



Santa Ana
Unified School District

2012 – 13 Budget Development

(The New Normal)

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- Budget Assumptions for 2012-13
 - Governor's January Budget Proposal
 - OCDE Second Interim Guidance
- Placement of Unassigned Certificated Staff
 - Assumption of the Elimination of QEIA at Elementary Level
 - Staffing of Grade 1 and 2 @ 30:1
 - Intermediate Program Adjustments
- Process for 2012-13 Budget Reductions
- Next Steps



The Road Not Taken

Two roads diverged in a yellow wood,
And sorry I could not travel both
And be one traveler, long I stood
And looked down one as far as I could
To where it bent in the undergrowth;

Then took the other, as just as fair,
And having perhaps the better claim
Because it was grassy and wanted wear,
Though as for that the passing there
Had worn them really about the same,

And both that morning equally lay
In leaves no step had trodden black.
Oh, I marked the first for another day!
Yet knowing how way leads on to way
I doubted if I should ever come back.

I shall be telling this with a sigh
Somewhere ages and ages hence:
Two roads diverged in a wood, and I,
I took the one less traveled by,
And that has made all the difference.

Robert Frost, 1920 Mountain Interval



Past Practice



Multi-year Budget Projection
2012-13 to 2016-17???



**The new budget realities will require new thinking
and new solutions to weather the upcoming storm**



- Governor released 2012-13 budget on January 5th
 - Assumes passage of taxes in November 2012 election
 - Does not fund a COLA by increasing the deficit level
 - Additional “rebenching” of Prop 98 guarantee, but not an increase to SAUSD
 - Proposed budget originally included cuts to transportation **(\$2 million)** and postponing transitional K (400 ADA = **\$2 million**)
 - **BOTH HAVE NOW BEEN CHANGED AND A REVENUE LIMIT CUT ADDED**
 - Proposes consolidation of categorical programs into a weighted student formula that will function similar to Tier III funds (impact TBD)
 - If taxes are not passed mid-year cuts to education will be triggered **(estimated at \$18-23 million to SAUSD)**



- At the February 14 Board Meeting the reduction target for 2012-13 was at **\$15.1 million**
- The target continually changes as more information from the Governor's proposals are analyzed
- The District must **develop a plan** to meet the reductions for the Second Interim (March 13, 2012)
 - The District would have to **identify** all the elements of the reduction plan for OCDE at Budget adoption in June 2012

The current target is \$15.1 (+/- \$3 million)

This target will continue to adjust as the year-to-date actuals are calculated, staffing is finalized, and elements of the State budget are adopted



- **No Certificated or Classified Layoffs**
 - Impact of Education Code 44956(a)(5) Preferential Substitute Service
 - Cost of maintaining staff built into budget reduction targets
- **Staffing of 1st and 2nd grade at 30:1**
 - Provides Elementary sites with supplemental funding for research-based support for English learners and at-risk students
- **QEIA waiver denied by State Board of Education**
 - Waivers to be considered at the May 2012 meeting for Int./H.S.
- **Grades 4 – 8 staffing formula Education Code adjustments**
 - Districtwide staffing ratio to meet 1964 Education Code 41376
- **Jobs Bill funding that reinstated 5 furlough days for Certificated/Management (\$5.5 million) expires at the end of 2011-12**



- Estimated 67 permanent unassigned multiple subject teachers for 2012-13 due to:
 - Loss of QEIA funding for Elementary
 - Staffing of Grade 1 and 2 at 30:1
- Staff identified placement options which addresses all 67 multiple subject positions:
 - Creation of a Certificated Learning and Achievement Specialist support position (36)
 - Vacancies within Education Services reorganization (5)
 - Self-contained 6th grade based upon data at student need at Intermediate sites (5)
 - Staffing of grades 4 and 5 to closer meet Education code 41376 (21)



- The new Certificated Learning and Achievement Specialist would be a site categorical funded support teaching positions
- Job description will be developed by HR
- Teacher experts with three responsibility areas:
 - Curricular Area
 - Specific site support assignment
 - Instructional Strategies



