



**A G E N D A**  
**NOTICE OF SPECIAL**  
**BOARD OF EDUCATION MEETING**  
**RIVERSIDE UNIFIED SCHOOL DISTRICT**  
**District Office, Conference Room 1 A/B**  
**3380 14<sup>th</sup> Street, Riverside, California**  
**July 11, 2013**  
**4:00 p.m.**

**BOARD OF EDUCATION:**  
**MRS. GAYLE CLOUD**  
**PRESIDENT**  
**CHARLES L. BEATY, Ph.D.**  
**VICE PRESIDENT**  
**MRS. KATHY ALLAVIE**  
**CLERK**  
**MR. TOM HUNT**  
**MEMBER**  
**MRS. PATRICIA LOCK-**  
**DAWSON, MEMBER**

You are hereby notified that the Board of Education of the Riverside Unified School District will hold a special meeting at 4:00 p.m. on Thursday, July 11, 2013, at the District Office, Conference Room 1 A/B – 3380 14<sup>th</sup> Street, Riverside, California.

The only business to be transacted at this meeting shall include discussion and/or action on the following items:

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Upon request, this agenda will be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the Americans with Disabilities Act of 1990. Any person with a disability who requires a modification of accommodation in order to participate in a meeting should direct such request to the District Superintendent at 788-7135, Ext. 80402 at least 48 hours before the meeting, if possible.

As required by Government Code 54957.5, agenda materials can be reviewed by the public at the District’s administrative offices, Reception Area, First Floor, 3380 14<sup>th</sup> Street, Riverside, California.

**OPEN SESSION**

**CALL MEETING TO ORDER – 4:00 p.m.**

**ESTABLISHMENT OF A QUORUM OF THE BOARD OF EDUCATION**

**PLEDGE OF ALLEGIANCE**

**SECTION A – PUBLIC INPUT**

*Public Input provides an opportunity for citizens to make suggestions, identify concerns, or request information about matters affecting the school District for items **NOT on the agenda**. Complaints against employees will normally be heard in Closed Session, and the District’s complaint procedure should be followed before discussion with the Board.*

*Individuals or groups who wish to address the Board are requested to fill out a “Request to Address the Board of Education” card located on the table at the back of the Board Room. Comments or presentations should be limited to five minutes or less.*

*Pursuant to the Brown Act, Board of Education members cannot discuss or take action on any item which does not appear on the Consent and Action Calendars of the agenda. The Board of Education may provide a reference to staff or other resources of information, request staff to report back at a subsequent meeting, or direct staff to place an item on a future agenda.*

July 11, 2013

## **SECTION B – REPORT/DISCUSSION**

Deputy Supt.      Report      1-5  
Business

### **B.1    2013-14 Budget Development**

*It is recommended that the Board of Education consider a status report and provide input on priorities and the 2013-14 Budget Development process.*

## **SECTION C – CONCLUSION**

### **C.1    Board Members' Comments**

### **C.2    Superintendent's Announcements**

## **ADJOURNMENT**

The next regular meeting of the Board of Education is scheduled for Monday, July 15, 2013. The meeting will be called to order at 4:30 p.m. in the Board Room at 6735 Magnolia Avenue, Riverside, California. The Board will adjourn to Closed Session from 4:30 to 5:30 p.m. at which time the Board of Education will reconvene in Open Session in the Board Room at 6735 Magnolia Avenue, Riverside, California.

Copies to:      Board Members  
                     News Media

Posted 12:00 p.m., Friday, June 28, 2013

**Special Board Meeting Agenda  
July 11, 2013**

Topic: 2013-14 Budget Development

Presented by: Michael H. Fine, Deputy Superintendent, Business Services and Governmental Relations

Responsible Cabinet Member: Michael H. Fine, Deputy Superintendent, Business Services and Governmental Relations

Type of Item: Report/Discussion

Short Description: It is recommended that the Board of Education consider a status report and provide input on priorities and the 2013-14 Budget Development process.

