

Potential Reductions Presented to Board of Trustees

Estimated Required Reductions and Revenue Enhancements Through 2010-11: \$6,971,646

| Item # | RSC Code | Program Name | Budget Action | 2008-09 Budget Adjustments | 2009-10 Proposed Budget Reductions | 2009-10 FTE Reductions | 2010-11 Proposed Budget Reductions | Total 3 Year Savings to Unrestricted General Fund | Impact | Administration's Recommendation |
|--|---------------|--|---|----------------------------|------------------------------------|------------------------|------------------------------------|---|--|---|
| A. Revenue Enhancements. This section highlights increases to the revenue budget. | | | | | | | | | | |
| A-1 | 6205 | Restricted Program Flexibility. Deferred Maintenance | Transfer \$1,050,000 over the next 2.5 years of Deferred Maintenance Program funds to the UGF. No match from RRM. | 429,760 | 429,760 | | 190,480 | 1,050,000 | This action would significantly reduce the amount of DM funds spent on sites. While Measure L may help offset <i>some</i> of this impact, DM projects at sites would be further deferred into future years. | Yes. This action would require a public hearing |
| A-2 | 8150 | Restricted Routine Maintenance | Reduce the Restricted Routine Maintenance contribution from the required 3% to 2.5% in the current year and through 2010-11. Do not use RRM funds to match DMP. | 428,150 | 428,150 | | 428,150 | 1,284,450 | This action would reduce the amount of 8150 funds spent on sites by approximately \$1.28 million over three years. The reduction of 8150 funds results in a reduction of services provided by maintenance and operations which, among other things, means that M&O responses to work order requests from sites may be delayed. | Yes. |
| A-3 | 0616 | Enterprise Revenue from Print shop | With new Print Shop Operations, publicize services to outside organizations to generate revenue for the District. | | 15,000 | | 20,000 | 35,000 | This action would require some publicity, and a detailed cost analysis to confirm estimated revenues. | Yes. |
| A-4 | 9710 and 9001 | Facility Use Fees | Increase Facility Use Fees by CPI at Knolls and in Facility Use Agreement | | 10,000 | | 10,000 | 20,000 | The District increased facility fees at Knolls generating an additional \$19,812 of revenue in 2008-09. The District has not increased facility use fees at the other 20 schools since Spring 2005. Staff believe it's reasonable to increase the fees by the CPI effective July 1, 2009 which would likely result in less than 1% increase per year over the past four years. | Yes. Staff will prepare a revised board policy that recommends an annual CPI increase. Staff have also prepared a notification to users letting them know that the Administration is recommending an increase consistent with the CPI. |

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| A-5 | Sweep | Restricted Program Flexibility Carryover from 2007-08. Other Categorical | Sweep from DO Program Budgets. Site carryover funds recommended to stay untouched. | 400,000 | | | | 400,000 | Categorical program support provided by the District Office to the sites would be significantly impacted. We would not be able to proceed with providing services that were planned with these carryover funds. \$400,000 does not include site carryover and the District's Administration is making every effort to keep site carryover funds untouched. | Yes. |
| <u>A-6</u> | | Restricted Program Flexibility 2008-09 through out years. State of California Tier III Categorical Programs | | | 294,955 | | | 294,955 | State Categorical Programs support provided by the District Office to our 20 sites would continue to be reduced. As previously noted, the Administration continues to make every effort to keep reductions away from the classroom. This \$295,000 amount does not include any money from the sites, and is 100% from Centralized services. However, given the ongoing budget crisis from the past two years, it will be difficult to continue this practice in the future. | Yes. |
| A-7 | 0000 | General Fund | Increase Average Daily Attendance by .25% - .5% per year | 0 | 0 | | 0 | - | District revenues are expected to increase by \$125K for each 0.25% (1/4 percent) increase. | No. We will continue to work on this action, but at this point, we are not recommending to include this revenue enhancement. |
| A. Subtotal Revenue Enhancements | | | | \$ 1,257,910 | \$ 1,177,865 | - | \$ 648,630 | \$ 3,084,405 | | \$ 3,084,405 |

