



### **2018-2019 Cost Savings Plan to Rebuild Reserve Funds**

Since closing the 2017-18 financial books, the ACUSD staff has worked diligently to reduce expenditures and increase revenues to help restore the district reserve levels. In general terms, the district has instituted numerous procedural practices to better control spending in a variety of areas; the details are explained in the following paragraphs. While the district will need to continue to make difficult decisions in the coming months and years, many steps have been taken that are helping to move the reserve levels in the right direction. The four exhibits below describe the fiscal impact of the decisions. Exhibit A demonstrates the board and/or administrative action taken prior to the end of first interim, October 31, 2018. Exhibit B addresses action taken after first interim that will have an impact on the current fiscal year. Exhibit C demonstrates action that the board has taken to reduce expenditures for the fiscal year 2019-20 and beyond. Exhibit D shows action the board could take that would reduce expenditures for the fiscal year 2019-20 and beyond.

The Board of Trustees approved classified layoff notices in the months of October 2018 and December 2018, including the layoff of the transportation supervisor, one district maintenance worker, one district grounds worker and three part-time night custodians. The district has also achieved savings during the current fiscal year through attrition of both classified and certificated employees including the resignations of a full-time independent study program teacher, a full-time teacher on special assignment, and part-time library clerks and instructional assistants. These positions have either remained unfilled, or they have been reduced or eliminated.

The educational services department has gone through an extensive revision of their plan for professional development offerings. The professional development that continues to be offered is funded through Title I, the LCAP or other restricted funds. The district has very little time allocated in the certificated work schedule for collaboration and professional development so the expenses for these types of trainings can be quite costly. The district has also reduced the amount of overtime and extra time that is worked by certificated and classified employees. All managers have been thoroughly instructed as to the acceptable reasons for allowing overtime and extra time. Their charge is to ensure their staff members use the proper protocol and receive permission from their supervisor prior to any over time and extra time work. The district has also cut any non-essential travel and conferences that are not required by state programs or grants.

The district is exploring options to increase revenues in the current and subsequent years. The educational services department is working with all schools to improve attendance including consistent use of the SART and SARB processes. The district has received a check for \$196,000 from a past district employee as part of the findings from a court case. The district has settled the matter with AT&T regarding telecommunications overcharges for the last several years. The district will receive \$144,000 once the settlement agreement clears AT&T management and processing departments.

The district Board of Trustees and Cabinet have spent many hours in closed session over the last few months planning for the coming year. The board has taken action on various certificated positions that will reduce expenditures in the coming years. Also, through the process of non-reelection, resignation and/or retirements, the board will not fill certain certificated positions that have been vacated. In working with the board, the administration has created a strong plan in defining the base and assigning programs and positions to the LCAP that were previously being paid for out of the base. There is still much work to be done but the board has a strong sense of unity and is willing to make the difficult decisions necessary to move the district in the right direction.

The district leadership team is a strong, cohesive group that is determined to get the district back to a strong financial position. If there are any questions, please contact Assistant Superintendent of Business, Jared Critchfield at 209-257-5345.

<b>Exhibit A</b>	
<b>Actual Financial Impacts: Prior to October 31, 2018</b>	
<b>Expenditure Reductions</b>	<b>Amount</b>
Chief Technology Officer	\$4,655
Transportation Supervisor	\$23,256
T.O.S.A. – Educational Services	\$36,000
North Star Independent Study Teacher	-----
Travel / Conferences / Food	\$23,000
Professional Development	\$200,000
Overtime / Extra time	\$18,000
<b>Total</b>	<b>\$304,911</b>

<b>Exhibit B</b>	
<b>Actual Financial Impacts: November 2018 – June 2019</b>	
<b>Expenditure Reductions</b>	<b>Amount</b>
Maintenance 2 – 1.0 F.T.E.	\$26,076
Grounds – Maintenance – 1.0 F.T.E.	\$24,927
Lead Maintenance 1 – 1.0 F.T.E.	\$26,535
Night Custodian - .67 F.T.E.	\$27,362
<b>Increases to Revenue</b>	
Settlement with former district manager	\$196,000
Telecommunications Settlement with AT&T	\$144,000
<b>Total</b>	<b>\$444,900</b>

<b>Exhibit C</b>	
<b>Board Approved Action – Financial Impacts: 2019-20</b>	
<b>Expenditure Reductions</b>	<b>Amount</b>
Director of Student Services	\$147,040
Director of Technology Services	\$129,970
2.0 F.T.E. Reduction – Secondary Teachers	\$185,756
<b>Total</b>	<b>\$462,766</b>

<b>Exhibit D</b>	
<b>Potential Action – Financial Impacts: 2019-20</b>	
<b>Expenditure Reductions</b>	<b>Amount</b>
1.0 F.T.E. – Elementary Teacher	\$105,105
Half Day Transitional Kindergarten resulting in reduction of 2.6 F.T.E. Intervention Teachers	\$205,444
<b>Total</b>	<b>\$310,549</b>

<b>Grand Total</b>	<b>\$1,523,126</b>
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