mental health services. These resources would allow colleges to make the commitment to hiring the staff necessary to provide students with high-quality mental health services on an ongoing basis.

Student Emergency Supports and Emergency Response Block Grant

Although learning looks different across California Community Colleges, our core principles remain the same and student success continues to be at the center of everything we do. With equity at the forefront of decision-making, our faculty, staff, student leaders, administrators and trustees have responded with resources such as, Wi-Fi, laptops, hot meals, emergency loans and online education for our students. Unfortunately, many students still lack access to laptops, internet, or other basic needs key to succeeding academically in this new environment and resources are limited to meet these ongoing needs. The 2020-21 Budget Act included a COVID-19 Response Block Grant to help colleges maintain quality educational access and support vulnerable populations through the unprecedented challenges of the pandemic. That investment was invaluable, yet much work lies ahead to ensure courses are high caliber and can meet the learning needs of all students. California Community Colleges request a flexible block grant for costs associated with addressing the COVID-19 pandemic. These flexible resources would allow for scaling of innovating education models, direct supports for students, equipment needs, professional development of faculty and staff, and facilities sanitation and disinfecting. These resources enable continuity of education, assist colleges in support students through their education path, and allow college to play a critical role in our state's recovery. Such investment can also prevent the pandemic from interrupting students' educational dreams.

Targeted Resources to Address Student Needs – Categorical Programs

Historically, the Legislature and the Board of Governors have attempted to address the needs of special populations through narrow categorical or grant funds that often specify restrictions on program design and expenditures. The *Vision* calls on the Chancellor's Office and the system to change this approach and provide a greater focus on student journeys and outcomes. Under the approach outlined in the *Vision*, the Chancellor's Office works to ensure colleges have the ability to use data to identify equity gaps among students and the resources necessary to target evidence-based interventions to close those gaps for students.

During the 2021-21 budget and legislative request development process, the Chancellor's Office received several individual requests to expand funding for specific programs, including:

- Protecting the Student Equity and Achievement Program and the Strong Workforce Program against cuts in the 2021-22 budget process.

- \$3.5 million ongoing for Umoja to provide grants to each of the 66 Umoja Affiliated programs across the system. Umoja currently receives \$2.5 million ongoing; the request would bring annual funding to \$6 million ongoing.
- Funding for full implementation of the *California Community College Transfer Guarantee to HBCU* program.
- \$1.1 million in funding for expansion of A2MEND Student Charters (from 16 to 50) to have a greater impact on the academic success of African American males in higher education in California.
- Protect all categorical programs from cuts during the 2021-22 budget process.

Library Services Platform

The 2017 Budget Act appropriated \$6 million one-time for the Library Services Platform to create a stronger systemwide technology platform and operational approach that would allow the libraries in the California Community Colleges to better manage and deliver digital information to support teaching and learning. Those funds were used for the selection of a vendor and the beginning phases of implementation of the new system. The project is completing the first year of implementation at 110 colleges. In addition to improve educational quality, the project creates the opportunity for cost savings by leveraging the system's size and reducing duplicative procurements.

Cal Grant Reform

A postsecondary education is key for Californians to unlock social mobility and economic prosperity. Students' ability to afford college plays a major role in their decision to attend and their ability to graduate. California policymakers have worked hard to ensure that tuition is not a barrier for community college students. The California College Promise Grant (formerly the BOG Fee Waiver) pays tuition for all students with financial need in our system. The California College Promise provides tuition coverage for up to two years for students who do not meet the income threshold for the Promise Grant, and who are first-time and attending full-time. For those students who do not qualify for either the Promise Grant or the Promise program, they pay, by far, the lowest fees in the nation: less than \$1,400 annually. However, the total cost to attend a community college is much more than tuition. Costs like food, housing, and textbooks can exceed \$19,000 annually. Because so little grant aid is available to cover those non-tuition costs, it can be less affordable for low-income students to attend the community colleges than to attend the University of California in their region.

This inequity exists largely because the Cal Grant program, the state’s primary financial aid program, is not designed to serve students who begin their educational journeys in the California Community Colleges. Under the existing structure, the Cal Grant program provides entitlement awards only to recent high school graduates who meet certain age, income, and high school performance eligibility requirements. Many community college students come to our system several years after high school. More 40 percent of California’s community college students are over the age of 25, making them ineligible for a Cal Grant entitlement award. Students who are ineligible for the entitlement award may be eligible for a competitive award, but the demand for those awards far exceeds the supply. These constraints in the Cal Grant program mean that, although nearly half of all community college students meet the low-income standard to receive the system fee waiver, only about 5 percent receive a Cal Grant. Further, for those community college students that do receive a Cal Grant, the actual dollar value of that grant is significantly less than for students attending the CSU, UC, or nonprofit universities.

Across the state, community college leaders support a meaningful commitment to community college student affordability and request a new Cal Grant framework which focuses resources on our most financially vulnerable students. California Community Colleges request and strongly support Cal Grant reform aligned to the following principles:

- Promote Cal Grant reforms that base aid on the total cost of attendance, not just tuition, including costs for room and board, transportation, textbooks, and total available aid.
- Focus implementation resources on serving students with the greatest financial need, including our lowest income students with a zero EFC.
- Aid should be based on student need, not the institution the student is attending.

The Board of Governors requests reform of California’s financial aid programs to achieve these principles. The Board of Governors continues to advocate for changes and investments in the Cal Grant program that increase both the number of grants available to community college students and the amount of those grant awards to offset the total cost of attendance.

Board of Governors’ Capital Outlay Program

The state’s 73 community college districts are responsible for properties that include more than 25,000 acres of land, 5,956 buildings, and 87 million gross square feet of space, including

54 million assignable square feet (ASF) of space available for educational programs. In addition, many districts operate off-campus outreach centers not included in the system's facilities counts.

The Five-Year Capital Outlay Plan, covering 2021-22 through 2025-26, projects facilities need of \$21.2 billion for the system. Of this amount, \$8.6 billion is for construction of new facilities and \$12.6 billion is for modernization of existing facilities. Taken together, addressing this need would require construction of an additional 5.3 million ASF for new facilities and 29.3 million ASF for modernization of existing facilities.

The plan includes individual projects submitted by districts for all five years of the plan, with some systemwide facilities needs also noted. Specifically, needs created by enrollment growth are determined by converting the estimated enrollment needs (after assuming some needs will be addressed by alternative delivery methods) to space needs based on space standards previously adopted by the Board of Governors. The modernization needs for the system are established based on the need to modernize existing buildings that are over 40 years old. Approximately 62 percent of the California Community Colleges facilities are 25 years or older, with 49 percent more than 40 years old.

The Board of Governors of the California Community Colleges requests \$707,665,000 Proposition 51 General Obligation Funds (Prop 51) for the construction phase of 44 projects anticipated to proceed to bid in the budget year, and Prop 51 resources for 10 new projects for the preliminary plans and working drawings phase.

Core Support for CCCCCO Operations

The Chancellor's Office continues to play a critical role in supporting districts and colleges through unprecedented times. To meet growing capacity needs additional capacity needs and enable continued support of colleges and the students they serve, the Chancellor's Office's operations needs ongoing resources for unfunded positions and related operating expenses.

The Chancellor's Office needs additional capacity to maintain core operations given the many reforms the system is undertaking and recent changes in state government aiming to improve operations. Notably:

- The Chancellor's Office called on system leaders and stakeholders to take action against structural racism. The "Call to Action" is a bold agenda across six key areas. To

implement this important work plan, the Chancellor's Office needs additional positions to support this complex systemic change, integrate existing diversity, equity, and inclusion efforts, identify best practices, and closely monitor EEO plan implementation and district reporting obligations.

- The Chancellor's Office must reach a range of stakeholders across the state. It uses websites and social media to communicate broad messages but only has one person to manage this digital communication workload. This Chancellor's Office webmaster manages 20 public-facing websites. This presents the Chancellor's Office with a challenge of keeping web products on point with trends. Further, with the implementation of AB 434, workload around web accessibility has increased significantly. AB 434 requires the chief information officer of each state agency to post on the home page of its public website a signed certification that it is in compliance with specified accessibility standards. They must also provide a phone number for any inquiries. Additionally, state agency directors and their chief information officers are required to self-certify their websites are within compliance. These certifications must be signed and published by July 1, 2019, and every other year thereafter.
- The Chancellor's Office issues significant numbers of grants and contracts compared with similarly-sized agencies. Given the risks associated with large amounts of funds, the Chancellor's Office needs additional capacity to support the development of these agreements and to provide oversight.

To improve the Chancellor's Office's operations, which ultimately have an impact on colleges and the students they serve, the Board of Governors requests \$1.1 million ongoing to support 6 positions and to fund related operating expenses.

