

LCAP Parent Advisory Committee Meeting 5

January 28, 2019

Serna Center Washington Room
6:00 - 7:45 p.m.



Agenda

- Announcements
- Budget update
- LCAP PAC Board Communication
- SCUSD and California's System of Support
- Pluses and Deltas



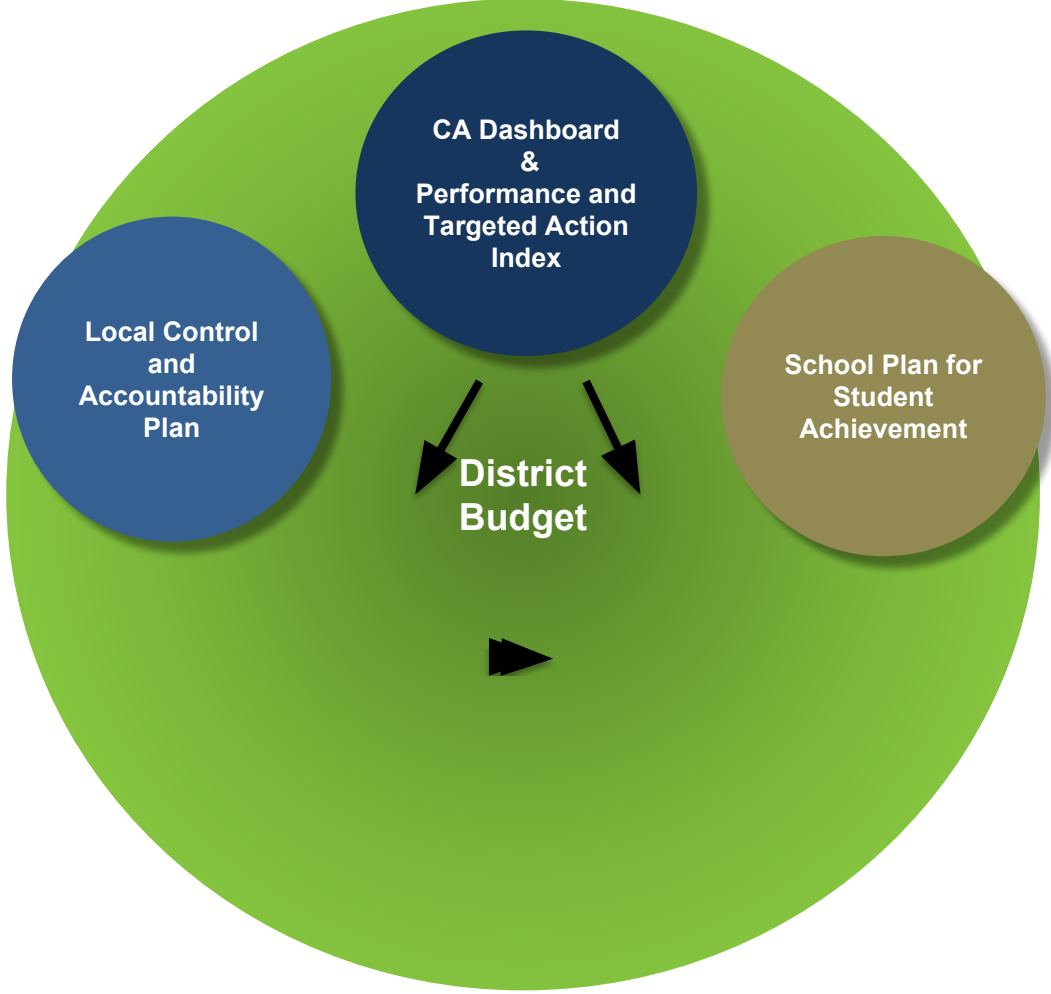
Equity, Access, and Social Justice Guiding Principle

*All students are given
an equal opportunity to graduate
with the greatest number of
postsecondary choices
from the widest array of options*

"It's always about everything, but not always with equal intensity and focus"



Integration of the SPSA and LCAP under a Comprehensive Needs Assessment are critical to implement the Equity, Access, and Social Justice Guiding Principle



Budget Questions from PAC

What will the Governor's first budget change for SCUSD? Will the CALSTRS contribution help us out?

What is the plan for the budget if SCTA won't come to the table?