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| B. Certificated Administration. This section highlights reductions in the expenditure budget. | | | | | | | | | | |
| B-1 | 0430 | School Administration | Assign 1 principal to two small elementary schools. | | (138,438) | (1.00) | (139,012) | (\$277,450) | The shared management of two schools by 1 principal will result in a diminished level of support for staff, parents and students at each of the schools. However, given the consistent feedback we have received from our parent and teacher community regarding this item, we further analyzed the potential impact of maintaining the principal positions for each site, and allocating the centralized funding and responsibilities. See #2 under Summary of Recommendations on page 9. | The feedback we received from our community during our public board meetings is valid. As a result, we recommend the principal positions at Beresford and Meadow Heights both be retained with shared responsibilities associated with the District's Math Coach position in 2009-10 and another coach position in 2010-11. At this time, and until we know more about our ADA and the Federal Stimulus funds, we recommend allocating the Instructional Coach funds and functions to each of these positions through 2010-11. The total funds/resources available for this action are approximately \$72,000 per year through 2010-11. We will continue to seek additional revenues to restore the positions as they currently function. |
| B. Subtotal Certificated Administration | | | | | \$ (138,438) | (1.00) | \$ (139,012) | \$ (277,450) | | \$ (277,450) |
| C. Classified Administration. This section highlights reductions in the expenditure budget. | | | | | | | | | | |
| C-1 | 0610 | Technology | For 2009-10 and 2010-11, charge approximately 20% of Director of Technology to M&O (8150) and another 20% to Measure L. | | (50,000) | | (50,000) | (\$100,000) | This action will require getting a legal opinion from Bond Counsel and updating outdated JD's. See E-1. <i>At this point, and until we can confirm that the revised job description allows us to charge a portion of this job to Measure L, we will assume we will charge 40% to 8150.</i> | Yes. |
| C. Subtotal Classified Administration | | | | | \$ (50,000) | | \$ (50,000) | \$ (100,000) | | \$ (100,000) |

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| D. Certificated Personnel. This section highlights reductions in the expenditure budget. | | | | | | | | | | |
| D-1 | 0101 | Newcomer Center at Highlands Elementary School and Abbott Middle School | Eliminate 1 FTE Newcomer Center Teacher | | (67,000) | (1.00) | (67,000) | (\$134,000) | The elimination of this program would decrease services to 1st year immigrants who speak no English. | Yes. Reduce this unrestricted general fund expenditure. However, we recommend this expenditure be funded from a reallocation of Federal funds (Title III funds). The program would remain, and this UGF expenditure would be funded with Federal funds, a restricted resource that allows this type of expenditure. |
| D-2 | 0410 | Instructional Technology | Eliminate Instructional Technology Position funded with UGF | | (33,500) | (0.50) | (33,500) | (\$67,000) | Eliminating this position would limit student access to educational technology in the classroom. | Yes. |
| D-3 | | Nurse | Eliminate 1 FTE Nurse | | (47,000) | (1.00) | (47,000) | (\$94,000) | Currently we have 2.0 FTE Nurses in the budget. Propose to eliminate 1.0 FTE and contract for required services. Contracted services would be approximately \$20,000. Beginning teacher salary and benefits is estimated at \$67,000. The annual net savings are \$47,000. | Yes. |
| D-4 | 0101 | General Education | Staffing ratios | | (600,000) | | (600,000) | (\$1,200,000) | Tighten staffing ratios and utilize current class size reduction flexibility as needed in order to create cost efficiencies and minimize classroom disruptions. | Yes. |
| D. Subtotal Certificated Personnel | | | | | \$ (747,500) | (2.50) | \$ (747,500) | (\$1,495,000) | | \$ (1,495,000) |

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| E. Classified Personnel. This section highlights reductions in the expenditure budget. | | | | | | | | | | |
| E-1 | | Custodians | Eliminate 2.0 FTE Custodians | | (94,000) | (2) | (94,000) | (\$188,000) | District-wide night custodial services will be reduced by 2.0 FTE, resulting in reduced critical custodial services. | Yes. We will also review categorical funding to determine if we can use categorical funds to backfill these critical functions. |
| E-2 | 0610 | Technology | For 2008-09 and 2009-10, charge approximately 10% of technology staff to M&O (8150) and 20% to Measure L. | | (15,000) | | (15,000) | (\$30,000) | This action would require getting a legal opinion from Bond Counsel and updating outdated JD's for Network Manager, and other technology staff. See C-1. | Yes. The Network Manager job description will be revised to confirm if this position can be charged to Measure L. |
| E-3 | 0421 | IMC | Eliminate IMC/Foss Aide | | (22,000) | (0.50) | (22,000) | (\$44,000) | Elimination of the Foss Aide would put additional pressure on school sites to maintain and refurbish their own science kits. Students may not receive the same high quality science curriculum and our overall K-5 science program would suffer. | Yes. Reduce this unrestricted general fund expenditure. We recommend that this expenditure be removed from the UGF. For 2009-10, we recommend these expenditures be funded from the State Tier III revenue enhancements from A-6. We will continue to seek categorical programs to continue to fund this expenditure in 2010-11. |

