

**West Contra Costa Unified School District
District Budget Engagement Committee (DBEC)**

Agenda

Tuesday, December 3, 2019 at 6:30 PM

Alvarado Adult School, Room 1, 5625 Sutter Street, Richmond

“The mission of the District Budget Engagement Committee (DBEC) is to review and understand the impact of federal, state and local funding on the District’s budget and to make recommendations to the Board regarding budget priorities, efficiency or cost reduction strategies, consider the reserve level that is best for the District as well as reviewing the most effective means of presenting budget information to the public.” (WCCUSD Administrative Regulation AR 3000, District Budget Engagement Committee)

1. Call to Order – Dr. Tony Wold

2. Roll Call

Member	Group/Organization
Demetrio Gonzalez	Labor-Management Solutions Team
Guadalupe Enllana	District Local Control Accountability Plan Committee
Hawi Abraham	Youth Commission
Jen Komaromi	Citizens Oversight Committee for Parcel Taxes
Jennifer Peck	School Site Council - High
Juanita Towns	PTO
Judy Diamond	School Site Council - Middle
Maisha Cole	School Site Council - Elementary
Mike Cunningham	PTA recommended by Bayside PTA
Stephanie Sequiera	Multilingual District Advisory Committee

3. Introductions: Members and Staff

4. Nomination of Chairperson and Vice Chair

The committee will nominate and vote on a committee chairperson and vice chairperson.

5. Review of [October 29, 2019 Minutes](#)

6. Public Comment: Members of the public are invited to speak on any matter related to the District’s budget at this time. Members of the public may also speak on individual agenda items of interest in the agenda as the items are discussed.

7. Review and Discuss the Community Survey Questions to be released at the live community budget event on December 9th

Dr. Wold will present preliminary questions for the Community Survey. Survey questions for review will be provided at the time of the meeting.

8. Presentation of “The Story – Part 3” – Dr. Tony Wold
Dr. Wold will review the administrative staffing component of “The Story – Part 3” for discussion.
9. Budget Account Code Training
If time permits and the committee desires, a 30-minute account code training will be offered.
10. Good of the Order: Members of the Committee are invited to comment on any matter within the scope of the Committee’s Mission.
11. Adjournment

Future Meeting Schedule

- January 21, 2020 – review of the positions within the budget and possible areas for reduction and provisions of the Governor’s January Budget Proposal
- February 24, 2020 - review of inputs that will be part of the second interim budget and identification of possible areas for reduction and continued review of the budget process in Sacramento
- March 25, 2020 – review of LCAP priorities as they pertain to the budget
- April 29, 2020 – review of recommendations for reductions that have not yet been adopted by the board at the first two interim reports
- May 27, 2020 - review of inputs that will be part of the final budget and update on the Governor’s May Budget Revision

Attachments:

[DBEC Minutes, October 29, 2019](#)
[“The Story – Part 3” Presentation](#)
[Account Code Training](#)

West Contra Costa Unified School District District Budget Engagement Committee

Minutes

October 29, 2019

Alvarado Adult School
Room 8
5625 Sutter Street, Richmond

1. Call to Order

Dr. Wold called the meeting to order at 6:39 PM.

2. Roll Call

Members Present: Mike Cunningham, Judy Diamond, Guadalupe Enllana, Demetrio Gonzalez, Jen Komaromi, Stephanie Sequiera, Juanita Towns

Members Absent: Hawi Abraham, Maisha Cole, Jennifer Peck, Stephanie Sequiera

Board Liaison Absent: Val Cuevas

Staff Present: Tony Wold, Regina Webber, Denise Cifelli

Guests: Tom Panas, Gustavo Aguilera, Angelica Lopez, Stephanie Phillips

3. Introductions

The committee introduced themselves and Dr. Wold introduced the guests from Business Services staff. Mr. Cunningham questioned the appointment of a chairperson. Dr. Wold explained why the item was not on the agenda.

4. Review of September 24, 2019 Minutes

Motion: Demetrio Gonzalez moved approval of the October 9, 2019 Minutes. Second by Juanita Towns. Motion approved unanimously.

5. Public Comment

Mr. Gonzales provided a synopsis of the chairperson discussion at the last meeting.

6. Presentation of “The Story – Part 2”

Dr. Wold reiterated budget timelines, budget process and talked about the challenge of balancing core and base budget versus community needs. Discussion veered into Special Ed costs, possible reconfiguration, and mainstreaming.

Mr. Gonzales requested answers to the following:

1. Savings from mainstreaming 14 additional students this year.
2. Total cost of classroom libraries and associated funding codes.
3. Funding for the Stege redesign
4. Total amount spent to date on Partners in School Innovations.

These questions will be included with other stakeholder questions and posted on the website under “Budget Updates”. Dr. Wold continued the presentation discussing fixed and discretionary expenses and provided a high level overview of the 4000 and 5000 object codes and plan for current and next year’s budget reductions.

8. Review & Discuss the 4000 and 5000 Non-Salary Components of the Budget

The committee discussed use of one-time money to offset expenses and questioned savings if sites are closed. They also questioned the use of spending time to cut so few dollars in contracts when they should look at high dollar savings. Many expressed frustration over the handouts stating the information was too large and not easy to understand and felt they had not had enough training or exposure to recommend cuts. They also wanted information at the site level. Dr. Wold suggested where to focus their review and reiterated the timeline for bringing recommended cuts to the board. He also stated he would work on budget training for all committees, and would have it translated.

9. Good of the Order/Future Agenda Items

Mr. Cunningham requested to agendaize nominations for chair and vice chair at the next meeting and the committee members agreed.

6. Adjournment

Dr. Wold adjourned the meeting at 8:50 PM.

Next meeting date: December 3, 2019

Location: Alvarado Adult School, Room 1



2019 – 2020 Budget Status and Story – Part 3

West Contra Costa Unified School District
November 20, 2019

Tony Wold, Ed.D.,
Associate Superintendent, Business Services

2019 – 2020 Budget Calendar

Budgeting for a school district is a continuous, year-round process. Projections continually change based on new and changing information. There are 5 formal reports presented to the Board:

- ❖ June 30, 2019 Adopted 2019 – 20 Budget
- ❖ September 18, 2019 Unaudited Actuals
- ❖ **December 11, 2019** **1st Interim Budget** *(Data as of October)*
- ❖ March 11, 2020 2nd Interim Budget *(Data as of January)*
- ❖ June 10/24, 2020 Adopted 2020 – 21 Budget

