

Colton Joint Unified School District

Student Services Center, Board Room, 851 South Mt. Vernon Ave., Colton, CA 92324



Minutes October 6, 2011

The Board of Education of the Colton Joint Unified School District met for a Board of Education Regular on Thursday, October 6, 2011 at 5:30 p.m. in the Board Room at the CJUSD Student Services Center, 851 So. Mt. Vernon Avenue, Colton, California.

Trustees Present

Mrs. Patt Haro, President
Mr. Robert D. Armenta Jr., Vice President
Mr. Frank A. Ibarra, Clerk
Mr. Randall Cenicerros (excused)
Mr. Roger Kowalski
Mrs. Laura Morales
Mr. Pilar Tabera

Staff Members Present (*excused)

Mr. Jerry Almendarez	Mrs. Jennifer Jaime
Mr. Jaime R. Ayala	Mrs. Janet Nickell
Mrs. Ingrid Munsterman	Ms. Katie Orloff
Mr. Mike Snellings	Ms. Jennifer Rodriguez
Mrs. Bertha Arreguín	Ms. Sosan Schaller
Mr. Todd Beal	Mr. Darryl Taylor
Mr. Brian Butler	Mr. Robert Verdi

Strategic Plan -- Mission Statement

The Mission of the Colton Joint Unified School District, a team of caring employees dedicated to the education of children, is to ensure each student learns the academic knowledge and skills necessary to thrive in college or in the workforce and be responsible, productive citizens by providing engaging, challenging, and enriching opportunities and specialized programs in a safe environment in partnership with students, families and our diverse communities

1.0 OPENING Call to Order/Renewal of the Pledge of Allegiance

Board President Haro called the meeting to order at 5:30 p.m. The PAC 588 Sycamore Hills Boy Scouts led in the renewal of the Pledge of Allegiance.

2.0 SPECIAL PRESENTATIONS

2.1 Employee Recognition

The following individuals were recognized as Employee Recognition recipients for the month of September:

- *Mr. Darrell Rosenbrock*, Classified, Grounds Worker, Maintenance & Operations
- *Mr. Todd Beal*, Management, Director of Student Services
- *Mrs. Kelly Buell*, Education Partner, BMS GATE Parent Volunteer

3.0 SCHOOL SHOWCASE

3.1 Bloomington High School

Bloomington High School ASB students commented on the Commitment to Graduate and Anti-Bullying Campaigns which were presented by the Renaissance Club to the entire student body. They also updated the Board on their academic success, as well as, fall sports, band and choir. In closing, they reviewed Bloomington High School's academic, athletic and social calendar and invited the Board and District administrators to participate in their WASC accreditation visit preparation.

4.0 PUBLIC HEARING ~ None

5.0 ADMINISTRATIVE PRESENTATIONS

5.1 Budget Update (EXHIBIT A)

Assistant Superintendent Ayala provided an update on the recent community budget meetings, budget study session, website statements and various ways the District is reaching out to the community to share the District's financial challenges. He reminded the Board of the next Board budget study session scheduled for Thursday, October 27th, and briefly spoke of the items to be discussed.

San Bernardino County Superintendent of Schools (SBCSS) representatives, Mr. Alejandro, Assistant Superintendent, Business Services, Mrs. Kelly, Director, Business Advisory Services, and Mrs. McClowry, Fiscal Expert/Consultant, continued with budget update.

Included in the responsibilities of AB 1200 Oversight, the SBCSS is responsible for analyzing and certifying the District's budget and financial reports, including the Adopted Budget, First and Second Interim Financial Reports and the Year End Financial Report (Unaudited Actuals). In addition, they also provide fiscal assistance and guidance, as determined by review and analysis.

Based on their analysis, they reported the following concerns for the CJUSD:

- Ongoing Deficit Spending Trends
 - Expenditures Exceed Revenues
- Availability of Cash
 - Deficit spending
 - State Deferrals
 - Temporary borrowing from Other District Funds
 - Temporary borrowing from Outside Fiscal Entities
- ADA Decline
 - Loss of ADA from 2007-08 to 2011-12 estimated at 3.13%
- Use of One time Revenues to meet Ongoing expenditures

They reviewed the Board's fiscal responsibility to avoid deficit spending, maintain the required minimum reserve balance, prevent a negative fund balance and maintain adequate cash to meet payroll and vendor obligations.

After advising all stakeholders on the seriousness of the cash shortfall and fiscal crisis situation, they encouraged teamwork as we work together to reach a resolution. In closing, they reminded the Board that SBCSS is available to support the district with analysis and guidance.

6.0 PUBLIC COMMENT

6.1 Blue card—Specific Consent, Action, Study & Information or Closed Session Item

- *Victor Jimenez, CJUSD employee*, shared information from the National Center for Safe Routes to school.
- *Nick Ramirez and Jose Olivarez, CSEA representatives*, commented on Action Items B-8 Approval to Eliminate Home-to-School Transportation Effective for the 2012-13 Fiscal Year, B-9 Approval of Home-to-School Transportation Reduction Effective for the 2012-13 Fiscal Year: Option 1 and B-10 Approval of Home-to-School Transportation Reduction Effective for the 2012-13 Fiscal Year: Option 2. They encouraged the Board to return to the negotiation table with CSEA before taking action to eliminate and/or reduce transportation.
- *Bernadette Pedroza, CJUSD teacher/ACE Elementary Director*, spoke of ACE's desire to continue negotiations. She also commented on the possible elimination and/or reduction of transportation.

White card—Items/Topics Not on the Agenda

- *Stephen Wahl, Congressman Joe Baca's Office*, thanked Colton High School for hosting the Congressman's 3rd Annual National Hispanic Heritage Month Student Recognition program.
- *Elsa Aguilar, Agua Mansa PTA*, reminded the Board of the Community Healing Hands meeting on October 24th at Colton High School's Whitmer Auditorium.
- *Deborah Seuylemezian, Grand Terrace Lions Club*, asked for the District to participate in the Lions Club challenge to plant 100 trees within the city of Grand Terrace.