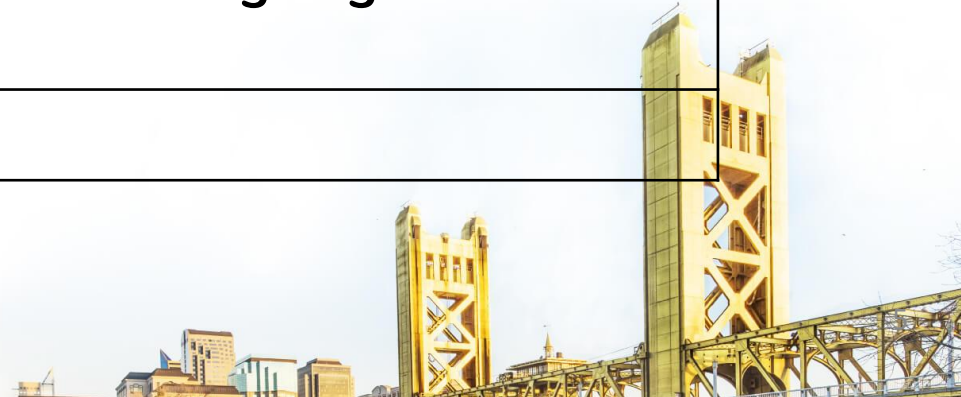
When will we really run out of money? I know the state said November but they also said the district may run out of funds before that.

What kind of staff reductions or cut to services will we face for the rest of the year?

Describe how the district is budgeting for equity.

Given the need to commit funds to people (staff), what funds are going to be discretionary for the community to consider?

When is the next budget presentation to the Board?



Budget Update

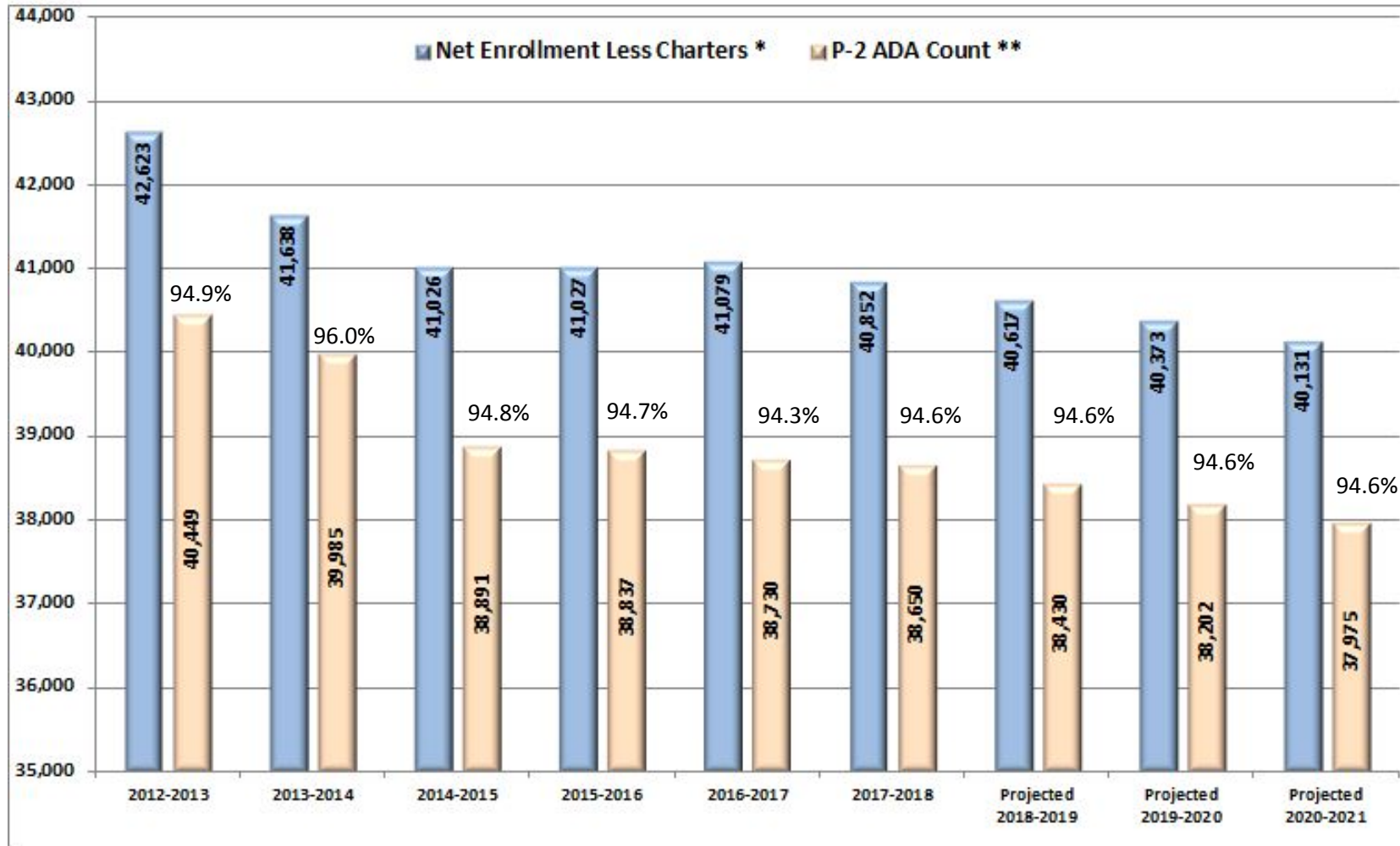
John Quinto, Ed.D.
SCUSD

Chief Business Officer



Enrollment compared to Average Daily Attendance (excludes Charters)

