



## **SMMUSD Financial Oversight Committee Minutes**

**Date: Tuesday, September 20, 2011**

**Time: 7:00 pm to 9:00 pm**

**Location: Testing Room, SMMUSD Administrative Offices  
1651 16<sup>th</sup> Street, Santa Monica, CA 90404**

### **I. Call to Order**

The meeting was called to order at 7:05p.m. by Ms. Chu Reese.

<u>Committee Members:</u>	Joan Chu Reese, Vice Chair	Craig Hamilton at 7:08pm
	Patricia Hoffman	Paul Silvern
	Shelly Slaugh Nahass	Cynthia Torres
	David Vukadinovich	

Board Liaisons: Ben Allen

Staff: Jan Maez  
Kim Nguyen

Public: Heidi Kleis, SMMCTA

<u>Absent:</u>	Oscar de la Torre	Gordon Lee
	Jose Escarce	Laurie Lieberman
	Tom Larmore	Carrie Wagner, Chair

### **II. Approval of Minutes 8/16/11**

A motion was made by Mr. Silvern and seconded by Ms. Hoffman to approve the Minutes as amended. The motion passed unanimously.

### **III. Staff Report: Chief Financial Officer Janece L. Maez (*Limited Discussion*)**

- A. 2010-11 Unaudited Actual Report: Ms. Maez reviewed the PowerPoint presentation from the September 8, 2011 Board Meeting. Ms. Maez stated that the total combined general fund was \$6M higher than anticipated in June. The Board approved the unaudited actual fund balance and was asked to allocate those funds. The potential midyear cut is about \$3M. Mr. Silvern stated that it would be helpful to improve budget projections because as Ms. Hoffman pointed out, credibility can be lost when the District year over year projects deficits and then ends up with a big surplus. Mr. Silvern suggested that historical information could be used to approximate amounts that may be available at the end of carryovers. He suggested a caveat be included during the budget presentations that there may be a possibility of some adjustments.
- B. Budget Update: Ms. Maez stated things are not improving quickly. The state revenue projections are still falling short. She does not know if they are falling \$4B short as previously discussed but it looks less and less likely that the State is going to meet their target.
- C. Attendance/Enrollment Update: Ms. Maez stated that it was the 4<sup>th</sup> week of school. During the first 10 days, Senior Cabinet looked at each site and grade level and the actual attendance compared with District projections. There were staffing adjustments made at

Will Rogers. Their 3<sup>rd</sup> grade staffing is above the staffing of 25:1 and one teacher was added. At Roosevelt, an instructional aide was added as the SMMCTA contract permits. There will be a presentation on enrollment at the October 6<sup>th</sup> Board Meeting.

- D. New Student Information System Update: Ms. Maez reported that the new Student Information System is a major change for elementary schools where teachers previously took handwritten attendance, sent them to the office, and the office staff entered them into the computer. Beginning this year, attendance will be electronically entered by teachers by 10am each day. Each teacher will handle their own attendance submission online. Elementary schools are doing a good job with the change. The District is still working through the system at the secondary schools. There were some changes made to the software that need to be dealt with. Although there may be teachers showing up on the list as missing attendance, it should not be taken as a reflection on them because it could be a systems issue. Ms. Torres suggested that manual records be kept to see that the process is in place and working well during the implementation of this new system. Ms. Torres asked whether someone at the District level is accountable for teachers who do not take attendance. Ms. Maez stated that it was still being flushed out. There were other pieces of the Student Information System that should have a timeline of what will be rolling out.

Lincoln and Malibu Middle schools took attendance online but only for one period a day so they experienced the biggest change because they now must take attendance for every period. Mr. Allen stated that teacher feedback included frustration at the high school level with the training of the programs and the hassle of taking attendance. Ms. Kleiss stated that there were many opportunities for training. The biggest stress is that if the teacher forgets to take attendance for one day, they are locked out of the system. For elementary teachers, they go into the office to access the system. This was not doable at the secondary level because it would be potential overload on clerical staff. There was an issue with gradebook that ties in with the parent portal that parent can access.