7.0 ACTION SESSION

A. #421 Consent Items

On motion of Board Member Armenta and Board Member Kowalski, and carried on a 6-0-1 (Board Member Cenieros absent) vote, the Board approved Consent Items A-1 through A-8 as presented.

- #421.1 A-1 Approved Minutes for the September 15th Board Meeting
- #421.2 A-2 Approved Student Field Trips (**EXHIBIT B**)
- #421.3 A-3 Approved Consultant for Assembly Presentation (**EXHIBIT C**)
- #421.4 A-4 Approved Consultants for Staff Development (**EXHIBIT D**)

- #421.5 A-5 Approved the Revised Course Descriptions for 7th Grade Language Arts and 8th Grade Language Arts
- #421.6 A-6 Approved the New Course Descriptions for 7th Grade Advanced Language Arts and 8th Grade Advanced Language Arts
- #421.7 A-7 Accepted Gifts (**EXHIBIT E**)
- #421.8 A-8 Approved Reimbursement for Damage to Employee Vehicle in Accordance with Board Policy 4256.3

B.

#422 On motion of Board Member Kowalski and Board Member Armenta, and carried on a 6-0-1 (Board Member Cenicerros absent) vote, the Board approved Action Items B-1, B-2, B-4 and B-5.

- B-3 was withdrawn by the District
- B-6 and B-7 were pulled for separate consideration
- B-8 through B-10 were withdrawn by Board consensus

- #422.1 B-1 Approved Personnel Employment (**EXHIBIT F**)
- #422.2 B-2 Approved Conference Attendance (**EXHIBIT G**)
- ~~Withdrawn B-3 Approval of Purchase Orders~~
- #422.4 B-4 Approved Sixty-Three Month Lease Agreement with Konica Minolta for Digital Color Printer Equipment Utilizing the San Bernardino County Contract #09-283 for Office Equipment and Supplies/Services
- #422.5 B-5 Approved to File a Notice of Completion for Bid #11-06 for Birney Elementary School Parking Lot Improvements Project – Golden Arrow Engineering, Inc.

#423 On motion of Board Member Kowalski and Board Member Armenta, and carried on a 4-2-1 (Board Members Ibarra and Tabera opposed; Board Member Cenicerros absent) vote, the Board approved Action Item B-6.

- #423.1 B-6 Approved Amendment No. 1 with Leighton Consulting, Inc. to Perform Geotechnical Observations, Compaction Testing and Materials Inspection and Testing Services for Colton High School New Math and Science Building Project

#424 On motion of Board Member Kowalski and Board Member Armenta, and carried on a 4-2-1 (Board Members Ibarra and Tabera opposed; Board Member Cenicerros absent) vote, the Board approved Action Item B-7.

- #424.1 B-7 Approved Agreement with School Services of California, Inc. for Special Services (2011-12)
- ~~Withdrawn B-8 Approval to Eliminate Home to School Transportation Effective for the 2012-13 Fiscal Year~~
- ~~Withdrawn B-9 Approval of Home to School Transportation Reduction Effective for the 2012-13 Fiscal Year: Option 1~~
- ~~Withdrawn B-10 Approval of Home to School Transportation Reduction Effective for the 2012-13 Fiscal Year: Option 2~~

C. Action Items – Board Policy ~ None

D. Action Items – Resolutions

#425 On motion of Board Member Armenta and Board Member Morales, and carried on a 6-0-1 (Board Member Cenicerros absent) vote, the Board approved Action Item D-1.

- #425.1 D-1 Adopted Resolution No. 12-11, Red Ribbon Week, October 23 - 31, 2011

8.0 ADMINISTRATIVE REPORTS

AR-8.1 Approved Disbursements

AR-8.2 Proposed Amendment of Board Policy and Administrative Regulations:

*AR 1321 Solicitation of Funds From and By Students**

*Administrative Regulation 1321 will be presented as a Second Reading at the October 20th Board Meeting.

AR-8.3 Facilities Update

Mr. Ernest Guillen, Energy Manager, provided a brief update on the District's energy program. Mr. Guillen will be working with staff and Energy Education to implement and manage CJUSD's energy program with the goal to save money and conserve energy.

Facilities Director Darryl Taylor reviewed the October 2011 Program Update. (**EXHIBIT H**)

AR-8.4 ACE Representative ~ No report

AR-8.5 CSEA Representative

CSEA President Nick Ramirez belatedly welcomed Board Member Morales to the CJUSD. He also thanked the Board for withdrawing Action Items B-8 through B-10 and directing the District to return to the negotiating table.

AR-8.6 MAC Representative ~ No report

AR-8.7 ROP Update ~ No report

9.0 SUPERINTENDENT'S COMMUNICATION

Superintendent Almendarez announced that all but six of 10,119 students have been administered the Tdap vaccination as required by the state. He congratulated CJUSD's 65 most recent graduates who participated in the Summer Graduation Ceremony on September 22nd. Mr. Almendarez announced upcoming events, Great America Shake Out (October 20th), Community Budget Presentation at Cooley Ranch Elementary School (October 18th), Bloomington High School's 11th Annual Future's Night (October 11th) and Terrace View Elementary School's Country Western Fall Dance (October 13th). He also spoke of several site CST celebrations and congratulated CJUSD WorkAbility I students for their participation in this year's WorkAbility I calendar.

Superintendent Almendarez announced that a mediation session is scheduled with ACE and the state appointed mediator on October 17th. The District remains hopeful to reach a timely and mutually satisfying resolution.