ADA to Enrollment Yield Reflected for Each Year



* Enrollment is as of California Basic Educational Data System (CBEDS) date in October each year

** P-2 ADA is collected as of the last full school month ending on or before April 15th

Source: California Department of Education

Fiscal Impact of Declining Enrollment

- Projected decline of 349 more students in the next three years compared to what was presented at First Interim
- \$3.5m projected loss of revenue of (349 x 95% x \$10,600)

| Decision Insite proj incl Fd 09 charters | 2015-16 actual | 2016-17 actual | 2017-18 actual | 2018-19 actual | 2019-20 proj | 2020-21 proj | 2021-22 proj |
|---|-------------------|-------------------|-------------------|-------------------|-----------------|-----------------|-----------------|
| Enrollment - regular | 40,251 | 40,251 | 39,851 | 39,834 | 39,450 | 39,179 | 38,774 |
| Enrollment - SDC | 1,744 | 1,737 | 1,744 | 1,733 | 1,727 | 1,729 | 1,717 |
| Total Enrollment | 41,995 | 41,988 | 41,595 | 41,567 | 41,177 | 40,908 | 40,491 |
| Change per Decision Insite | | (7) | (393) | (28) | (390) | (269) | (417) |
| Compare to change in LCFF Calculator at First Interim | | 52 | (227) | (235) | (244) | (242) | (241) |
| Adjustment to LCFF Calculator | | | | 207 | (146) | (27) | (176) |

Governor's Proposal Revenue

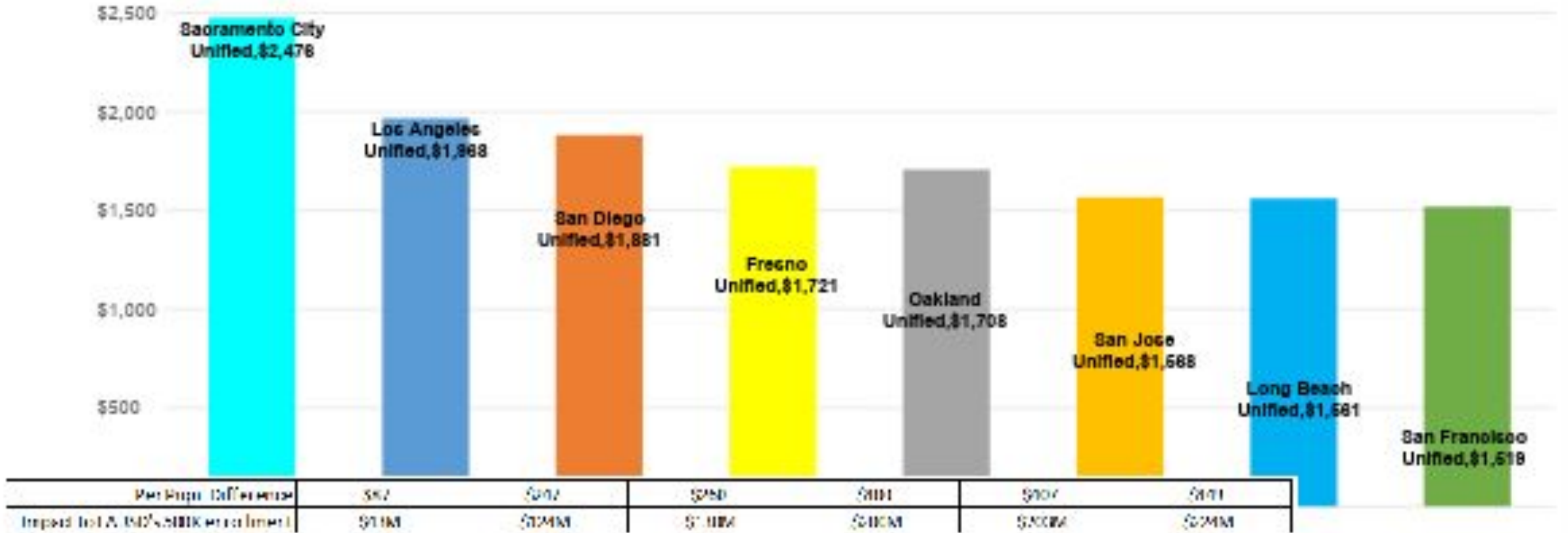
Change in Revenue from 1st Interim and Governor's proposal
3.46% COLA applied with additional declining enrollment

| LCFF Revenue | Changes in LCFF Revenue based on Governor's Proposed Budget | | | | |
|------------------------|---|----------------|----------------|----------------|----------------|
| | 2018-19 | 2019-20 | 2020-21 | 2021-22 | 2022-23 |
| 1st Interim | \$ 399,087,209 | \$ 408,100,663 | \$ 416,932,503 | \$ 428,392,600 | \$ 439,484,310 |
| Governor's Proposal* | \$ 399,064,813 | \$ 411,866,702 | \$ 412,482,472 | \$ 421,783,154 | \$ 425,540,541 |
| Change in LCFF Revenue | (\$22,396) | \$3,766,039 | (\$4,450,031) | (\$6,609,446) | (\$13,943,769) |