RIVERSIDE COMMUNITY COLLEGE DISTRICT RESOLUTION

NUMBER _____

RESOLUTION AUTHORIZING AND APPROVING THE BORROWING OF FUNDS FOR FISCAL YEAR 2020-21; THE ISSUANCE AND SALE OF A 2020-21 TAX AND REVENUE ANTICIPATION NOTE THEREFORE AND PARTICIPATION IN THE CALIFORNIA COMMUNITY COLLEGE DISTRICTS TAX AND REVENUE ANTICIPATION NOTE PROGRAM

WHEREAS, community college districts are authorized by Section 53850 to 53858, both inclusive, of the Government Code of the State of California (the “Act”) (being Article 7.6, Chapter 4, Part 1, Division 2, Title 5 of the Government Code) to borrow money by the issuance of temporary notes;

WHEREAS, the Governing Board (the “Legislative Body”) of the community college district specified in Section 23 hereof (the “District”) has determined that a sum (the “Principal Amount”), not to exceed the Maximum Amount of Borrowing specified in Section 23 hereof, which Principal Amount is to be confirmed and set forth in the Pricing Confirmation (as defined in Section 4 hereof), is needed for the requirements of the District, to satisfy operating or capital obligations of the District, and that it is necessary that said Principal Amount be borrowed for such purpose at this time by the issuance of a note or notes therefore in anticipation of the receipt of taxes, income, revenue, cash receipts and other moneys of the District, as further described herein, for fiscal year ending June 30, 2021 (“Repayment Fiscal Year”);

WHEREAS, the District hereby determines to borrow, for the purposes set forth above, the Principal Amount by the issuance of the Note (defined herein), in one or more series of Notes, on either a tax-exempt or taxable basis, as hereinafter defined;

WHEREAS, because the District does not have fiscal accountability status pursuant to Education Code Section 85266, it requests that the board of supervisors (the “County Board”) of the county, the county superintendent of which has jurisdiction over the District (the “County”) to borrow, on the District’s behalf, the Principal Amount by the issuance of the Note;

WHEREAS, pursuant to Section 53853 of the Act, if the County Board fails or refuses to authorize by resolution the issuance of the Note within the time period specified in said Section 53853, following receipt of this Resolution, and the Note is issued in conjunction with tax and revenue anticipation notes, in one or more series, of other Issuers (as hereinafter defined), the District may issue the Note in its name pursuant to the terms stated herein;

WHEREAS, it appears, and this Legislative Body hereby finds and determines, that the Principal Amount, when added to the interest payable thereon, shall not exceed eighty five percent (85%) of the estimated amount of the uncollected taxes, income, revenue (including, but not limited to, revenue from the state and federal governments), cash receipts and other

moneys of the District, and available for the payment of the principal of the Note and the interest thereon;

WHEREAS, no money has heretofore been borrowed by or on behalf of the District through the issuance of tax and revenue anticipation notes or temporary notes in anticipation of the receipt of, or payable from or secured by, the District's Unrestricted Revenues (as defined herein);

WHEREAS, pursuant to Section 53856 of the Act, any Unrestricted Revenues can be pledged for the payment of the principal of the Note and the interest thereon (as hereinafter provided);

WHEREAS, the District has determined that it is in the best interests of the District to participate in the California Community College Districts Tax and Revenue Anticipation Note Program (the "Program"), whereby participating California community college districts, including the District (collectively, the "Issuers"), will simultaneously issue tax and revenue anticipation notes;

WHEREAS, the District desires to have its Note (defined herein) marketed together with some or all of the notes issued by the Issuers participating in the Program;

WHEREAS, Keygent LLC, as the independent municipal advisor agent appointed in Section 21 hereof (the "Municipal Advisor"), will structure one or more pools of notes or series of note participations (referred to herein as the "Note Participations", the "Series" and/or the "Series of Note Participations") distinguished by (i) whether and what type(s) of Credit Instrument (as hereinafter defined) secures notes comprising each Series of Note Participations, (ii) whether interest on the Series of Note Participations is a fixed rate of interest or a variable rate of interest swapped to a fixed rate, (iii) whether interest on the Series of Note Participations is includable in gross income for federal income tax purposes, or (iv) other factors, such as common credit ratings, all of which the District hereby authorizes the Municipal Advisor to determine;

WHEREAS, the Program requires the Issuers participating in any particular Series to deposit their tax and revenue anticipation notes with a trustee pursuant to a trust agreement (the "Trust Agreement") among such Issuers, the District, and U.S. Bank National Association, or such other trustee bank as shall be named in the Purchase Agreement, as such term is defined herein (the "Trustee");

WHEREAS, the Trust Agreement provides, among other things, that for the benefit of registered owners of Note Participations (collectively the "Owners" or individually an "Owner"), that the District shall provide notices of the occurrence of certain enumerated events, as further described herein.

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

WHEREAS, the District desires to have the Trustee execute and deliver a Series of Note Participations which evidence and represent interests of the Owners thereof in the Note and the Notes issued by other Issuers in such Series;

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

WHEREAS, in the event that a Credit Instrument is unavailable, the District has determined that it is desirable to authorize a portion of the premium or proceeds received from the sale of the Note to be deposited, along with the moneys received from the sale of Notes of other Issuers, into a reserve account to be held by the Trustee pursuant to the Trust Agreement and for the benefit of Owners of the Note Participations;

WHEREAS, the net proceeds of the Note may be invested by the District in Permitted Investments (as defined in the Trust Agreement) or in any other investment permitted by the laws of the State of California, as now in effect and as hereafter amended, modified or supplemented from time to time;

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

WHEREAS, pursuant to the Program each participating Issuer will be responsible for its share of (a) the fees of the Trustee and the costs of issuing the applicable Series of Note Participations, and (b), if applicable, the fees of the Credit Provider and the Issuer's allocable share of all the Issuer's Reimbursement Obligations, if any (as defined herein);

WHEREAS, pursuant to the Program, the Note and the Notes issued by other Issuers participating in the same Series (all as evidenced and represented by a Series of Note Participations) will be offered for public sale or private placement through negotiation with the Underwriter or purchaser, as applicable, pursuant to the terms and provisions of a purchase agreement or comparable placement agent agreement, as applicable (collectively, the "Purchase Agreement") or sold on a competitive bid basis;

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

NOW, THEREFORE, this Legislative Body hereby finds, determines, declares and resolves as follows:

Section 1. Recitals. This Legislative Body hereby finds and determines that all the above recitals are true and correct.

Section 2. Authorization of Issuance. This Legislative Body hereby determines to borrow solely for the purpose of anticipating certain taxes, income, revenue (including, but not limited to, revenue from the state and federal governments), cash receipts and other moneys of the District (including moneys deposited in inactive or term deposits but excepting certain moneys encumbered for a special purpose) generally available for the payment of current expenses and other obligations of the District (collectively, the “Unrestricted Revenues”), by the issuance of one or more series of taxable or tax-exempt note or notes in the aggregate Principal Amount under Sections 53850 *et seq.* of the Act, designated the District’s “2020-21 Tax and Revenue Anticipation Note,” with an appropriate series designation if more than one note is issued (collectively, the “Note”), to be issued in the form of a fully registered note or notes in the Principal Amount thereof, to be dated the date of its delivery to the initial purchaser thereof, to mature (without option of prior redemption) not more than 13 months thereafter on a date indicated on the face thereof and determined in the Pricing Confirmation (the “Maturity Date”), and to bear interest, payable on its Maturity Date (and if the Maturity Date is more than 12 months from the date of issuance, payable on the interim interest payment date set forth in the Pricing Confirmation) and computed upon the basis of a 360-day year consisting of twelve 30-day months, or a 365 or 366 day year, as the case may be, and actual days elapsed, at a rate or rates, if more than one Note is issued, not to exceed the rate authorized by law, as determined in the Pricing Confirmation and indicated on the face of the Note (the “Note Rate”).

If the Note as evidenced and represented by the Series of Note Participations is secured in whole or in part by a Credit Instrument or such Credit Instrument secures the Note in whole or in part and all principal of and interest on the Note is not paid in full at maturity or if payment of principal and/or interest on the Note is paid (in whole or in part) by a draw under, payment by or claim upon a Credit Instrument which draw or claim is not fully reimbursed on such date, such Note shall become a Defaulted Note (as defined in the Trust Agreement), and the unpaid portion thereof (including the interest component, if applicable, or the portion thereof with respect to which a Credit Instrument applies for which reimbursement on a draw, payment or claim has not been fully made) shall be deemed outstanding and shall continue to bear interest thereafter until paid at the Default Rate (as defined in the Trust Agreement). If the Note as evidenced and represented by the Series of Note Participations is unsecured in whole or in part and the Note is not fully paid at maturity, the unpaid portion thereof (or the portion thereof to which no Credit Instrument applies which is unpaid) shall be deemed outstanding and shall continue to bear interest thereafter until paid at the Default Rate. In each case set forth in the preceding two sentences, the obligation of the District with respect to such Defaulted Note or unpaid Note shall not be a debt or liability of the District prohibited by Article XVI, Section 18 of the California Constitution and the District shall not be liable thereon except to the extent of any lawfully available revenues, as provided in Section 8 hereof.

The percentage of the Note as evidenced and represented by the Series of Note Participations to which a Credit Instrument, if any, applies (the “Secured Percentage”) shall be

equal to the amount of the Credit Instrument divided by the aggregate amount of unpaid principal of and interest on notes (or portions thereof) of all Issuers of Notes comprising such Series of Note Participations, expressed as a percentage (but not greater than 100%) as of the maturity date. Both the principal of and interest on the Note shall be payable in lawful money of the United States of America, but only upon surrender thereof, at the Designated Office of the Trustee (as defined in the Trust Agreement).

