

**Riverside Unified School District
Business and Governmental Relations Division**

Board Finance Subcommittee Meeting

Superintendent's Office

February 28, 2012

9:30 a.m.

CALL TO ORDER – Dr. Beaty called the meeting to order at 9:35 a.m.

PRESENT: Dr. Charles Beaty (Chair), Mrs. Gayle Cloud, Mr. Mike Fine, Ms. Sandie Meekins, Mrs. Dalia Gadelmawla, and Mrs. Joyce Threadgold (recorder)

1. Approval of the Board Finance Subcommittee Meeting Minutes of November 28, 2011, January 11 and February 8, 2012

Dr. Beaty approved the minutes of November 28, 2011. Dr. Beaty approved and Gayle Cloud seconded the Minutes of January 11 and February 8, 2012.

2. Approval of Webb Design to conduct Nutrition Services Phase Two Facility and Operational Assessment

Mr. Fine explained to the Subcommittee that the Action Item being brought forward at the March 5th Board Meeting is asking for approval of a professional services agreement with Webb Design for phase two facility and operational assessment within Nutritional Services. He went on to say that the Nutrition Services program has a number of needs that present hurdles to our ability to transform the nutrition program to the next generation of school food service. Webb Design submitted a proposal to conduct an assessment of specific engineering and building components, equipment options, utility issues and cost projections.

3. 2012-13 Budget – Next Steps

Mr. Fine distributed an outline of budget solutions under Plan B (if the governor's tax initiative does not pass). He also shared the Cabinet budget recommendations which included adjustments in the following areas: elementary and secondary staffing ratios; Adult Education ending fund balance; Deferred Maintenance ending fund balance; Tier III – CalSAFE; and Tier III – Instructional Materials. The Committee will recommend that the District prepare the 2012-13 budget planning using Approach #4, which assumes budget solutions from a combination of use of fund balances and program reductions. Mr. Fine reminded the Committee that this approach was reviewed with the Board on February 21. This recommendation will be presented at the February 29th Special Board Meeting.

4. Review The Second Period Interim Financial Report

The Committee reviewed the Second Period Interim Financial Report. Mr. Fine distributed a PowerPoint presentation, "Second Period Interim Report, An Overview of

Financial Performance and Updated Current Year Projections” that will be going to the Board on March 5th. Mr. Fine reminded the Committee that the Board must certify in writing whether or not the District is able to meet its financial obligations for the remainder of the fiscal year. He stated that the major revisions to the adopted budget have been reported to and approved by the Board on a periodic basis through resolutions to appropriate funds. He went on to say that although the District remains on track with its 2011/12 projections and plans, the multiyear financial projections for the two subsequent years remain a concern as the fiscal impacts from Sacramento range from manageable to catastrophic. With this in mind, staff recommends a qualified certification based on the possibility that the District may not meet its financial obligations for the 2013/14 fiscal year.

5. Tentative Agreement with RCTA

Mr. Fine stated that the initial tentative agreement with RCTA was disclosed on November 18, 2011 and approved by the Board on December 5, 2011. The following are provisions to an additional tentative agreement:

- Article IX – Employee Benefits - Revision to language in several sections that provide clarity to the current employee benefit program.
- Several Articles related to changing the middle school academic calendar to be in line with the high school academic calendar – semesters instead of trimesters.
 - Article X, Section 2, A (Workyear) – Provides for workyear for both returning and new middle school teachers to include three (3) non-student attendance days, one (1) each at the end of the first quarter, first semester and third quarter.
 - Article X, Section 2, A (Workyear) – Provides technical adjustments to language to appropriately reference operations relative to middle school semesters.
 - Article XIII, Section 3 (Class Size) - Provides technical adjustments to language to appropriately reference operations relative to middle school semesters.

Mr. Fine reminded the committee that this agenda item for the March 5th Board Meeting is for disclosure and the March 19th Board Meeting will be for approval along with the approval of the new calendar reflecting the change in the middle school academic calendar.

6. A Resolution to Authorize Budget Adjustments, to Appropriate Revenues, Expenditures, and Fund Balance, and to Transfer between Accounts and Funds for the 2012-13 Fiscal Year

Mr. Fine explained that since 2002 and the implementation of Galaxy, the Board has been asked to approve the recognition of additional revenue, approve appropriation changes, and authorize transfers throughout the year. Generally, a resolution is prepared for each Board meeting during the year accounting for these transactions. Depending on the timing of the Board meetings, delays of over a month can occur between receiving notice of an appropriation from a funding agency and actually posting the entry subsequent to gaining Board approval. Prior to Galaxy, such budgetary transactions were posted by staff and periodic resolutions for the Board’s consideration and ratification were made several times during the year.

He explained further that RCOE recognizes the efficiency of reporting fewer times per year and is willing to allow us to return to an annual pre-approval of these duties by the Board. Such blanket authorization however, requires a resolution that the details be presented to the Board as a part of the First and Second Period Interim Financial Reports, and as part of the Estimated Actuals financial report. Given the need to make timely adjustments to keep the budget current with changes to actual revenues and expenses during the year, the resolution to change our process is recommended. If approved by the Board, the change in process will be effective July 1.

PUBLIC RELATIONS

1. Unscheduled Communications

There were no unscheduled communications.

ADJOURNMENT

The meeting was adjourned at 11:50 a.m.