Change in Revenue from 1st Interim and Governor's proposal (STRS applied)
FY18/19 STRS impact: \$1.7m
FY19/20 STRS impact: \$1.7m

| Ending Fund Balance: | 2018-19 | 2019-20 | 2020-21 | 2021-22 |
|---|--------------|---------------|----------------|-----------------|
| 1st Interim Ending Fund Balance | \$38,162,528 | (\$3,855,346) | (\$54,325,389) | (\$111,550,215) |
| Governor's Proposal Ending Fund Balance * | \$38,140,132 | \$1,581,134 | (\$51,695,959) | (\$115,590,503) |
| Change in Fund Balance | (\$22,396) | \$5,436,480 | \$2,629,431 | (\$4,040,287) |

Per Pupil Health Care Cost Comparison FY 2016/17

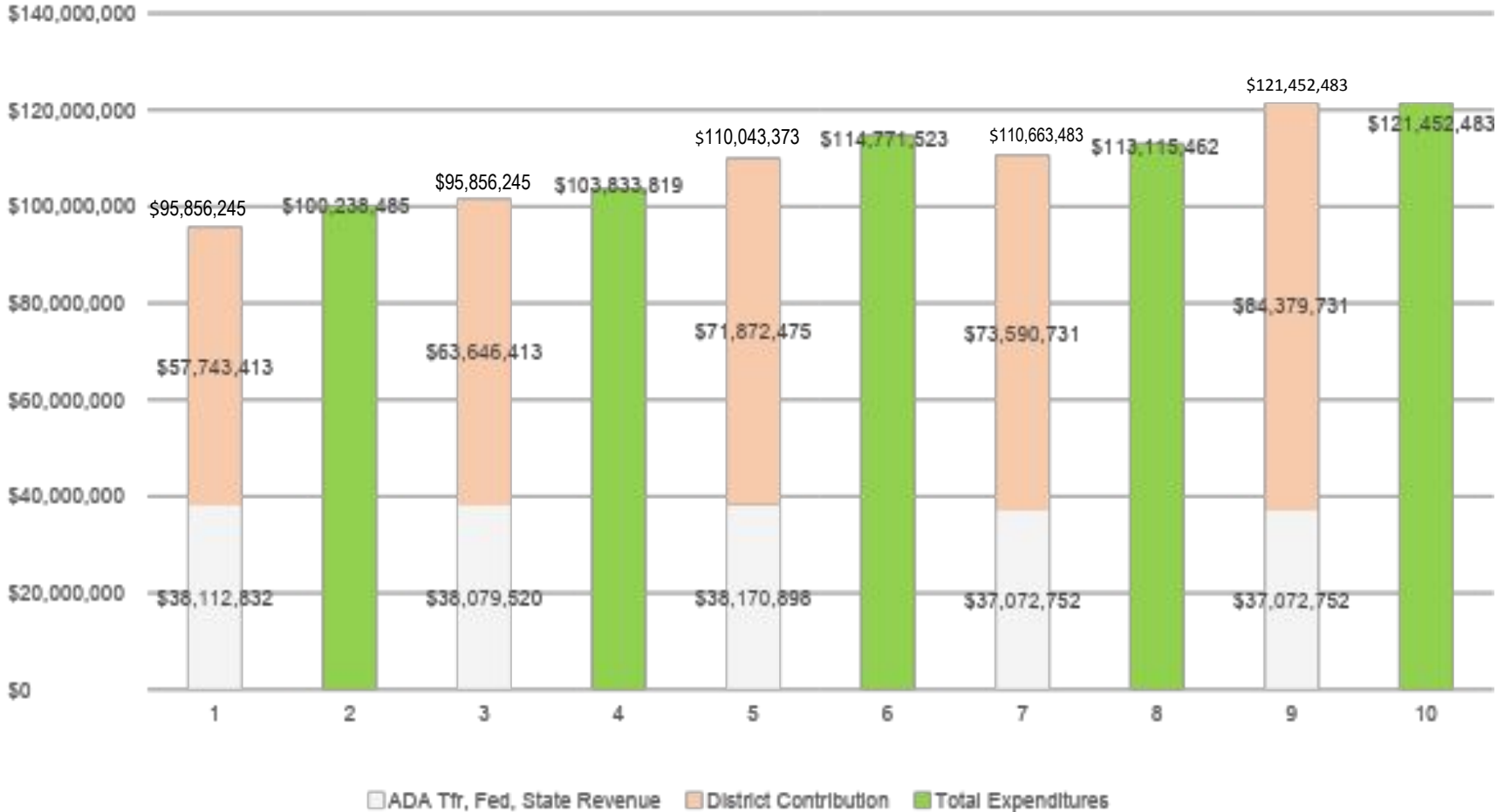


Source: 2016/17 Unaudited Actual Standardized Account Code Structure

Calculation: ALL FUNDS: Unaudited Actual Expenditures by Object, Health and Welfare Benefits(3401,3402); OPEB(3701,3702,3751,3752)
 DIVIDED BY: Enrollment, CALPADS Report #1.17

