



**COUNTYWIDE CHIEF BUSINESS OFFICERS  
MEETING SUMMARY  
JANUARY 19, 2017**

**In Attendance (alpha by district order)**

Nina Correa , Berryessa Union School District	Anna Leung, Union Elementary School District
Jason Vann, Cambrian School District	Rita Sohal, Union Elementary School District
Jackie Chen, Campbell Union School District	Norma Del Rio, Santa Clara County Office of Education
Karen Poon, East Side Union High School District	Mary Ann Dewan, Santa Clara County Office of Education
Nelly Yang, Evergreen School District	Nghia Do, Santa Clara County Office of Education
Joanne Chin, Franklin-McKinley School District	Ann Jones, Santa Clara County Office of Education
Tom Gray, Los Gatos Union School District	Judy Kershaw, Santa Clara County Office of Education
Marie dela Cruz, Metropolitan Education District	Yen Lam, Santa Clara County Office of Education
Victoria Knutson, Morgan Hill Unified School District	Stephanie Lo, Santa Clara County Office of Education
Kirsten Perez, Morgan Hill Unified School District	Anita Maharaj, Santa Clara County Office of Education
Melissa Dumlaao, Mount Pleasant School District	Theresa Martinez, Santa Clara County Office of Education (Recorder)
Jenina Moreno, Orchard School District	David Putney, Santa Clara County Office of Education
Connie Ngo, Palo Alto Unified School District	Shanny Yam, Santa Clara County Office of Education
Debbie Jones, Santa Clara Unified School District	Robert D. Miyashiro, School Services of California

**1. Welcome and Announcements**

Ann Jones, Interim Chief Business Officer, opened the meeting welcoming those in attendance and asked attendees to share introductions. Ms. Jones announced that her interim position is ending January 27, 2017 and shared that Mary Ann Dewan, Deputy Superintendent, will oversee Business Services until the new Chief Business Officer comes on board.

Ms. Jones encouraged District Chief Business Officers/Fiscal Directors to complete the County Office of Education's district satisfaction survey by January 31, 2017 to help determine how to better meet the needs of educators and students, as part of a comprehensive planning framework that will drive goals and actions in the near future.

**2. District Business and Advisory Services Update**

Judy Kershaw, Director-District Business and Advisory Services (DBAS), shared themes observed from first Interim reviews. She reported about half of districts are showing deficit spending. Ms. Kershaw reminded districts to include unfunded liability for STRs.

Ms. Kershaw remarked that DBAS continues to review audit reports and have some findings that advisors will work with districts to clear. She also said that many of the state aid districts are showing declining enrollment, which will affect funding.

Ms. Kershaw provided updates on the following:

- Special compensation code 06 needs to be defined (see DBAS bulletin 17017, issued 01/24/17).
- There is a PERS Disability (industrial) workshop on retirement rules and reporting requirements scheduled for February 21, 2017 at the San Jose Regional Office. This workshop is suitable for human resources and district payroll staff.

- DBAS will offer Payroll W-2 training sessions in April 2017.
- The CDE is working with DBAS to offer a special CALPADS preview window. Districts were encouraged to take advantage of the opportunity to look at data to identify areas that need to be cleaned up/updated and work with advisors to make corrections.
- DBAS receives many requests for assistance with developing RFPs and would like samples to include in their “library” to share with districts.
- See <http://www.scoe.org/depts/bizserv/DBAS/Pages/default.aspx> on the DBAS website for a list of auditors by district and charter.

### **3. Special Education Update**

Norma Del Rio, Director-Special Education, explained the annual re-benching process and the steps already taken in looking at rates the County programs in Special Education use.

Ms. Del Rio shared an overview of their first re-benching meeting and reported that study groups were formed for the:

- Autism Program to look at how they want to continue supporting the program and if the program needs more support; and
- Early Start Program to decide if there are opportunities to support the program.

Both groups will meet on January 30, 2017 at the South East SELPA office. Ms. Del Rio encouraged District Chief Business Officers/Fiscal Directors to attend these meetings, as well as future re-benching meetings:

- February 8, 2017 from 10:00 a.m. to 12:00 p.m. in the Morgan Hill Room
- March 6, 2017 from 1:00 to 3:00 p.m. in the Morgan Hill Room

### **4. Alternative Education Update**

David Putney, Director-Alternative Education, shared details on districts' current community school enrollment and attendance. Mr. Putney reported that the current Memorandum of Understanding (MOU) is being revised to clean up language before distributing to districts. Districts will indicate on the MOU the projected number of students they intend to enroll in the program, sign, and return to the Alternative Education program.

Districts will be billed for initial per-allotment slots. Charges for usage over their anticipated slots will be calculated and billed at a later date. Districts will have the opportunity to review calculations prior to billing. Ms. Jones emphasized that nothing has changed, the program is just implementing the MOU.

### **5. State Budget Update**

Robert D. Miyashiro, School Services of CA, reported on the state budget. Highlights included:

- CalPERS reduced its investment return assumption from 7.5% to 7.0%. The impact to school employers will start in 2018.
- The Governor's budget proposes a revised current-year Proposition 98 guarantee of \$71.4 billion; and funding of \$73.5 billion in 2017-18.
- An increase in state revenues will benefit Proposition 98 and elevate revenues for schools above where they would be without the tax extension.
- The cap on district reserves will not be imposed for 2018-19, as not all conditions have been met.
- The Governor's budget proposes \$744 million for continued implementation of the LCFF.

- The LCFF base grant targets are adjusted for an estimated 1.48% COLA in 2017-18.
- The Governor's budget proposes to re-establish apportionment deferrals, shifting \$859.1 million in LCFF Costs from June 2017 to July 2017. The Department of Finance (DOF) indicates that this deferral will be paid along with the July 2017 apportionment.
- The Governor's budget proposes \$287 million in one-time discretionary funds for school districts, county offices of education and charter schools in 2017-18; this equates to approximately \$48 per ADA.
- The Governor's budget includes no new funding for special education programs beyond the 1.48% COLA; estimated at \$7.88 per ADA.
- The Governor's budget proposes allocating \$422.9 million to K-12 school districts and charter schools for energy efficiency projects (Proposition 39).
- The employer contribution to CalPERS is proposed to increase to 15.8% in 2017-18, up from 13.888% in 2016-17.
- CalSTRS employer rates are increasing to 14.43% in 2017-18, up from 12.58% in 2016-17.
- Proposition 51 passed and allows K-14 local agencies to apply for funds for new construction, modernization, hardship, emergency and other programs specified in the current School Facility Program.

## **6. Questions/Sharing**

District Chief Business Officers/Fiscal Directors were given the opportunity to share updates on negotiations, discuss challenges, and ask questions.

Meeting adjourned at 11:54 a.m.

**Next Meeting – March 9, 2017**