



# SACRAMENTO CITY UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

Agenda Item 10.1f

**Meeting Date:** October 18, 2018

**Subject:** Approve Agreement with Fiscal Crisis and Management Assistance Team (FCMAT) for a Study of the Fiscal Health of the District

- Information Item Only
- Approval on Consent Agenda
- Conference (for discussion only)
- Conference/First Reading (Action Anticipated: \_\_\_\_\_)
- Conference/Action
- Action
- Public Hearing

**Division:** Business Services

**Recommendation:** To approve the agreement with Fiscal Crisis & Management Assistance Team (FCMAT) for a study of the fiscal health of the District.

**Background/Rationale:** On August 22, 2018, the District received a letter from the Sacramento County Office of Education informing the District that the 2018-19 Budget had been disapproved.

In accordance with Education Code 42127d, the District had been appointed an independent Fiscal Advisor that worked with the District in order to address the deficiency in the subsequent year budget.

The budget disapproval also qualified the District to receive independent auditing supports from FCMAT at no cost to the District.

**Financial Considerations:** None

**LCAP Goal(s):** Operational Excellence

**Documents Attached:**

1. Fiscal Crisis and Management Assistance Team Study Agreement

**Estimated Time of Presentation:** N/A

**Submitted by:** Dr. John Quinto, Chief Business Officer

**Approved by:** Jorge A. Aguilar, Superintendent



CSIS California School Information Services

---

**FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM  
STUDY AGREEMENT  
September 27, 2018**

The Fiscal Crisis and Management Assistance Team (FCMAT), hereinafter referred to as the team, and the Sacramento City Unified School District, hereinafter referred to as the district, mutually agree as follows:

**1. BASIS OF AGREEMENT**

The team provides a variety of services to local education agencies (LEAs). In accordance with the 2018-19 Budget Act, the team has been assigned to study the fiscal health of the district due to the county superintendent disapproving the district's 2018-19 budget. The team may include staff from FCMAT, county offices of education, the California Department of Education, other school districts, or private contractors. All work shall be performed in accordance with the term's standards and conditions of this agreement.

The county superintendent will be notified of this agreement between the district and FCMAT and will receive a copy of the final report. The final report will also be published on the FCMAT website.

**2. SCOPE OF THE WORK**

**A. Scope and Objectives of the Study**

Prepare an analysis using the 20 factors in FCMAT's Fiscal Health Risk Analysis (2018 version), and identify the district's specific risk rating for fiscal insolvency.

**B. Services and Products to be Provided**

1. Orientation Meeting – If on-site review is needed, the team will conduct an orientation session at the district to brief district management and supervisory personnel on the team's procedures and the purpose and schedule of the study.
2. On-site Review – The team will conduct an on-site review at the district office and at school sites if necessary.

3. Draft Report – Electronic copies of a preliminary draft report will be delivered to the district’s administration for review and comment.
4. Final Report – Electronic copies of the final report will be delivered to the district’s administration and to the county superintendent following completion of the review. Printed copies are available from FCMAT upon request.

3. **PROJECT PERSONNEL**

The FCMAT study team may also include:

- |                              |                                       |
|------------------------------|---------------------------------------|
| <i>A. Michelle Giacomini</i> | <i>FCMAT Deputy Executive Officer</i> |
| <i>B. Eric Smith</i>         | <i>FCMAT Intervention Specialist</i>  |
| <i>C. Tamara Ethier</i>      | <i>FCMAT Intervention Specialist</i>  |
| <i>D. Scott Sexsmith</i>     | <i>FCMAT Intervention Specialist</i>  |

4. **PROJECT COSTS**

The cost for the study pursuant to the 2018-19 Budget Act shall be as follows:

- A. All staff member and consultant daily rates and charges will be covered by a specific state apportionment for this purpose.
- B. **Based on the elements noted in section 2A, the total cost of the services is \$0.**

5. **RESPONSIBILITIES OF THE DISTRICT**

- A. The district will provide office and conference room space during on-site reviews.
- B. The district will provide the following items:
  1. Current or proposed detailed organizational charts.
  2. Any documents requested on a supplemental list. Documents requested on the supplemental list should be provided to FCMAT only in electronic format; if only hard copies are available, they should be scanned by the district and sent to FCMAT in electronic format.
  3. Documents should be provided in advance of fieldwork; any delay in the receipt of the requested documents may affect the start date and/or completion date of the project. Upon approval of the signed study agreement, access will be provided to FCMAT’s online SharePoint document repository, where the district will upload all requested documents.
- C. The district’s administration will review a preliminary draft copy of the report resulting from the study. Any comments regarding the accuracy of the data

presented in the report or the practicability of the recommendations will be reviewed with the team prior to completion of the final report. All such comments should be provided to the team within five working days after receipt of the draft.

Pursuant to Education Code (EC) 45125.1(c), representatives of FCMAT will have limited contact with pupils. The district shall take appropriate steps to comply with EC 45125.1(c).

6. **PROJECT SCHEDULE**

Field work dates are scheduled for October 15, 2018, October 16, 2018, and October 17, 2018 and all documents must be uploaded to SharePoint by October 10, 2018.

7. **COMMENCEMENT AND COMPLETION OF WORK**

FCMAT will begin work as soon as it has assembled an available and appropriate study team consisting of FCMAT staff and independent consultants, taking into consideration other jobs FCMAT has previously undertaken and assignments from the state. The team will work expeditiously to complete its work and deliver its report, subject to the cooperation of the district and any other parties from which, in the team's judgment, it must obtain information. Once the team has completed its fieldwork, it will proceed to prepare a preliminary report and a final report. The district understands and agrees that FCMAT is a state agency and all FCMAT reports are published on the FCMAT website and made available to interested parties in state government. In the absence of extraordinary circumstances, FCMAT will not withhold preparation, publication and distribution of a report once fieldwork has been completed, and the district shall not request that it do so.

8. **INDEPENDENT CONTRACTOR**

FCMAT is an independent contractor and is not an employee or engaged in any manner with the district. The manner in which FCMAT's services are rendered shall be within its sole control and discretion. FCMAT representatives are not authorized to speak for, represent, or obligate the district in any manner without prior express written authorization from an officer of the district.

9. **INSURANCE**


During the term of this agreement, FCMAT shall maintain liability insurance of not less than \$1 million unless otherwise agreed upon in writing by the district, automobile liability insurance in the amount required under California state law, and workers compensation as required under California state law. FCMAT shall provide certificates of insurance, with Sacramento City Unified School District named as additional insured, indicating applicable insurance coverages upon request prior to the commencement of on-site work.


10. HOLD HARMLESS

FCMAT shall hold the district, its board, officers, agents and employees harmless from all suits, claims and liabilities resulting from negligent acts or omissions of its board, officers, agents and employees undertaken under this agreement. Conversely, the district shall hold FCMAT, its board, officers, agents and employees harmless from all suits, claims and liabilities resulting from negligent acts or omissions of its board, officers, agents and employees undertaken under this agreement.

11. CONTACT PERSON

Name: Jorge Aguilar  
Telephone: (916) 643-7400  
E-Mail: [JAguilar@scusd.edu](mailto:JAguilar@scusd.edu)

  
\_\_\_\_\_  
Jorge A. Aguilar, Superintendent  
Sacramento City Unified School District  
Date 10/1/18

  
\_\_\_\_\_  
Michael H. Fine  
Chief Executive Officer  
Fiscal Crisis and Management Assistance Team  
September 27, 2018  
Date