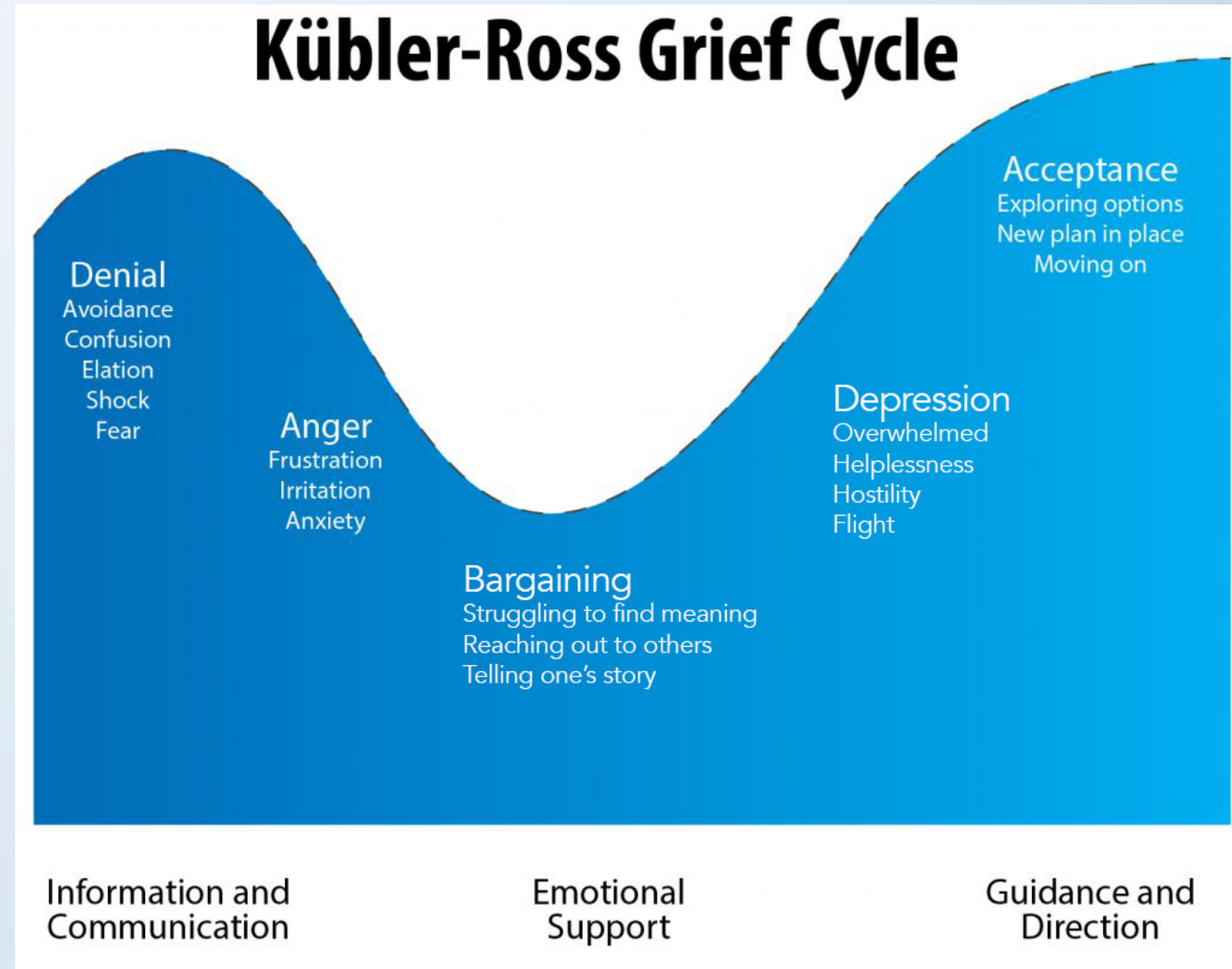
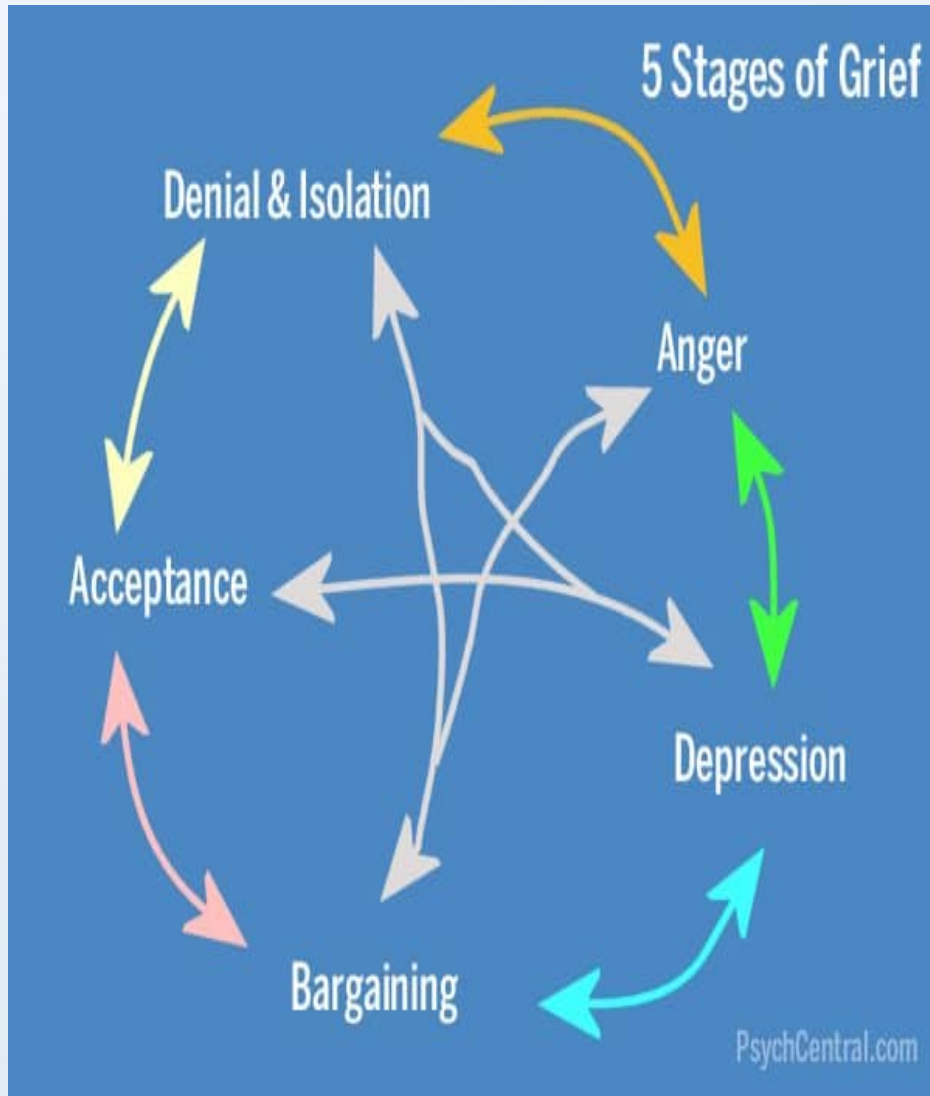
Other than the presentation of the actual financial information (unaudited actuals) all other budget presentations are a combination of actuals and projections for the current and upcoming year

Tonight's Presentation Agenda

"The Story" Part 3

- Budget Reduction Process – 5 Point Plan
- How did we get here budget review
- Management Staffing Ratios
- Other Revenues – Parcel Tax and MRAD
- Investments
- Transitioning toward solutions
- Other Post Employment Benefits – OPEB
- Budget Reduction Process Timelines

Budget Reduction Emotional Cycle



Budget Reduction Considerations



Maslow's Hierarchy of Needs

When identifying reductions the focus starts with the determination of base (essential) services

- Identify base program that supports instruction
- Prioritize auxiliary services that support student achievement
 - Hard decisions may be required regarding support services