Anything in this Resolution to the contrary notwithstanding, the Pricing Confirmation may specify that a portion of the authorized Principal Amount of the Note shall be issued as a separate series of taxable Note the interest on which is includable in the gross income of the holder thereof for federal income tax purposes (a "Taxable Note"). In such event, the Taxable Note shall be issued with an appropriate series designation and other terms reflecting such taxability of interest income, including without limitation, a taxable Note Rate and a taxable Default Rate; the terms of the Note, and other terms as appropriate, shall be deemed to include or refer to such Taxable Note; and the agreements, covenants and provisions set forth in this Resolution to be performed by or on behalf of the District shall be for the equal and proportionate benefit, security and protection of the holder of any Note without preference, priority or distinction as to security or otherwise of any Note over any other Note.

In the event the County Board fails or refuses to authorize the issuance of the Note within the time period specified in Section 53853 of the Act, following receipt of this Resolution, this Board hereby authorizes issuance of such Note, in the District's name, in one or more series, pursuant to the terms stated in this Section 2 and this Resolution. Except as provided in Section 19(B) hereof, the Note shall be issued in conjunction with the note or notes of one or more other Issuers as part of the Program and within the meaning of Section 53853 of the Act.

Section 3. Form of Note. The Note shall be issued in fully registered form without coupons and shall be substantially in the form and substance set forth in Exhibit A, as attached hereto and by reference incorporated herein, the blanks in said form to be filled in with appropriate words and figures to be inserted or determined at or prior to the execution and delivery of the Note.

Section 4. Sale of Note; Delegation. Unless sold competitively, the Note as evidenced and represented by the Note Participations shall be sold to the Underwriter (defined herein) or other purchaser pursuant to the terms and provisions of the Purchase Agreement. The form of the Purchase Agreement, including the form of the Pricing Confirmation set forth as an exhibit thereto (the "Pricing Confirmation"), on file with the clerk or secretary of the Legislative Body, is hereby approved. The authorized representatives set forth in Section 23 hereof, or a designated deputy thereof (the "Authorized Representatives"), each alone, are hereby authorized and directed to execute and deliver the Purchase Agreement in substantially said form, with such changes thereto as such Authorized Representative shall approve, such approval to be conclusively evidenced by his or her execution and delivery thereof; *provided, however*, that the Note Rate shall not exceed the maximum rate allowed by law, and that the District's *pro rata* share of Underwriter's discount on the Note, shall not exceed 1.0% of the Principal Amount of the Note and the Principal Amount shall not exceed the Maximum Amount of Borrowing.

Delivery of an executed copy of the Pricing Confirmation by fax or telecopy shall be deemed effective execution and delivery for all purposes.

Section 5. Program Approval. Except as provided in Section 19(B) hereof, the Note shall be combined with notes of other Issuers into a Series and shall be sold simultaneously with such other notes of that Series supported by the Credit Instrument (if any) referred to in the Pricing Confirmation, and shall be evidenced and represented by the Note Participations which shall evidence and represent proportionate, undivided interests in the Note in the proportion that the face amount of the Note bears to the total aggregate face amount of the Note and the notes issued by other Issuers which the Series of Note Participations represent. Such Note Participations may be delivered in book-entry form.

The forms of Trust Agreement and alternative general types and forms of Credit Agreements, if any, presented to this meeting are hereby approved, and the Authorized Representatives, each alone, are hereby authorized and directed to execute and deliver the Trust Agreement and a Credit Agreement, if applicable, which shall be identified in the Pricing Confirmation, in substantially one or more of said forms (a substantially final form of Credit Agreement to be delivered to the Authorized Representative following the execution by such Authorized Representative of the Pricing Confirmation), with such changes therein as said Authorized Representative shall require or approve, such approval of this Legislative Body and such Authorized Representative to be conclusively evidenced by the execution thereby of the Trust Agreement and the Credit Agreement, if any. A description of this undertaking shall be set forth in the Preliminary Official Statement, defined herein, if any, and will also be set forth in the Final Official Statement, defined herein, if any. The Authorized Representatives, each alone, are hereby authorized and directed to comply with and carry out all of the provisions of the Trust Agreement with respect to continuing disclosure; *provided however*, that failure of the District to comply with the Continuing Disclosure Agreement, as defined in Article 11 of the Trust Agreement, shall not be considered an Event of Default hereunder. Any Credit Agreement identified in the Pricing Confirmation but not at this time before the Legislative Body shall include reasonable and customary terms and provisions relating to fees, increased costs of the Credit Provider payable by the District, negative and affirmation covenants of the District and events of default.

In connection with any public sale of the Note Participations, the Preliminary Official Statement relating to such sale, substantially in the form on file with the clerk or secretary of the Legislative Body, is hereby approved. Any one of the Authorized Representatives of the District is hereby authorized and directed to provide the Municipal Advisor and the Underwriter with such information relating to the District as they shall reasonably request for inclusion in the Preliminary Official Statement. The Authorized Representative, each alone, are hereby authorized and directed, for and in the name and on behalf of the District, to deem the Preliminary Official Statement “final” pursuant to 15c2-12 of the Securities Exchange Act of 1934, prior to its distribution; *provided*, that no representation is or will be made as to the information contained in the Preliminary Official Statement relating to the other Issuers or the Creditor Provider, if any.

Any one of the Authorized Representatives of the District is hereby authorized and directed, at or after the time of the sale of any Series of Note Participations, for and in the

name and on behalf of the District, to execute a final Official Statement (the “Final Official Statement”) in substantially the form of the Preliminary Official Statement, with such additions thereto or changes therein as they may approve, such approval to be conclusively evidenced by the execution and delivery thereof. The Municipal Advisor and Underwriter are hereby authorized to distribute to prospective bidders or purchasers of the Note Participations copies of the Preliminary Official Statement, and the initial purchaser of the Note Participations is directed to deliver copies of any Final Official Statement to the purchasers of the Note Participations.

The Trustee is authorized and directed to execute Note Participations on behalf of the District pursuant to the terms and conditions set forth in the Trust Agreement, in the aggregate principal amount specified in the Trust Agreement, and substantially in the form and otherwise containing the provisions set forth in the form of the Note Participations contained in the Trust Agreement. When so executed, the Note Participations shall be delivered by the Trustee to the purchaser upon payment of the purchase price thereof, pursuant to the terms of the Trust Agreement.

Subject to Section 8 hereof, the District hereby agrees that if the Note as evidenced and represented by the Series of Note Participations shall become a Defaulted Note, the unpaid portion (including the interest component, if applicable) thereof or the portion (including the interest component, if applicable) to which a Credit Instrument applies for which full reimbursement on a draw, payment or claim has not been made by the Maturity Date shall be deemed outstanding and shall not be deemed to be paid until (i) any Credit Provider providing a Credit Instrument with respect to the Series of Note Participations, and therefore, if applicable, all or a portion of the District’s Note, if any, has been reimbursed for any drawings, payments or claims made under or from the Credit Instrument with respect to the Note, including interest accrued thereon, as provided therein and in the applicable Credit Agreement, and, (ii) the holders of the Series of the Note Participations which evidence and represent the Note are paid the full principal amount represented by the unsecured portion of the Note plus interest accrued thereon (calculated at the Default Rate) to the date of deposit of such aggregate required amount with the Trustee. For purposes of clause (ii) of the preceding sentence, holders of the Series of Note Participations will be deemed to have received such principal amount upon deposit of such moneys with the Trustee.

The District agrees to pay or cause to be paid, in addition to the amounts payable under the Note, any fees or expenses of the Trustee and, to the extent permitted by law, if the District’s Note as evidenced and represented by the Series of Note Participations is secured in whole or in part by a Credit Instrument, any Reimbursement Obligations (to the extent not payable under the Note), (i) arising out of an “Event of Default” hereunder (or pursuant to Section 7 hereof) or (ii) arising out of any other event (other than an event arising solely as a result of or otherwise attributable to a default by any other Issuer). In the case described in (ii) above with respect to Reimbursement Obligations, the District shall owe only the percentage of such fees, expenses and Reimbursement Obligations equal to the ratio of the principal amount of its Note over the aggregate principal amounts of all notes, including the Note, of the Series of which the Note is a part, at the time of original issuance of such Series. Such additional amounts will be paid by the District within twenty-five (25) days of receipt by the District of a bill therefor from the Trustee.

For purposes hereof, and to the extent permitted by law, “Reimbursement Obligations” shall mean any obligations of the District to the Credit Provider under the Credit Instrument and/or the Credit Agreement, if any, all indemnification to the Credit Provider by the District, and all other amounts due to the Credit Provider by the District under the Credit Instrument and the Credit Agreement, including obligations evidenced by Defaulted Notes and overdue interest, to the extent permitted by law, in each case becoming due prior to, or as a result of or after, an Event of Default hereunder.

Section 6. No Joint Obligation; Owners’ Rights. Except as provided in Section 19(B) hereof, the Note shall be marketed and sold simultaneously with the notes of other Issuers and shall be aggregated and combined with notes of other Issuers participating in the Program into a Series of taxable or tax-exempt Note Participations evidencing and representing an interest in several, and not joint, obligations of each Issuer. Except as provided in Section 7(C) herein, the obligation of the District to Owners is a several and not a joint obligation and is strictly limited to the District’s repayment obligation under this Resolution and the Note, as evidenced and represented by such Series of Note Participations.

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

Section 7. Disposition of Proceeds of Note.

(A) The moneys received from the sale of the Note allocable to the District’s share of the costs of issuance (which shall include any issuance fees in connection with a Credit Instrument applicable to the Note, if any) shall be deposited in the Costs of Issuance Fund, or applicable subaccount thereof, held and invested by the Trustee under the Trust Agreement and expended on costs of issuance as provided in the Trust Agreement.