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| E-4 | 0422 | Elementary School Library | K-5 Library Assistants | | (265,589) | (8.63) | (265,589) | (\$531,178) | In some instances, students would have no access to library and media services. | Yes. Reduce this unrestricted general fund expenditure. We recommend that this expenditure be removed from the UGF. For 2009-10, we recommend these expenditures be funded from the State Tier III revenue enhancements from A-6. We will continue to seek categorical programs to continue to fund this expenditure in 2010-11. |
| E. Subtotal Classified Personnel | | | | | \$ (396,589) | (11.13) | \$ (396,589) | \$ (793,178) | | \$ (793,178) |

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| F. Other. This section highlights reductions in the expenditure budget. | | | | | | | | | | |
| F-1 | 0611, 0614, 0913, 6508 | Legal Fees | Reduce Legal Budgets | (10,000) | | | (10,000) | (\$20,000) | A reduction in these expenditures may result in a delayed response or other legal ramifications. | Yes. |
| F-2 | 7230, 6500 | Encroachment | Reduce Encroachment | | (200,000) | | (150,000) | (\$350,000) | We anticipate additional savings in transportation. Bell schedules will be changed to reduce costs associated with transportation services. We will also continue to target opportunities to reduce special education encroachment. | Yes. |
| F-3 | | Custodial Substitute Budget | Reduce Custodial Substitute Budget | | (8,000) | | (8,000) | (\$16,000) | Will require more advanced planning for custodian vacations. Employees will need to increase their support to help in other ways to ensure sites remain clean. | Yes. |
| F-4 | | Unfilled positions, materials and supplies | Implement immediate freeze effective February 17, 2009, and reduce budgets by \$1.3 million | (1,237,367) | (100,000) | | (50,000) | (\$1,387,367) | Deferring needed purchases to subsequent years results in a reduction in programs, services, and other needs. 2008-09 action taken and savings reflected in Second Interim Report. Discretionary budgets at the site level were once again, not touched. Staff identified an additional \$150,000 in further reductions in order to fund the principal positions. Again, Discretionary budgets at the site level were not touched. However, if further reductions are required, then site budgets will need to be seriously considered. | Yes. |

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| F. Subtotal Other | | | | \$(1,247,367) | \$ (308,000) | - | \$ (218,000) | \$(1,773,367) | | \$ (1,773,367) |
| Summary of Recommendations | | | | | | | | | | |
| Total Revenue Enhancements and Budget Reductions | | | | \$(2,505,277) | \$(2,818,392) | (15) | \$(2,199,731) | \$(7,523,400) | \$ (7,523,400) | \$ (7,523,400) |
| 1. Implementation of Recommendation E-3 and E-4 for 2009-10. Ongoing funding for these expenditures needs to be determined. The Newcomer Program in D-1 will be funded with Federal Funds (as noted in D-1). | | | | | \$ 287,589 | | | \$ 287,589 | Continue to support school sites to maintain/refurbish their own science kits. Ensure that students receive the same high quality science curriculum and our overall K-5 science program continues through 2009-10. Students will continue to have access to library and media services through 2009-10. We continue to investigate ongoing funding opportunities. | \$287,589 |
| 2. Allocate the Instructional Coach funds (Title II and EIA) and associated roles/responsibilities to two principals in 2009-10 and 2010-11. Fund the estimated additional \$67,000 annual expenditure with the reallocation of the additional centralized reductions noted in F-4. Additional funding sources will continue to be sought to restore these positions. | | | | | \$ 66,438 | | \$ 67,012 | \$ 133,450 | Continue to provide 1 principal to each site and ongoing support for staff, parents and students at each of the schools where principals would also provide the instructional coach roles and responsibilities. | \$133,450 |
| Net Total Reductions (after funding D-1, E-3, and E-4 in 2009-10) | | | | \$(2,505,277) | \$(2,464,365) | (15) | \$(2,132,719) | \$(7,102,361) | | \$ (7,102,361) |