LAUSD Notes: Expense was calculated using contribution to District Health & Welfare Fund(67) excluding contribution to irrevocable OPEB trust(71)

Special Education Trends in Revenue, Expenditures, and Contributions Indicate Adjustments Needed



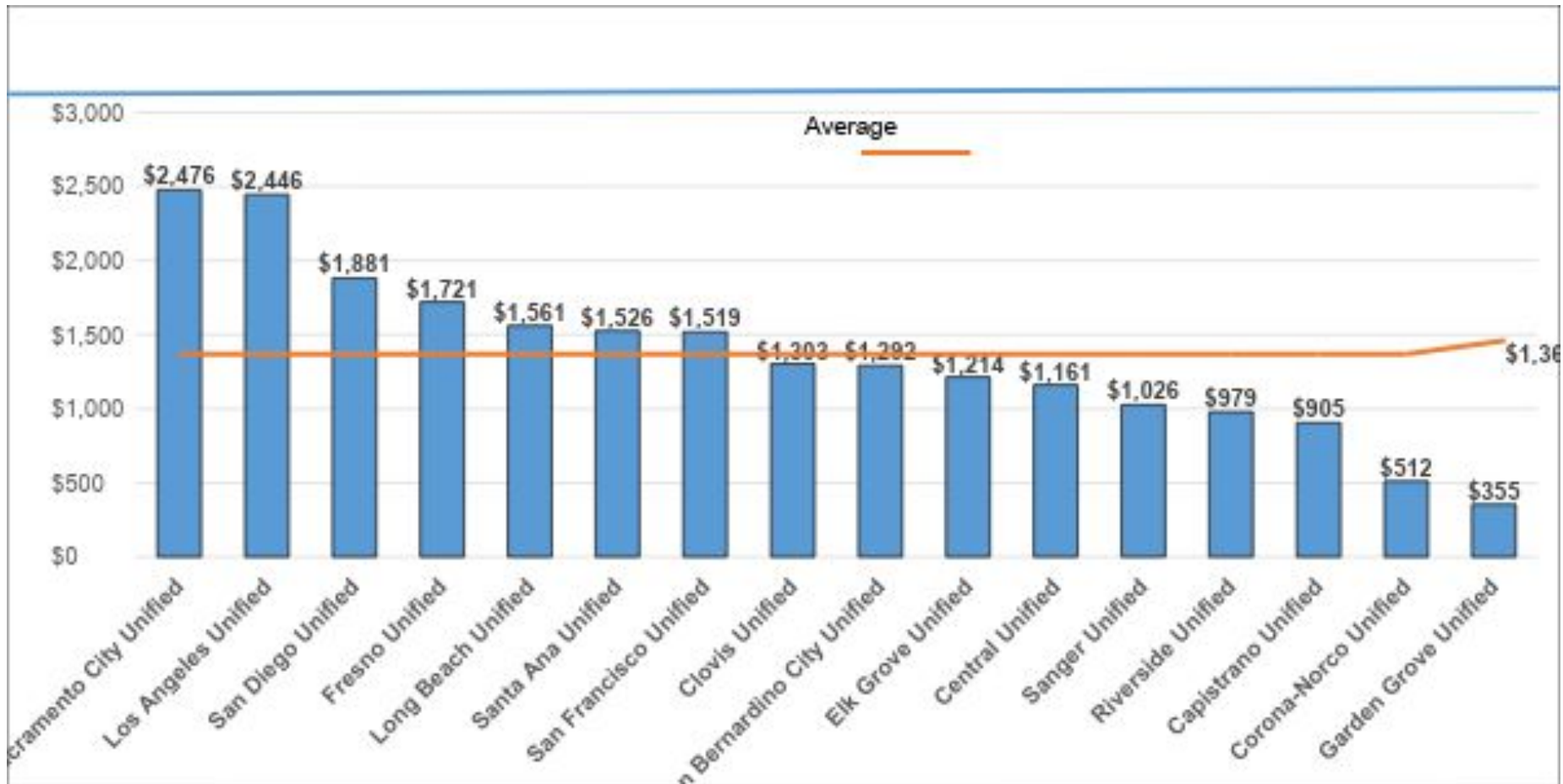
Suspend Step and Column

- Approximately \$4.5m annual cost

| | SCTA | SEIU | UPE | Teamsters | TCS | ROTC/ Confidential/ Unrep | Total |
|------------------------------|-------------|-----------|-----------|-----------|----------|---------------------------------|-------------|
| Salary Cost | 2,822,262 | 467,606 | 202,421 | 47,318 | 18,164 | 189,963 | 3,747,734 |
| Statutory cost | 19.46% | 27.442% | 19.46% | 27.442% | 27.442% | 24.81% | |
| Total Cost of Step/Column | \$3,371,474 | \$595,926 | \$241,813 | \$60,303 | \$23,149 | \$237,093 | \$4,529,758 |
| Step/Column to Cost of 1% | 1.45% | 0.76% | 1.12% | 0.94% | 0.92% | 0.98% | 1.25% |

