



PRESS RELEASE – ORANGE UNIFIED SCHOOL DISTRICT

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STANDARD AND POOR'S GIVES OUSD AN A+ RATING

ORANGE, Calif., April 21, 2008 – At the April 17, 2008, Board of Education meeting, Dr. Godley reported that Standard & Poor's upgraded the District's underlying rating from 'A' to 'A+' mainly due to the District's financial stability and management's efforts to proactively identify expenditure cuts to offset likely revenue declines from the state. The highest rating for a school district for bonds of this type that are backed by only the General Fund is usually 'A' because a school district has no means to increase its General Fund income as with General Obligation Bonds (tax rate increases, property valuations, etc.). "To receive 'A+' is unheard of," said Dr. Godley.

As noted in Standard and Poor's summary report, the 'A+' rating reflects the long-term general creditworthiness of the District and the District's covenant to budget and appropriate bond payments. The District's long-term credit factors include good unreserved general fund performance. Further adding to its stability is that the District has already identified expenditure cuts that should keep its finances at least adequate, despite possible state funding reductions.

The Orange Unified School District is located at 1401 North Handy Street in Orange, California.

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