

CUSD Budget Information---Winter 2024

(Information provided in sequence, with most recent being at the top of the document)

From 1/18/24 Board Meeting

(Q) Where is the 2021 Audit Request

(A) Our auditors are behind in providing this to us. Once they provide it, we can provide to anyone who is inquiring. This is not within our control at this point.

(Q) What is the threshold for when a State Takeover is initiated?

(A) When FCMAT (Fiscal Crisis Management Assistance Team) definitively determines a district will run out of cash at some future point, and there are no longer any options to delay it, they initiate the takeover process. Usually no less than 30 days prior to the actual cash flow issue being a present reality

(Q) Are there State audit guidelines that inform a district how to get out of the budget situation they are in?

(A) No

Some areas to be explored/evaluated by the District Advisory Committee and the Board

District Office Configuration

Administrator Compensation

District Revenue Sources

CCOE provided Health Care Benefits

4 day school/work week (see article below for insights). For CUSD, it is approximately \$6000 per day in operational costs, so approx. \$240,000 (soft number, as there are some level of ongoing system operations when the district is "closed"). If a waiver exists, that we would qualify for, that could be discussed/explored. This is a very long, involved process (requiring negotiations as well). It is a long term issue, not a right now issue.

[Four-day school week gaining popularity nationally. Why isn't it happening in California? | EdSource](#)

CUSD Budget---Questions/Answers/Ideas (from Board Study Session on 1/8/24)

Updated based upon questions/comments from 1/19/24 Board Meeting---responses in *bold/italicized*

Points for Awareness

- Recommendation by Superintendent made to the Board to pull MHE out of consideration for closure, and focus on WPE closure only (with MHE able to completely absorb WPE students)
- Request from a Board Member to consider closing TMS (moving 6th graders back to their school of origin, moving 7th and 8th graders to CHS).
- Data will be compiled to be further discussed regarding proposed and recommended school closures (classroom capacity, site costs for all schools, projected savings of closures, enrollment and ADA figures, logistical/operational issues)

Question/Comment	Response	Follow up (if any)
“Create a District Advisory Committee to explore all aspects of school closure”	Forming a committee is a guideline, not a state mandate. They are usually employed at the start of a school year and are used if multiple sites are being considered. A short timeline is an issue now. A decision on a school closure must be made no later than March 7 th Board Meeting, due to required timelines with staff layoffs.	Will be discussed at the 1/18 Board Meeting <i>District Advisory Committee to be formed and facilitated by parent/community reps</i>
“Perform a robust economic analysis of all CUSD areas....to explore other options that prevent school closures”	Has been done (with outside Fiscal Advisor) and continues to be done.	
Can we move to a four day work week?	State requires school districts to provide 180 days of instruction and over 52,000 minutes of instruction (varies by grade levels per school year). So a four day work week would not generate savings (it would make the school year longer as well).	Someone said something about a filing for a waiver from the State, applicable Education Codes, other examples That will be researched. This is a longer term issue, not an immediate option

Can we replace an in-person school day with a virtual school day?	State does not allow districts to do this and receive ADA (state funding, Average Daily Attendance)	
Are free lunches required?	California schools have universal meals, providing meals to all students, using State funds.	
Can we cut any place else besides staff?	Staff make up 80% to 84% of our budget. Most cuts will be impacting staff as our greatest savings comes from salaries. We have looked, and continue to look, for other areas of reductions that aren't staff.	
Is there a way to unlock emergency funds?	There is no such thing as emergency funds for CUSD	
Can we cut pre-school and after school programs?	These programs do not impact the general fund (costs covered by fees, grants, state funds)	
Can we leverage volunteers from the community	Volunteers can't take the place of staff, or do significant work that staff could do, due to Union obligations (so, no savings created)	
Can you use consultants to help with lowering costs/increasing revenue?	We have a Fiscal Advisor appointed to us, to provide experienced counsel and guidance with our budget situation.	
Can we generate revenue through selling equipment (like technology)?	We already sell/donate surplus equipment	
Can we consolidate all districts in the county?	Everyone in the county would need to support this, needs to be voted on, districts that receive higher funding than CUSD would never go for it. It has been discussed in the past, it never goes anywhere.	
Can CUSD be split up into three smaller districts?	Never been discussed, would require three superintendents and 15 board members and replication of services to serve three different districts. A much longer term issue, that is unknown if it would actually be helpful to all.	
Can we do more recycling?	Sites already generate funds for sites through recycling	
Can we seek out investors, or sponsorships to generate revenue, or provide advertising space?	District can't advertise on district property (like school buses) per the State, would have to look into seeking investors/sponsors. Would need to be ongoing funding we can count on.	
Can we have on site snack bars/cafes	We have food service providing meals/snacks and legally can't offer competitive offerings	
Can we look at solar panels or government rebate programs	We are charged a much lesser rate for power, as we are a member of a joint power agency	