To view the Communiqué please visit the CJUSD website at www.colton.k12.ca.us

10.0 BOARD MEMBER COMMENTS

Board Member Tabera thanked Terrace Hills Middle School staff for hosting his recent visit. He commented on Washington High School's Community Resource Fair held on Wednesday, October 5th. The evening provided an opportunity for educators, community members, and post secondary institutions to unite with the common goal of providing information about available resources to our youth and their families.

Board Member Ibarra spoke on the importance to teamwork of amicably satisfy the budget. He thanked CSEA leadership for offering to return to the negotiating table and for their history of concessions. Mr. Ibarra also announced that he is a guest speaker at tomorrow's Kiwanis meeting.

Board Member Armenta inquired as to the support available from the California School Boards' Association with regard to the budget crisis.

Board Member Morales spoke of the difficult decisions the District is challenged with and encouraged teamwork and understanding from employees and the community.

Board Member Kowalski reiterated the Board's goal to reach a resolution on the budget and to carefully consider all proposed reductions without acting hastily.

Board Member Haro thanked CSEA leadership for offering to return to the bargaining table for further concessions. She also surveyed the Board to determine which members will meet with the city of Colton Bridge Committee (Board Members Armenta, Ibarra and Tabera). In closing, she thanked several staff members and the community for their well wishes and support following her recent surgery.

11.0 CLOSED SESSION

Following action items: Board Room, Student Services Center, 851 So. Mt. Vernon Ave., Colton, CA (Government Code 54950 et seq.)

At 8:13 p.m., Board President Haro announced that the board would recess to closed session to discuss the following items on the closed session agenda:

- 11.1 • Student Discipline, Revocation and Re-entry
- 11.2 • Personnel
- 11.3 • Conference with Legal Counsel—Anticipated Litigation
- 11.4 • Conference with Legal Counsel—Existing Litigation
- 11.5 • Conference with Labor Negotiator
- 11.6 • Conference with Real Property Negotiator

12.0 PUBLIC SESSION – ACTION REPORTED FROM CLOSED SESSION

The Board meeting reconvened at 9:20 p.m. Board President Haro reported that no action was taken in closed session.

12.1 Student Discipline, Revocation, and Re-entry

#426 On motion of Board Member Kowalski and Board Member Tabera, and carried on a 6-0-1 (Board Member Cenicerros absent) vote, the Board approved four discipline items as presented.

- | | |
|------------|-----------|
| 1. 1037119 | 3. 110744 |
| 2. 80065 | 4. 92936 |

12.2 Personnel

- ♦ Public Employee: Discipline/Dismissal/Employment/Release/Reassignment (Gov. Code 54957)

12.3 Conference with Legal Counsel—Anticipated Litigation ~ No Report
Significant exposure to litigation pursuant to Government Code Section 54956.9(b)
Potential Case: *Three*

12.4 Conference with Legal Counsel—Existing Litigation
Pursuant to Government Code Section 54956.9(a)
Case Number: *None*

12.5 Conference with Labor Negotiator ~ No Report
Agency:
Ingrid Munsterman, Assistant Superintendent, Human Resources Division
Employee Organizations:
Association of Colton Educators (ACE)
California School Employees' Assoc. (CSEA)
Management Association of Colton (MAC)

12.6 Conference with Real Property Negotiator (Gov. Code 54956.8)
Property: *~None~*

13.0 ADJOURNMENT

At 9:21 p.m. the meeting was adjourned. The next Board of Education Meeting scheduled for Thursday, October 20, 2011, at the Colton JUSD Student Services Center, 851 South Mt. Vernon Avenue, Colton, California.

EXHIBIT A: Budget Update

Colton Joint Unified School District Board Meeting October 6, 2011

Presented by:

- Mr. Ted Alejandre, Assistant Superintendent, Business Services
- Mrs. Teri Kelly, Director, Business Advisory Services
- Mrs. Michele McClowry, Fiscal Expert/Consultant (authorized by SBCSS)

San Bernardino County Superintendent of Schools
Office

AB 1200 Oversight

- COE Responsibilities
 - Analyze and Certify District Budget and Financial Reports
 - Adopted Budget
 - First and Second Interim Financial Reports
 - Year End Financial Report (Unaudited Actuals)
 - Analyze and Review District Collective Bargaining Public Disclosure documents
 - Analyze and Review District Non-Voter Approved Debt Disclosure documents
 - Review and Follow up on any Annual District Audit Report findings/recommendation and ensure Annual Audit Contract is in place
 - Provide additional fiscal assistance and guidance, as determined by review/analysis.

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State Budget Parameters (FY11-12)

- Base Revenue Limit Deficit: 19.754%
- Flat State Aid Funding for 2011/12
- SBCSS Oversight Authority: FY11-12 for Budget Approval
 - At First Interim: SBCSS Authority includes Multi-Year Projections (FY12-13 & FY13-14)
- Potential State Trigger Reductions: FY11-12
 - Tied to projections of state revenues, if over \$2B up to \$4B shortfall directly affects education funding
- Ongoing and increased State Deferrals FY 11-12

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State Deficit Rates

Fiscal Year	Deficit Rate (%)
2002-03	11.14%
2003-04	14.01%
2004-05	10.10%
2005-06	10.87%
2006-07	10.87%
2007-08	10.87%
2008-09	10.87%
2009-10	10.87%
2010-11	10.87%
2011-12	19.75%

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State Increasingly Relying on K-12 Payment Deferrals to Balance Budget

Principal Apportionment Cross Year Deferrals for CA K-12 Districts

465% increase in deferrals over 4 years

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What Did this mean to Colton Jt. USD?