(B) The moneys received from the sale of the Note (net of the District’s share of the costs of issuance) shall be deposited in the District’s Proceeds Subaccount within the Proceeds Fund hereby authorized to be created pursuant to, and held and invested by the Trustee under, the Trust Agreement for the District and said moneys may be used and expended by the District for any purpose for which it is authorized to expend funds upon requisition from the Proceeds Subaccount as specified in the Trust Agreement. Amounts in the Proceeds Subaccount are hereby pledged to the payment of the Note.

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

As an alternative to depositing proceeds of the Note in a Proceeds Subaccount, the District may cause such proceeds to be directly deposited in the general fund thereof, or such other fund as shall be held by the County on behalf or for the District, or in a Permitted Investment (as defined in the Trust Agreement).

(C) The District hereby authorizes a portion of the premium or proceeds received from the sale of the Note (net of the District's share of the costs of issuance) to be deposited, together with moneys received from the sale of Notes of other Issuers, into a reserve fund (the "Reserve Fund"), which is hereby authorized to be created pursuant to, and held and invested by the Trustee under, the Trust Agreement for the benefit of Owners of the Note Participations.

Section 8. Source of Payment. The principal amount of the Note, together with the interest thereon, shall be payable from Unrestricted Revenues lawfully available for payment of the Notes.

To the extent the Note matures during the fiscal year following the Repayment Fiscal Year, the Note shall be payable only from Unrestricted Revenues which are received in or accrued to the Repayment Fiscal Year. Included in such revenues are State apportionments which otherwise would be received between July 1, 2020 through June 30, 2021, but which are not be received until after June 30, 2021 ("Deferred Revenues"). Any such Deferred Revenues are hereby determined to be accrued to the Repayment Fiscal Year and shall be lawfully available to pay the principal of and interest on the Note.

As security for the payment of the principal of and interest on the Note, the District hereby pledges the first Unrestricted Revenues (so pledged, the "Pledged Revenues") received in the Repayment Months (as such term is defined below) identified in the Pricing Confirmation, and in each such Repayment Month up to the amounts identified in the Pricing Confirmation. The principal of the Note and the interest thereon shall constitute a first lien and charge on the Pledged Revenues and, to the extent not so paid, shall be paid from any other moneys of the District lawfully available therefor (all as provided for in Sections 53856 and 53857 of the Act). The Noteholders, Owners and Credit Provider, if any, shall have a first lien and charge on such Pledged Revenues as herein provided.

In order to effect the pledge referenced in the preceding paragraph, the District hereby agrees and covenants to establish and maintain a special account within the District's general fund to be designated the "2020-21 Tax and Revenue Anticipation Note Payment Account" (the "Payment Account"), and further agrees and covenants to maintain the Payment Account until the payment of the principal of the Note and the interest thereon. Notwithstanding the foregoing, a subaccount of the Payment Account (the "Payment Subaccount") may be established for the District under the Trust Agreement and proceeds credited to such account shall be pledged to the payment of the Note. Transfers from the Payment Subaccount shall be made in accordance with the Trust Agreement. The District agrees to transfer to and deposit in the Payment Account the first Unrestricted Revenues received in the months specified in the Pricing Confirmation as repayment months (each individual month a "Repayment Month" and collectively "Repayment Months") (and any amounts received thereafter) until the amount on deposit in the Payment Account, together with the amount, if any, on deposit in the Payment

Subaccount, and taking into consideration anticipated investment earnings thereon to be received by the Maturity Date, is equal in the respective Repayment Months identified in the Pricing Confirmation to the percentage of the principal and interest due on the Note specified in the Pricing Confirmation. In making such transfer and deposit, the District shall not be required to physically segregate the amounts to be transferred to and deposited in the Payment Account from the District's other general fund moneys, but, notwithstanding any commingling of funds for investment or other purposes, the amounts required to be transferred to and deposited in the Payment Account shall nevertheless be subject to the lien and charge created herein.

Any one of the Authorized Representatives of the District is hereby authorized to approve the determination of the Repayment Months and percentages of the principal and interest due on the Note required to be on deposit in the Payment Account and/or the Payment Subaccount in each Repayment Month, all as specified in the Pricing Confirmation, by executing and delivering the Pricing Confirmation, such execution and delivery to be conclusive evidence of approval by this Legislative Body and such Authorized Representative. In the event on the day in each such Repayment Month that a deposit to the Payment Account is required to be made, the District has not received sufficient Unrestricted Revenues to permit the deposit into the Payment Account of the full amount of Pledged Revenues to be deposited in the Payment Account from said Unrestricted Revenues in said month, then the amount of any deficiency shall be satisfied and made up from any other moneys of the District lawfully available for the payment of the principal of the Note and the interest thereon, as and when such other moneys are received or are otherwise legally available.

Any moneys placed in the Payment Account or the Payment Subaccount shall be for the benefit of (i) the holder of the Note and the Owner of the Note and (ii) (to the extent provided in the Trust Agreement) the Credit Provider, if any. The moneys in the Payment Account and the Payment Subaccount shall be applied only for the purposes for which such accounts are created until the principal of the Note and all interest thereon are paid or until provision has been made for the payment of the principal of the Note at maturity with interest to maturity (in accordance with the requirements for defeasance of the Note Participations as set forth in the Trust Agreement) and, if applicable, (to the extent provided in the Trust Agreement and, if applicable, the Credit Agreement) the payment of all Reimbursement Obligations owing to the Credit Provider.

The District hereby directs the Trustee to transfer on the Note Payment Deposit Date (as defined in the Trust Agreement), any moneys in the Payment Subaccount to the Note Participation Payment Fund (as defined in the Trust Agreement). In addition, on the Note Payment Deposit Date, the moneys in the Payment Account shall be transferred by the District to the Trustee, to the extent necessary (after crediting any transfer pursuant to the preceding sentence), to pay the principal of and/or interest on the Note, to make payments to a Swap Provider, if any, as defined in the Trust Agreement, pursuant to a Swap Agreement, if any, as defined in the Trust Agreement, or to reimburse the Credit Provider for payments made under or pursuant to the Credit Instrument. In the event that moneys in the Payment Account and/or the Payment Subaccount are insufficient to pay the principal of and interest on the Note in full when due, such moneys shall be applied in the following priority: first to pay interest on the Note; second to pay principal of the Note; third to reimburse the Credit Provider for payment, if any, of interest with respect to the Note; fourth to reimburse the Credit Provider for payment, if any, of

principal with respect to the Note; and fifth to pay any Reimbursement Obligations of the District owing to the Credit Provider. Any moneys remaining in or accruing to the Payment Account and/or the Payment Subaccount after the principal of the Note and the interest thereon and any Reimbursement Obligations, if applicable, have been paid, or provision for such payment has been made, shall be transferred to the general fund of the District, subject to any other disposition required by the Trust Agreement, or, if applicable, the Credit Agreement. Nothing herein shall be deemed to relieve the District from its obligation to pay its Note in full on the Maturity Date.

Moneys in the Proceeds Subaccount and in the Payment Subaccount shall be invested by the Trustee pursuant to the Trust Agreement as directed by the District in Permitted Investments as described in and under the terms of the Trust Agreement. Any such investment by the Trustee shall be for the account and risk of the District, and the District shall not be deemed to be relieved of any of its obligations with respect to the Note, or Reimbursement Obligations, if any, by reason of such investment of the moneys in its Proceeds Subaccount or the Payment Subaccount.

The District shall promptly file with the Trustee and the Credit Provider, if any, such financial reports at the times and in the forms required by the Trust Agreement. At the written request of the Credit Provider, if any, the District shall, within ten (10) Business Days (as defined in the Trust Agreement) following the receipt of such written request, file such report or reports to evidence the transfer to and deposit in the Payment Account required by this Section 8 and provide such additional financial information as may be required by the Credit Provider, if any.

In the event either (A) the Principal Amount of the Note, together with the aggregate amount of all tax-exempt obligations (including any tax-exempt leases, but excluding private activity bonds), issued and reasonably expected to be issued by the District (and all subordinate entities of the District) during the calendar year in which the Note is issued, will, at the time of issuance of the Note (as indicated in the certificate of the District executed as of the date of issuance of the Note (the "District Certificate"), exceed fifteen million dollars (\$15,000,000), or (B) the Principal Amount of the Note, together with the aggregate amount of all tax-exempt obligations not used to finance school construction (including any tax-exempt leases, but excluding private activity bonds), issued and reasonably expected to be issued by the District (and all subordinate entities of the District) during the calendar year in which the Note is issued, will, at the time of issuance of the Note (as indicated in the District Certificate), exceed five million dollars (\$5,000,000), the following paragraph will apply, and in such case, the District shall be deemed a "Safe Harbor Issuer" with respect to the Note.

Amounts in the Proceeds Subaccount of the District and attributable to cash flow borrowing shall be withdrawn and expended by the District for any purpose for which the District is authorized to expend funds from the general fund of the District, but, with respect to general fund expenditures, only to the extent that on the date of any withdrawal no other funds are available for such purposes without legislation or judicial action or without a legislative, judicial or contractual requirement that such funds be reimbursed. If on no date that is within six months from the date of issuance of the Note, the balance in the related Proceeds Subaccount is low enough so that the amounts in the Proceeds Subaccount qualify for an exception from the

rebate requirement (the “Rebate Requirements”) of Section 148 of the Internal Revenue Code of 1986 (the “Code”), the District shall notify the Trustee in writing and, to the extent of its power and authority, comply with instructions from Stradling Yocca Carlson & Rauth, Special Counsel, supplied to it by the Trustee as the means of satisfying the Rebate Requirements.