	established in the county. Solar has never penciled out for us as far as savings	
Can we host events for community at schools/charge sports programs to use facilities	We do, we charge them.	
What are other districts doing to raise revenue?	Working to raise ADA (average daily attendance), primarily, in terms of generating increased ongoing revenue.	
How much money would be saved by closing WPE?	We project between \$400,000-\$500,000 (savings from reduction of Principal and Classified positions and operating costs)	
What percentage of upcountry students do you anticipate losing if you close WPE	Unknown. We believe we would definitely lose students/ADA. If the losses were significant, we would be forced to reduce more staff to reflect the fewer students.	
Where is the Prop 28 funding (for Arts/Music)	We have used some of this funding for Music/Drama equipment. State requires at least 80% of the funds be used for staff. We posted for two Elementary Music Teachers, with no applications	
Where would WPE students go if WPE closed?	WPE students would be enrolled at MHE. MHE has the capacity to absorb WPE students (with the move of 6 th graders to TMS)	
Why not close another school?	We don't have the ability to close another elementary school and move all of their students to another school (classroom capacity)	Discussion on closure of TMS initiated, data to be compiled, more discussions to come.
Can staff not receive the 5.1% salary increase projected for next year	That has to be negotiated with our unions and voted on by staff (<i>for certificated and classified staff</i>). <i>Management/Confidential Staff have no representation, thus any actions on their salaries do not have to be negotiated. Within what the Superintendent has control over, Management will be treated the same as any other staff, in terms of any decrease to salaries.</i>	
Can we layoff staff based on performance, not seniority?	This is not an option, based upon union contracts and education codes.	

Can we eliminate sports transportation and have sites/parents do fund raising to support transportation	We are discussing eliminating sports transportation, as part of our budget cuts.	
Can we offer a retirement incentive for staff?	We explored multiple options and none of the options provided the benefits to our budget needed to justify	
Can WPE become a charter school?	Would have to submit proposal to district. If denied, would go to the County. If denied, would go to the State. If a charter school would prove to cause fiscal harm to CUSD, it would not be approved by the district.	
Can the District Office consolidate offices and lease out empty spaces	Would need to do an analysis	Will do an analysis, it is a longer term issue.
Can SHEC provide services while housed at school sites		Will have to discuss/analyze potential impacts/benefits <i>The annual costs of operations for the site is comparatively small</i>
Can GSHS students go to CRA	Two totally separate programs, serving different student needs. CRA is a CCOE program.	
Can the most expensive five administrative positions be cut?	We are looking at reducing by three positions overall, 10% of the admin group (with 18% of teachers being reduced and 12% of classified staff)	

Can you please explain why this time around, alongside transportation, it is only West Point & Mokelumne Hill Elementary Schools that are being considered for closure? Why are these the only items being considered?

Based upon research, consultation with our Fiscal Advisor and overall analysis, it was determined that closing WPE and having MHE receive those students was the most viable option (logistics, impacts overall, cost per pupil per site). Transportation is another area where significant savings can be achieved. These are the two bigger areas we are currently looking at, these are not the only areas we are looking at however, the Deficit Elimination Plan already calls for major cuts to staffing and budgets and there isn't a tremendous amount of other areas

of significance to explore for cuts. We are reviewing every single budget (site and department) looking for additional savings

We ask that the following budget items be thoroughly explored for cost savings:

- There are five admin positions with combined salary/benefit packages of over \$200,000 in the district. The combined annual cost of these five positions totals \$1,147,573.57. Can these positions be evaluated?