Source: CDE Apportionment Schedules 10/11 updated with Enacted Budget Rates

2011-12 Base Revenue Limit Rate =	\$6,501.64
Less State Deficit 19.754% =	\$5,217.31
Loss due to Deficit/Per ADA=	\$1,284.33
Adopted Budget ADA (est.) =	22,035
Loss of Funding 11/12= (est.)	\$28.3 Million

10/11 Loss due to Deficit Per ADA = \$1,142.20

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EXHIBIT A: Budget Update

Federal Funding for Colton JUSD

Source: CDE ARRA & Ed Jobs Entitlement Summaries; ADA reports

- One Time Federal Funding 2009/10 - 2011/12
 - ARRA-Combined 09/10-10/11
 - Countywide average \$852/ADA
 - Colton \$839/ADA
 - **MUST be spent by September 30, 2011**
 - Education Jobs Act 10/11-11/12
 - Countywide average \$199/ADA
 - Colton \$195/ADA
 - **MUST be spent by September 30, 2012**
 - Total Combined ARRA and Education Jobs Act
 - Countywide average \$1,051/ADA
 - Colton \$1,034/ADA

Using 2010-11 ADA data (Colton Jt USD =22,092.94)

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Colton Jt. USD and Countywide K-12 Districts Unrestricted Expenditure Trends

Source: District submitted Unaudited Actuals Data files

Category	2007/08 Actuals	2008/09 Actuals	% Change from 2007/08	2009/10 Actuals	% Change from 2007/08	2010/11 Unaudited Actuals	% Change from 2007/08
Total Colton JUSD Expenditures	136,820,082	136,047,074	-0.56%	133,757,254	-2.24%	135,202,856	-1.18%
Total Countywide Expenditures	2,271,814,992	2,235,522,535	-1.60%	2,137,776,805	-5.90%	2,079,724,171	-8.46%

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Colton Jt USD Concerns

- Ongoing Deficit Spending Trends
 - Expenditures Exceed Revenues
- Availability of Cash
 - Deficit spending
 - State Deferrals
 - Temporary borrowing from Other District Funds
 - Temporary borrowing from Outside Fiscal Entities
- ADA Decline
 - Loss of ADA from 2007-08 to 2011-12 estimated at 3.13%
- Use of One time Revenues to meet Ongoing expenditures

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Next Steps

- Review and Analysis of 1st Interim Financial Report and Cash Flow
 - Limitations imposed by State Adopted Budget on Adopted Budget Review and Analysis are gone
 - MYP Review
 - County Assumptions
 - Contingency Plans
 - State Trigger Potential
 - Future Year COLAs/Increased Deficits?

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Specific Colton JUSD Data Review

- Adopted Budget & MYP
- Current Operating Budget
 - Including Adjustments from Unaudited Actuals
- Current Operating Budget
 - Adjusted for Potential State Triggers
- Contingency Plans Needed

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Colton Jt USD Unrestricted General Fund Analysis

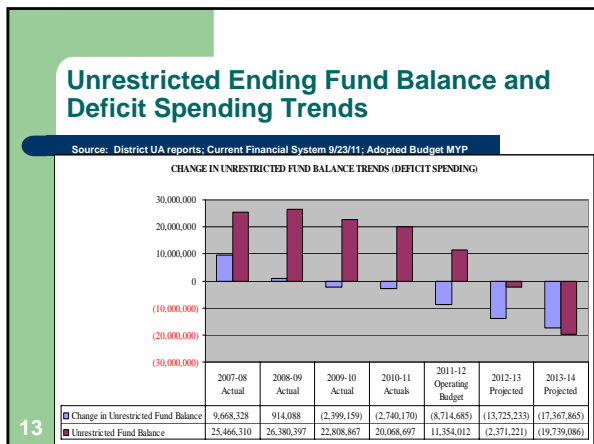
Need Board Approved Fiscal Action Plan

Source: District UA report; Current Financial System 9/23/11; Adopted Budget MYP

Fiscal Year	2010-11 Actuals	2011-12 Current Operating Budget	2012-13 Projected Budget
Revenues	\$132,462,686	130,626,425	133,913,851
Expenditures	135,202,856	139,341,110	147,639,084
Deficit Spending	-2,740,170	-8,714,685	-13,725,233
Beg Bal	22,808,867	20,068,697	11,354,012
End Bal	20,068,697	11,354,012	-2,371,221
REU/Unassigned	5,608,025	5,521,154	-2,571,221
Non-spendable Reserves	200,000	200,000	200,000
Other Assigned	14,260,672	5,632,858	0
% REU/Unassigned	4.92%	2.97%	-1.35%

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EXHIBIT A: Budget Update



- ### State Trigger Reductions-Legislation
- Source: Rates provided by SSC; 2010/11 District ADA; CDE Entitlement Schedules
- If state revenues are \$2B to \$4B overstated
 - Up to 4% hit to State Aid funding based on S/W avg, actual hit closer to 5% for SB County districts
 - Estimated at \$260/ADA if full \$4B not realized
 - Colton JUSD = \$5,749,310 (using 2010/11 ADA)
 - Additionally, 50% of Pupil Transportation reduced
 - Colton JUSD = \$435,930
 - Estimated \$20/ADA
 - Transportation cut would hit first, followed by pro-rata cut to State Aid up to the full hit
 - Total hit to Colton JUSD = est. \$6,185,240 or \$280/ADA
 - Addition reductions would be needed beyond what is currently needed to ensure fiscal solvency
 - District Contingency Action Plans

Colton Jt USD Unrestricted General Fund Analysis- with Full State Triggers

Source: Current Financial System 9/23/11; MYP; BAS Estimates

Need Board Approved Fiscal Action Plan & Contingency Plan

Fiscal Year	2011-12 Current Operating Budget	2011-12 Current Operating w/Full Trigger Cuts	2012-13 Projected Budget-adjusted for Trigger Cuts
Revenues	130,626,425	124,441,185	133,913,851
Expenditures	139,341,110	139,341,110	147,639,084
Deficit Spending	-8,714,685	-14,899,925	-13,725,233
Beg Bal	20,068,697	20,068,697	4,968,772
End Bal	11,354,012	5,168,772	-8,756,461
REU/Unassigned	5,521,154	4,968,772	-8,956,461
Non-spendable Reserves	200,000	200,000	200,000
Other Assigned	5,632,858	0	0
% REU/Unassign	2.97%	2.67%	-4.72%