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**DESCRIPTION OF AGENDA ITEM:**

The official start of the annual budget development cycle for school districts is the release of the Governor’s Budget Proposals in mid-January. Traditionally, the next major milestone in the process to determine funding levels is the release of the governor’s May Revised Budget Proposals. On May 14, 2013, Governor Jerry Brown released his May Revised Budget Proposals. There were relatively minor revisions from the initial January proposal. Parallel and subsequent to the governor’s proposals, both the Assembly and the Senate developed and released budget proposals.

On June 15, 2013, both houses of the State Legislature concluded their work on the 2013-14 State Budget and various accompanying trailer bills. The Education Omnibus Trailer Bill is Assembly Bill 86 which contains implementing language for the many education budget changes other than the Local Control Funding Formula (LCFF), such as details on deferrals, Common Core State Standards funding, and mandates. Assembly Bill 97 is the trailer bill that contains the implementing language for the LCFF. Additionally, Senate Bill 73 is the trailer bill that contains the implementing language for Proposition 39 (2012) energy funding.

The Board of Education adopted the initial 2013-14 All Funds Budget on June 17, 2013. That initial budget was prepared and recommended prior to any definitive information on the 2013-14 State Budget. As such, it was developed using a traditional approach to K-12 funding looking at overall Proposition 98 funding levels and applying a cost-of-living adjustment and deficit reduction factor to the District’s revenue limit in order to compute a conservative revenue

forecast. Expenditure projections were based on normal year-over-year incremental cost increases and Board-designated high priority / previously committed items.

Understanding that both the Proposition 98 funding levels and the funding formulas were in play, District staff developed a three phase approach to allocate any new funding resources starting with the most conservative revenue forecast and progressing through the phases to the funding level provided under the governor’s proposed LCFF. This phased approach was reviewed by the Board of Education’s Finance Subcommittee and was presented to the Board of Education on June 3, 2013.

The first phase is characterized as minimum revenue assumption and “must dos” and non-negotiable commitments previously made for the expenditure assumptions. This first allocation is what the District’s Initial Budget (pre-July 1) was built upon. The revenue relied on the computed cost of living adjustment factor of 1.565% applied only to the District’s Base Revenue Limit and the improvement in the Revenue Limit Deficit Factor to determine its revenue growth over 2012-13. Several high priority budget expenditure items were included in the first phase – each of which represented a pre-existing commitment.

<b>1st Allocation</b>	
<b>Initial Budget</b>	
<b>Pre-July 1</b>	
<u>Sources</u>	
COLA on Rev Limit	\$ 4,159,270
Revenue Limit Deficit Factor	5,586,864
Total	9,746,134
<u>Uses</u>	
Step & Column	\$ 2,825,394
Grade 1-3 Staffing Ratio	844,527
Counselor Ratios	389,700
HS A/P (AD)	365,931
M&O Staffing Ath Fac	122,513
Sp Ed Chgs State Formulas	468,907
Total	\$ 5,016,972
Variance	\$4,729,162

The second phase is characterized as using the May Revised estimates for the LCFF. While the June Compromise / Final Budget estimates are available and total roughly \$500,000 more than the May Revised estimates, there remains some uncertainty as to details. The second phase is

also characterized by high priority expenditure items that the Board of Education and staff have identified overtime to address pressure points on school and District operations. The timing of the second allocation will be addressed within the legally required “45 Day Revision” budget adjustment process and come to the Board of Education for consideration at their July and August meetings. The revenue reflected in this phase includes the proposed \$212 per-ADA one-time funds for implementation of the Common Core State Standards and the Smarter Balanced Assessment Consortium (CCSS/SBAC) (a 25% increase over the May Revised). The expenditure plan reflects Board of Education and staff identified high priority items to address high need areas with school and District operations. These high need areas are consistent with the Board of Education’s adopted goals, collective bargaining commitments and operational needs within the District.