Per Pupil Cost Comparison FY 2016/17

Includes Health, Welfare, and Post Employment Benefits for All Funds



Calculation: ALL FUNDS: Unaudited Actual Expenditures by Object, Health and Welfare Benefits(3401,3402); OPEB(3701,3702,3751,3752)
 DIVIDED BY: Enrollment, CALPADS Report #1.17 2016-17

Observation

\$ 9,374 SCUSD 2016-17 Local Control Funding Formula Revenue

\$ -2,476 **Per Pupil Cost Comparison FY 2016/17 Includes Health,
Welfare, and Post Employment Benefits for All Funds**

\$ 6,898 Remaining amount per student for Salaries and Programs and
Activities for Students

Comparison group average: \$1,367

SCUSD Per-Student cost is \$1,109 above the SCUSD comparison group!

41,079 SCUSD students x \$1,109 = \$46m

Currently, the District pays the maximum rate of \$34,804 for 553 employees

| Rank | District | Average Active Employee District Contribution Per FTE* | Maximum District Contribution for Active Employees Per FTE |
|------|---------------------|--|--|
| 1 | Sacramento City USD | \$21,659 | \$34,804 |
| 2 | San Juan USD | \$14,860 | \$22,184 |
| 3 | Elk Grove USD | \$13,432 | \$17,147 |
| 4 | Twin Rivers USD | \$9,290 | \$13,621 |
| 5 | Natomas USD | \$8,291 | \$11,976 |

Source: 2017-18 J-90 report

* Full-time equivalent (FTE)

Average Beginning Compensation for Teachers

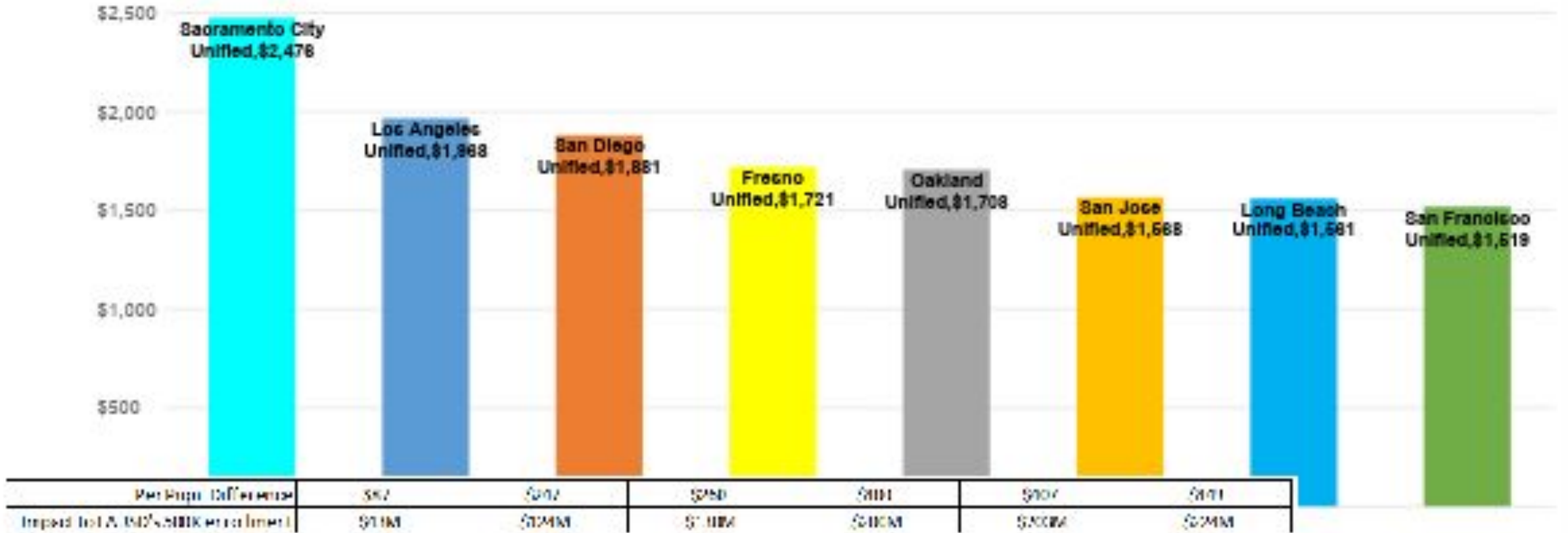
| Rank | District | Beginning Step | Average Active Employee District Contribution Per FTE* | Total Compensation |
|------|---------------------|----------------|--|--------------------|
| 1 | Sacramento City USD | \$46,820 | \$21,659 | \$68,479 |
| 2 | San Juan USD | \$45,738 | \$14,860 | \$60,598 |
| 3 | Elk Grove USD | \$45,416 | \$13,432 | \$58,848 |
| 4 | Twin Rivers USD | \$47,224 | \$9,290 | \$56,514 |
| 5 | Natomas USD | \$36,789 | \$8,291 | \$45,080 |