- ### Cash Flow monitoring
- Source: Current Financial System 9/23/11
- Temporary Loans
 - Internal (District current utilizing \$28.7M from other funds)
 - External (District currently utilizing \$6M from County Temporary Transfer-repaid December/April)
 - If district cannot obtain external temporary cash loan, may be able to apply for a state exemption (March-intra-year) and/or waivers of some deferrals (not all, very limited)
 - Could trigger a Negative Certification due to cash shortfall

- ### Cash versus Fund Balance
- Source: 2010/11 Financial System; Current Financial System 9/23/11; BAS projections
- 2010/11 June 30th Cash Balance excluding Other Fund Temporary Loans = **-\$2,399,853**
 - 9.18% of Fund Balance
 - With \$28.7M Interfund Temporary Borrowing = 100%
 - Currently borrowing from Deferred Maintenance Fund \$1.5M; Special Purpose (Fd 17) \$2.6M, Capital Proj (Dev Fee Fd 25) \$10.6M, Self Insurance (Fd 67) \$14M
 - 2011/12 June 30th Cash Balance Projection, excluding Other Temporary Loans = **-\$22,009,538**
 - 15.4% of Fund Balance
 - Without State Trigger Cuts Implemented, as budget currently stands
 - With \$28.7M Interfund Temporary Borrowing, if funds still available = 47% or \$6.7M

- ### Qualified or Negative Certification or "Lack of Going Concern"
- Source: EC 42127.6
- At any time during a fiscal year that the SBCSS determines a district may not be able to meet its financial obligations for the current or two subsequent fiscal years the CSS shall do at least one of the following and all that are necessary to ensure that district meets its financial obligations:
 - Assign a fiscal expert to assist district (100% paid by CSS)
 - Conduct a financial and budgetary study of the district; including internal controls (with SPI approval can hire short term staff-25% CSS)
 - Direct district to submit financial projections of all fund and cash balances for current and subsequent years
 - Require district to encumber all contracts; prepare cash flows and budget revisions; and record all AR and AP
 - Direct district to submit proposal to address adverse fiscal conditions
 - Withhold salaries of board and superintendent for failure to provide information
 - Assign FCMAT to review teacher hiring processes
 - If the SBCSS determines that a district will not be able to meet its obligations in the or subsequent fiscal year, the CSS shall notify the district and the Superintendent of Public Instruction (SPI) and do any or all of the following:
 - Develop and impose a budget, with SPI and board
 - Stay or rescind any action inconsistent with district ability to meet its financial obligations
 - Cannot abrogate collective bargaining agreements entered into prior to assumption of authority
 - Assist in developing a financial plan to meet future current and future obligations
 - Assist in developing a budget for the future fiscal years, in consultation with board.
 - Appoint a fiscal advisor (Costs split 75% District 25% CSS)

EXHIBIT A: Budget Update

Fiscal Expert vs Fiscal Advisor

- **Fiscal Expert (100% SBCSS)**
 - Assigned by SBCSS to advise district on its financial problems
 - Assists in developing or costing out solutions
- **Fiscal Advisor (25% SBCSS; 75% District)**
 - Assigned by SBCSS to advise SBCSS on whether or not the district will need a state loan
 - Stay and rescind authority to hold district to its fiscal plan

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Role of Fiscal Advisor

- Serve as liaison between SBCSS and District
- Develop strategies to avoid State bailout loan
- Provide additional support to the District
- Suggest cash saving ideas and budget strategies
- Work with District Board and Administration to develop Fiscal Recovery Plan
- Assist with implementation of Fiscal Recovery Plan

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What Happens with State Loan?

- Legislature approves the loan
- State assigns a full-time Trustee
- Board relieved of all decision making
- Superintendent is released
- Loan is made by the I-Bank, not the State
- Must be paid back annually similar to a mortgage with interest and no ability to waive payments

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What Happens with State Loan?

- It generally takes up to 20 years to pay off the loan
- Board has no authority for term of the loan
- All costs of the loan and Trustee (and anyone Trustee brings in to help) are responsibility of the District
- Trustee makes all decisions

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FCMAT Predictors of School Agencies Needing Intervention

The following 11 conditions represent those school agency problems most commonly encountered by the Fiscal Crisis and State-aid Assistance Teams (FCMAT). The presence of any one condition is not necessarily an indication of a school agency in trouble. Unavoidable short-term situations such as key administrative vacancies can result in brief and acceptable periods of exposure to one or more of the following conditions. Exceeding acceptable limits of exposure to one or more of the following conditions is often the blueprint for districts nearing or presently in a crisis situation.