Moving Forward - Together

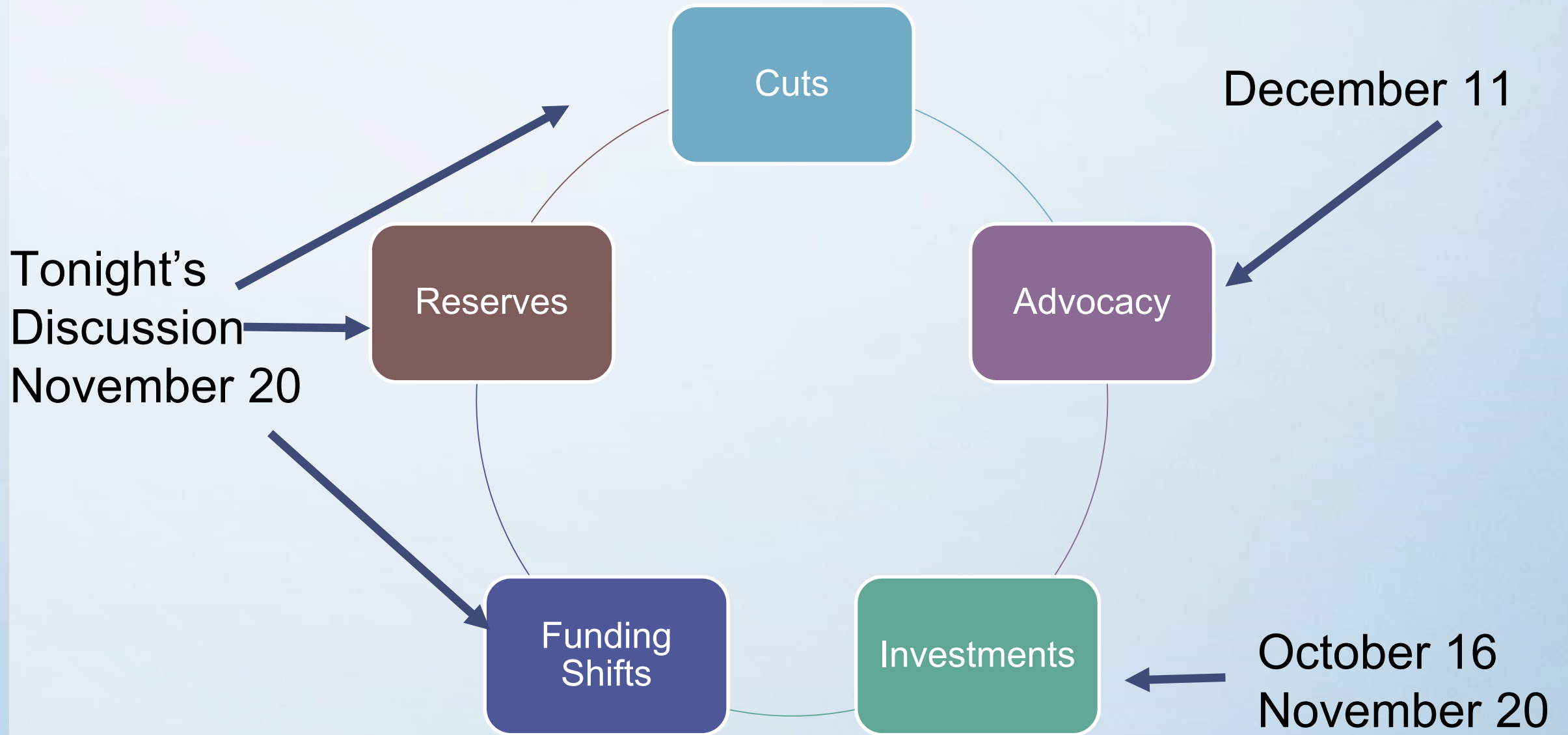
- Solving the Budget issue will require a full partnership of all stakeholders.
- We need to understand the current situation, provide data, and answer questions
- We need to look forward – together!



Priorities of the Board & District

- Roadmap 2.0
- English Language Arts program elementary schools
- Dual language immersion program
- Support for African American students
- Positive school climate
- Stege Elementary School
- *Make necessary reductions to maintain a positive certification for the 2019 – 20 and two subsequent years budgets*

Budget Reductions – Multiple Approaches



How Did We Get Here?

- There has been historical small levels of deficit spending with significant fund balance to cover and The District experienced greater deficit spending beginning in 2017-2018
 - The District did during this period increase reserves in both Fund 71 (\$31 million) and 17 (\$38 million) for future “rainy days”
- State Funding for k-12 education has slowed as Local Control Funding Formula (LCFF) became fully funded.
- Expenses for Special Education, Risk Management, Staffing, Goods and Services, and Employee compensation increased at percentages higher than revenues received and anticipated
- District contributions for retirement benefits (STRS and PERS) continue to increase with the District projected to pay \$26 million more per year than it was paying just a couple of years ago
- Declining enrollment and ADA decline \$2.5 million (cumulative over \$5 million in the last couple of years)

District Revenue and Expenditures (as of Unaudited Actuals)

Year	Revenue	Expense
2015 – 2016	\$340,214,523.53	\$309,902,278.54
2016 – 2017	\$334,337,590.93	\$337,500,166.46
2017 – 2018	\$354,747,420.08	\$371,805,877.13
2018 – 2019	\$366,105,318.65	\$379,764,236.31
2019 – 2020 projected	\$361,018,357.00	\$400,960,735.00
2020 – 2021 projected	\$365,990,946.00	\$413,840,125.00
2021 – 2022 projected	\$375,578,583.00	\$417,988,338.00

District Expenses Trends

EXPENDITURE DESCRIPTION	OBJECT CODE	2019-20 REVISED BUDGET	2018-19 ACTUALS	2017-18 ACTUALS	2016-17 ACTUALS	2015-16 ACTUALS
CERTIFICATED SALARIES	1000-1999	157,482,941.00	148,595,689.94	139,567,743.06	127,237,407.58	118,825,866.12
CLASSIFIED SALARIES	2000-2999	62,687,755.00	58,965,239.87	57,074,996.44	55,673,972.46	50,025,274.95
EMPLOYEE BENEFITS	3000-3999	102,267,470.00	89,221,114.93	91,957,355.06	75,922,112.24	70,199,908.09
BOOKS AND SUPPLIES	4000-4999	13,731,163.00	16,569,370.29	13,875,175.67	11,276,142.18	11,417,008.52
SERVICES AND OTHER OPERATING EXPENDITURES	5000-5999	65,873,581.00	62,877,875.57	62,691,203.22	59,618,405.74	56,934,573.72
CAPITAL OUTLAY	6000-6999	2,566,089.00	2,211,639.52	6,049,318.22	6,966,957.12	2,127,884.59
OTHER OUTGO	7100-7299 7400-7499	2,403,736.00	1,323,306.19	590,085.46	805,169.14	371,762.55
		407,012,735.00	379,764,236.31	371,805,877.13	337,500,166.46	309,902,278.54

Impact of CalSTRS and CalPERS on WCCUSD

- Employer Rate Keeps increasing yearly
- Data is from ALL Funds, and not just Fund 01 and is therefore higher than reported in many summary reports from the Unadited Actuals and SACs budget reports

Year	STRS Rate	PERS Rate	CalSTRS \$ Increase	CalPERS \$ Increase	Total \$ Increase	Cumulative \$ Increase
2015-2016	10.73%	11.847%	\$1,980,210	\$357,467	\$2,337,677	
2016-2017	12.58%	13.888%	\$2,874,898	\$1,402,373	\$4,277,271	\$6,614,948
2017-2018	14.43%	15.531%	\$3,569,569	\$1,157,209	\$4,726,778	\$11,341,726
2018-2019	16.28%	18.062%	\$3,870,338	\$1,738,226	\$5,608,564	\$16,950,290
2019-2020	17.10%	19.721%	\$2,417,469	\$1,535,401	\$3,952,870	\$20,903,160
2020-2021	18.40%	22.700%*	\$2,592,201	\$1,981,003	\$4,573,204	\$25,476,364
2021-2022	18.10%	24.600%*	(\$542,287)	\$1,489,768	\$947,481	\$26,423,845

Special Education Services

- The total Spending for Special Education in 2018 – 2019 was over \$84 million
 - The severity of disabilities served continues to increase

Data presented is selected disabilities: Totals include all classified students

Year	Speech Only	Other Health Impaired	Specific Learning Disability	Autism	Total	Total Expenditures
2005 - 2006	1,759	62	2,091	157	4,757	
2016 – 2017	957	170	1,888	461	4,108	\$74,450,590
2017 - 2018	947	197	1,820	535	4,109	\$81,747,459
2018 - 2019	977	233	1,740	637	4,167	\$84,413,356