- As part of the WestEd review and data analysis of our Intermediate Program a well rounded program offering of core subjects (English, Math, Social Science, and Science) along with Physical Education and Electives needs to be offered to all students
- The current 7-period schedule does not allow for equal access to all core subjects
- At-risk students benefit greatly from fewer teacher contacts and transitions in the 6th grade
 - The District will continue to investigate criteria that would allow for expansion of the K-8 options for students
- Teacher subject area competency is essential for students in 7th and 8th grade



- The 2012-13 school year base Intermediate Program will be a 6-period day (similar to our current High School schedules)
 - All students would have the opportunity for elective classes
 - Sites that wish to continue with 8-period (4x4 block) could vote for this schedule per SAEA MOU agreement
 - No sites will operate on a 7-period schedule
- Based upon data and student need 6th grade would be staffed with multiple subject teachers (self-contained) supported by subject area Certificated Learning and Achievement Specialists
- 7th and 8th grade would only be staffed with subject area specialists (Single Subject)



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Reduction Target - Next Steps

Days Remaining to Identify <u>Process</u> for 2012-13 Reductions	Days Remaining to <u>Identify</u> 2012-13 Reductions
14	105

Date	Event or Activity
\$10.0	Negotiations with our certificated & classified associations (SAEA & CSEA respectively) for <u>ongoing reductions</u>
\$5.1	Ongoing Non-Salary Program Reductions to be identified
\$20.0	Mid-year reductions if Governor's tax plan does not pass





Board Priorities 2011-12



- Ensure fiscal solvency (*legally required*)
- Preserve staff
 - Continue to provide Elementary support staff
- Maintain integrity of programs
 - Continue to protect services to the most vulnerable students
- Find other ways to reduce expenditures
- School safety
- Maintain athletics and music programs
- Reduced class sizes in grades 1 & 2
- Maintain 180 day instructional calendar



- Staff is continuing to investigate ongoing programmatic reductions toward the overall reduction target.
- Based upon Board Priorities individual reductions will be brought to the Board in subsequent meetings leading up to Budget adoption in June.
- Some of the areas currently being investigated and researched include (but are not limited to):

Category	Amount
P2 ADA revenue (slowing of enrollment decline)	\$TBD
Transportation (bell schedule changes)	\$1 - \$1.5 million
Maintenance and Operations reductions	\$TBD
Central Office Reductions	\$TBD
Health and Welfare Savings (actuals pending)	\$TBD



Staffing Costs

STATEWIDE AVERAGE			SANTA ANA UNIFIED SCHOOL DISTRICT		
Salaries & Benefits (Cert, Class, Mgmt) Object codes 1xxx through 3xxx			Salaries & Benefits (Cert, Class, Mgmt) Object codes 1xxx through 3xxx**		
1999-2000	2009-2010	Difference	1999-2000	2009-2010	Difference
% of Total Unrestricted GF Expense	% of Total Unrestricted GF Expense		% of Total Unrestricted GF Expense	% of Total Unrestricted GF Expense	
88.39%	90.57%	2.18%	89.16%	94.99%	5.84%

1999-2000: Does **not include PERS Reduction, object code 7270 (prior to SACS conversion)

2009-2010: Does include PERS Reduction, object code 3801-3802



- The General Fund cost of 1 furlough day for all employees is \$1.3 million

Bargaining Unit	Amount
Certificated	\$1.03 million
Classified	\$0.24 million
Confidential	\$0.004 million
Management	\$0.07 million
TOTAL	\$1.34 million

- The General Fund cost of 1% salary for all employees is \$2.5 million

Bargaining Unit	Amount
Certificated	\$1.94 million
Classified	\$0.46 million
Confidential	\$0.01 million
Management	\$0.15 million
TOTAL	\$2.56 million



Santa Ana Next Steps – Budget Development

Unified School District

Days Remaining to Identify Process for 2012–13 Reductions	Days Remaining to <u>Identify</u> 2012–13 Reductions
14	105

Date	Event or Activity
Ongoing until Settled	Negotiations with our certificated & classified associations (SAEA & CSEA respectively) for <u>ongoing reductions</u>
March 13, 2012	Approval Process for 2012 -13 Budget Reduction Measures and 2 nd Interim Report
June 2012	Approval of 2012 -13 Budget Reduction Measures and Adopted Budget

CURRENT REDUCTION TARGET
\$15.1 Million





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Backup Slides