<p>1. Leadership Breakdown*</p> <ul style="list-style-type: none"> a. Governance crisis** b. Ineffective staff recruitment c. Board micromanagement and special interest groups influencing boards d. Ineffective or no supervision e. Litigation against district <p>2. Ineffective Communication**</p> <ul style="list-style-type: none"> a. Staff unrest and morale issues b. Absence of communication to educational community** c. Lack of intersagency cooperation** d. Breakdown of internal systems (payroll, position control) <p>3. Congestion or Infrastructure</p> <ul style="list-style-type: none"> a. Unhealthy and unsafe facilities and sites b. Deferred maintenance neglected c. Low Budget Priority d. Local and state citations ignored e. No long-range plan for facility maintenance <p>4. Inadequate Budget Development**</p> <ul style="list-style-type: none"> a. Failure to recognize near-to-year trends, e.g., declining enrollment or deficit spending** b. Flawed ADA projections** c. Failure to maintain reserves** d. Salary and benefits in unrealistic proportions e. Insufficient consideration of long-term bargaining agreement effects** f. Flawed multi-year projections** g. Inaccurate revenue and expenditure estimations** 	<p>5. Limited Budget Monitoring*</p> <ul style="list-style-type: none"> a. Failure to reconcile ledgers b. Poor cash flow analysis and reconciliation** c. Inadequate business systems and controls d. Inattention to ODE data e. Failure to review management control reports f. Earmarking agreements beyond state COLA** g. Lawsuit settlements <p>6. Poor Position Control**</p> <ul style="list-style-type: none"> a. Identification of each position missing b. Unauthorized hires c. Budget development process affected d. No integration of position control with payroll** <p>7. Ineffective Management Information Systems**</p> <ul style="list-style-type: none"> a. Limited access to timely personnel, payroll, and budget control data and reports** b. Inadequate attention to system life cycle c. Inadequate communication systems <p>8. Inattention to Categorical Programs**</p> <ul style="list-style-type: none"> a. Circumventing general fund encumbrances** b. Lack of regular monitoring** c. Illegal expenditures d. Failure to file claims 	<p>9. Substantial Long-Term Debt Commitments</p> <ul style="list-style-type: none"> a. Increased costs of employee health benefits+ b. Certificates of participation c. Retiree health benefits for employees and spouse+ d. Expiring parcel taxes dedicated to specific costs <p>10. Human Resource Crisis</p> <ul style="list-style-type: none"> a. Shortage of staff (administrators, teachers, support, and board) b. Teachers and support staff working out of assignment c. Students/classrooms without teachers d. Administrators coping with daily crisis intervention e. Inadequate staff development <p>11. Related Issues of Concern</p> <ul style="list-style-type: none"> a. Local and state audit exceptions b. Disproportionate number of under performing schools c. Staff parent and student exodus from the school district d. Public support for public schools decreasing e. Inadequate community participation and communication
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* Highlights the seven conditions consistently found in each district requesting an emergency loan or dealing with a "fiscal crisis."
 ** Represents the 11 conditions that have been found most frequently to indicate fiscal distress and are those referenced in Assembly Bill 2756 (Teacher) and recently amended Education Code Sections 41317 and 41317.6.

24 San Bernardino County Superintendent of Schools

Board's Fiscal Responsibilities

- Avoid Deficit Spending
 - unless planned one time (ie. Federal ARRA)
- Meet Required Minimum Reserve Balance
- Prevent Negative Fund Balance
- Maintain Adequate Cash to Meet Payroll and Vendor Obligations

24 San Bernardino County Superintendent of Schools

EXHIBIT A: Budget Update

It Takes Teamwork

- SBCSS is here to assist and support district with analysis and guidance
- All stakeholders must recognize and understand the seriousness of the cash shortfall and fiscal crisis situation

25 San Bernardino County Superintendent of Schools

Next Step/Questions???

- First Interim Financial Report will be due by December 15th, 2011
 - SBCSS will review and determine report certification and respond back to District with any comments
- Questions?

26 San Bernardino County Superintendent of Schools

EXHIBIT B, FIELD TRIPS:

<u>Site</u>	<u>Date</u>	<u>Depart</u>	<u>Return</u>	<u>Destination</u>	<u>Activity/Background</u>	<u>Grade</u>	<u>Teacher</u>	<u>Cost</u>	<u>Funding</u>	<u>Strategic Plan*</u>
CHS	10/7/11 to 10/8/11 (Fri/Sat)	11:30 am	9:30 pm	Clovis High School Fresno, CA (District transportation)	<i>33rd ASICS Clovis Cross Country Invitational</i> Students will participate in the Cross Country Invitational.	9-12	Ron Perez (walk-on coach) (18 students) + 5 chaperones	\$1,211	Donation \$126 ASB \$150 Students \$935	Strategy #1

EXHIBIT C, CONSULTANTS FOR ASSEMBLY PRESENTATION

<u>Site</u>	<u>Date(s)</u>	<u>Time</u>	<u>Program/Purpose</u>	<u>Location</u>	<u>Consultant(s)</u>	<u>Cost</u>	<u>Funds</u>	<u>Strategic Plan*</u>
BMS	10/24/11	8 am to 3 pm	<i>Edgar Allan Poe</i> GATE students in grades 7/8 will see a performance of Edgar Allan Poe readings.	BMS	Duffy Hudson Sylmar, Ca	\$550	ASB	Strategy #1
Smith	03/06/12	8:45 am & 9:45 am	<i>The Imagination Machine Writing Show</i> Through theater improvisation, students will be inspired to develop their imaginations through creative writing.	Smith	The Imagination Machine Villa Park, CA	\$1,035	SLI	Strategy #1

EXHIBIT D, CONSULTANTS FOR STAFF DEVELOPMENT

<u>Site</u>	<u>Date</u>	<u>Time</u>	<u>Program/Purpose</u>	<u>Location</u>	<u>Consultant(s)</u>	<u>Cost</u>	<u>Funds</u>	<u>Strategic Plan*</u>
SMHS	October 2011 through June 2012	7:30 am to 1:30 pm	<i>Counseling services for social, emotional and drug and alcohol abuse issues.</i> At-risk students will receive assistance and skills to deal with issues that impact their attendance and attentiveness at school.	SMHS	John Shannon, MFT Oceanside, CA	\$5,000	Title I	Strategy #2 #5
Smith	Jan. 24, 31 Feb. 7, 14, 21, 28 Mar. 6, 13, 2012	8:30 am to 10 am	<i>Expanded Food and Nutrition Education Program for Parents</i> Parent involvement workshop on how to make positive changes in the area of food preparation, food consumption, meal planning, food buying, savings and physical activity.	Smith	Dorayda Ibarra, Nutrition Education Assistant University of California, Agriculture & Natural Resources Cooperative Extension, San Bernardino County	No cost	No cost	Strategy #2 #5