Source: 2017-18 J-90 Report

Average Maximum Compensation for Teachers

| Rank | District | Maximum Scheduled Salary | Average Active Employee District Contribution Per FTE* | Total Compensation |
|------|---------------------|--------------------------|--|--------------------|
| 1 | Sacramento City USD | \$98,512 | \$21,659 | \$120,171 |
| 2 | San Juan USD | \$92,352 | \$14,860 | \$107,212 |
| 3 | Twin Rivers USD | \$91,226 | \$9,290 | \$100,516 |
| 4 | Elk Grove USD | \$82,754 | \$13,432 | \$96,186 |
| 5 | Natomas USD | \$83,650 | \$8,291 | \$91,941 |

Per Pupil Health Care Cost Comparison FY 2016/17

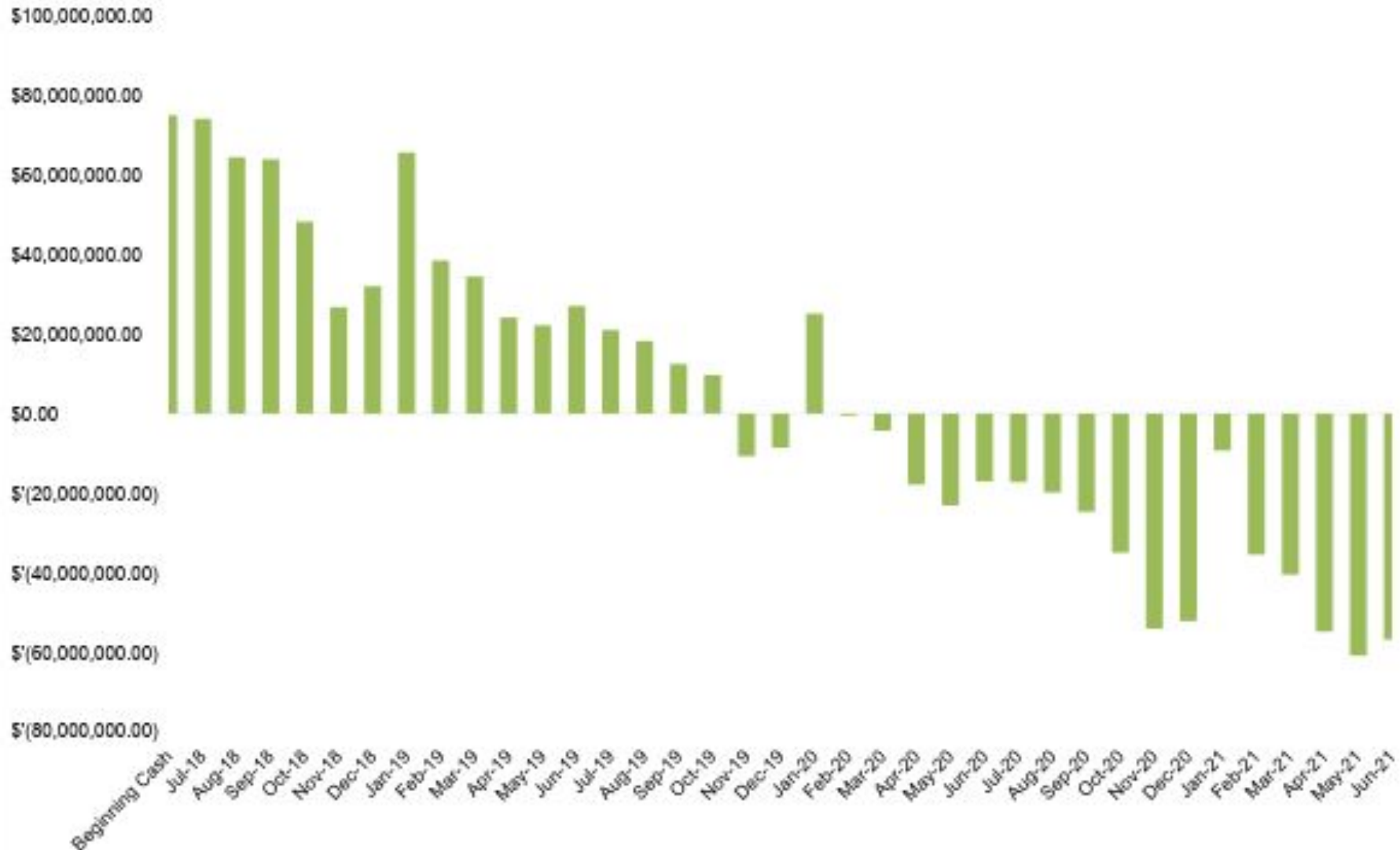


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Cash Balance Projections Fiscal Years 2018-19 Through 2020-2021