Yes, they can be evaluated. Yes, it can be viewed as subjective as to the level of need. But operating without a High School Principal, Superintendent, Director of Personnel and some level of Ed Services/SPED oversight is not doable/viable.

- Have you considered eliminating the two curriculum/educational services directors and using a Teacher Committee and resources from CCOE? These two positions alone cost the district \$473,963.32 annually.

These positions were part of the discussion/analysis done when deciding on the 2-3 positions to be cut from Management. Neither a Teacher Committee nor CCOE is able to provide the specific support and handling of duties for both General education and Special Education. The scope of responsibilities is too significant (leadership tasks with curriculum, instruction, professional development, student services, state/federal compliance, State Testing and more). Site Admin can't take these duties on, either. Many responsibilities would either not be done anymore or some minor ones would be shifted to site administration. If a reduction were to be considered here, and it was determined to do so, and we eliminated one position, the remaining Director would become a Director of Special Education only.

- Can we cap salaries to preserve schools during this time of crisis?

Has to be negotiated with certificated and classified unions. We will be discussing staff compensation.

- Have furlough days been considered?

Has to be negotiated with certificated and classified unions. We will be discussing staff compensation.

What would the cost savings be if all sports teams fundraised for transportation and the district did not assume these costs?

\$76,000.

- What is the cost savings (associated with staffing) when keeping Toyon's schedule as-is (as opposed to a 3:04 release time)?

TMS is looking at reverting back to its prior bell schedule (with later release time), and reducing three teaching positions.

If TMS kept its current schedule, there could be a savings of 1-2 teacher positions for the 25/26 school year.

· What would the cost-effectiveness be of consolidating school districts within the county?

All districts must agree and that won't happen. Has been discussed/addressed in the past. Longer term issue. Highly unlikely to happen.

· What would the cost savings be if the independent study programs (Sierra Hills) were site based/regional? Students could receive services at community-based schools in their area.

It would require research on logistics, capacity at sites, impact on students/families, viability to offer program services and supports. Savings would only be in SHEC facility operations---and those are minimal.

· What would the cost savings be if Gold Strike students are integrated into the Calaveras River Academy Program?

CRA is a CCOE program, not CUSD.

· What would the cost savings be if there was healthcare coverage provided by CCOE that included all school district employees throughout the county? This would create a bigger network and more competitive rates.

Unknown. Complex. Would require more in-depth discussion. Longer term issue.

· Can district office admin consolidate workspace in such a way that some of the property can be leased to generate revenue?

Will have to be analyzed and discussed. Longer term issue specific to logistics, impacts and the ability to seek/find tenants.

· Are staggered start time schedules being maximized to reduce transportation costs?

Transportation Admin and Site Admin work together to ensure bell schedules and bus schedules are as effective and efficient as possible.

· While we are proponents of both preschool and afterschool programs, we would like to know what money would be saved if these services were temporarily suspended (combined money savings at the site and administrative levels)?

Those programs are not funded from the General Fund, thus no savings in the area we need it. They are funded through grants, parent fees and/or state reimbursement

In 2019 there was a CUSD Fiscal Health Risk Analysis conducted by FCMAT. What actions have been taken, in general, based on this report's analysis and recommendations?

Steps were taken to address many of the 2019 findings (as far as internal/operational areas). We have been through 3 Chief Business Officials and multiple department members in that time, which has hurt continuity/consistency. Findings from the 2023 study are being addressed now and we will report out at a future Board Meeting as to the progress.

And more specifically to address Special Education costs? We are confused about this as we have seen special education costs continue to rise exponentially, per the following reported numbers:

- 2021 - \$5.0 million
- 2022 - \$5.9 million
- 2023 - \$8.4 million
- 2024 - \$10.4 million (projected)

A long term work in progress, for most school districts. A priority. Very complex. Increased number of SPED students, increased level of need, increased costs of services, increase in non-public school (NPS) placements, increase in paraprofessionals are the major issues we face and less than adequate funding from the State and Federal Governments---with no good, simple, singular answers.

