



## Amador County Unified School District

### FAQ #4: Our Financial Current Reality

February 28, 2019

In an effort to share more information and be responsive to recent questions from the community, the following is provided. If you have more questions, please feel free to reach out to Superintendent Amy Slavensky at 209-257-5353 or Assistant Superintendent of Business Services Jared Critchfield at 209-257-5345.

This information provides more response to three email messages to all staff from Dr. Slavensky, dated September 21, 2018, October 19, 2018, and November 9, 2018. There are also three previous related FAQs dated September 27, 2018, November 20, 2018, and January 11, 2019. The FAQs are available here:

<https://www.amadorcoe.org/departments/business/frequently-asked-questions/>.

- 1. What is the status of the plan required by the California Department of Education (CDE) to rebuild our required 3% reserve funds?** The ACUSD plan has been submitted and approved by CDE. Officials at CDE have informed us that the plan indicates a strong resolve by and collaboration among Superintendent Amy Slavensky, Assistant Superintendent of Business Services Jared Critchfield and the Board of Trustees to regain fiscal health in a timely manner, in support of all students. The plan is not public because some of the cost savings solutions are pending approval by the Board of Trustees. The Second Interim Report, a financial report required by CDE of all school districts and county offices of education, will be presented to our Board of Trustees at their regularly scheduled meeting on March 13, 2019. This will be the next public update of our progress toward rebuilding our mandatory reserve funds.
- 2. Do board members receive a salary and benefits for their service as elected officials on the Board of Trustees?** No, board members do not receive a salary or benefits. As per ACUSD/ACOE Board Bylaw 9250, they receive remuneration for attendance at ACUSD and ACOE board meetings. The amount of remuneration is \$400 a month which is based on student enrollment, as per California Education Code 35120. They do not receive any other compensation.
- 3. We've heard that the District purchased a car for Superintendent Amy Slavensky when she was hired in October 2016. Is this true?** No, this is not true. Dr. Slavensky drives her own vehicle which is a 2010 Honda CRV and receives a monthly \$500 car allowance which was negotiated between her and the Board of Trustees as part of her contract when she was hired. This is standard for district superintendent's contracts throughout the state. The car allowance covers all costs associated with use of her personal vehicle for business travel in the county.

- 4. Administration has been challenged to reduce their salaries to help rebuild the required reserve funds. For example, an across the board 15% reduction has been suggested. Is this feasible or likely to happen?** School Services of California provides comparative reports of classified, certificated and management salary schedules. The report is referred to as the SABRE report, which stands for Salary and Benefits Report. It compares school districts that are similar in size, scope, and geographic location. When compared to similar school districts, ACUSD/ACOE classified employee and teacher salary schedules are comparable. ACUSD/ACOE administrative salaries are significantly less than those of similar school districts. In fact, there are some ACUSD/ACOE teachers who receive a higher salary than their supervising administrator and the per diem rate of pay is less in many cases. Given this and the hard-to-fill nature of school administrative positions, it is unlikely that the Board of Trustees will approve a reduction in pay for our administrators.
- 5. Recently, there was a California Public Records Act (CPRA) request made by a community member at a public Board of Trustees meeting. The request included financial documents and email messages between board members. How much does a request like this cost?** Transparency is very important to us, as evidenced by these FAQ documents and many other messages shared with the community through our public webpage, Facebook, and automated messages. Complying with the California Public Records Act (CPRA) is also very important to us, and we take it seriously. In most cases, CPRA requests are complex and the material requested may contain confidential information that may not be disclosed or may require redacting, as per law. To assist us with compliance with the law, we sometimes use our legal counsel to help us. In the case here, the cost for legal counsel was \$11,963.
- 6. Will other layoff notices be rescinded like the ACOE bus driver position was at the end of January 2019?** To comply with the CDE requirement to rebuild our reserve funds and remain fiscally disciplined, this is unlikely.
- 7. Recently, an ACOE decision was made to maintain the Shenandoah Valley Charter School (SVCS) staffing with two full time teachers, one full time administrative assistant for 14 students for the remainder of the school year. Does this have a financial impact on the ACOE and/or the ACUSD?** Yes, there is a financial impact. A midyear adjustment for this fiscal year would have produced a current year and future years cost savings. Since many of the SVCS students left the school midyear and most of them enrolled at either Lone Junior High School or Jackson Junior High School, the revenue generated by those students shifts from ACOE to ACUSD. In other words, the per student cost associated with the day to day operation of SVCS has increased and the revenue to support the school has decreased.
- 8. We understand Dr. Slavensky wrote a letter to the editor about public school finance, which was published in the January 25, 2019 edition of the Ledger Dispatch. Can you provide the information again, please?** Yes, please see the information here.

  - Public schools receive their funding from the state and federal government.

- The California Department of Education (CDE) provides fiscal oversight and accountability for Amador County Unified School District (ACUSD) and Amador County Office of Education (ACOE). ACUSD and ACOE do not receive oversight from Amador County Government or the Amador County Board of Supervisors.
- The state and federal funds public schools receive come with strict rules and regulations and must be spent on the students who generate those funds during that fiscal year.
- Public schools are not allowed to save or invest funds for future use, such as facility improvements. Even if this was allowed, there is no way enough funds could be saved to sufficiently improve our aging facilities. It's estimated that \$100 million is needed.
- The annual ACUSD budget is approximately \$36 million, with more than 80% spent on employee salaries and benefits.
- State funding for facilities is very limited and inadequate. For those which do exist, there are numerous eligibility requirements which we usually do not meet. The overwhelming majority of major school facilities projects (renovation and repair) in California are paid for by local bond measures.
- The concept of depreciation, common in real estate, the automobile industry and other industries, is not a concept that applies to public school facilities and our children.
- Added clarification: Citizens of Amador County contribute to the schools through their property tax dollars which are part of the total state entitlement determined by the state for school districts. These local funds are part of the total \$36 million ACUSD budget and come with the same state rules and regulations mentioned in the third bullet above.

9. **We've heard that the funds that support Amador County Public Schools is "just one big pot of money." Is this true?** No, this is not true. It is true that there is a fiscal relationship between ACUSD and ACOE. In order to remain fiscally whole, ACOE receives funds from ACUSD. Some of these funds, both state and federal, are intended for the ACOE. Each year, there is an additional general fund contribution from ACUSD to ACOE. This is partly due to the number of ACUSD students who receive special education services from ACOE employees. Each year, the amount of that contribution increases due to rising salary, health and welfare, and special education services costs. This year, the budgeted contribution from ACUSD to ACOE is \$4.3 million. It is also true that ACUSD and ACOE are each their own local educational agency (LEA), separately and legally accountable to the California Department of Education. ACUSD and ACOE function separately related to governance, legal, and fiscal matters. In collaboration, ACUSD and ACOE strive to serve and support all students and all employees well.