Risk Management

- The District spends \$7,344,43 for Worker's Compensation Premiums

- The District spends \$2,331,282 for Property and Liability Insurance

Year	Worker's Compensation Premium
2015 – 2016	\$4,600,440
2016 – 2017	\$5,683,661
2017 – 2018	\$6,090,680
2018 – 2019	\$7,288,619
2019 – 2020	\$7,344,431

Year	Property and Liability Premium
2015 – 2016	\$1,731,405
2016 – 2017	\$1,714,433
2017 – 2018	\$1,705,375
2018 – 2019	\$1,947,195
2019 – 2020	\$2,331,282

- The experience modification (Ex-Mod) factor determines the rates
- WCCUSD Ex-Mod is 146% for 2018 - 2019
- **San Ramon has an Ex-Mod of 84.1% and a total premium of \$3,910,650**

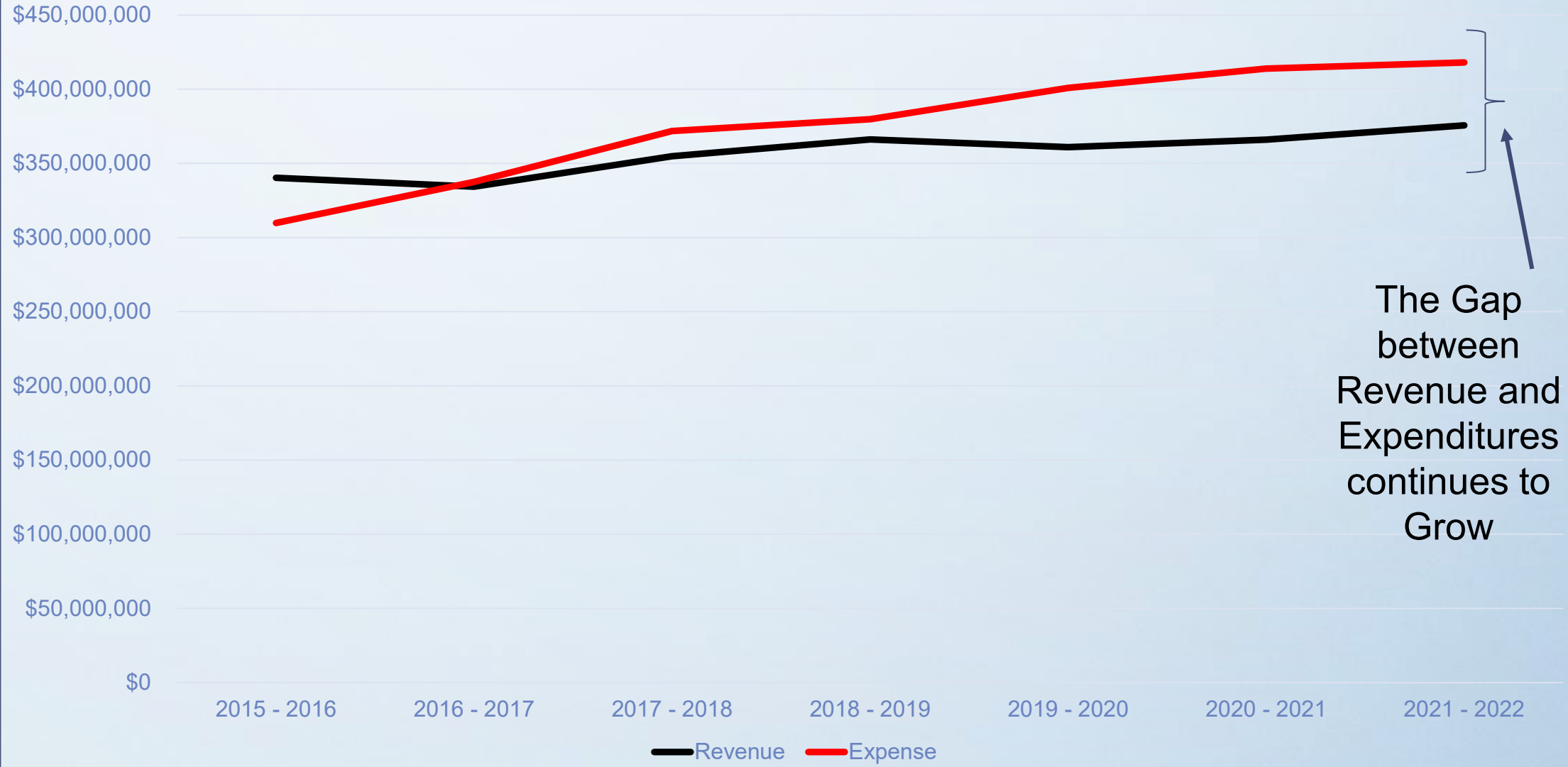
- The experience modification (Ex-Mod) factor determines the rates
- WCCUSD Ex-Mod is 158% for 2019 – 2020 for Liability and 92% for Property

Historical Attendance Rate

(Does not include Charter Schools)

Fiscal Year	CBEDS Enrollment	P2 ADA	% ADA to CBEDS enrollment	Change in ADA %	Enrollment Change
2010 – 11	29,078	27,664.85	95.14%		506
2011 – 12	28,858	27,597.70	95.63%	0.49%	(220)
2012 – 13	29,364	28,036.81	95.48%	(0.15%)	506
2013 – 14	29,486	28,147.48	95.46%	(0.02%)	122
2014 – 15	29,145	27,741.04	95.18%	(0.28%)	(341)
2015 – 16	28,639	27,169.65	94.87%	(0.31%)	(506)
2016 – 17	28,518	27,023.13	94.75%	(0.12%)	(121)
2017 – 18	28,457	26,808.35	94.21%	(0.54%)	(61)
2018 – 19	28,121	26,403.27	93.89%	(0.32%)	(336)
2019 – 20 Projected	28,121*				

Historical Revenue and Expense – Fund 01 Combined



The Gap between Revenue and Expenditures continues to Grow

Major Expenditure Assumptions – Out Years

(As of 2018-2019 Unaudited Actuals – Fund 01 ONLY)

	2018 -2019	2019-2020	2020-2021	2021-2022
LCFF Gap Rate Projection	100%	0%	0%	0%
Projected COLA (DOF)	3.70%	3.26%	3.00%	2.80%
Step & Column cost	\$1,364,047	\$1,507,905	\$1,567,280	\$1,582,953
STRS (increased rate)	\$921,867	\$953,242	\$1,565,581	(\$364,901)
PERS (increased rate)	\$327,558	\$384,525	\$1,081,339	\$696,573
Restricted Maintenance (3% contribution)	\$73,421	\$61,558	\$96,284	\$156,431
Reserve for Economic Uncertainties	\$9,968	\$143,635	\$339,539	\$124,446
Declining Enrollment (loss of revenue)	\$691,824	\$2,657,835	\$559,795	\$84,466
Special Education Contribution (SELPA)	\$2,665,897	\$2,745,873	\$2,814,519	\$2,884,882
Insurance / Workers Compensation	\$1,439,759	\$439,899	\$500,000	\$500,000
Salary Settlements	\$11,354,185	\$9,751,423	\$5,605,680	\$0
Statutory Benefits Cost Increases	\$273,115	\$358,527	\$399,465	\$413,806
Program Contributions (CPI estimate)	\$1,202,452	\$1,115,029	\$1,055,376	\$1,056,238
TOTAL New Expenditures	\$20,324,093	\$20,119,415	\$15,584,858	\$7,134,894

