San Lucas
Union School District

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February 20, 20001

Honorable Robert O'Farrell
Presiding Judge of the Superior Court – 2001
Grand Jury – County of Monterey
Salinas, CA 93902

Dear Judge O'Farrell:

RE: RESPONSE TO THE 2000 MONTEREY COUNTY CIVIL GRAND JURY

I am writing in response to the Final Report of the 2000 Monterey County Civil Grand Jury, regarding the use of California State Lottery Funds in Monterey County.

As noted in the background section of the report on page 23 it states, "...Beyond stating that funds be used exclusively for education, the 1984 law only specifies that no moneys should be spend for acquisition of real property, construction of facilities, financing of research, or any other non-instructional purposes." While the California Department of Education "recommends" that lottery funds be used for non-recurring expenses, the actual use is left up to the local administrators and elected school boards, since each district may have different needs.

Proposition 20, which became law on March 7, 2000, did state that any increase above the 1997-98 level of lottery funding that 50% of the increase be spent on instructional materials.

The Grand Jury report also states on page 24 that, "at the time of the Grand Jury's survey, there was no evidence that any lottery education reserves were being spent for prohibited purposes in Monterey County.

To comply with Penal Code Section 933.05, our official response to the recommendations on page 25 of the 2000 Monterey County Grand Jury is:

Recommendation #1: The San Lucas Union Elementary School District verify that they have established and are maintaining separate accounts for the receipt and expenditure of these funds as required by Section 8880.5 if the California Government Code.

District's Response: This recommendation has been implemented since 1984, and has been certified each year by our independent CPA audit.

Recommendation #2 The County Superintendent and all Monterey County school districts review their accounting practices to facilitate tracking and compliance with the new requirements of California's Cardenas Textbook Act of 2000, as defined in Section 8880.4 of the California Government Code.

District's Response: This recommendation was implemented July 1, 2000, prior to the Grand Jury's Report. While the Cardenas Textbook Act of March 2000 only requires that 50% of new lottery revenue be used for textbooks, since the state's Instructional Materials allotment has not kept pace with the increasing costs of textbooks and supplemental instructional materials. By using 50% of all lottery money and the state's meager allowance for Instructional Materials, we have developed a 5-year master plan to fully fund the state textbook adoptions as they occur.

We trust that his response satisfies the Grand Jury's requirements; however, feel free to contact me 382-4426, if additional information is needed.

Sincerely,

Brad Bailey
District Superintendent

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C. Susan Balesteri – Foreman 2000
Dr. Bill Barr, County superintendent of Schools
Board of Trustees – San Lucas Union School District