

**Coast Unified School District  
Budget Development Process  
2018-19**

**Superintendent's Financial Analysis Committee**

For the past two years, the District has made budget cuts and faced hard financial choices. Last year, the District began the difficult work of balancing its multi-year budget, offering a teacher retirement incentive plan to reduce expenses through attrition and making other budget cuts.

During last year's budget reduction process, the Cambria community and its stakeholders, including teachers, staff, and trustees, asked the District to provide clear data on major expenses categories so that a greater understanding is achieved of where District money is spent. Therefore, as part of the District's budget development process during 2018-19, I will be forming a Superintendent's Financial Analysis Committee to be led by an impartial consultant, identified as the "Analyst."

**Committee Composition**

Members of the Superintendent's Committee will include Cabinet representation, as selected by the Superintendent; a CCTA representative; a CSEA representative; a parent, as selected by the Superintendent; the President of the CUSD Board of Trustees; and one additional Board Member of the CUSD Board of Trustees. The Analyst will lead the Committee.

**The Purpose of the Committee**

The goal of this Committee is to impartially determine and present factual findings using data from similar districts to identify key areas of expenses that significantly exceed expectations and key areas of expenses that are significantly under budget. The Committee will be charged with data gathering, data review, and obtaining community and employee input prior to making its factual findings. I anticipate that the Committee will review expenditure categories in other districts within San Luis Obispo County and similar Basic Aid Districts from around the State. A preliminary list of areas for review by the Committee includes:

- (a) the amount of FTEs per employee group as compared with comparable districts; and
- (b) significant categories of expenses as compared with comparable districts such as: utilities, program expenses, food services, special education, office supplies,

etc. However, I or the Board may request additional areas of research and analysis not included in the preliminary list.

At present, I expect the Committee to meet three (3) times under the Analyst's leadership and then to prepare its factual findings for public presentation to the Board later this Winter. During a Special or Regular CUSD Board of Trustee public session meeting, there will be a presentation by the Analyst of the Committee's key findings. This presentation will be posted to the CUSD website after the meeting has occurred.

The Committee will not review compensation of any specific employee. The committee may review compensation for any category of employees as compared with any comparable district's compensation. Compensation issues are subject to negotiations and Board control.

The Committee may make budget recommendations, such as proposed budget reductions that aim to have the least direct impact on students and in order of implementation. The Committee's findings will inform budget cut recommendations.

### **Stakeholder input/Transparency**

Stakeholders in the Cambria, Cayucos, Harmony, and San Simeon communities will have an opportunity to provide written ideas and suggestions throughout the Committee's activities in a manner designed in consultation with the Analyst.

Non-confidential documents and data used by the Committee will be posted on the District's website so that the Committee's materials are made available to the public.

Although this Committee will not be subject to the Brown Act; three meetings of the Committee shall be open and public and Stakeholders may access the CUSD website in order to obtain date, time, and location of Committee meetings.

Committee meetings will be held during regular working hours. Stakeholders will be allowed to view the Committee during their working sessions. Public input at the end of Committee sessions will be allowed, but subject to time limits established by the Analyst. Reasonable release time will be granted to the CCTA and CSEA representatives to facilitate their participation.

To ensure compliance with the Brown Act, only one (1) additional Trustee from the Board, besides the CUSD Board Trustee President, may attend the Committee's meetings at any given time.

Following the Committee's meetings, the Committee will prepare its factual findings and present them to the Board.

## **Board Parameters**

The Board will hear the Committee's factual findings in an open session meeting of the Board and the Board will hear the Superintendent's budget recommendations in a subsequent open session board meeting. The Board is under no obligation to take any action based on Committee's findings. However, the Board may choose to integrate Committee's findings into the 2018-19 budget or as part of the District's 2019-20, 2020-21, and 2021-22 multi-year budget.

## **Conclusion**

I hope that this budget development process and the use of this Committee allow a thoughtful dialogue about how best to achieve a balanced and appropriate budget over time, and I thank the Committee in advance for its work and its contributions to this process.

Vicki Schumacher  
District Superintendent  
September 21, 2018