

Budget Solutions

**School Board
Meeting
March 9, 2020**



Presentation Outcomes

- Discuss shortfall for 2020/2021 and structural deficits
- Timelines and proposed administrative, certificated and classified reductions
- Review budget adjustments, vacancy savings, department budget reductions
- Lay the foundation for board discussion and action



Reports that Districts Use

Adopted Budget

The board adopts in June, as a best estimate for revenue and expenditures based on a set of assumptions.

1st/2nd Interim

1st (July 1 - Oct 31) report that is a “check in” on budget.

2nd (Nov 1 - Jan 31) that is a “check in” on budget.

Both are reported to the Contra Costa County Office of Education.

Unaudited Actuals & Audit

Actual results of the prior year revenue and expenditures; can inform future budgeting but is based on prior year’s actions.

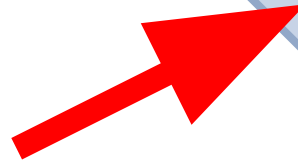


Three Types of Certification

Positive - A school district can meet its obligations for next year and the two subsequent years

Qualified - A school district may not meet its financial obligations for the current or two consecutive years

Negative - A district cannot meet its financial obligations for the remainder of the current fiscal year or for the subsequent fiscal year.





Types of Revenue

Restricted:

Those from state, federal, or grants with restrictions on how the money is spent. We use those first. Some are deferred revenue and some are unearned income.

Unrestricted:

Funds we receive that are most flexible, allowing us to spend them on a variety of educational or staff purposes.

Books & Supplies Carryover (the 4000's account)

Because there has been some question about carryover in this line item, we wanted to share how it works.

At the end of each year, many budgets with remaining funds fall into the "Books & Supplies" line that are part of the 4000's but are delineated below in our accounting, which you cannot see in high level reports.

Examples include:

- Funds from school site carryover
- "Site donations" and grants
- Prop 39 funds (clean energy)
- Health & Safety Grant (Redevelopment Grant - facilities)
- Title I, Title II, and Title III (federal programs)
- Comprehensive Support & Improvement Grant (multi-year)
- Lottery
- California Partnership Academy (CTE grant)
- Career Technical Education Incentive Grant - CTEIG- (multi-year))
- Low Performing Block Grant (one time)
- MediCal funds (speech, psychologist, occupational, etc)
- Classified Employee Professional Development Grant