Section 9. Execution of Note; Registration and Transfer. Any one of the treasurer-tax collector of the County or comparable officer (the “Treasurer”), or, in the absence of said officer, his or her duly appointed designee, the Chairperson of the County Board, or such other member of the County Board authorized to sign on behalf of such Chairperson pursuant to the procedures of the County, shall be authorized to execute the Note issued hereunder by manual or facsimile signature and the Clerk of the Board of Supervisors of the County or any Deputy Clerk shall be authorized to countersign the Note by manual or facsimile signature. In the event the County Board fails or refuses to authorize issuance of the Note as referenced in Section 2 hereof, any one of the Authorized Representatives of the District or any other officer designated by the Legislative Body shall be authorized to execute the Note by manual or facsimile signature and such other Authorized Representative or the Secretary to or Clerk of the Legislative Body of the District, or any duly appointed assistant thereto, shall be authorized to countersign the Note by manual or facsimile signature. Said officers of the District are hereby authorized to cause the blank spaces of the Note to be filled in as may be appropriate pursuant to the Pricing Confirmation. Said officers are hereby authorized and directed to cause the Trustee, as registrar and authenticating agent, to accept delivery of the Note pursuant to the terms and conditions of the Purchase Agreement and Trust Agreement. In case any officer whose signature shall appear on any Note shall cease to be such officer before the delivery of such Note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. The Note need not bear the seal of the District, if any.

As long as the Note remains outstanding, the District shall maintain and keep at the Designated Office of the Trustee, books for the registration and transfer of the Note. The Note shall initially be registered in the name of the Trustee as trustee under the Trust Agreement. Upon surrender of the Note for transfer at the office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered Owner or its duly authorized attorney, and upon payment of any tax, fee or other governmental charge required to be paid with respect to such transfer, the County or the District, as applicable, shall execute and the Trustee shall authenticate and deliver, in the name of the designated transferee, a fully registered Note. For every transfer of the Note, the County, the District or the Trustee may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to the transfer, which sum or sums shall be paid by the person making such transfer as a condition precedent to the exercise of the privilege of making such transfer.

Subject to Section 6 hereof, the County, the District and the Trustee and their respective successors may deem and treat the person in whose name the Note is registered as the absolute Owner thereof for all purposes, and the County, the District and the Trustee and their respective successors shall not be affected by any notice to the contrary, and payment of or on account of the principal of such Note shall be made only to or upon the order of the registered Owner thereof. All such payments shall be valid and effectual to satisfy and discharge the liability upon the Note to the extent of the sum or sums so paid.

The Note may, in accordance with its terms, be transferred upon the books required to be kept by the Trustee pursuant to the provisions hereof by the person in whose name it is registered, in person or by his duly authorized attorney, upon surrender of the Note for cancellation, accompanied by delivery of a written instrument of transfer duly executed in form approved by the Trustee.

The Trustee will keep or cause to be kept, at the Designated Office thereof, sufficient books for the registration and transfer of the Note, which shall be open to inspection by the County and the District during regular business hours. Upon presentation for such purpose, the Trustee shall, under such reasonable regulations as it may prescribe, register or transfer or cause to be registered or transferred, on such books, the Note as hereinbefore provided.

If any Note shall become mutilated, the County or the District, as applicable, at the expense of the registered Owner of such Note, shall execute, and the Trustee shall thereupon authenticate and deliver a new Note of like tenor and number in exchange and substitution for the Note so mutilated, but only upon surrender to the Trustee of the Note so mutilated. Every mutilated Note so surrendered to the Trustee shall be cancelled by it and delivered to, or upon the order of the County or the District, as applicable. If any Note shall be lost, destroyed or stolen, evidence of such loss, destruction or theft may be submitted to the County, the District and the Trustee and, if such evidence be satisfactory to them and indemnity satisfactory to them shall be given, the County or the District, as applicable, at the expense of the registered Owner, shall execute, and the Trustee shall thereupon authenticate and deliver a new Note of like tenor and number in lieu of and in substitution for the Note so lost, destroyed or stolen (or if any such Note shall have matured (as of the latest maturity date indicated on the face thereof) or shall be about to mature (as of the latest maturity date indicated on the face thereof), instead of issuing a substitute Note, the Trustee may pay the same without surrender thereof). The Trustee may require payment of a sum not exceeding the actual cost of preparing each new Note issued pursuant to this paragraph and of the expenses which may be incurred by the County or the District applicable, and the Trustee in such preparation. Any Note issued under these provisions in lieu of any Note alleged to be lost, destroyed or stolen shall constitute an original additional contractual obligation on the part of the County (on behalf of the District) or on the part of the District, as applicable, whether or not the Note so alleged to be lost, destroyed or stolen be at any time enforceable by anyone, and shall be entitled to the benefits of this Resolution with all other Notes secured by this Resolution.

Section 10. Representations and Covenants of the District.

The District makes the following representations for the benefit of the holder of the note, the Owners of the Note Participations and the Credit Provider, if any.

(A) The District is duly organized and existing under and by virtue of the laws of the State of California and has all necessary power and authority to (i) adopt this Resolution and perform its obligations thereunder, (ii) enter into and perform its obligations under the Purchase Agreement, and (iii) issue the Note and perform its obligations thereunder.

(B) Upon the issuance of the Note, the District shall have taken all action required to be taken by it to authorize the issuance and delivery of the Note and the performance

of its obligations thereunder, and the District has full legal right, power and authority to cause the issuance and delivery of the Note.

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

(D) Except as may be required under blue sky or other securities laws of any state or Section 3(a)(2) of the Securities Act of 1933, there is no consent, approval, authorization or other order of, or filing with, or certification by, any regulatory authority having jurisdiction over the District required for the issuance and sale of the Note or the consummation by the District of the other transactions contemplated by this Resolution, except those the District shall obtain or perform prior to or upon the issuance of the Note.

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

(F) Reserved.

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

(H) The District's most recent audited financial statements present fairly the financial condition of the District as of the date thereof and the results of operation for the period covered thereby. Except as has been disclosed to the Municipal Advisor, Underwriter and the Credit Provider, if any, there has been no change in the financial condition of the District since the date of such audited financial statements that will in the reasonable opinion of the District materially impair its ability to perform its obligations under this Resolution and the Note. The District agrees to furnish to the Municipal Advisor, Underwriter, the Trustee and the Credit Provider, if any, promptly, from time to time, such information regarding the operations, financial condition and property of the District as such party may reasonably request.

(I) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, arbitrator, governmental or other board, body or official, pending or, to the best knowledge of the District, threatened against or affecting the District questioning the validity of any proceeding taken or to be taken by the District in connection with the Note, the Purchase Agreement, the Trust Agreement, the Credit Agreement, if any, or this Resolution, or seeking to prohibit, restrain or enjoin the execution, delivery or performance by the District of

any of the foregoing, or wherein an unfavorable decision, ruling or finding would have a materially adverse effect on the District's financial condition or results of operations or on the ability of the District to conduct its activities as presently conducted or as proposed or contemplated to be conducted, or would materially adversely affect the validity or enforceability of, or the authority or ability of the District to perform its obligations under, the Note, the Purchase Agreement, the Trust Agreement, the Credit Agreement, if any, or this Resolution.

(J) Upon issuance of the Note and execution of the Purchase Agreement, this Resolution, the Purchase Agreement and the Note will constitute legal, valid and binding agreements of the District, enforceable in accordance with their respective terms, except as such enforceability may be limited by bankruptcy or other laws affecting creditors' rights generally, the application of equitable principles if equitable remedies are sought, the exercise of judicial discretion in appropriate cases and the limitations on legal remedies against community college districts, as applicable, in the State of California.

(K) The District and its appropriate officials have duly taken, or will take, all proceedings necessary to be taken by them, if any, for the levy, receipt, collection and enforcement of the Pledged Revenues in accordance with law for carrying out the provisions of this Resolution and the Note.

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

(M) So long as the Credit Provider, if any, is not in payment default under the Credit Instrument, the District hereby agrees to pay all Reimbursement Obligations attributable to the District in accordance with provisions of the Credit Agreement, if any, and/or the Trust Agreement, as applicable. Prior to the Maturity Date, moneys in the District's Payment Account and/or Payment Subaccount shall not be used to make such payments. The District shall pay such amounts promptly upon receipt of notice from the Credit Provider that such amounts are due to it.

(N) So long as any Note Participations issued in connection with the Notes are Outstanding, or any Reimbursement Obligation is outstanding, the District will not create or suffer to be created any pledge of or lien on the Note other than the pledge and lien of the Trust Agreement.

(O) It is hereby covenanted and warranted by the District that it will not request the County Treasurer to make temporary transfers of funds in the custody of the County Treasurer to meet any obligations of the District during Fiscal Year 2020-21 pursuant to Article XVI, Section 6 of the Constitution of the State of California.

