



Expenditure Review Team Update

Board of Education Meeting
October 7, 2019



Background

- Expenditure Review Team (ERT) Formed by the Superintendent to Identify Budget Savings
- ERT Members:
 - Dr. Jeff Wilson, Superintendent
 - Linda de la Torre, Assistant Superintendent, Human Resources
 - Julie Boucher, Assistant Superintendent, Business Services
- Initiated Regular Meetings on August 9, 2019

Initial Process

- Hiring Freeze
- Evaluation of All Open Positions & Appeal Process
- Comparative Staffing Analysis Reviews
- Line Item Budget Review
- Identification of Budget Savings
- Met with Directors, Managers, and Principals to evaluate staffing
- Analysis of Supplemental Retirement Plans

Completed Tasks

- Meetings with Department Managers on September 18th
 - Accounting
 - Purchasing
 - Maintenance and Operations
 - Technology
 - Instructional Services
- Meeting with Elementary School Principals October 4th

The Directors and Managers have been asked to reimagine the organizational structures within their departments.

ERT ~ Planned Tasks

- Meeting with Secondary School Principals
- Continue Meetings with Department Managers:
 - Business Services
 - Human Resources
 - Health Services
 - Superintendent's Office
- Special Education Audit of Services and Expenditures

2018-19: One-Time Savings

- Open/Vacant Positions and Attrition:
 - Part-time Interim Superintendent
 - Accounts Payable
 - Custodian
 - Instructional Aides
- Reduction in Extra Hourly/Overtime
- Only Emergency and Safety-Related Repairs
- Revenue Adjustments
 - Prior-Year LCFF Adjustments
 - Interest Earnings
 - Lottery Revenues
- 2018-19 Year-End Savings = \$761,000 (Assumption One-Time)

Operational Changes - 2019-20

- Hiring Freeze
 - Accounts Payable Technician
 - Grounds Worker
 - Instructional Support Aides (PE, Kindergarten)
 - Instructional Media Technician
- Consider Reorganization of Existing Departments
- Reduce/Eliminate Extra Hourly/Overtime
- Only Emergency and Safety-Related Materials and Repairs
- Only Broken/Damaged Equipment Replacement
- Board Meeting 10-22-19: Detailed Budget Adjustment Report
- Estimated Ongoing Savings Goal: \$800,000 - \$1 million

2020-21 Budget Planning - Action Steps

- Restructure, Realign and Right-Size Staffing in Conjunction with a Possible Supplemental Retirement Incentive Program
- Identify Ongoing Budget Savings and Reductions
- Meetings with Principals and Directors
- Meetings with SMTA and CSEA Chapter #120
- Proposed Reductions in Force
- Explore Cooperative Support Services Opportunities

Next Steps/Timeline

October 2019 - May 2020: Continue Weekly ERT Meeting; Feedback from Directors, Managers and Principals; Coordinate with Fiscal Resources Strategic Task Force (FiRST)

Dec. 2019: First Interim Financial Report Projections, Including Updated Projected Deficits for 2020-21

Dec. 2019 - Jan. 2020: Implement Action Steps

Mar 2020: Second Interim Financial Report Projections, and Proposed Budget Reductions for 2020-21

May 2020: Governor's May Revise Report (UCLA Economic Forecast - signs of future recession)

Questions/Discussion