Management By Cabinet Member

	Management	WCCAA	SSA	Confidential	Total
Superintendent	4	1	1	2	8
Ed Service	12	9	17	0	38
Operations	14	0	27	2	43
Human Resources	4	0	6	1	11
Business Services	5	0	10	2	17
Special Ed	1	2	1	1	5
Technology	1	0	2	1	4
Communications	2	0	1	0	3
School Sites	1	103	50	0	154
Total	44	115	115	9	284

Number of Administrative by Year

	current	2018-2019	2017-2018	2016-2017	2015-2016
Superintendent	8	8	8	7	8
Educational Svcs.	39	39	40	34	31
Operations	43	42	51	50	43
Human Resources	11	11	11	11	10
Business Services	17	17	21	24	26
Special Education	5	5	5	5	5
Technology	4	4	4	4	4
Communications	3	3	3	3	3
Sites	154	153	143	130	124
TOTAL	284	282	286	268	254

Certificated Administrative to Teacher Ratio

- Education Code 41400-41407 Defines the required maximum ratios of administration to teachers and outlines how this must be reported in the annual audit under Education Code 41020

	Current	2018 – 2019	2017 - 2018	2016 - 2017	2016 - 2017
Administrative	133.70 FTE	134.50 FTE	106.40 FTE	107.40 FTE	108.00 FTE
Exempt Admin	8.70 FTE	9.45 FTE	7.76 FTE	7.56 FTE	7.90 FTE
Net Administrative	125.00 FTE	125.05 FTE	98.64 FTE	99.84 FTE	100.10 FTE
Teachers	1,582.01 FTE	1,582.52 FTE	1,469.13 FTE	1,457.03 FTE	1,490.33 FTE
Pupil Services	139.49 FTE	133.27 FTE	114.50 FTE	112.60 FTE	94.59 FTE
Allowed Ratio	0.08	0.08	0.08	0.08	0.08
Maximum Admin	126.56 FTE	126.60 FTE	117.53 FTE	116.56 FTE	119.23 FTE
Total / Excess	-1.56 FTE	-1.55 FTE	-18.89 FTE	-16.72 FTE	-19.13 FTE
PASS (Yes/No)	YES	YES	YES	YES	YES

Management Staffing Summary

- The District employees 284 administrators
- The total cost of Management and Confidential \$37,274,748 which is approximately 12.88% of the budget for Objects 1000 – 3999.
- The District has increased the number of management positions since 2015 – 2016 by 30 positions total

Parcel Tax Measure T 2016

- The District passed a Parcel Tax in 2004 which assesses \$7.2 cents per square foot for each parcel and renewed again in 2008, 2012 and 2016 which then required a proportional contribution to charter schools within the District boundaries.
- The most recent extension expires in 6 years (2026)
- Approved ballot language “protecting core academics, reading, writing, math, and science, attracting and retaining quality teachers, supporting science lab materials and activities, providing lower class sizes, preparing students for college and the workforce”
- The funds are currently utilized to support libraries, athletics, counseling and augment class size reduction.

2016 Parcel Tax Revenue / Expense

- Revenue \$9,777,072
- Expenditures / FTE (Current Year)

Position	FTE (Positions)
Librarians	12.0
Instructional Media Tech	13.0
Library Supervisor	1.0
Library Media Specialist	9.0
Administrative Tech	1.0
Project/Program Assistant	1.0
Curriculum Specialist	0.5
Secondary Counselors	16.0
Teacher/Athletic Director	1.33
Speech Therapists	3.61

Expenditure	Amount
Positions (58.45 FTE)	\$5,948,426
Athletic Funding contribution	\$1,500,000
Charter School Payments	\$1,889,593
Class Size Reduction contribution	\$418,553
SCI Contract	\$20,500
TOTAL	\$9,777,072

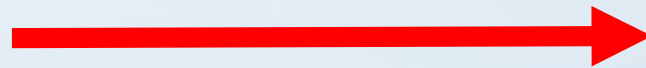
Maintenance and Recreation District MRAD 1994

- In 1994 an effort to raise and sustain funding for outdoor facilities, the district formed the MRAD.
- In 1996 the formation of MRAD was followed by an election to continue these levies. This allows the District to levy taxes to support the maintenance and operations of fields and outdoor areas for the purpose of public use.
- MRAD revenue is budgeted for 2019-2020 in the amount of \$5,588,083 million which pays for evening/after school custodial services, gardeners and outdoor capital projects.

LCAP Expenditures

- Under the Local Control Funding Formula the District identifies the expenditures that support unduplicated count students through Supplemental and Concentration Funds. These funds are considered “Unrestricted” but are designed to support additional services for the students across the district that generated the funds.
- The DLCAP Committee works to define the priorities for Board approval that should be funded with the available resources
- The District receives \$54,777,568 in S&C funds outlined in the current LCAP
 - 48% (\$26,744,467) support Achieving Students
 - 30% (\$16,872,582) support Thriving Employees
 - 22% (\$12,290,217) support Caring Schools

Investments



- Look at opportunities to increase district revenue
- Attendance accountability
- Risk Management focus
- Facility utilization and optimization
- **Specialty programs to sustain enrollment**
- Public/Private partnerships
- Facility Use Rental Fees

Strategies to Increase Parent Satisfaction and Enrollment

The goal is to become a Destination District that offers programs and opportunities to serve all student populations

- Explore additional K-8 school options (Kennedy Family, Washington Dual Immersion)
- Identifying and implementing a permanent home for the Mandarin School that continues to grow enrollment
- Identifying/adding additional small learning communities / pathways at Kennedy High School
- Consider new 7 – 12 options for specialty focus schools that will attract and maintain students across the District such as a stand-alone Performing Arts School / STEM / STEAM / Virtual / CTE school
- Continue investments in new and growing programs

Transitioning Toward Budget Solutions

CUT TARGETS

- 2019 – 2020 \$39.9 million
- 2020 – 2021 \$7.9 million
- 2021 – 2022 \$0 million (at this time)

Budget Solution Categories

- Current year utilization of reserves and expenditure controls
- Ongoing reductions
 - Funding shifts
 - Non Salary reductions
 - Reduction of Management Staffing Positions
 - The remainder of reductions impact staffing and employee compensation and require negotiations
 - Staff will be working with the Board and Associations to determine the magnitude of cuts that will require negotiations and will begin those conversations after the closed session portion of the December 11th Board meeting

Non-Salary Expense Review

- All non-salary expenditures were released to stakeholders and the public after the October 23rd Board meeting
- Multiple clarifying questions have been received and are being posted on the District website
- The feedback from Stakeholder groups was that the information was too overwhelming and not formatted in a manner that allowed for meaningful input
- Staff is reformatting the information into a easier to read format and will make a first attempt at identifying all possible areas for consideration for reductions and present this to the Board and stakeholders for review prior to recommending actions in January
- To assist in providing meaningful input a survey regarding priorities will be released to all stakeholders the week of December 9th

Non-Salary Evaluation Criteria

During Review of Non-Salary expenditures the following should be considered when identifying areas for possible reduction

- Is the Expenditure Required by law?
- Is this a District Obligation / Requirement?
- Does it align to District Priorities (Roadmap 2.0)?
- Is the Expenditure a Restricted Grant Obligation?
- Is the Expenditure a Long-term contractual obligation?
- Are there Measureable Outcomes identified?
- Is the Expenditure aligned to the District's Core Functions?