In reading District messaging, there are statements advocating for putting effort and energy into avoiding a state/county takeover by making challenging decisions now regarding cuts, including decisions to close schools. We are confused because we also heard at the 12/14 Board meeting that it was not a question of if, but when, this takeover will happen. The conversation was that this takeover is unavoidable at this time. If this feared loss of control is inevitable, why would the District close schools prior to this eminent outside analysis? We want to play devil's advocate and ask, "why not a takeover?". Based on the district's administrative track record, we have serious questions about the potential benefits of an outside fiscal analysis. Why would we close our schools prior to this happening?

Discussed/addressed at the Jan. 8th meeting. Cuts now can allow us to delay a takeover and give us opportunities to see how conditions evolve at the state, federal and local level and see if other internal options arise. A State takeover has

a very long- lasting impact on fiscal conditions (paying back the State Loan, with interest, addressing our deficit) and program quality

We would like to see the pattern of the District agreeing to raises, when they cannot afford them, addressed. We value our teachers tremendously. We have heard the statement from a teacher that they would give up their 5% raise if it meant saving schools, jobs, and communities. We would like to know if there is any way the Teachers' Union would consider adopting this stance during this time of crisis. We would like to know the cumulative price tag for these future raises, broken down for certificated, classified and administrative staff.

Data can be provided. The item needs to be negotiated with our unions. We are discussing staff compensation.

We are hearing from the District that one of our schools, West Point OR Moke Hill will be closed at the end of this school year. We are also hearing rumors that both schools might be closed. Please advise if this is true, that both schools might be closed at the end of this school year (or in the near future).

The recommendation is to close WPE only

We would like to know District plans for where our kids would go if:

- West Point is closed (**students would be absorbed at MHE**)
- Moke Hill is closed
- Both West Point and Moke Hill are closed

It is our understanding that other elementary school sites have impacted enrollment with little to no room for capacity expansion. What is the plan?

Classroom availability and capacity varies at the other elementary sites.

How does the District plan to provide reliable transportation to get kids from upcountry schools to new school sites?

We will have to add one bus route up country, if WPE is closed and those students go to MHE.

With any relocation plan, how long will our kids be on the bus? We have concerns with children ages 4 years and up spending hours on bus rides to and from school each day, being forbidden to eat or drink (even water). Aside from the lengthy ride times, we also have serious safety concerns regarding behavior and exposure to behaviors on these bus rides.

Concerns are noted and we will get the data requested on length of bus rides

Based on previous site budgets that CUSD has produced, alongside current enrollment

and estimated per pupil ADA, we speculate that the West Point & Moke Hill campuses are more than self-sustaining. We no longer face the “declining enrollment” concerns that placed us in the District cross-hares in the past. Our enrollments have soared. Our schools have some of the highest state test scores, out of the elementary schools within the district. Because of this, we are confused about why these schools are being considered for closure?

Higher cost per pupil at smaller school sites due to lower staff to student ratios, comparative logistical ease in transitioning all WPE students to one school site (primary reasons).

We would like to see the itemized calculations for projected cost savings of closing West Point Elementary. We would like this to include any offsets in terms of cost for relocation to other campuses and projected loss of ADA that can be expected when closing a community school.

Can provide the projected cost savings of closing WPE, and related costs for relocation. Can't accurately predict the loss of ADA in the decision making process.

We would like to see the itemized calculations for projected cost savings of closing Moke Hill Elementary. We would like this to include any offsets in terms of cost for relocation to other campuses and projected loss of ADA that can be expected when closing a community school. We would also like this to include the loss of District assets (the MHE school site). This was previously estimated to be \$2 million dollars. Per the deed and county resolution for the MHE property, ownership is conditional, and this site must be used for the “Mokelumne Hill Elementary School”.

Will do if the decision is to keep MHE in the mix for closure consideration

We would like to see a side-by-side cost analysis of closing Toyon versus closing West Point and Mokelumne Hill. What would it look like if elementary school sites reabsorb Toyon students?

Based upon board member request, we will compile data on TMS closure and capacity to absorb students at CHS, as well as Grades 6th-8th going back to all elementary sites.