

San Jose Unified  
School District

Pam Foley, President  
Board of Education

Inspiring and Preparing for Success

September 9, 2013

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

**FILED**

SEP 18 2013

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

Dear Judge Walsh:

This letter represents San José Unified's response to the 2012-2013 Santa Clara County Civil Grand Jury Final Report, *Our School Districts Do Not Need Zeros*, dated June 10, 2013.

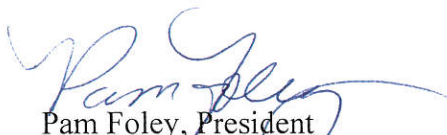
Specifically to Finding 1, "CABs shift large, compounding interest costs to future taxpayers and will inevitably compound the burdens school districts face in operating effective schools for their students in the future," San José Unified agrees with the finding.

Specifically to 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," San José Unified will not be implementing this recommendation, as it is not warranted.

As shown in the Civil Grand Jury's report, San José Unified did not issue any Capital Appreciation Bonds between 2007 and 2012 and the District has no current plans to issue CABs. Most importantly, the Board of Education exercises its authority in accordance with the State and Federal Constitutions, laws and regulations, while executing the powers delegated to it by law for the District it governs. As such, adopting a Board policy and/or administrative regulation is unnecessary. San José Unified will continue to monitor the status of AB182.

On behalf of the San José Unified community, please forward my appreciation to the Civil Grand Jury for its ongoing efforts to protect our society and enforce our laws.

Sincerely,

  
Pam Foley, President  
Board of Education

Board of Education

Teresa Castellanos • Sandy Engel • Pam Foley • Rich Garcia • Veronica Lewis

855 Lenzen Ave • San Jose, California 95126-2736 • (408) 535-6090 • Fax (408) 535-2362