

## FAQ for the week of April 27, 2013.

### Can the District or Fiscal Advisor reduce paychecks without negotiations?

No, the District must work through the collective bargaining process until agreements are reached or the process is exhausted. One of the Fiscal Advisors from SDCOE will be present at all negotiation sessions.

### How soon will we know how much our paychecks will be reduced and by how much?

Following the collective bargaining process, the District and CSEA have presented their Sunshine Proposals to the Board on April 11, 2013. The District and CSEA are in the process of scheduling negotiation sessions now. The District is still waiting for SYEA to present its Sunshine Proposal so that negotiation sessions can be scheduled.

### Will management also receive pay reductions?

Yes, in the 2012-13 school year, managers and confidential employees received 6 furlough days. Managers and confidential employees will continue to participate in salary reductions over the next three years equitably with the labor groups.

Please see below for the 2012-13 furlough days for each group.

Work Months	Ten	Eleven	Twelve
Managers/Conf.		6	6
Classified	4	5	6
Certificated	4		

### How much has the Superintendent's salary been increased over the years?

Year	Base	Health Insurance	Stipends	Total
2007	\$ 160,000	\$ 7,192	\$ 7,200	\$ 174,392
2008	\$ 165,600	\$ 7,192	\$ 7,800	\$ 180,592
2009	\$ 165,600	\$ 7,192	\$ 9,000	\$ 181,792
2011	\$ 172,920	\$ -	\$ 9,000	\$ 181,920
2012	\$ 181,920	\$ 7,192	\$ -	\$ 189,112
Dollar Increase since 2007				\$ 14,720
Percentage Increase since 2007				8%

### When will the District run out of money?

Given the current situation, the District will not have enough cash to run payroll in April of 2014. Additional information will be available in May 2013 from the Governor's office which may increase SYSD revenues. Any increase in revenues or reduction in deferrals will help.

### **Can the District borrow cash to make payroll?**

In the 2012-13 school year, the District was rejected from the TRAN (Tax Revenue Anticipation Note) that most districts participate in. The only remaining borrowing source is the TTF (Temporary Transfer of Funds) from the San Diego County Treasurer. Including this transfer, the district will not have enough cash to finish the month of April in 2014.

### **What is the MITI conversion included in the Multi-year projection at Second Interim?**

The District is required to have their commercial warrants, paychecks, and financial data processed through the San Diego County Office of Education (SDCOE) financial system unless classified as Fiscal Accountable. The process to become Fiscal Accountable is long and expensive resulting in the District purchasing and managing a financial system. In addition to the hardware and software capital outlay, additional staff would need to be hired with the expertise to manage the software and make changes as mandated by the Federal and State Governments. Failure to keep current with new mandates would expose the District to additional liability. Currently in San Diego County, only a few very large districts are Fiscal Accountable.

Staying with the SDCOE for the financial system allows for economy of scale and group pricing that will be shared with all participating districts. SDCOE is also funding 50% of the cost to procure, configure and implement the new software system. SDCOE has also structured a financing option to assist districts with the cost of the software. Initial training to existing SYSD staff is included in the purchase price and ongoing tech support will be provided by SDCOE staff. Once all districts are converted to the new system, the existing system will no longer be supported. Annual costs for the financial system beginning in 2013-14 are \$24,000 per year. One-time implementation costs for the is \$425,100, which will be divided in two payments of \$297,520 in the 2014-15 school year, and \$127,530 in the 2015-16 school year.

### **Why did the Assistant Superintendents get a \$10,000 raise?**

As the District Office administration staff has been reduced, additional administrative duties have been assumed by the Assistant Superintendents. Just as unit members are paid differential pay for assuming additional duties out of class, the compensation for these administrators has been incrementally increased to recognize their additional duties caused by the elimination of other administrative staff. The additional \$30,000 in payroll expenses is offset by the greater savings achieved by the reduction of those District office administrative positions which total \$1.3M.