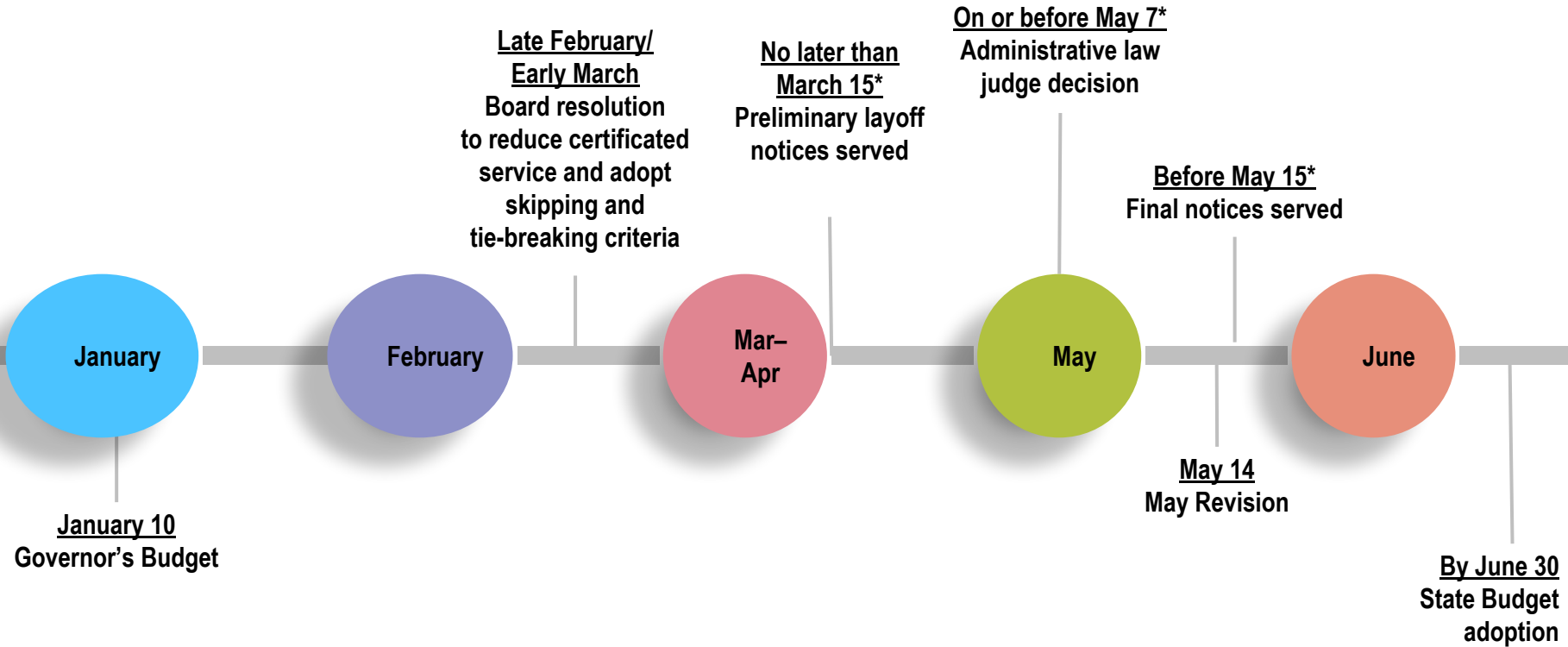


What else is contributing to the deficit?

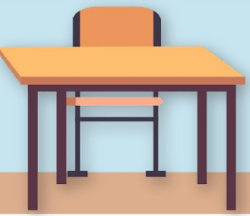
- Cost of Living Adjustment (COLA) does not cover the cost of living increases
- Increasing CalSTRS and CalPERS contributions (retirement costs)
- Year over year intentional deficit spending
- Declining enrollment (ADA - average daily attendance)
- General fund contributions
- Tentative agreement with our bargaining groups



Certificated Layoffs and Timelines



*Statutory deadlines per EC § 44949 and 44955



Classified Layoffs and Timelines

On or about March 23
Board adopts resolution to reduce classified service for lack of work or lack of funds

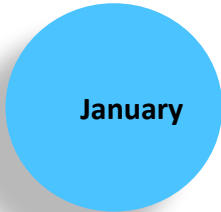
On or about April 2
Notice of layoff personally served on affected employees, including notice of bumping rights and election form

Additional time should be provided to manage bumping and to serve additional notices if needed

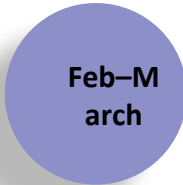
Fifteen Days

EC § 45117
Notices to be served sixty days prior to the effective date of the layoff for lack of work/lack of funds
Notices of layoff must be served before April 29 for specially funded programs

Layoff effective June 30



January



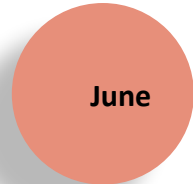
Feb-March



April



May



June

January 10
Governor's Budget

May 14
May Revision

By June 30
State Budget adoption



What is our target amount for budget solutions?

\$21,100,000

Progress so far?

