



## **SMMUSD Financial Oversight Committee Minutes**

**Date: Tuesday, December 13, 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 7:03p.m. by Ms. Wagner.

<u>Committee Members:</u>	Carrie Wagner, Chair	Joan Chu Reese, Vice Chair
	Craig Foster	Patricia Hoffman
	Tom Larmore	Gordon Lee
	Paul Silvern	Shelly Slaugh Nahass @ 7:37pm
	Cynthia Torres	

Board Liaisons: Laurie Lieberman

Staff: Jan Maez  
Kim Nguyen

Public: Gerardo Cruz, CDS Fiscal Supervisor @ 7:35pm  
Linda Greenberg Gross, Ed Foundation  
Heidi Kleis, SMMCTA

Absent: Oscar de la Torre  
Jose Escarce  
Craig Hamilton  
David Vukadinovich  
Jack Walecki – Malibu High School

### **II. Approval of Minutes** November 15, 2011 meeting

A motion was made by Ms. Hoffman and seconded by Mr. Silvern to approve the Minutes. The motion passed unanimously. Mr. Hamilton and Mr. Vukadinovich were absent.

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

- A. Budget Update: Ms. Maez reported that the 1<sup>st</sup> Interim Report will be presented to the Board at the December 15, 2011 Board Meeting. This report was based on information and what the State set as of October 31, 2011. The District recommends the Board to approve a positive certification for this report. Ms. Maez will begin a series of presentation to the Board on the budget. Ms. Maez will present district revenue projections at the December 15, 2011 Board Meeting. She will continue her series of presentations to include expenditures and a Board workshop between January 17, 2012 and February 2, 2012.

#### IV. Discussion/Action Items

- A. Process for FOC Statement on November 17, 2011: Ms. Wagner was disappointed that the FOC statement on November 17, 2011 did not reflect consensus from all of the members and that this only came to light after the delivery of the statement to the Board of Education. Ms. Wagner stated that a process was needed for receiving member input in the crafting of future FOC statements.

A question of compliance with the Brown Act was raised with the circulation of a document amongst the FOC members over electronic mail. Ms. Hoffman felt that the FOC should follow the Brown Act when circulating the statement. Mr. Foster and Mr. Silvern suggested that legal guidance be obtained with regards to round robin via email. FOC members discussed the option of changing FOC meeting dates to align between Board Meetings. The FOC requested Ms. Maez to flag and alert the committee on upcoming issues that may be of interest to the FOC. The option of a sub-committee or special meeting as the process for drafting the FOC statement was discussed.

- B. Superintendent's Advisory Committee: Ms. Wagner stated that the FOC was asked for a position on the advisory committee. A motion was made by Mr. Larmore and seconded by Mr. Silvern to nominate Mr. Vukadinovich to serve as the FOC representative on the Superintendent's Advisory Committee. The motion passed unanimously. Mr. Hamilton and Mr. Vukadinovich were absent.

- C. FOC Membership: Ms. Wagner informed the FOC that the Board posted the vacancy with applications due to the District Office by December 20, 2011. There is a Board item so that the terms for committee members ending December 31, 2011 will be extended until appointments are made by the Board. Ms. Hoffman opined that the committee should rescind the action from the last FOC meeting since applications had not yet been received. She felt that the motion and vote to recommend reappointment of the three incumbents was premature. Mr. Lee referenced the FOC statement of purpose that was approved by the Board on February 17, 2011. Ms. Chu Reese reminded the committee that in past practice, an incumbent in good standing would be recommended for reappointment. Mr. Silvern stated that there should be public notification of a vacancy; that people get the chance to nominate; and there be opportunity for the Board to entertain other interested people in the community. Ms. Maez suggested that since the FOC had already taken action to recommend reappointment of the incumbents as it was made public as part of the Board Information Item, the FOC could let the action stand. After the application closing date, the FOC nominating committee could review the applications and send additional names to the Board. Ms. Wagner proposed that candidates be made aware of the three (3) incumbents upfront and that the FOC intends to clarify the FOC statement. Ms. Wagner appointed Ms. Slaugh Nahass to join the nominating committee. The FOC discussed the City of Santa Monica's process of reappointing on a City commission. Ms. Torres suggested involving interested parties on sub-committees. Ms. Maez stated that some Boards such as the Executive Committee of ASCIP have alternates as non-voting members. If needed to meet quorum, alternates would then have voting rights.

