

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

**Board Finance Subcommittee Meeting**

Superintendent's Office

February 8, 2012

1:00 p.m.

CALL TO ORDER – Dr. Beaty called the meeting to order at 1:07 p.m.

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

ALSO PRESENT FOR A PORTION OF THE MEETING: Jeff Nigro, Partner and Kevin Brejnak, from Nigro & Nigro

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

The approval of minutes was postponed until the Committee has a chance to review them.

**2. Review of Auditor Selection**

Mr. Fine explained to the Subcommittee that the evaluation committee for the selection of the Districts Auditor conducted interviews this week and recommended one firm for the Board Finance Subcommittee to consider. Given the great disparity between Firm #1 and Firm #3, only the top ranked firm, Nigro & Nigro was invited for an interview with the Board Finance Subcommittee. Jeff Nigro, Partner and Kevin Brejnak, Manager, gave a brief presentation on the firm's history focusing on their expertise and experience. A discussion ensued and the Subcommittee will be recommending the firm of Nigro & Nigro for the full Board to consider at their February 21 meeting.

**3. 2012-13 Budget – Next Steps**

Mr. Fine distributed to the Subcommittee several options to discuss on how to approach budget planning for 2012-13. He stated that the governor's budget proposals for 2012-13 include a Plan A and Plan B approach. Plan A provides RUSD relative stable funding in 2012-13. Plan B provides for an automatic mid-year trigger reduction of \$15.5 million over the Plan A reductions. The Subcommittee discussed each Approach and ultimately agreed that staff should begin to prepare the analysis and recommendations aligned with Approach #4, developing the RUSD budget on the assumption that the governor's Plan B becomes reality at mid-year, the District would experience a best case loss of roughly \$16.2 million and a worse case loss of roughly \$17.5 million. These cuts in revenue would be partially reflected as additional deficit spending in the budget year and covered by fund balance for one year, and partially offset by operational reductions so that the District's structural deficit is not increased by the full value of the mid-year state cut.

The Committee scheduled another meeting for February 28 to continue this discussion and look at details.

**4. REACH Leadership Academy Charter School**

Gloria Cowder distributed to the Subcommittee a draft of a staff report, resolution approving the Charter School and a memorandum of understanding between RUSD and REACH Leadership Academy for their review. Mr. Fine stated that based on the staff's analysis of the Charter School, they will be recommending approval of the REACH Leadership Academy. The Finance subcommittee will not have a recommendation to give to the full Board.

**PUBLIC RELATIONS**

**1. Unscheduled Communications**

There were no unscheduled communications.

**ADJOURNMENT**

The meeting was adjourned at 4:38 p.m.