



ORCHARD SCHOOL DISTRICT

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September 10, 2013

FILED

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DAVID H. YAMASAKI
Chief Executive Officer/Clerk,
Superior Court of CA County of Santa Clara
BY STEPHANIE WONG

Honorable Brian C. Walsh
Presiding Judge
Santa Clara County Superior Court
191 North First Street
San Jose, California 95113

Response to the Santa Clara County Civil Grand Jury Report, "Our School Districts Do Not Need Zeros"

Honorable Judge Walsh:

On behalf of the Orchard School District, we have prepared the following responses to the finding and recommendation in your letter addressed to Mr. Alan Fong, Board President, and the Board of Trustees dated June 10th, 2013.

Should you have any questions related to this matter please do not hesitate to contact me at (408) 944-0397

Sincerely,


Emerita Orta-Camilleri
Superintendent

Enclosure

cc: Alan Fong, Board President
Irma Manzo, CBO

ORCHARD ELEMENTARY SCHOOL DISTRICT
Response to Grand Jury Findings and Recommendations
“Our School Districts Do Not Need Zeros”

Findings and Recommendations:

Finding 1

CABs shift large, compounding interest costs to future taxpayers and will inevitably compound the burdens school districts face in operating effective schools for their students in the future.

Orchard Elementary School District agrees that every school district in the state should impose a moratorium on issuing CABs. The moratorium should remain in effect until the Governor and Legislature decide on reforms in the current legislative session. If reforms are enacted, subsequent CABs deals can be conducted in compliance with the new statutory requirements.

Recommendation 1

Each school district in Santa Clara County should adopt a board policy and any necessary administrative regulation indicating its intent to comply with the moratorium called for by the State Treasurer and the State Superintendent of Public Instruction.

Orchard School District agrees and will adopt administrative regulations by February 2014 indicating its intent to comply with the moratorium called for by the State Treasurer and the State Superintendent of Public Instruction against the issuance of Capital Appreciation Bonds.