- D. FOC Statement of Purpose: Ms. Wagner stated that amending the FOC Statement of Purpose should be considered at the next FOC meeting to clarify the process for appointment of members. Once there is agreement, it will go to the Board for approval. Ms. Torres stated that there should be clarification for the members of the expiring terms. Ms. Wagner and Ms. Chu Reese will work on a revised draft for January's meeting.
- E. Gifts Policy: The Gifts Policy was approved at the November 29, 2011 Board Meeting.

## V. Update from Ad Hoc Committees

- A. Researching District Revenue Enhancement (*J. Chu Reese, G. Lee, C. Torres, D. Vukadinovich*): Ms. Torres reported that the ad hoc committee had surveyed six (6) agencies on centralized fundraising. She had copies of three (3) master agreements between Ed foundations and school districts and covers what PTA can do. Ms. Torres will circulate copies to the committee. Most contractual agreements contained the determination of funding priority, commitments, fund distribution, program evaluation, measurement of effectiveness of funds spent, re-visitation of programs that do not reach threshold benchmarks, marketing plan, public relations, use of data such as sharing and timing of information on salary and program costs, use of logo, donor relations, purpose of soliciting funds, requirement of involvement of the Superintendent, Board Members and District staff, processes for amendment, arbitration and mediation. Manhattan Beach and Beverly Hills Unified School Districts do not have agreements.

PTA and Principal involvement is important in each case. Manhattan Beach had several components that were important in meeting their first year's contingency fund goals. Some of the schools who have centralized fundraising were in financial trouble. Carlsbad Unified School District expected to run out of reserves at the end of the year. Each district surveyed had different approaches to parity. Mr. Foster stated that Ms. Torres should be on the Superintendent's Advisory Committee since she had institutional knowledge of other districts. Mr. Silvern stated that the subcommittee should keep the great ideas and issues on other fundraising strategies alive. He further stated that it would be nice to move them (e.g. naming rights, improvement of the Greeks to lease to private sectors, alumni fundraising, etc.) along in parallel.

- B. Educating Public on District Finances (*C. Wagner, C. Foster, P. Hoffman, T. Larmore*): Mr. Vukadinovich will no longer be on this committee so that he can work on Superintendent's Advisory Committee. Ms. Wagner extracted data from the last four (4) years of unaudited actual reports. The goal is to make the presentation easy to understand but there are many educated members in the community so the committee is balancing that. The revenue part of the presentation will be completed by March.
- C. Comparative District Research (*T. Larmore, S. Slauch Nahass, P. Silvern*): Mr. Larmore stated that the subcommittee researched three (3) districts with three (3) additional districts to complete. Mr. Silvern compiled a detailed spreadsheet to show the comparison. Mr. Silvern stated that out of the six (6) districts, only Palo Alto was close to SMMUSD in the amount of locally generated revenue. The other districts were not

close as SMMUSD is much more generous with health benefits. Ms. Maez stated that they should check where retiree health benefits are charged.

- D. Special Education District Advisory Committee (SEDAC) (*C. Hamilton, P. Silvern*): No Report.

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

- A. PowerPoint Presentation – 1<sup>st</sup> Interim Report

**VII. Public Comments:** None

**VIII. Next Meeting:** January 17, 2011 from 7:00 p.m. - 9:00 p.m. at Webster Library

**IX. Adjournment:** It was moved by Mr. Lee and seconded by Ms. Torres to adjourn at 8:50p.m. The motion passed unanimously. Mr. Hamilton and Mr. Vukadinovich were absent.