Current Year Budget Reduction Solutions

- The Current year budget deficit cannot be resolved with mid-year reductions and will require the utilization of a combination of reserves
- Utilization of Reserves is a one-time solution, and real ongoing reductions will be required to be adopted by the Board for the 2020 – 2021 school year
 - The District must maintain a minimum of 3% (approximately \$12-14 million) in unrestricted reserves
 - The total available reserves at unaudited actuals was \$38 million in Fund 1 and 17 and an additional \$31 million in Fund 71 and the OPEB Trust.
 - There are not sufficient reserves to mitigate the total deficit for the current year requiring the utilization of Fund 71 for the current year and possibly the subsequent school year as part of the comprehensive solution
 - At the First Interim on December 11th, The Board will make a commitment to adopt these cuts as part of the 2020-2021 budget adoption in June 2020.

Components of Unrestricted and Fund 17 2018-2019 Ending Fund Balance

Assignment / Designation	Amount
Revolving cash	\$70,000.00
Stores (values of Warehouse stock)	\$264,189.53
Unassigned/Unappropriated	\$3,710,443.05
Fund 17	\$34,037,843.12
Total	\$38,082,475.70

Other Post Employee Benefits - OPEB

- The District provides post-employment health and welfare benefits to retirees as stipulated in the collective bargaining agreements
 - **This is a guaranteed benefit**
- The total expenditure is built into the operational budget and is estimated at \$15.6 million for 2019 – 2020
 - These are required benefits and the funds are transferred from the General Fund to Fund 71 each year to pay the benefits
- An Irrevocable Trust for OPEB Expense was set up in Fund 71 to address the actuarial obligation

FUND 71 – Retiree Benefits

- The Ending Fund Balance in Fund 71 included two components

Object Code	Fund Balance
9100 – 9199 – Cash and Equivalents	\$5,535,425.95
9135 – Cash With Fiscal Agent	\$27,621,054.38
TOTAL	\$33,156,480.33

- Expenditures are paid out of the General Fund and the fund balance is saved for future payments if needed
- The projected expenditure is budgeted \$15,604,986 for 2019 – 2020
 - This amount can be paid from the Fund balance as a one-time transfer up to the amount of the expense for the current school year

Calendar of Budget Events

- Live Community Budget Event December 9th – Presentation of Budget Story and Question and Answer Period along with release of priority survey and continued Community Engagement meetings
- First Interim Budget Report December 11th – First view of full budget reports with carryover included (No actions)
- Closed Session Discussion of Negotiations impact of Budget Reductions – December 11th
- Board Presentation December 11th–Advocacy discussion
- Board Presentation January 15th– Results of Survey on Priorities, First presentation of Non-Salary potential cuts and annual audit reports
- Board Presentation January 29th – Continue discussion of non salary reductions and Closed Session negotiations impacts

District's Goal is to continue to work collaboratively with our associations.



Reduction Target - Next Steps

**Days
Remaining to
Identify 2019–
20 Reductions**

216
(as of November 20, 2019)



Date	Event or Activity
December 11, 2019	First Interim and identification of first round of <u>one-time and ongoing reductions</u>
March 11, 2020	Second Interim and identification of second round of <u>one-time and ongoing reductions</u>
June 24, 2020	Adopted Budget and identification of final round of <u>one-time and ongoing reductions</u>

2019 - 20 Remaining Reduction Target = \$- million

2020 – 21 Budget Reduction Target = \$47.8 million

2021 – 22 Budget Reduction Target = \$0 million

Standardized Account Code Structure (SACS) Training



By Regina Webber

Revised November 5, 2019

Chart of Accounts

- A list of all the accounts of a local educational agency (LEA) and the numbers or codes assigned to the accounts is called a *chart of accounts*.
- The chart of accounts is the basis for what accounts may be used when recording a particular transaction.
- The official chart of accounts for LEAs is based on the standardized account code structure (SACS) established by the California Department of Education (CDE).

- TELLS A STORY

Name	Digit Length	Description
Fund	XX	A <u>Fund</u> is a fiscal and accounting entity with a self-balancing set of accounts. The general fund (01) is the most familiar fund.
Resource	XXXX	Specialized state & federal <u>Resource</u> revenues that have restrictions on how they are spent; within a fund.
Object	XXXX	This field classifies the type of expenditures. Common object classifications are salary, benefits, materials & supplies, technology, field trips, travel, contracts, etc.
Site	XXX	This field identifies the school site or office.
Goal	XXXX	This field defines the objective of the funds, or group of students who are receiving services. Another way to look at it is to ask who are we serving? Regular K-12 instruction, alternative education, special education, adult education, etc.
Function	XXXX	This field describes the activities or services performed to accomplish a set of objectives or goals. How are we serving the students? Through instruction, curriculum, counseling, psychological services, health services, etc.
Manager	XXXXXX	This field describes the manager(s) that is in charge of the budget.
Project Year	X	This field identifies the reporting year for a project that has more than one reporting year during the district's fiscal year.
Program	XXXX	This is a locally defined field and identifies the program that is being served to students by allowing us to track expenditures to class/subject level; such as, Health Academy, Law Academy, Welding Program, etc.

FUND:

- Identifies the fund that is receiving the revenue, paying the expenditure, or otherwise being affected by the transaction.
- Identifies specific activities or defines certain objectives of an LEA in accordance with special regulations, restrictions, or limitations.
- Examples include general fund, child development fund, and cafeteria special revenue fund.
- Applies to revenue, expenditure, and balance sheet accounts.

FUND:

- 01 GENERAL FUND
- 05 PAYROLL WARRANT PASS THROUGH (formerly Fund 76)
- 11 ADULT EDUCATION
- 12 CHILD DEVELOPMENT (Preschool)
- 13 CAFETERIA FUND (Food Service)
- 17 SPECIAL RESERVE FOR OTHER THAN CAP OUT
- 21 BUILDING FUND (Bond Fund)
- 25 CAPITAL FACILITIES (Developer Fees)
- 35 COUNTY SCHOOL FACILITY FUND
- 40 SP RSRV FOR CAPITAL OUTLAY
- 51 BOND INTEREST & REDEMPTION
- 52 DEBT SERVICE-CORPORATE FUND
- 67 SELF INSURANCE FUND
- 71 RETIREE BENEFIT FUND

RESOURCE: (Project/Reporting)

- Tracks those activities that are funded with revenues that have special accounting or reporting requirements or that are legally restricted. e.g., Quarterly & annual expenditure reports.
- Look at it as separate pots of money.
- Cannot transfer funds between Resources.

RESOURCE:

0000 – 1999 Unrestricted Resources

- 0000 UNDISTRIBUTED
- 0670 CENTRAL SUPPLEMENTAL/CONCENT
- 1400 EDUCATION PROTECTION ACCOUNT

3000 – 5999 Federal Resources Restricted

- 3010 IASA-TITLE I BASIC
- 3182 ESSA: CSI SCHOOL IMPROVEMENT
- 3310 SPED IDEA BASIC LOCAL ENTITL
- 3311 SPED IDEA PRT B PRIVATE SCHOOL
- 3315 SPED-IDEA PRESCHOOL
- 3327 MENTAL HEALTH SERVICES
- 3412 DEPT OF REHAB - TRANSITION
- 3905 ADULT ED Fund 11 ABE - ESL CITIZENSHIP
- 3913 ADULT ED Fund 11-ASE GED
- 3926 EL CIVICS: Fund 11 CIT PREP CIVIC PTN
- 4035 TITLE II NO CHILD LEFT BEHIND
- 4045 TITLE II PART D TECHNOLO
- 4124 21ST CENTURY CCLC
- 4201 TITLE III - IMMIGRANT ED PROG
- 4203 TITLE III ENGLISH LEARNERS
- 5310 CHILD NUTRITION Fund 13
- 5330 CHILD NUTRITION Fund 13 SUMMER FOOD