- E. Fundraising Data by Site: Ms. Maez distributed information related to PTA fundraising and expenditure by site. The first chart compiled from PTA organizations showed 2009-10 data by school and distribution. The schools are ranked in the order by expense per student. The high schools are at the bottom but not in any ranked order. Ms. Maez stated that the District received commitment letters from the PTA and based on those letters, how the monies will be spent was recorded and reflected in the second chart. Not all schools are listed because not all commitment letters have been received to date.

Ms. Chu Reese stated that in her conversation with Ms. Gross, she shared that the Ed Foundation was waiting for direction from the Board. Ms. Torres stated that in addition to individualized fundraising, there should be centralized fundraising as well. It should be the Board's decision on how grant monies are allocated. In most cases, monies are fundraised a year in advance. Reliable fundraising is extremely important. The FOC felt that the Board should be the driver of fundraising rather than deferring it to the Ed Foundation to determine. Ms. Torres pointed out that fundraising should be beyond families and include alumni and businesses. Furthermore, the data for Malibu schools did not account for other source of fundraising as indicated in the footnote. She also suggested that there should be a paradigm shift with large checks. They must be made payable to the Ed Foundation and not to the specific site. Ms. Chu Reese suggested that in order to get site participation, the site PTA presidents should be brought on board.

#### **IV. Update from Ad Hoc Committees**

- A. Researching District Revenue Enhancement (*J. Chu Reese, G. Lee, C. Torres, D. Vukadinovich*): Ms. Chu Reese reported that she met with Ms. Linda Gross of the Ed Foundation. The total fundraising goal presented at a past Board meeting had not changed from \$1M. There was an additional goal to increase the Ed Foundation endowment from \$3M to \$6M. The Ed Foundation was waiting for direction from the Board. Ms. Torres questioned if putting those funds into an endowment may not be in the best interest at the current time given the extraordinary pressure and operational needs of the District.
- B. Educating Public on District Finances (*C. Wagner, P. Hoffman*): No report.
- C. Comparative District Research (*T. Larmore, S. Slaugh Nahass, P. Silvern*): Mr. Silvern reported that although the ad hoc committee have not had an opportunity to meet with one another to compare and decide on the right dimensions of the financials to study, the subcommittee members had been assigned districts to begin researching.

#### **V. Discussion/Action Items**

- A. FOC Vacancy Update: Ms. Chu Reese stated that there were a total of twelve (12) applicants of which six (6) were interviewed. There was one applicant, Craig Foster, who stood out. The committee wanted someone who understood finances, was a member of the Malibu community, had the skills to be a productive member of the group, and someone who has time to dedicate to the committee. Mr. Foster is active with Advocacy for Malibu Public Schools (AMPS). He is retired from Morgan Stanley and is working on his second career as a teacher. He served on the Technology District Advisory Committee and has a child attending Webster. It was moved by Mr. Silvern and seconded by Ms. Torres to endorse Mr. Craig Foster as the recommended candidate by the ad hoc committee to the Board. The motion passed (6-0) with Ms. Hoffman abstaining.

#### **VI. Receive and File (Limited Discussion)**

- A. School Services of California Fiscal Report September 16, 2011
- B. SMMUSD Percentage Spent on Unrestricted Total Compensation Changes Between 1999-00 and 2009-10
- C. August 18, 2011 Los Angeles County Assessor Press Release
- D. SMMUSD Accountability Reports for 2011 – Ms. Maez stated that notices have already been sent to parents at Will Rogers but that notices will be sent to all parents that the District is going into Program Improvement.

#### **VII. Public Comments:** None

#### **VIII. Next Meeting:** October 18, 2011 from 7:00 p.m. - 9:00 p.m.

#### **IX. Adjournment:** It was moved by Ms. Torres and seconded by Mr. Silvern to adjourn at 8:53p.m. The motion passed unanimously.