


 Santa Clara County Office of Education

**COUNTYWIDE CHIEF BUSINESS OFFICERS**

**MEETING SUMMARY**

**NOVEMBER 3, 2016**

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

Kolvira Chheng, Alum Rock Union School District	Robert Clark, Mountain View Whisman School District
Tina Hsu, Berryessa Union School District	Maria Liu, Mountain View Whisman School District
Phuong Le, Berryessa Union School District	Mike Mathiesen, Mt. View-Los Altos Union High School District
Jason Vann, Cambrian School District	Laura Pham, Oak Grove School District
Jackie Chen, Campbell Union School District	Jenina Moreno, Orchard School District
Marcus Battle, East Side Union High School District	Rosanna Jeng, Saratoga Union School District
Karen Poon, East Side Union High School District	Anna Leung, Union Elementary School District
Nelly Yang, Evergreen School District	Rita Sohal, Union Elementary School District
Joanne Chin, Franklin-McKinley School District	Laurie Book, Santa Clara County Office of Education
Megan Lamken, Franklin-McKinley School District	Mary Ann Dewan, Santa Clara County Office of Education
Alvaro Meza, Gilroy Unified School District	Nghia Do, Santa Clara County Office of Education
Susan Ady, Lakeside Joint School District	Jon Gundry, Santa Clara County Office of Education
Cathy Vance, Loma Prieta Joint Union School District	Ann Jones, Santa Clara County Office of Education
Randall Kenyon, Los Altos School District	Judy Kershaw, Santa Clara County Office of Education
Tom Gray, Los Gatos Union District	Yen Lam, Santa Clara County Office of Education
Greg Medici, Los Gatos-Saratoga Jt. Union High School District	Theresa Martinez, Santa Clara COE (Recorder)
Marie dela Cruz, Metropolitan Education District	Cindy Patterson, Santa Clara County Office of Education
Wendy Zhang, Milpitas Unified School District	Ann Redd, Santa Clara County Office of Education
Victoria Knutson, Morgan Hill Unified School District	David Wu, Santa Clara County Office of Education
Kirsten Perez, Morgan Hill Unified School District	Patti Herrera, School Services of California
Melissa Dumlaio, Mount Pleasant School District	

**1. Welcome and Announcements**

Superintendent Gundry opened the meeting welcoming all in attendance and introduced Ann Jones, Interim Chief Business Officer for the Santa Clara County Office of Education.

Superintendent Gundry shared a brief update on the Chief Business Officer search being conducted by Hazard, Young, Attea & Associates. He anticipates the search going through the middle of January, with a starting date dependent on how soon the selected candidate can transition.

**2. State, Economic and Legislative Updates**

Patti Herrera, School Services of California, reported on the state budget, the election and other hot topics. Highlights included:

- The state’s unemployment rate held steady in August at 5.5%, which compares to 4.9% for the U.S.
- Year-to-date state revenues for the budget year are short \$222 million.
- Measures that will directly affect K-12 public education finance:
  - Proposition 51 – School Facilities Bond (passed)
    - Q: If Proposition 51 passes, will implementation be similar to prior state bond measures?

A: Yes. Proposition 51 locks in the state school facility program as it existed on January 1, 2015 until those funds are exhausted. Priorities and funding rounds will continue. This is not a financial needs-based program.

- Proposition 55 – Extension of High-Bracket Income Taxes (passed)
- Proposition 58 – Reinstates Bilingual Education (passed)
- The State Allocation Board (SAB) determined that state funds for new construction are no longer available, paving the way for the implementation of Level III developer fees.
- CalSTRS employer rates for 2016-17 have increased to 12.58%, up from 10.73%.
- CalPERS employer rates for 2016-17 have increased to 13.888%, up from 11.847%.
- Discourage use of district reserves for negotiations/salary increases. Suggestions for other uses of one-time funds:
  - deferred maintenance
  - buy down other postemployment benefit liabilities
  - one-time early retirement incentives
- State Board of Education approved a new LCAP template for 2017-18.
  - Plan Summary table - include revenue not tied to a specific action, service or objective when describing the budget.
  - Annual Update table - include detailed explanation of variances (why money was not spent).
  - Goals, Actions, and Services table - for each planned action/service, indicate the amount, source and reference.
  - Proportionality table - estimate supplemental and grant dollars and explain how you will meet the proportionality requirements.
- New ESSA Supplement Not Supplant Regulations proposed by the Department of Education.
  - Ms. Herrera will forward School Services' article and a comparison for distribution (done).