EXHIBIT E, GIFTS

<u>Site</u>	<u>Donor</u>	<u>Donation/Purpose</u>	<u>Amount</u>
Birney	Arlene Roper	Check #8522 For 1 st grade field trip to Lewis Family Playhouse	\$370.00
Birney	Arlene Roper	Check #8523 For 1 st grade field trip to Lewis Family Playhouse	\$320.00
Birney	CEC Entertainment-Chuck E. Cheese	Check #961897 For field trips & incentives	\$445.12
Birney	Target	Check #2320193 For field trips & incentives	\$93.27
Birney	Association of Colton Educators	Check #7612 Marathon for Books/Darrell Rosenbrock/For library books	\$50.00
Birney	Management Association of Colton (MAC)	Check #1152 Marathon for Books/Darrell Rosenbrock	\$100.00
Birney	CSEA Chapter 244	Check #196 For library books/Marathon for Books	\$100.00
Birney	Alice Birney P.T.A.	Check #1279 Donation for trees	\$1,000.00
Birney	Alice Birney P.T.A.	Check #1281 For library books	\$1,800.00
Bloomington Middle	Daniel A. Morse	Mobile lab demonstration table. Fully equipped table allows instructor with no science lab equipment to prepare & display active lab materials & experiments. Equipped w/mirror accessory.	\$2,140.00
Bloomington Middle	Target	Check #2315658	\$116.82
Bloomington High	Cosmetic Industries, Inc. dba U.S. Filling & Packaging Co.	Check #2240 For volleyball club sponsorship-Jacqueline J. Jimenez-ASB	\$200.00
Bloomington High	Kiwanis Club of Cooley Ranch	Check #2125 For football club-ASB	\$300.00
Colton Middle	Target	Check #2323406	\$152.35
Cooley Ranch	Cooley Ranch Kiwanis Kids Club	Cash Recycling for school supplies	\$44.45
Cooley Ranch	Kiwanis Club of Cooley Ranch	Check #2126 For red ribbon week	\$200.00
Cooley Ranch	Target	Check #2323526	\$124.23
Crestmore	Target	Check #2323756	\$172.63
D'Arcy	Target	Check #2302641	\$152.44
Grand Terrace	IE Rollersports, Inc. DBA Calskate GT	Check #4413	\$14.50
Grand Terrace	Target	Check #2326701	\$158.98
Grimes	Target	Check #2335452	\$137.14
Jurupa Vista	Dzung T. Pham & Christie Sue Pham	Check #1487 For refreshments	\$30.00
Jurupa Vista	Target	Check #2328918 For refreshments	\$100.97
Jurupa Vista	Jurupa Vista P.T.A.	Check #1285 For technology supply & related expense	\$2,000.00

EXHIBIT E, GIFTS			
<u>Site</u>	<u>Donor</u>	<u>Donation/Purpose</u>	<u>Amount</u>
Lincoln	Association of Colton Educators	Check #7611 Marathon for Books/Darryl Rosenbrock	\$50.00
Lincoln	CSEA Chapter 244	Check #195 Marathon for Books/Darryl Rosenbrock	\$100.00
Lincoln	Management Association of Colton (MAC)	Check #1153 Marathon for Books/Darryl Rosenbrock	\$100.00
Lincoln	Target	Check #2319995	\$244.43
McKinley	Rodrigo Diaz Carrillo/Maria C. Diaz	Check #2551- \$15.00 – McKinley ASB Check #2666-\$20.00	\$35.00
McKinley	Lifetouch	Check #2263433	\$439.39
Reche Canyon	Coca-Cola Refreshments	Check #05762635	\$45.99
Rogers	Target	Check #2333758	\$94.27
Ruth O Harris	Target	Check #2335453	\$142.67
Ruth O Harris	Coca-Cola Refreshments	Check #05763237	\$47.44
Slover	Student Paths, LLC	Check #2078 For ASB	\$66.00
Slover	Target	Check #2336317	\$131.79
Smith	Target	Check #2326409	\$149.96
Terrace View	Target	Check #2337473 For instructional materials	\$531.60
Terrace View	Christen A. Seymour & Suzanne M. Seymour	Check #2631 For Mrs. Bouer's 3 rd grade classroom	\$50.00
Terrace View	IE Rollersports, Inc. DBA Calskate GT	Check #4415	\$12.00
Wilson	Target	Check #2339758	\$84.20
Zimmerman	Target	Check #2338488 For staff & students recognition awards & incentives	\$343.27

EXHIBIT F, PERSONNEL:

<u>I-A</u>	<u>Certificated – Regular Staff</u>	<u>Subject</u>	<u>Site</u>
1.	Granado, Sharon	Elementary Teacher (temporary)	Wilson
2.	Green, Molly	French Teacher	BHS
3.	Heredia-Garcia, Rachel	Special Ed Resource Specialist	Roving
4.	Picazo, Sandra	Moderate/Severe SDC Teacher	Lewis
5.	Torres, Jannet	ELD Teacher	CHS
<u>I-B</u>	<u>Certificated – Activity/Coaching Assignments</u>	<u>Position</u>	<u>Site</u>
	None		
<u>I-C</u>	<u>Certificated – Hourly</u>	<u>Position</u>	<u>Site</u>
	None		
<u>I-D</u>	<u>Certificated – Substitute Teacher</u>		
	None		
<u>I-E</u>	<u>Certificated Management – Summer School 2011</u>	<u>Position</u>	<u>Site</u>
	None		
<u>II-A</u>	<u>Classified – Regular Staff</u>	<u>Position</u>	<u>Site</u>
1.	Bryant, Monica	Bus Driver	Transportation
2.	Chairez, Heather	Health Assistant	Cooley Ranch
3.	Scott, Rhonda	Library/Media Tech I	Rogers