Source: 2018-19 First Interim SACS Report

Summary

- Sacramento City Unified School District's projected expenditures exceed its projected revenues in the current and two subsequent years and not meets its financial obligations.
 - 91% of Unrestricted budget is allocated to salaries and benefits- exceeding State average of 85% by over 6%
 - Spending “one time” funding on salary increases creates an ongoing, unfunded commitment
 - Continued increasing costs in health care, salaries, Special Education contribution, CalSTRS and CalPERS.
 - Most districts in CA have a cap on health benefit costs paid by districts
 - FCMAT (Fiscal Crisis Management Assistance Team) will be presented the results of their Fiscal Health Analysis at the next December 13th board meeting
- ✓ Taken together, unable to fund programs, activities and essential services, severely limiting the District's ability to advance Equity, Access and Social Justice for students.

Next Budget Proposal

- Second Interim ends January 31, 2019
- Presented to the Board in March 2019

Board Communication: LCAP PAC

- School Board meeting February 7
Agenda posts Friday, February 1
- **PAC Representative Speaker?**
- Next PAC meeting is Monday, February 25, 2019



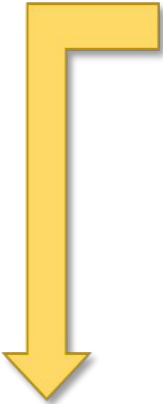
California's System of Support

District level: Differentiated Assistance

Site level: Comprehensive and Targeted Support and Improvement (CSI & TSI)



SINGLE COORDINATED SYSTEM



District Eligibility for Differentiated Assistance

Identification of Schools for Improvement



2019-20 LCAP 



Differentiated Assistance

- Student Groups that cause the district to be identified:
 - African American – English Language Arts, Mathematics, Chronic Absence, Suspension
 - American Indian – Chronic Absence, Suspension
 - Foster Youth – English Language Arts, Mathematics, Chronic Absence, Suspension, College/Career Readiness
 - Homeless – Chronic Absence, Suspension
 - Pacific Islander – English Language Arts, Mathematics, Chronic Absence
 - Students with Disabilities – English Language Arts, Mathematics, Graduation, College/Career Readiness

ESSA Identification of Low Performing Schools: Comprehensive Support and Improvement (CSI)

- Eligible for CSI:
 - Lowest performing 5 percent of Title I schools
 - All high schools with graduation rates below 67 percent
- Identification once every three years
 - First identification January 2019 based on 2018 Dashboard
- **Criteria for identification uses California School Dashboard measures**
 - All **red** indicators
 - All **red** but one indicator of any other color
 - All **red** and **orange** indicators
 - Five or more indicators where majority are **red**

ESSA Identification of Low Performing Student Groups: **Additional Targeted Support and Improvement (ATSI)**

- Eligible for ATSI:
 - Schools with one or more **student groups** that for two consecutive years meet the same criteria for the lowest performing 5 percent of Title I schools
- **Criteria for identification: California School Dashboard measures**
 - All **red** indicators
 - All **red** but one indicator of any other color
 - All **red** and **orange** indicators
 - Five or more indicators where majority are **red**

ESSA: CSI and ATSI Plan Requirements

- The SPSA is the improvement plan.
- The plan must:
 - Be informed by all indicators, including performance against state-determined long-term goals.
 - Include evidence-based interventions.
 - Be based on a needs assessment.
 - Identify resource inequities, which may include a review of LEA and school level budgeting to be addressed in the plan.

What has changed under ESSA?

BEFORE: Program Improvement (PI) under No Child Left Behind

Performance represented by a single performance indicator (API)

Performance measured by achievement OR growth

Performance measured by student test scores

Support for districts was prescriptive, with certain models required (school choice, etc.)

NOW: Comprehensive Support and Improvement under the Every Student Succeeds Act (ESSA)

Performance represented by **multiple performance indicators**

Performance measured by both achievement **AND** growth

Multiple measures that go beyond test scores

Support providers work **with** districts: districts/schools create and monitor plans

PAC Priorities (2017-18)

1. Close the achievement gap
2. Increase diversity of GATE & specialty programs
3. Performance of Students with Disabilities
4. Reduce Chronic Absenteeism
5. Increase Counselors & Social Workers Specializing in Trauma
6. Support for anti-bullying efforts
7. Increase Civic Engagement
8. Performance of Foster Youth



Closing

Pluses and Deltas