### 3. QSS Update

David Wu, Chief Technology Officer, shared concerns users have with QSS, including working with an aging system, limited system capabilities, lack of vendor response and support, such as problems last year with the Affordable Care ACT (ACA) reporting.

Mr. Wu discussed the possibility of moving to another system and what that would involve. Ms. Jones commented that the first part of the process will include looking into what systems are available.

The following volunteered to participate on a system conversion committee:

- Alvaro Meza, Gilroy Unified School District
- Laura Pham, Oak Grove School District
- Jackie Chen, Campbell Union School District
- Nelly Yang, Evergreen School District
- Marie dela Cruz, Metropolitan Education District (and/or a Human Resources representative)
- Wendy Zhang, Milpitas Unified School District
- Trinh Tran, Los Gatos Union School District

Marcus Battle, East Side Union High School District, remarked that his district (on an independent system) is starting to go through the same process and would like to collaborate.

District Chief Business Officers/Fiscal Directors shared expectations and features of an ideal system:

- Payroll
  - Automatic Retro Pay
  - PERS/STRS Reporting
  - Alternate Retirement
- HR/Benefits
  - Position Control
  - Affordable Care Act (ACA) Reporting
- Electronic timesheets
  - PO
  - Attendance/Absence Tracking
- Paperless
- Self-Serve
- Help Desk
- Support/Training
- Required Change
- Input/Output to Excel
- Web-Based Interface
- Budget Integrated
- Fixed Assets
- Purchasing
  - Requisition Routing
  - Purchase Orders
  - Warrants
- FTEs
- Workflow
- SACs
- Conversion Timeline
- How a new system will be paid for?

Mr. Battle commented that Contra Costa County has a great implementation template and highly recommends taking a look at it.

Mary Ann Dewan, Deputy Superintendent, suggested the committee start a RFI (request for information) that includes what the committee determines the minimum expectations for the level of service and support, response time, training, responsiveness to changes in state law that requires changes to the system, etc.

District Chief Business Officers/Fiscal Directors requested a copy of the list of expectations to share with their staff to augment. Mr. Wu will coordinate modifying the list to a collaborative spreadsheet on Google Docs.

Mr. Wu noted that as a group, the decision has not been made to change the current system and Technology Services continues to work with the vendor to resolve existing issues.

#### **4. Common Message and First Interim Deadlines**

Ann Jones presented the Common Message, the guidance document provided by the Business and Administration Steering Committee (BASC) in preparing assumptions in developing First Interim Reports.

Q: Is the funding for “one-time mandated costs” additional one-time funds for this current year?

A: Yes. In 2016-17, \$214 per ADA should be budgeted as one-time.

First Interim Reports are due to the Santa Clara County Office of Education upon district Board approval, but no later than December 15, 2016.

Ms. Jones encouraged District Chief Business Officers/Fiscal Directors to contact her if they anticipate a problem with their district’s First Interim Report, as she wants to be aware and offer assistance. Additionally, District Business and Advisory Services (DBAS) advisors are available to assist with any questions they may have:

- Anita Maharaj (408) 453-6594
- Ann Redd (408) 453-6593
- Stephanie Lo (408) 453-4327
- Yen Lam (408) 453-6510

Ms. Jones noted that a **2016 First Interim Training** tutorial is posted on AccessPoint under “Training Material”. This tutorial provides a refresher on First Interim reporting requirements, creating and downloading export files, SACS Forms, and other best practices.

## **5. Sharing**

Negotiations – District Chief Business Officers/Fiscal Directors each shared an overview of their districts’ negotiation settlements for the current year.

Refund of STRS Excess Contribution – Any contributions in excess of one year service credit will be returned to the employer by STRS. Ms. Jones will forward a PowerPoint prepared by DBAS explaining the process.

Affordable Care Act (ACA) – Ms. Jones shared that she is working with Craig Blackburn and Cindy Patterson from Technology Services, and the Schools Insurance Group (SIG) to clean up the process and ensure a smooth data transfer for the 2016 calendar year.

STRS Unfunded Liability – A question was asked by a district’s Board if any districts are setting aside funds for the STRS unfunded liability? There were no responses, but Ms. Jones did not recommend districts set aside funds. This is a state-wide problem, not an individual district problem.

Meeting adjourned at 11:50 a.m.

***Next Meeting - January 19, 2017***