6000 – 7999 State Resources Restricted

- 6010 HEALTHY START-ASLSNPP

- 6105 CHILD DEVELOPMENT Fund 12 PRESCHOOL
- 6300 LOTTERY RESTRICTED – INSTL MATERIALS
- 6385 CPA - CALIF PARTNRSHP ACADEMY
- 6387 CTE INCENTIVE GRANT (CTEIG)
- 6388 STRONG WORKFORCE PROGRAM
- 6391 ADULT ED BLOCK GRANT Fund 11
- 6500 SPECIAL EDUCATION
- 7220 PARTNERSHIP ACADEMY
- 7311 CLASSIFIED SCHOOL EMP PD BLOCK GRANT
- 7338 COLLEGE READINESS BLOCK GRANT
- 7510 LOW PERFORMING STUDENTS BLOCK GRANT

8000 – 9999 Local Resources Restricted

- 8150 ONGOING & MAJOR MAINT
- 9111 SPECIAL ACCOUNT #1
- 9112 SPECIAL ACCOUNT #2
- 9116 ABATEMENT ACCOUNT
- 9190 PARCEL TAX
- 9200 MRAD
- 9130 SILVER GIVING FOUNDATION
- 9515 HELLMAN FOUNDATION
- 9531 CHEVRON
- 9582 CPT 1 - CAREER PATHWAYS TRUST
- 9599 MISC DONATIONS
- 9631 TEACHER RESIDENCY

OBJECT:

- Classifies expenditures by type of commodity or service (e.g., certificated salaries, classified salaries, employee benefits, books, and supplies).
- Classifies balance sheet accounts as assets, liabilities, or fund balance.
- Applies to revenue, expenditure, and balance sheet accounts.

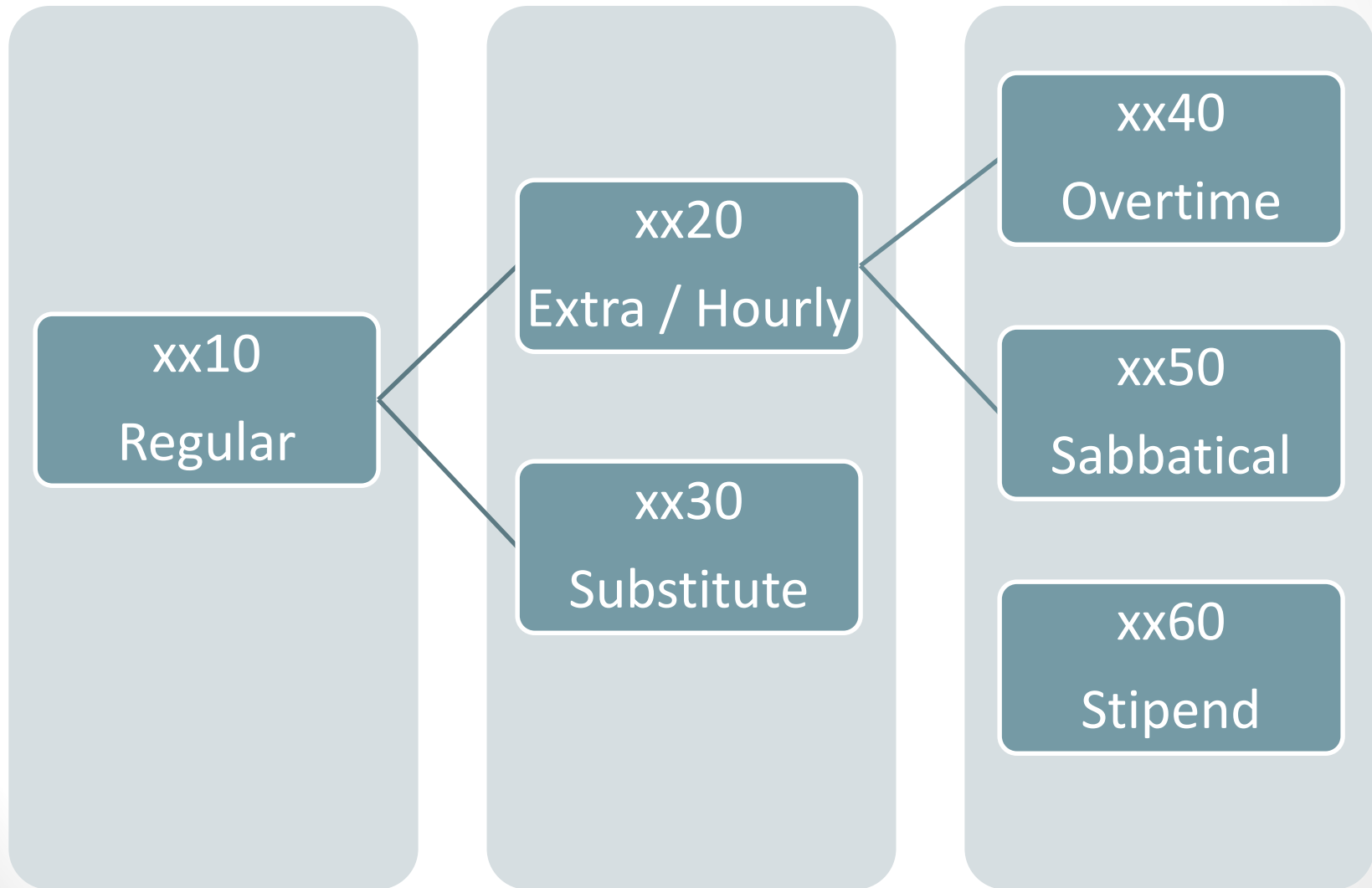
OBJECT: 1000's

- **1000–1999 Certificated Personnel Salaries**
 - 1110 Teacher Regular
 - 1120 Temp Extra Hire/Hourly
 - 1130 Teacher Substitutes
 - 1210 Pupil Support Salaries
 - 1310 Supervisor and Admin Regular
 - 1910 Other Certificated Regular

OBJECT: 2000's

- **2000–2999 Classified Personnel Salaries**
 - 21xx Classified Instructional (used for IA's, Grad tutor positions)
 - 22xx Classified Support (used for library, food service, and M&O positions)
 - 23xx Classified Supervisor and Admin (used for Managers, Directors, Supervisor positions)
 - 24xx Clerical, Technical, and Office Staff Salaries (used for Secretaries, accountants, tech support positions)
 - 29xx Other Classified Salaries (used for noon supervision, student workers, and SCOW positions)

Salary Objects 1000's & 2000's



OBJECT: 3000's

- **3000–3999 Employee Benefits**

31xx = STRS

xx01 = certificated

32xx = PERS

xx02 = classified

- 3101 State Teachers' Retirement System, certificated positions
- 3202 Public Employees' Retirement System, classified positions
- 33xx OASDI/Medicare/Alternative
- 34xx Health & Welfare Benefits
- 35xx State Unemployment Insurance
- 36xx Workers' Compensation Insurance
- 37xx Post Retirement Benefits
- 39xx Other Benefits

OBJECT: 4000's

- **4000–4999 Materials and Supplies**
 - 4100 Approved Textbooks and Core Curricula Materials
 - 4200 Books and Other Reference Materials
 - 4300 Materials and Supplies \$0 - \$499.99
 - 4305 Food Purchases for Meetings
 - 4360 Tech Materials and Supplies \$0 - \$499.99
 - 4400 Non-capitalized Equipment \$500 - \$4999.99
 - 4460 Tech Non-capitalized Equipment \$500 - \$4999.99

