

Santa Clara County  Office of Education

Countywide CBO Meeting Summary
October 30, 2014

In Attendance:

Melina Nguyen	Alum Rock Union Elementary School District
Phong Le, Tina Hsu	Berryessa Union Elementary School District
Jason Vann	Cambrian Elementary School District
Ron Wheelehan	Campbell Union High School District
Karen Poon	East Side Union High School District
Nelly Yang	Evergreen Elementary School District
Megan Lamken, Joanne Chin	Franklin-McKinley School District
Alvaro Meza	Gilroy Unified School District
Susan Ady	Lakeside Joint School District
Randy Kenyon	Los Altos Elementary School District
Martin Fregoso, Tom Gray	Los Gatos Union School District
Joyce Shen	Metropolitan Unified School District
Carolyn Shen	Milpitas Unified School District
Karen Jelcick	Moreland School District
Kristen Perez, Victoria Knutson	Morgan Hill Unified School District
Mark Martinelli, Tracy Huynh	Mount Pleasant Elementary School District
Avis Doctor	Mountain View Los Altos Union School District
Keiko Mizuno	Oak Grove Elementary School District
Irma Manzo	Orchard Elementary School District
Connie Ngo	Palo Alto Unified School District
Stephen McMahan	San Jose Unified School District
Rosanna Jeng	Saratoga Union School District
Rita Sohal, Anna Leung	Union Elementary School District
Carole Hanna (recorder)	Santa Clara County Office of Education
Kolvira Chheng	Santa Clara County Office of Education
Micaela Ochoa	Santa Clara County Office of Education
Ted O	Santa Clara County Office of Education
Ann Redd	Santa Clara County Office of Education
Jenina Salcedo	Santa Clara County Office of Education
Dana Taylor	Santa Clara County Office of Education
Phil Benfield	Santa Clara County Office of Education
Cindy Patterson	Santa Clara County Office of Education
Robert Miyashiro	School Services of California
Suzanne Speck	School Services of California

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1. **Welcome** - Micaela Ochoa called the meeting to order at 9:35AM. CBO's/Directors did not have any items to add to the agenda.
2. **District "bridge loans"**
 - Micaela Ochoa explained that the resolution to reserve funds for bridge loans to districts has expired. The SCCOE is discussing if the Districts need still exists for bridge loans – so SCCOE Business Administration can recommend a new resolution to the Board for their approval. A discussion ensued and it was clarified that these funds are available as a last resort and do not take the place of districts issuing TRANS as normal operation. CBO's recommended that this be discussed at the Superintendent level. Micaela confirmed there will not be any changes at this time.
3. **Updates**
 - AB 1522 – Sick Leave Law: Suzanne Speck reviewed AB 1522. Paid sick leave must be provided for anyone working 30 days and beginning July 1, 2015 tracking becomes critical, including hours and sick leave accruals. There remain many unanswered questions and it's possible there will be some effort to make amendments to the law. It will be critical to have a tracking system in place as of January 2015.
 - Affordable Care Act Reporting: Further, Affordable Care Act must be offered as of January 2015 so measured periods must be established, tracking and monitoring must be in place and districts will begin reporting to the IRS in 2016. Reporting is complex and if you have nothing in place now, consider a "turn-key" system (both American Fidelity and Keenan offer these plans) which will be helpful in completing the IRS forms. Both HR and Business Services are responsible for this data and should be working together. QCC plans to release a module in November.
 - Proposition 30 – reminder: Robert Miyashiro reviewed the Economic Outlook and Proposition 30 (presentation attached). It is recommended that districts do not reduce reserves – once reduced it is too difficult to build them back up. Valid reasons for keeping reserves high are: we're preparing for an unanticipated "revenue shortfall", and, revenue volatility, i.e. there are huge volatilities in LCFF. Robert suggests thinking ahead because we're in a business cycle; some forecasters use a regression analysis and don't plug in any changes but fail to consider the business cycle. The Affordable Care Act will put much pressure on the economy and normal slow down coupled with the expiration of Proposition 30 will be challenging for education. Another upcoming expenditure is the cost of STRS. Reminder: ¼% tax expires 12/31/16, and, high income earner tax expires 12/31/18.

4. Santa Clara County School Districts Financial Statistical Report

- This report is available as a resource to Districts and will be posted on our SCCOE website in under DBAS.

5. First Interim Common Message

- The Common Message for 1st Interim development will be emailed the first week in November 2014 and posted to the SCCOE website.

6. Review Organizational Changes to DBA

- Kolvira Chheng briefly reviewed the DBAS organization chart and noted the new position to be filled. The Senior Advisor role will have the same functions as the Advisors, be the Acting Director in Kolvira's absence and work on special projects. The Advisor position currently held by Dana Taylor is also scheduled to be recruited and filled. Micaela invited district CBO's and/or directors to be on the interview panels.

7. Other Items and Knowledge Sharing

- Reminder: FCMAT Calculator Workshops will be held on November 6th – the morning session is almost full.

8. Update on QCC fix - Technology/QCC unable to calculate multiple STRS rates

- DBAS sent bulletins to districts with instructions and information. Bulletin 15-003 informed Districts of the issue and gave instructions of how to make the necessary corrections. Bulletin 15-003 Addendum notified districts that DBAS will make the corrections for districts when districts process payrolls that affects prior year earnings, or, one time off-salary-schedule payments for STRS (bulletins attached).
- It was noted that this is a state-wide issue with QSS/QCC.

9. LAO Request

- Districts are being sent a letter from the LAO regarding reserve information. We encourage you to respond to their request and DBAS will re-send our guidance information of how to respond to their inquiry.

The meeting was adjourned at 11:45AM.