

# Superintendent's Staff Report



Sara Noguchi, Ed.D., Interim Superintendent

February 14, 2014

*SCUSD employees have worked hard to weather the economic storms of the last few years and to compensate for cuts that no one wanted and no one likes. Please know that your efforts are greatly appreciated. Have a wonderful three-day weekend. - SN*

## **2014-15 Budget Update**

The good news is that because we are a diverse, high poverty district we will benefit with increased state funding from the new Local Control Funding Formula. As a result, we do not anticipate layoffs of permanent staff whose salaries are drawn from our unrestricted general fund. (Probationary, temporary and some grant-funded staff will be noticed as is standard practice even in the best of years.) That said, we still face declining enrollment, which will shrink school staffs. However, we anticipate that retirements and resignations will counter the number of staff displaced. In other words, there may be some moving around of staff, but not layoffs.

The bad news is that while we are poised to receive the biggest per pupil funding increase in the region, we also face the steepest climb to fiscal stability.

Several factors have contributed to our current instability:

- **Past deficit spending resulting in too-low reserves.** Our ending fund balance for this year is about \$9.2 million, or 2.23 percent of our budget. In other words, we have enough in our reserves to cover one week of operating capital. The average reserve for unified school districts in California is 15.44 percent. The Government Finance Officers Association recommends a fund balance of 17.15 percent, or two months of operating capital.
- **Significant long-term liabilities.** We are not putting enough aside to cover the future cost of lifetime health benefits for retirees, referred to in the finance world as Other Post-Employment Benefits (OPEB). Next year, our total unfunded liability will amount to \$653 million. SCUSD currently spends \$22 million annually on OPEB. But we know the cost of health care will continue to rise – along with the number of retirees - and we need to start

## **Important Dates**

### **February 17**

*Washington's Birthday Holiday*

### **February 20, 6:30 p.m.**

*Serna Center  
Board of Education Meeting*

### **February 25, 6:30 p.m.**

*Serna Center  
Community Advisory Committee  
(CAC) Meeting*

### **February 26, 6 p.m.**

*California Middle School  
District Budget Forum*

### **February 28**

*Elementary Schools  
Trimester Ends*

### **March 3, 9 a.m.**

*Serna Center  
Assistant Principal & Site  
Instructional Coordinator Common  
Core Training*

### **March 5, 8 a.m. to 5 p.m.**

*Serna Center  
Common Core Principal Training*

addressing this escalating problem.

- **Declining enrollment.** We are projected to lose 1,218 students this fiscal year. Next year's state funding allocation is predicated on this year's enrollment. Therefore, with 1,218 fewer students, we are projecting a \$9.9 million loss in state funds for 2014-15. Next year's enrollment picture doesn't look any better.

Several factors are contributing to this decline: Low birth rates, the foreclosure crisis which forced the exit of families from our neighborhoods, the growth of charter schools and the lure of schools just over our borders.

I am committed to working with our labor partners and listening to our community as we move forward with the budget process. I'm confident that we can arrive at a spending plan that accounts for the present and future. If you'd like to learn more about the budget, I invite you to read through Chief Business Officer Ken Forrest's PowerPoints which can be found at [www.scusd.edu/financial-presentations-information](http://www.scusd.edu/financial-presentations-information).

## **LCAP Community Engagement Continues Through June**

The Local Control and Accountability Plan (LCAP) is a state-mandated vehicle for improving transparency and engagement in the use of state resources by K-12 districts. It is the way that school districts are expected to share data, needs, actions and anticipated outcomes for students. It is the community's opportunity to learn about state and district priorities and weigh in on how local resources can be used in alignment with those priorities. At its core, the LCAP is designed to ensure that everyone has a voice in determining how funds can best support students.

In an effort to gather input from as many stakeholders as possible, SCUSD is using a multi-faceted approach to LCAP engagement. At the site level, we are asking principals to hold LCAP discussions at their regularly scheduled school meetings, such as faculty meetings, PTA meetings, ELAC meetings and School Site Council meetings. We are also using a grass-roots organizing strategy called the Community Planning Process to help inform the community about this important work and get feedback on how to best allocate available resources to meet students' needs. Volunteers will engage their personal and professional networks and guide them through the completion of a survey designed to gather input in the key areas laid out by the state.

Ultimately, this feedback will be taken into consideration as the Board makes final decisions around the 2014-15 budget. Given some of the fiscal realities discussed previously – declining enrollment, rising costs, etc. – we won't be able to do everything we hear from this engagement process. The community's voice, however, will help to inform budget recommendations and the Board's decision on the final budget.

If you are interesting in participating in the Community Planning process, call (916) 643-7924 or email [Sean-Alexander@scusd.edu](mailto:Sean-Alexander@scusd.edu). If you want to be involved but aren't able to volunteer, take the survey and stay informed at [www.scusd.edu/LCAP](http://www.scusd.edu/LCAP), where you will find pages and pages of SCUSD data related to the state's eight priorities for public education.

We have until June to submit an LCAP to our Board of Education for approval. Between now and then, we will continue to work hard at engaging our community. The next big step will come in mid-to-late March when a draft LCAP, informed by the feedback we are receiving, will be posted publicly and

presented to our various standing committees and councils (DELAC, CAC, DAC, Sacramento Council of PTAs, etc.) for review and comment. There is plenty of time to make your thoughts known, and we hope you do.

### **Superintendent Search**

At a special meeting held Thursday, the Board of Education reviewed responses to a Request for Qualifications issued for an executive search firm to support the Board in the hiring process. Trustees will vote on the final approval of a firm at the February 20 meeting.

### **Update On The Progress Of The Infinite Campus Implementation**

Our project team has finished the second test conversion of all student information from the current Zangle system to the new Infinite Campus system. Our success rating was over 98 percent, a truly excellent score. There is a third test conversion scheduled in March which will enable us to check and clean the information even further.

The schedule for training sessions is almost complete and school site personnel will start receiving email invitations to sign up for the appropriate session in the next few days. Once we have accommodated all school personnel, we will also distribute training information to any central office staff whose work involves using the student system.

To support district-wide training and to ensure information is available for all staff, we have hired a new bond-funded Student Information System Coordinator, Gayle McKnight, who has many years of experience in various roles at SCUSD. She will help Ben Shulman oversee the system implementation and then lead the rollout of the long-term roadmap for using all the advanced features of Infinite Campus.

Finally, three long-time District educators are now serving as bond-funded expert trainers for Infinite Campus: Jennifer Ellerman, Shonna Franzella and Ted Wattenberg. You will be hearing more from them in the coming weeks about the features of Infinite Campus and how we will use it here at SCUSD.