<b>2nd Allocation</b>	
<b>45 Day Revised Budget</b>	
<b>Post-July 1</b>	
<u>Sources</u>	
LCFF (May Revised Est)	\$ 12,909,018
CCSS Implementation (OT)	8,524,944
Total	<u>\$ 21,433,962</u>
<u>Uses</u>	
Initial Budget Items	\$ 5,016,972
Elem A/P + 1 FTE	103,011
Structural Deficit	3,377,712
Employee Compensation	666,356
Reclassify HS Deans to A/P	224,320
Data Quality Techs	230,288
Refine ES Clerical Staffing	342,830
Refine Large ES Custodial	117,596
Refine ES Health Asst Staffing	297,483
CCSS/SBAC (OT)	8,524,944
Board Goals (placeholder)	150,000
Total	<u>\$ 19,051,512</u>
Variance	\$2,382,450

The third phase is characterized as using the May Revised estimates for the LCFF and yet-to-be-determined high priorities to be vetted over the course of the 2013-14 fiscal year by stakeholders (i.e., Budget Advisory Committee) and the Board of Education. The timing of the third allocation will be addressed prior to the Second Period Interim Report (March, 2014).

<b>3rd Allocation</b>	
<b>2013-14 Mid-Year Adjustments</b>	
<b>Post 45 Day Revision</b>	
<u>Sources</u>	
LCFF (May Revised Est)	\$ 12,909,018
CCSS Implementation (OT)	<u>8,524,944</u>
Total	<u><u>\$ 21,433,962</u></u>
<u>Uses</u>	
Initial Budget & 45 Day Items	\$ 19,051,512
Available Balance for yet to be determined priorities.	2,382,450
Total	<u><u>\$ 21,433,962</u></u>
Variance	\$0

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**FISCAL IMPACT:** None.

**RECOMMENDATION** It is recommended that the Board of Education consider a status report and provide input on priorities and the 2013-14 Budget Development process.

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**ADDITIONAL MATERIAL:** Summary of Proposed Budget Allocation Process

Attached: Yes

**RIVERSIDE UNIFIED SCHOOL DISTRICT  
2013-14 BUDGET DEVELOPMENT  
Proposed Budget Allocation Process  
June 17, 2013**

1st Allocation Initial Budget Pre-July 1		2nd Allocation 45 Day Revised Budget Post-July 1		3rd Allocation 2013-14 Mid-Year Adjustments Post 45 Day Revision	
<u>Sources</u>		<u>Sources</u>		<u>Sources</u>	
COLA on Rev Limit	\$ 4,159,270	LCFF (May Revised Est)	\$ 12,909,018	LCFF (May Revised Est)	\$ 12,909,018
Revenue Limit Deficit Factor	5,586,864	CCSS Implementation (OT)	8,524,944	CCSS Implementation (OT)	8,524,944
Total	<u>9,746,134</u>	Total	<u>\$ 21,433,962</u>	Total	<u>\$ 21,433,962</u>
<u>Uses</u>		<u>Uses</u>		<u>Uses</u>	
Step & Column	\$ 2,825,394	Initial Budget Items	\$ 5,016,972	Initial Budget & 45 Day Items	\$ 19,051,512
Grade 1-3 Staffing Ratio	844,527	Elem A/P + 1 FTE	103,011	Available Balance for yet to	2,382,450
Counselor Ratios	389,700	Structural Deficit	3,377,712	be determined priorities.	
HS A/P (AD)	365,931	Employee Compensation	666,356		
M&O Staffing Ath Fac	122,513	Reclassify HS Deans to A/P	224,320		
Sp Ed Chgs State Formulas	468,907	Data Quality Techs	230,288		
		Refine ES Clerical Staffing	342,830		
		Refine Large ES Custodial	117,596		
		Refine ES Health Asst Staffing	297,483		
		CCSS/SBAC (OT)	8,524,944		
		Board Goals (placeholder)	150,000		
Total	<u>\$ 5,016,972</u>	Total	<u>\$ 19,051,512</u>	Total	<u>\$ 21,433,962</u>
Variance	\$4,729,162	Variance	\$2,382,450	Variance	\$0

Notes

\* Characterized as "must dos" and commitments previously made.

Notes

\* Characterized as high priorities for the Board to address pressure points on school and district operations.

Notes

\* Characterized as priorities for stakeholder groups and the Board to address high priority needs within the district.

\* Post 45 Day Revisions listed above are examples of high priority items; however, a list of recommended "uses" options would be developed through the use of the BAC or other vetting process with final approval from the Board.