<u>II-B</u>	<u>Classified – Activity/Coaching Assignments</u>	<u>Position</u>	<u>Site</u>
1.	DeAnda, Manuel	Varsity, Football Assistant (walk-on)	CHS
2.	Fetuuaho, Toni	Varsity, Football Assistant (walk-on)	CHS
3.	Perryman, Adrian	JV, Football Assistant (walk-on)	CHS
4.	Smalls, Ryan	HD JV, Football	CHS

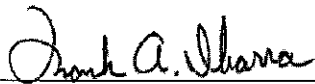
<u>II-C</u>	<u>Classified – Hourly</u>		
1.	Alvarado, Alex	AVID Tutor	BHS
	Barron, Nidia	AVID Tutor	THMS
	Ibarra, Elizabeth	Sub Noon Aide	Grant
	Lee, William	AVID Tutor	BHS
	Wyatt, Amanda	Sub Noon Aide	McKinley
<u>II-D</u>	<u>Classified Substitute</u>	<u>Position</u>	
	None		
<u>II-E</u>	<u>Classified – Short-Term –</u>	<u>Position</u>	<u>Site</u>
	None		

RESIGNATIONS:					
	Certificated Employee	Position	Site	Employment Date	Effective
	Classified Employee	Position	Site	Employment Date	Effective
1.	Garcia, Sandra	Nut. Svcs. Wrkr. I	BMS	08/25/11	09/03/11
2.	Scheer, Cathy	Driver Trainer	Transp.	10/18/04	10/01/11

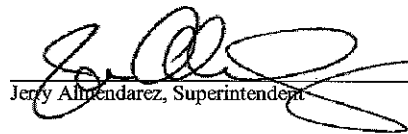
EXHIBIT G, CONFERENCES:

Employee	Title	Site	Conference	Date/Location	Funds
Ernie Guillen	Energy Education Manager	D.O./Business	<i>Fall National Training Conference</i>	Dallas, TX October 10-12, 2011	General fund: \$964.40
Valerie Pelletier	Teacher	CHS	<i>Society of Vertebrate Paleontology Annual Meeting</i>	Las Vegas, NV October 31 – November 4, 2011	SLI fund: \$500.00 (subs only) * *all expenses paid except subs
Rick Feinstein	Director	Transportation/ Risk	<i>High Desert Trust Annual Meeting</i>	Lake Arrowhead, CA November 4-5, 2011	No cost to the District * *all expenses paid

Date Approved: October 20, 2011



Frank Ibarra, Clerk



Jerry Almodarez, Superintendent



FACILITIES

program update

Oct
2011



PLANNING AND DESIGN

Districtwide Master Plan

The Board approved the Districtwide Master Plan at its September 15 meeting. The long range planning document will guide the District in prioritizing its planned capital improvement projects to best support student housing needs, as well as instructional and operation goals.

Design of Multipurpose Rooms and Cafeterias at CHS an BHS

Design development of the these two projects is under way.

PRIORITIZATION OF QSCB-FUNDED PROJECTS

Qualified School Construction Bonds (QSCB)

The District's application to the federal QSCB program, which offers reduced interest rate financing of local school bonds, was approved in spring 2011. In June, the County Board of Supervisors approved the sale of Measure G Series C for \$11.9 million utilizing QSCB financing. The bonds were sold in July and the money will help fund QSCB projects listed in the District's application. The Board will be meeting with Facilities over the next several months to prioritize those projects.

CITIZENS' OVERSIGHT COMMITTEE (COC)

A quarterly meeting of the COC was held August 22, 2011. Several members met with auditors to review the audit report completed in July. The COC annual report is currently being drafted and will be presented to the Board in the near future.

BUSINESS & COMMUNITY OUTREACH

Bond Web Page

The District's bond program web site continues to register new visitors and vendors eager to learn more about bond construction program and projects. The site is updated quarterly with a letter from the Superintendent and project highlights. It also is updated more frequently with progress reports, COC meeting information, and minutes. The site is averaging 900 views per month which translates to about 30 views a day of which 10 are new visitors.

Colton High School Students Tour Construction Zone

On September 30, DJM Construction, contractors for the Colton High School Math and Science Building project, hosted the high school's metal shop class instructor and students to view current steel welding work in progress at the site. The students witnessed first hand the field applications and job opportunities directly related to what they are learning in class.

CALENDAR OF EVENTS

Oct 2011

- Oct 6** CJUSD Board Meeting @ 5:30 p.m.
- Oct 10** BHS Math and Science Buildings Open
- Oct 20** CJUSD Board Meeting @ 5:30 p.m.

Nov 2011

- Nov 3** CJUSD Board Meeting @ 5:30 p.m.
- Nov 17** CJUSD Board Meeting @ 5:30 p.m.

Dec 2011

- Dec 8** CJUSD Board Meeting @ 5:30 p.m.



FACILITIES

construction update

OCT
2011



PAWSOME!

NEW MATH AND SCIENCE CLASSROOMS READY FOR BRUINS!

PROJECT #1E

BLOOMINGTON HIGH SCHOOL MATH & SCIENCE BUILDING

TOTAL BUDGET: \$15.1 MILLION
STUDENT OCCUPANCY: OCTOBER 10, 2011

As summer ends, so is the construction of the math and science building at Bloomington High School. Furniture and equipment, ordered over six months ago and delivered in September, are now in place ready for student occupancy on October 10, 2011.

North end of Science Building



1 of 12 New Science Classrooms

Math and science students are moving from the temporary modular classrooms erected last year while their new digs were being built. Teachers are moving into their new classrooms over the weekend.

A ceremony to celebrate the opening of the new building and dedicate it in memory of math and science teacher, Mr. Claude "Bud" Johnston, is being planned for sometime later this school year.

Facilities Update—program 100611

1 of 14 New Math Classrooms



New Interior Courtyard (landscaping is being completed as we go to print!)