Section 11. Tax Covenants. (A) The District will not take any action or fail to take any action if such action or failure to take such action would adversely affect the exclusion from gross income of the interest payable on the Note under Section 103 of the Internal Revenue Code of 1986 (the "Code"). Without limiting the generality of the foregoing, the District will not make any use of the proceeds of the Note or any other funds of the District which would cause

the Note to be an “arbitrage bond” within the meaning of Section 148 of the Code, a “private activity bond” within the meaning of Section 141(a) of the Code, or an obligation the interest on which is subject to federal income taxation because it is “federally guaranteed” as provided in Section 149(b) of the Code. The District, with respect to the proceeds of the Note, will comply with all requirements of such sections of the Code and all regulations of the United States Department of the Treasury issued or applicable thereunder to the extent that such requirements are, at the time, applicable and in effect.

(B) In the event the District is deemed a Safe Harbor Issuer (as defined in Section 7), this paragraph (B) shall apply. The District covenants that it shall make all calculations in a reasonable and prudent fashion relating to any rebate of excess investment earnings on the proceeds of the Note due to the United States Treasury, shall segregate and set aside from lawfully available sources the amount such calculations may indicate may be required to be paid to the United States Treasury, and shall otherwise at all times do and perform all acts and things necessary and within its power and authority, including complying with the instructions of Stradling Yocca Carlson & Rauth, a Professional Corporation, Special Counsel referred to in Section 8 hereof to assure compliance with the Rebate Requirements. If the balance of the Proceeds Subaccount attributed to cash flow borrowing and treated for federal tax purposes as proceeds of the Note is not low enough to qualify amounts in the Proceeds Subaccount attributed to cash flow borrowing for an exception to the Rebate Requirements on at least one date within the six month period following the date of issuance of the Note (calculated in accordance with Section 8), the District will reasonably and prudently calculate the amount, if any, of investment profits which must be rebated to the United States and will immediately set aside, from lawfully available revenues, the amount of any such rebate in the Rebate Fund referred to in this Section 11(B). In addition, in such event, the District shall establish and maintain with the Trustee a fund separate from any other fund established and maintained hereunder and under the Trust Agreement designated as the “2020-21 Tax and Revenue Anticipation Note Rebate Fund” or such other name as the Trust Agreement may designate. There shall be deposited in such Rebate Fund such amounts as are required to be deposited therein in accordance with the written instructions from Bond Counsel pursuant to Section 8 hereof.

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

(D) The covenants contained in this Section 11 shall survive the payment of the Note.

(E) The provisions of this Section 11 shall not apply to a Taxable Note.

Section 12. Events of Default and Remedies.

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

(a) Failure by the District to make or cause to be made the transfers and deposits to the Payment Account, or any other payment required to be paid hereunder, including payment of principal and interest on the Note, on or before the date on which such transfer, deposit or other payment is due and payable;

(b) Failure by the District to observe and perform any covenant, condition or agreement on its part to be observed or performed under this Resolution, for a period of fifteen (15) days after written notice, specifying such failure and requesting that it be remedied, is given to the District by the Trustee or the Credit Provider, if applicable, unless the Trustee and the Credit Provider shall agree in writing to an extension of such time prior to its expiration;

(c) Any warranty, representation or other statement by or on behalf of the District contained in this Resolution or the Purchase Agreement (including the Pricing Confirmation) or in any requisition or any financial report delivered by the District or in any instrument furnished in compliance with or in reference to this Resolution or the Purchase Agreement or in connection with the Note, is false or misleading in any material respect;

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

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

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

Whenever any Event of Default referred to in this Section 12 shall have happened and be continuing, the Trustee shall, in addition to any other remedies provided herein or by law

or under the Trust Agreement, have the right, at its option without any further demand or notice, to take one or any combination of the following remedial steps:

(a) Without declaring the Note to be immediately due and payable, require the District to pay to the Trustee, as holder of the Note, an amount equal to the principal of the Note and interest thereon to maturity, plus all other amounts due hereunder, and upon notice to the District the same shall become immediately due and payable by the District without further notice or demand; and

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

Notwithstanding the foregoing, if the District's Note is secured in whole or in part by a Credit Instrument or if the Credit Provider is subrogated to rights under the District's Note, as long as the Credit Provider has not failed to comply with its payment obligations under the Credit Instrument, the Credit Provider shall have the right to direct the remedies upon any Event of Default hereunder, and the Credit Provider's prior consent shall be required to any remedial action proposed to be taken by the Trustee hereunder.

If the District has executed a Credit Instrument and if the Credit Provider is not reimbursed for any drawing, payment or claim, as applicable, used to pay principal of and interest on the Note due to a default in payment on the Note by the District, or if any principal of or interest on the Note remains unpaid after the Maturity Date, the Note shall be a Defaulted Note, the unpaid portion (including the interest component, if applicable) thereof or the portion (including the interest component, if applicable) to which a Credit Instrument applies for which reimbursement on a draw, payment or claim has not been made shall be deemed outstanding and shall bear interest at the Default Rate, as defined in the Trust Agreement, until the District's obligation on the Defaulted Note is paid in full or payment is duly provided for, all subject to Section 8 hereof.

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

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

Section 14. Approval of Actions. The aforementioned Authorized Representatives of the District are hereby authorized and directed to execute the Note and cause the Trustee to authenticate and accept delivery of the Note, pursuant to the terms and conditions

of this Resolution and the Trust Agreement. All actions heretofore taken by the officers and agents of the District or this Legislative Body with respect to the sale and issuance of the Note and participation in the Program are hereby approved, confirmed and ratified and the Authorized Representatives and agents of the District are hereby authorized and directed, for and in the name and on behalf of the District, to do any and all things and take any and all actions and execute any and all certificates, agreements and other documents which they, or any of them, may deem necessary or advisable in order to consummate the lawful issuance and delivery of the Note in accordance with, and related transactions contemplated by, this Resolution. The Authorized Representatives of the District referred to above in Section 4 hereof are hereby designated as "Authorized Community College District Representatives" under the Trust Agreement.

In the event that the Note or a portion thereof is secured by a Credit Instrument, any one of the Authorized Representatives of the District is hereby authorized and directed to provide the Credit Provider, with any and all information relating to the District as such Credit Provider may reasonably request.

Section 15. Proceedings Constitute Contract. The provisions of the Note and of this Resolution shall constitute a contract between the District and the registered Owner of the Note and the Credit Provider, if any, and such provisions shall be enforceable by mandamus or any other appropriate suit, action or proceeding at law or in equity in any court of competent jurisdiction, and shall not be subject to repeal. The Credit Provider, if any, is a third party beneficiary of the provisions of this Resolution and the Note.

Section 16. Limited Liability. Notwithstanding anything to the contrary contained herein or in the Note or in any other document mentioned herein, the District shall not have any liability hereunder or by reason hereof or in connection with the transactions contemplated hereby except to the extent payable from moneys available therefor as set forth in Section 8 hereof.

Section 17. Amendments. At any time or from time to time, the District may adopt one or more Supplemental Resolutions with the written consent of the Credit Provider, if any, but without the necessity for consent of the Owner of the Note for any one or more of the following purposes:

(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 monies, 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 or correct any defect or inconsistent provision in this Resolution; or

(E) to amend or supplement this Resolution in any other respect;

provided, however, that any such Supplemental Resolution does not adversely affect the interests of the Owner of the Note or of the Note Participations executed and delivered in connection with the Notes.

Except as described above, any modifications or amendment of this Resolution and of the rights and obligations of the District and of the Owner of the Note or of the Note Participations executed and delivered in connection with the Notes may be made by a Supplemental Resolution, with the written consent of the Credit Provider, if any, and with the written consent of the Owners of at least a majority in principal amount of the Note and of the Note Participations executed and delivered in connection with the Notes outstanding at the time such consent is given; provided, however, that if such modification or amendment will, by its terms, not take effect so long as the Note or any or of the Note Participations executed and delivered in connection with the Notes remain outstanding, the consent of the Owners of such Note or of the Note Participations executed and delivered in connection with the Notes shall not be required. No such modification or amendment shall permit a change in the maturity of the Note, a reduction of the principal amount thereof, an extension of the time of any payment thereon, a reduction of the rate of interest thereon, a change in the date or amounts of the pledge set forth in this Resolution or an amendment to this paragraph, without the consent of the Owners of such Note or the Owners of all of the Note Participations executed and delivered in connection with the Notes, or shall reduce the percentage of the Note or the Owners of all of the Note Participations executed and delivered in connection with the Notes, the consent of the Owners of which is required to effect any such modification or amendment, or shall change or modify any of the rights or obligations of the Trustee without its written assent thereto.

Notwithstanding any other provision herein, the provisions of this resolution as they relate to the terms of the Notes and the Note Participations may be amended by the Purchase Agreement.

Section 18. Severability. In the event any provisions of this Resolution shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 19. Request to Borrow; Transmittal of Resolution. (A) The Note shall be issued in conjunction with the note or notes of one or more other community college districts, as described in Section 53853(b) of the Act. Following its adoption by the Legislative Body, signed copies of this resolution shall be transmitted by the Secretary to or Clerk of the Legislative Body to the Treasurer of the County and to the County Board. Transmittal of this resolution to the County Board shall constitute a request by the Legislative Body for borrowing and for the issuance of the Note by the County Board. This resolution is based on the assumption that the County Board will fail to authorize, by resolution, the issuance of the Note within 45 calendar days of its receipt hereof or that the County Board will notify the District that it will not authorize the issuance of the Note within such 45-day period. If within such 45-day period the County Board authorizes, by resolution, issuance of the Note, then, notwithstanding this resolution, the Notes shall be issued in the name of the District by the County Board pursuant to such resolution of the County Board.

