

**Comments by David Fisher, President of the Sacramento City Teachers Association (SCTA), to the Sacramento City Unified School District (SCUSD) Board of Education, Report of Unions, Agenda Item 10.1**

**October 1, 2020**

Good evening. I'm David Fisher, the president of the Sacramento City Teachers Association.

It is an understatement to say that teachers have no confidence in your fiscal management of the District.

On August 20, 2020, the board approved a "revised" budget that included \$73.3 million in books and supplies and projected the 2020-21 school year would end with a \$39.5 million deficit.

On September 15, 2020, the board approved the unaudited actuals that showed that contrary to District projections of a \$12.3 million deficit in 2019-20, SCUSD ended 2019-20 with a \$23 million surplus—a \$35 million turnaround.

Now today, fewer than six weeks after the board approved the budget on August 20<sup>th</sup> the numbers have changed dramatically once again. Not surprisingly the District's finances have improved by tens of millions of dollars. Today's budget increases the spending on books and supplies to \$101.3 million. And in the span of six weeks, the deficit shrunk by \$21 million in its unrestricted fund, or \$3.5 million per week since August 20<sup>th</sup>.

And in an extraordinary admission, the CBO admits in her executive summary: "The Books and Supplies category is used to balance restricted budgets when funding is known but exact expenditures are not. Once decisions are made as to type of expenditures, the budget will be moved to the appropriate line item."

Last year the District spent \$11.1 million on books and supplies. This is nearly a ten-fold increase in books and supplies which, according to Ms. Ramos, the District will not spend on books and supplies.

Using the \$11.1 million as a baseline, how will SCUSD spend the extra \$90 million in its budget?

The District's track record of presenting wildly inaccurate budgets goes back at least eight years, if not longer.

But isn't this the kind of stuff that Dave Gordon and SCOE Fiscal Advisor were supposed to prevent?

This is not the first time we have raised these issues with this board. According to you and SCOE, the District has been months away from fiscal insolvency since August 2018 and yet here we are over two years later with more money in our reserve fund than at any time in SCUSD history--\$93 million. That needs to be repeated: \$93 million.

It is hard to come to any other conclusion than this school board is purposefully manipulating the budget for its own political purposes. For some reason, the board seems to believe that repeatedly demonstrating its inability to budget and unwillingness to hold top district administrators accountable exemplifies a lack of resolve to fix a broken system—a system that you are responsible for creating.

The same political calculation has led SCUSD to take an adversarial approach to labor relations. It is the only large urban school district in the entire state that refused to abide by Governor Newsom's Framework for Labor Management Cooperation and the only district in the area that did not reach an MOU on distance learning. No school district in the state has had more unfair practice complaints issued by the California Public Employment Relations Board than SCUSD resulting in the District spending millions of dollars on its ethically challenged law firm, Lozano Smith, rather than on students.

And as the recent communication from Karla Faucett, the president of SEIU Local 1021 which represents our classified colleagues, this adversarial approach is not just directed at certificated staff.

As we begin to discuss how school might reopen, SCUSD once again will face that inevitable choice, a path of cooperation or one of conflict. For the record, as we have stated in our recent communication with the District:

“Educational equity is tied to health equity. We must ensure that there is COVID-19 health equity in all neighborhoods and places across our county before schools return to in-person

instruction. Grave health inequities exist related to COVID-19. A disproportionate number of people of color are getting sick and dying from COVID-19. A simple scan of zip codes across our county shows how the virus has had a devastating impact on low-income neighborhoods and communities of color.

Community COVID-19 conditions must be steadily low in all zip codes and with the necessary public health preparedness in place. When some get a head start, it deepens inequality. And, the rush to open school doors with high background transmission rates places unsafe pressure on low-income communities and our most under-resourced public schools.

We think it is unrealistic to expect those conditions being met in the 2020 calendar year.”

Thank you.