OBJECT: 5000's

- **5000–5999 Services and Other Operating Expenditures**

- 5100 Sub Agreement Services
- 5210 In District Mileage
- 5220 Travel and Conference In State
- 5225 Travel and Conference Out of State
- 5300 Dues and Memberships
- 5610 Rentals ~~~ 5620 Leases ~~~ 5630 Outside Repairs
- 58xx Professional/Consulting Services and Operating Expenditures ~~~ 5850 Software Licenses ~~~ 5890 Other Svs
- 5900 Communications
- 5901 Postage

OBJECT: 6000's

- **6000–6999 Capital Outlay**
 - 61xx Land
 - 6170 Land Improvements
 - 62xx Buildings and Improvement of Buildings
 - 64xx Equipment > \$5,000
 - 65xx Equipment Replacement

OBJECT: 7000's

- **7000–7999 Other Outgo**
 - 7310 Indirect Costs
 - 7350 Indirect Costs – Interfund
 - 7351 Indirect Costs – Adult Ed
 - 7352 Indirect Costs – Child Development
 - 7353 Indirect Costs – Cafeteria

OBJECT: 8000's

- **8000–8999 Revenue/Other Financing Sources**
- 8010-8099 State Revenue
- 8100-8299 Federal Revenue
- 8300-8599 Other State Revenue
- 8600-8799 Other Local Revenue
- 8900-8979 Other Financing Sources
- 8980-8999 Contributions

- 9000-9999 Balance Sheet

SITE:

- Designates a specific, physical school structure or group of structures that form a campus under a principal's responsibility for which a unique set of test scores is reported and that is identified as such in the California Public School Directory.
- Applies to expenditure accounts but is optional for revenue and balance sheet accounts.

- 100's Elementary sites
- 200's Middle Schools/Jr Highs
- 300's High School sites
- 400's Adult Education sites
- 500's Charter Schools
- 600's Departmental/Central/Admin/M&O
- 700's Non-Public School (NPS) sites

GOAL:

- Accumulates costs by instructional goals and objectives of an LEA. Groups costs by population, setting, and/or educational mode.
- Identifies revenues for special education.
- Examples include regular education K–12, continuation schools, migrant education, and special education.
- Allows the charging of instructional costs and support costs directly to the benefiting goals.
- Provides the framework for accumulating the costs of different functions by goals.
- Classifies financial information by subject matter and/or mode of education.
- Includes Goal 0000 for costs that are not directly assignable to a goal and for non-special education revenue.
- Applies to expenditure accounts. It is required for special education revenue accounts but is optional for other revenue accounts.

- 0000 UNDISTRIBUTED
- 0001 GENERAL ED PRE-K
- 1110 REGULAR EDUCATION
- 1130 MUSIC
- 1160 RADIO STATION
- 1170 SCIENCE
- 1180 JROTC
- 1200 READ 180
- 1400 BTSA/TIP
- 1420 IN HOUSE PD
- 1430 PAR/TSAP
- 1850 SABBATICAL
- 1900 TEACHER RELEASE
- 3100 ALTERNATIVE SCHOOLS
- 3200 CONTINUATION SCHOOLS
- 3300 INDEPENDENT STUDY
- 3550 COMMUNITY DAY SCHOOLS
- 3800 VOCATIONAL EDUCATION
- 4110 REGULAR ADULT ED
- 4630 ADULT VOCATIONAL ED
- 4760 BILINGUAL
- 5001 SPECIAL ED UNSPECIFIED
- 5750 SPECIAL ED SEV DISABLED
- 5770 SPECIAL ED - NON SEV
- 7110 NON AGENCY ED
- 7150 NONAGENCY - OTHER
- 8100 COMMUNITY SERVICES

SACS Combinations

- All of the fields used in the SACS must work together to form valid account code strings. Although there are hundreds of individual account codes, many are valid only in combination with certain other codes.

Function by Object

Fund by Function

Fund by Goal

Fund by Object

Fund by Resource

Goal by Function

Resource by Object

<http://www.cde.ca.gov/fg/ac/ac/sprvalidcombs.asp>

FUNCTION:

- Identifies activities or services performed to support or accomplish one or more goals or objectives.
- Describes the activity for which a service or material is acquired.
- Examples include instruction, school administration, pupil transportation, and general administration.
- Applies to expenditure accounts but is optional for revenue accounts.

- **1000-1999 Instruction**

 - 1000 Instruction*

 - 1110 Special Education*

- **2000-2999 Instruction-Related Services**

 - 2100 Supervision of Instruction

 - 2180 Instr Support School Families

 - 2495 Parent Participation

 - 2140 Instr Staff Development

 - 2420 Instr Library Media & tech

 - 2700 School Administration

- **3000-3999 Pupil Services**

 - 3110 Guidance & Counseling Services

 - 3160 Pupil Testing Services

 - 3120 Psychological Services

 - 3701 Interdepartmental Catering

- **4000-4999 Ancillary Services** - such as school sponsored athletics

- **5000-5999 Community Services**

- **6000-6999 Enterprise**

- **7000-7999 General Administration** - such as Fiscal, HR, IT depts.

- **8000-8999 Plant Services**

 - 8110 Maintenance

 - 8260 Operations Custodial

 - 8311 Disaster/Safety

 - 8250 Operations Grounds

 - 8310 Security – Site Supervision

 - 8530 Technology

- **9000-9999 Other Outgo**

MANAGER CODE:

Optional and Locally Defined Codes

- An LEA may create its own unique locally defined codes and definitions to reflect accounting detail not covered by required or optional codes.
- Primary purpose is for Workflow levels of approval.

District Specific

- 100xxx Superintendent
- 200xxx Pupil Services
- 300xxx Ed Services
- 400xxx Facilities/Bond
- 500xxx Human Resources
- 600xxx Business Services
- 700xxx Special Education
- 800xxx Technology
- 900xxx Communications

PROJECT YEAR:

- Identifies the reporting year for a project that has more than one reporting year during the LEA's fiscal year.
- If a project's reporting year is the same throughout the LEA's fiscal year, the Project Year code is 0.
- The following are examples of project year codes:

<u>Code</u>	<u>Project Year</u>
0	2019-20
1	2020-21
2	2021-22
3	20xx-xx
4	20xx-xx
5	20xx-xx
6	20xx-xx
7	2016-17
8	2017-18
9	2018-19

PROGRAM:

- Optional and Locally Defined Codes
- An LEA may create its own unique locally defined codes and definitions to reflect accounting detail not covered by required or optional codes

- 0200 Health Sports Academy
- 0201 Information Tech
- 0203 Media Academy
- 0206 Law Academy
- 0207 Engineering Academy
- 0208 Health Academy
- 0501 Welding Program
- 0609 TITLE I Assist To Schools
- 0610 TITLE I Homeless
- 0611 TITLE I Neglected
- 0618 TITLE I Parent Involvem
- 0627 TITLE I Prof Develop
- 0633 TITLE I Sppl Ed Svcs
- 0634 TITLE I SES Choice Tra
- 0691 TITLE I Summer School
- 1120 LCAP- Expnd College Car
- 1180 LCAP- PAAS
- 1250 LCAP- Full day Kinder
- 1251 LCAP- CSR Secondary
- 1260 LCAP- Vice&Asst Prncpls
- 1270 LCAP- English Lang Lrnrs
- 2312 LCAP- Teacher PD
- 2315 LCAP- Tchr Recrt/Retent
- 3110 LCAP- SCOWs
- 4220 LCAP- Soci/Emot Well B
- 4240 LCAP- Full Svc Comm Schl
- 4260 LCAP- Special Education
- 6110 LCAP- Collab & PD

Resource Guides:

- Where do I find guidance?
- CDE Website
- California School Accounting Manual (CSAM)
- Download at:
<https://www.cde.ca.gov/fg/ac/sa/documents/csam2019complete.pdf>