(B) Adoption of this resolution is based on the assumption that the Note shall be issued as part of the Program, in conjunction with the note or notes of one or more community college districts, as described in Section 53853(b) of the Act. However, and notwithstanding any other provision herein, if District elects not to, or is otherwise unable to, issue its Note in conjunction with the note or notes of such other community college districts, transmittal of this Resolution shall constitute a request for borrowing and for the issuance, on a stand-alone basis, of the Note by the County Board. In such instance, the Notes shall be issued in the name of the District by the County Board pursuant to a resolution thereof.

Section 20. Limited Liability and Indemnification. (a) Notwithstanding anything to the contrary contained herein or in the Note or in any other document mentioned herein or related to the Note or to any Series of Note Participations to which the Note may be assigned, the District shall not have any liability hereunder or by reason hereof or in connection with the transactions contemplated hereby except to the extent payable from moneys available therefor as set forth herein and (b) the District shall indemnify and hold harmless, to the extent permitted by law, the County and its officers and employees ("Indemnified Parties"), against any and all losses, claims, damages or liabilities, joint or several, to which such Indemnified Parties may become subject because of action or inaction related to the adoption of a resolution by the County Board providing for the issuance and sale of the Notes, or related to the proceedings for sale, award, issuance and delivery of the Notes in accordance therewith and herewith. The District shall also reimburse any such Indemnified Parties for any legal or other expenses incurred in connection with investigating or defending any such claims or actions.

Section 21. Appointment of Professionals. The law firm of Stradling Yocca Carlson & Rauth, a Professional Corporation, is hereby appointed as Special Counsel and Disclosure Counsel for the Program. The District acknowledges that Special Counsel regularly performs legal services for many private and public entities in connection with a wide variety of matters, and that Special Counsel has represented, is representing or may in the future represent other public entities, underwriters, trustees, rating agencies, insurers, credit enhancement providers, lenders, financial and other consultants who may have a role or interest in the proposed financing or that may be involved with or adverse to District in this or some other matter. Given the special, limited role of Special Counsel described above the District acknowledges that no conflict of interest exists or would exist, waives any conflict of interest that might appear to exist, and consents to any and all such relationships.

Piper Sandler & Co. is hereby appointed as Underwriter for the Program. The Purchase Agreement may appoint such other co-managers as may be identified in the Purchase Contract. Keygent LLC is hereby appointed as Municipal Advisor for the Program.

Section 22. Form 8038-G; Continuing Disclosure. (A) Any Authorized Representative is hereby authorized to execute and deliver any Information Return for Tax-Exempt Governmental Obligations, Form 8038-G of the Internal Revenue Service ("Form 8038-G"), in connection with the issuance of the Note and the related Series of Note Participations. To the extent permitted by law, the Trustee, the Underwriter and Special Counsel are each hereby authorized to execute and deliver any Form 8038-G for and on behalf of the District in connection with the issuance of the Note and the related Series of Note Participations, as directed by an Authorized Representative of the District.

(B) The District covenants, for the sole benefit of the Owners of the Series of Note Participations which evidence and represent the Note (and, to the extent specified in this Section 22, the beneficial owners thereof), that the District shall provide, through the Trustee acting as dissemination agent (the “Dissemination Agent”) to the Municipal Securities Rulemaking Board, with respect to the District’s outstanding Note, notice of any of the following (each, a “Listed Event”) in a timely manner, not in excess of 10 business days after the occurrence thereof:

(1) principal and interest payment delinquencies on the Note and the related Series of Note Participations; (ii) tender offers, (iii) defeasances; (iv) rating changes; (v) adverse tax opinions, the issuance by the IRS of proposed or final determinations of taxability, or Notices of Proposed Issue (IRS 5701-TEB), (vi) optional, contingent or unscheduled bond calls; (vii) unscheduled draws on debt service reserves reflecting financing difficulties; (viii) unscheduled draws on the credit enhancement reflecting financial difficulties; (ix) substitution of credit or liquidity providers, or their failure to perform; (x) bankruptcy, insolvency, receivership or similar event (within the meaning of the Rule) of the District, and (xi) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation, any of which reflect financial difficulties.

(C) The District covenants, for the sole benefit of the Owners of the Series of Note Participations which evidence and represent the Note (and, to the extent specified in this Section 22, the beneficial owners thereof), that the District shall provide in a timely manner, through the Trustee acting as the Dissemination Agent to the Municipal Securities Rulemaking Board, with respect to the District’s outstanding Note, notice of any of the following Listed Events, if material:

(1) (i) non-payment related defaults; (ii) modifications to rights of Owners and beneficial owners of the Series of Note Participations which evidence and represent the Note; (iii) unless described under Section 22(B)(1)(v) hereof, events affecting the tax-exempt status of the Note and the related Series of Note Participations; (iv) release, substitution or sale of property securing repayment of the Note, (v) the consummation of a merger, consolidation, or acquisition involving the District or the sale of all or substantially all of the assets of the District, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms; (vi) appointment of a successor or additional Trustee or the change of name of such Trustee; or (vii) incurrence of a Financial Obligation, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation, any of which affect the Owners.

Whenever the District obtains knowledge of the occurrence of a Listed Event under Section 22(C)(1) hereof, the District shall as soon as possible determine if such event would be material under applicable federal securities laws. The Dissemination Agent shall have no responsibility for such determination and shall be entitled to conclusively rely upon the District’s determination.

If the District determines that knowledge of the occurrence of a Listed Event under Section 22(C)(1) hereof would be material under applicable federal securities laws, or upon the occurrence of any Listed Event under Section 22(B)(1) hereof, the District shall promptly provide the Dissemination Agent with a notice of such occurrence in a timely manner not in excess of 10 business days after the occurrence of the event, which the Dissemination Agent agrees to file with the Municipal Securities Rulemaking Board.

(D) In the event of a failure of the District to comply with any provision of this section, any Owner or beneficial owner of the related Series of Note Participations may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the District to comply with its obligations under this section. A default under this section shall not be deemed an Event of Default under Section 12 hereof, and the sole remedy under this section in the event of any failure of the District to comply with this section shall be an action to compel performance.

(E) For the purposes of this section,

(1) a “beneficial owner” shall mean any person which has the power, directly or indirectly, to make investment decisions concerning ownership of any Note Participations of the Series which evidences and represents the Notes (including persons holding Note Participations through nominees, depositories or other intermediaries); and

(2) “Financial Obligation” means to be a (i) debt obligation; (ii) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation; or (iii) a guarantee of (i) or (ii). Financial Obligations do not include municipal securities as to which a final official statement has been provided to the Municipal Securities Rulemaking Board consistent with the Rule.

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

(F) The District’s obligations under this section shall terminate upon the legal defeasance, prior redemption or payment in full of its Note. If such termination occurs prior to the final maturity of the related Note Participations, the District shall give notice of such termination in the same manner as for a Listed Event under subsection (B)(1)(iii) of this section.

(G) The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the District pursuant to this section. In no event shall the Dissemination Agent be responsible for preparing any notice or report or for filing any notice or report which it has not received in a timely manner and in a format suitable for reporting. Nothing in this section shall be deemed to prevent the District from disseminating any other information, using the means of dissemination set forth in this section or any other means of communication, or including any other notice of occurrence of a Listed Event, in addition to that which is required by this section. If the District chooses to include any information in any notice of occurrence of a Listed Event in addition to that which is specifically required by this section,

the District shall have no obligation under this section to update such information or include it in any future notice of occurrence of a Listed Event.

(H) Notwithstanding any other provision of this Resolution, the District with the consent of the Dissemination Agent may amend this section, and any provision of this section may be waived, provided that the following conditions are satisfied:

(1) If the amendment or waiver relates to the provisions of subsections (B) or (C) of this section, it may only be made in connection with a change in circumstance that arises from a change in legal requirements, change in law, or change in the identity, nature or status of an obligated person with respect to the Note and the related Note Participations, or the type of business conducted;

(2) The undertaking, as amended or taking into account such waiver, would in the opinion of nationally recognized bond counsel, have complied with the requirements of the Rule at the time of the original issuance of the Note and the related Note Participations, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(3) The amendment or waiver either (i) is approved by the Owners or beneficial owners of the Note Participations of the Series which evidences and represents the Note in the same manner as provided in the Trust Agreement for amendments to the Trust Agreement with the consent of Owners or beneficial owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interests of the Owners or beneficial owners of the related Note Participations. In the event of any amendment or waiver of a provision of this section, notice of such change shall be given in the same manner as for a Listed Event under subsection (B) of this section, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver; provided, however, the District shall be responsible for preparing such narrative explanation.

(I) The Dissemination Agent shall have only such duties as are specifically set forth in this section. The Dissemination Agent shall not be liable for the exercise of any of its rights hereunder or for the performance of any of its obligations hereunder or for anything whatsoever hereunder, except only for its own willful misconduct or negligence. Absent such negligence or willful misconduct, the Dissemination Agent shall not be liable for an error of judgment. No provision hereof shall require the Dissemination Agent to expend or risk its own funds or otherwise incur any financial or other liability or risk in the performance of any of its obligations hereunder, or in the exercise of any of its rights hereunder, if such funds or adequate indemnity against such risk or liability is not reasonably assured to it. The District hereunder agrees to compensate the Dissemination Agent for its reasonable fees in connection with its services hereunder, but only from the District's share of the costs of issuance deposited in the Costs of Issuance Fund held and invested by the Trustee under the Trust Agreement.