- Budget reductions for vacancies to date
- Ongoing elimination of certain vacant positions
- Recategorized personnel costs from unrestricted to restricted -

- Decreased departmental budgets across the district - \$2.7M
- Recapture unspent school, grade level, departmental budgets - \$260K
- *Has not reduced any direct services to students*

\$14,500,000



Contracts, Programs and Service Reductions - Recommendations

	Financial Impact
JROTC - eliminate entire program districtwide	\$226,395
Extra time for sites with no Vice Principals	\$76,000
Middle school sports	\$142,000
iReady - contract is for \$780,000 (maintain assessment modules)	\$580,000
Consulting contracts	\$325,000
Training, workshops, conferences	\$150,000
School Resource Officers (\$431,433.60 - Concord, \$93,000 - Pleasant Hill)	\$524,433
	Subtotal: \$2,023,828



Site Administrator Reductions - Recommendations

	Recommended Reduction	Financial Impact
Central/District Office	11.4 FTE	\$1,628,094
Elementary Vice Principals	1.0 FTE	\$108,200
Middle School Vice Principals	3.5 FTE	\$390,556
High School Vice Principals	1.0 FTE	\$130,757
Continuation School Vice Principals/Dean	2.0 FTE	\$275,990
	Subtotal:	\$2,533,597



Certificated Reductions - Recommendations

	Recommended Reduction	Financial Impact
Elementary teaching staff	35.0 FTE	\$3,072,405
Middle school teaching staff	10.0 FTE	\$877,830
High school teaching staff	10.0 FTE	\$877,830
Elementary librarian (elementary prep reduction)	1.0 FTE	\$84,459
Middle school librarian (replace with instruc media tech)	3.2 FTE	\$31,126.94 net
High school librarian (replace with instruc media tech)	2.6 FTE	\$25,940.01 net



Certificated Reductions (cont.) - Recommendations

	Recommended Reduction	Financial Impact
4th grade instrumental music + 1.0 FTE vocal (prep reduction)	7.0 FTE	\$614,481
TISP Coach (beginning teacher support & assessment)	1.0 FTE	\$87,783
TOSA (teacher on special assignment)= have 16.9 - will move 4 FTE into Restricted	2.5 FTE	\$219,457 + \$351,132
Elementary PE teachers	5.0 FTE	\$517,442
Alternative education teachers	2.6 FTE	\$228,235
ELD support teachers - have 15.94 FTE	2.3 FTE	\$201,901



Certificated Reductions (cont.) - Recommendations

	Recommended Reduction	Financial Impact
High school IB coordinator - 3 sections	.6 FTE	\$43,175
Elementary counselors - have 15.80 FTE	5.6 FTE	\$473,217
Middle school counselors - have 17.0 FTE	3.4 FTE	\$287,310
High school counselors - have 15.0 FTE	1.0 FTE	\$84,503
Stipends for extra duty		\$15,000
Athletic directors - reduce .2 FTE of prep for each of 4 (1 classified)	.8 FTE	\$70,226
Subtotal:		\$ 8,105,386



Classified Reductions

- Will come forward at a future board meeting

	Recommended Reduction	Financial Impact
Classified (Local1 AFCSME, CSEA, Teamsters)	Approx. 60.4 FTE	\$2,010,200



Summary of Recommendations to the Board

	Recommended Reduction	Financial Impact
Contracts, Programs, Services		\$ 2,023,828
Administrators (district & site)	18.9 FTE	\$ 2,533,597
Certificated	87.8 FTE	\$ 8,105,386
Classified (Local1 AFCSME, CSEA, Teamsters)	Approx. 60.4	\$ 2,010,200
Total: \$ 14,673,011		



Additional ideas for Board consideration

	Financial Impact
AVID (advanced determination for individual determination)	\$200,000
IB programs	\$88,500



Revenue Enhancements - What we can/can't include

Can

Revenue and grant funds for which we have documentation that we will receive

Can

Charges for appropriate use of school facilities, including cost of living adjustments on custodial, utilities, and commercial square foot charges in local communities

Cannot

Revenue we think will come in but can't confirm

Cannot

Revenue we might receive each year but have no idea what it will be, such as an adjustment or backpayment for programs like MAA or Special Education adjustments



- Board Discussion
& Action