(J) This section shall inure solely to the benefit of the District, the Dissemination Agent, the Underwriter and the Owners and beneficial owners from time to time of the Note Participations, and shall create no rights in any other person or entity.

Section 23. Resolution Parameters.

(a) Name of District: RIVERSIDE COMMUNITY COLLEGE DISTRICT

(b) Maximum Amount of Borrowing: \$40,000,000

(c) Authorized Representatives:

TITLE

(1) Chancellor

(2) Vice Chancellor, Business & Financial Services

(3) President, Board of Trustees

[REMAINDER OF PAGE LEFT BLANK]

Section 24. Effective Date. This Resolution shall take effect from and after its date of adoption.

PASSED AND ADOPTED by the District this 17th day of November, 2020, by the following vote:

AYES:

NOES:

ABSENT:

By: _____
President, Board of Trustees

Attest:

Secretary, Board of Trustees

EXHIBIT A

FORM OF NOTE

RIVERSIDE COMMUNITY COLLEGE DISTRICT

2020-21 TAX AND REVENUE ANTICIPATION NOTE, SERIES ___^{*/}

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

REGISTERED OWNER:

PRINCIPAL AMOUNT:

FOR VALUE RECEIVED, the District designated above (the "District") acknowledges itself indebted to and promises to pay to the registered owner identified above, or registered assigns, on the maturity date set forth above, the principal sum specified above in lawful money of the United States of America, and to pay interest thereon on each Interest Payment Date, as defined in the Trust Agreement, at the rate of interest specified above (the "Note Rate"). Principal of and interest on this Note are payable in such coin or currency of the United States as at the time of payment is legal tender for payment of private and public debts, such principal to be paid upon surrender hereof at the designated corporate trust office of U.S. Bank National Association, or its successor in trust (the "Trustee"). Interest is payable as specified in the Trust Agreement. Interest shall be calculated on the basis of a 360-day year, consisting of twelve 30-day months, in like lawful money from the date hereof until the maturity date specified above and, if funds are not provided for payment at maturity, thereafter on the basis of a 360-day year for actual days elapsed until payment in full of said principal sum. Both the principal of and interest on this Note shall be payable only to the registered owner hereof upon surrender of this Note as the same shall fall due; *provided, however*, no interest shall be

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

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

payable for any period after maturity during which the holder hereof fails to properly present this Note for payment. If the District fails to pay this Note when due or the Credit Provider (as defined in the Resolution hereinafter described), if any, is not reimbursed in full for the amount drawn on or paid pursuant to the Credit Instrument (as defined in the Resolution) to pay all or a portion of this Note on the date of such payment, this Note shall become a Defaulted Note (as defined and with the consequences set forth in the Resolution).

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

The principal of the Note, together with the interest thereon, shall be payable from taxes, income, revenue, cash receipts and other moneys which are received by the District for the general fund of the District, and which are available for payment thereof (collectively, the "Unrestricted Revenues"). As security for the payment of the principal of and interest on the Note, the District has pledged the first amounts of Unrestricted Revenues of the District received during the Repayment Months (as defined in the Resolution) identified in the Pricing Confirmation (as defined in the Resolution) (and any amounts received thereafter) until the amount on deposit in the Payment Account (as defined in the Resolution) in each such month, is equal to the corresponding percentages of principal of and interest due on the Note as set forth in the Pricing Confirmation (such pledged amounts being hereinafter called the "Pledged Revenues"), and the principal of the Note and the interest thereon shall constitute a first lien and charge thereon and shall be payable from the Pledged Revenues, and to the extent not so paid shall be paid from any other moneys of the District lawfully available therefor as set forth in the Resolution. The full faith and credit of the District is not pledged to the payment of the principal or interest on this Note.

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

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

It is hereby certified that all of the conditions, things and acts required to exist, to have happened and to have been performed precedent to and in the issuance of this Note do exist, have happened and have been performed in due time, form and manner as required by the Constitution and statutes of the State of California and that the amount of this Note, together

with all other indebtedness of the District, does not exceed any limit prescribed by the Constitution or statutes of the State of California.

IN WITNESS WHEREOF, the Legislative Body of the District has caused this Note to be executed by the manual or facsimile signature of a duly Authorized Representative of the District and countersigned by the manual or facsimile signature of the Secretary to or Clerk of the Board of Trustees as of the date of authentication set forth below.

RIVERSIDE COMMUNITY COLLEGE
DISTRICT

By: _____ [no signature/form only]
President, Board of Trustees

Countersigned

By: _____ [no signature/form only]
[Secretary/Clerk], Board of the Trustees

CERTIFICATE OF AUTHENTICATION AND REGISTRATION

This Note is the Note mentioned in the within-mentioned Resolution authenticated on the following date:

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By: _____ [no signature/form only] _____
Authorized Officer

[STATEMENT OF INSURANCE]^{*/}

^{*/} To be used only if Credit Instrument is a policy of municipal bond insurance.

PROJECT SAVINGS AND RECONCILIATION BY COLLEGE/DISTRICT - MEASURE C PROJECTS

Project Title	Approved Project Budget	State and Local Funding	Measure C Funding	Measure C Expenditures/Commitments	Measure C Project Savings (Shortfall)	Notes	MVC	NC	RCC	DISTRICT	CENTRALLY CONTROLLED FUNDS
RIVERSIDE CITY COLLEGE PROJECTS											
Student Services Bldg. - Ph. I and Ph. II (876)	\$ 22,301,844	\$ -	\$ 22,301,844	\$ 22,291,234	\$ 10,610	So Cal Gas Refund/Clear Accrual			\$ 10,610		
Master Plan Update (878)	\$ 977,000	\$ -	\$ 977,000	\$ 954,923	\$ 22,077	Project Completed			\$ 22,077		
Culinary Arts Academy/District Offices (869/1869)	\$ 35,220,775	\$ 1,624,757	\$ 33,596,018	\$ 33,327,857	\$ 268,161	Project Completed			\$ 92,500	\$ 92,500	\$ 83,161
TOTAL RCC					\$ 300,848		\$ -	\$ -	\$ 125,187	\$ 92,500	\$ 83,161
NORCO COLLEGE PROJECTS											
Master Plan Update (878)	\$ 178,300	\$ -	\$ 178,300	\$ 175,914	\$ 2,386	Project Completed		\$ 2,386			
Soccer Field Turf Replacement (894)	\$ 507,648	\$ 257,324	\$ 250,324	\$ 250,324	\$ -	Project Completed					
TOTAL NC					\$ 2,386		\$ -	\$ 2,386	\$ -	\$ -	\$ -
TOTAL PROJECT SAVINGS					\$ 303,234		\$ -	\$ 2,386	\$ 125,187	\$ 92,500	\$ 83,161
Norco College Shortfall*	\$ 89,722,298	\$ 19,699,392	\$ 70,022,906	\$ 72,614,583	\$ (2,589,291)	Allocation to rectify Shortfall		\$ 2,589,291			\$ (2,589,291)
NORCO COLLEGE Augmentation							-	2,589,291	-	-	(2,589,291)

*The overall Norco College allocation will be reconciled each year based on the Project Savings and Reconciliation Report and interest income earned.

**Interest Income Allocation for the Period
July 1, 2019 - June 30, 2020**

Entity	Measure C % Distribution*	Interest Income to Allocate
MVC	17.87%	\$ 81,092
NC	17.14%	\$ 77,780
RCC	46.29%	\$ 210,059
RCCD	4.95%	\$ 22,463
Centrally Controlled	13.75%	\$ 62,396
Total		\$ 453,790

*Measure C distribution is based on the allocation percentages approved by the Board of Trustees in June, 2018

DBAC MEMBERSHIP

District Office

Vice Chancellor, Business and Financial Services – Chair (Aaron Brown)
Director, Business Services (Majd Askar)
CSEA Representative (Cyndi Gundersen)

District

DAS President** (Jennifer Floerke)
ASRCCD Representative (Ivan Hess)

Riverside City College

Vice President, Business Services (Chip West)
RCCAS President** (Mark Sellick)
Faculty Lead*** (Asatar Bair)
CSEA Representative (Elena Santa Cruz)
MLA or CSEA Representative* (Liz Tatum)

Moreno Valley College

Vice President, Business Services (Nathaniel Jones)
MVCAS President** (VACANT)
Faculty Lead*** (Michael McQuead)
CSEA Representative (VACANT)
MLA or CSEA Representative* (MaryAnn Doherty)

Norco College

Vice President, Business Services (Michael Collins)
NCAS President** (Quinten Bemiller)
Faculty Lead*** (Courtney Buchanan)
CSEA Representative (Andy Aldasoro)
MLA or CSEA Representative* (Esmeralda Abejar)

Notes:

1. Vice Chancellor, Director of Business Services, Vice Presidents of Business Services positions are permanent members of the Council.
2. All other members commit to serving a minimum of two year terms.
3. Vice Chancellor votes on recommendations only in the event of a tie.
4. District Academic Senate (DAS) will appoint the District wide representative.
5. *College Presidents will appoint MLA or CSEA representatives.
6. **College Academic Senate (AS) Presidents will appoint faculty representatives.
7. ***Faculty Leads represent relevant area in Strategic Planning.
8. Student Trustee will appoint the student representative.
9. Members may send proxies to DBAC meetings.