

Board Highlights-Revised

NMCUSD Agenda Online

www.nmcusd.org

January 2014

Budget Study Session Highlights

Robert Miyashiro, an education finance expert from School Services of California, presented an overview of the new Local Control Funding Formula (LCFF), a model for distributing available State funding to public schools.

The outcomes for the morning presentation included:

- Develop a common understanding of the new LCFF model and how NMCUSD will receive funding
- Understand how the Collective Bargaining process and related agreements is a factor in the delivery of the educational program
- Understand the context of the NMCUSD's current budget

There were approximately 50 people in attendance to include parents, community members, classified and certificated employees, and administrators. A special thank you to the leaders of NMCFT and CSEA for attending and participating.

"Is the LCFF and LCAP an opportunity to address "unequal" education across the State?"

"Do these extra funds provide training for teachers to meet the needs of low performing students?"

The agenda included information and questions/answers on the following:

- How public schools are funded under Prop 98 and what is the new LCFF model
- The temporary sales tax on income under Prop 30
- Differential impacts to districts under LCFF
- What is "gap funding," when will districts be fully funded?
- How comparisons with other districts change under LCFF
- Local level decision making for expenditures and the LCAP
- Supplemental/Concentration grant funding requirements
- Potential claims against new revenue (deficit spending, etc.)

The agenda and PowerPoint presentations are available on the District's website under the Board agenda-Agenda online link

Q & A Summary

1. Is the LCFF appropriations guaranteed each year?

No, it is not at this time.

There is discussion that legislation may be considered to establish a minimum annual amount given to public schools.

2. Are we getting more funding for our ELs then before?

Yes, the supplemental concentration grants should be used for services to English Learners, Low Income Students and Foster Youth.

3. Is there money for maintenance of school buildings?

There is no longer a specific fund designated but schools should establish a budget for maintaining facilities.

4. When was the last time teachers got an increase?

Due to ongoing cuts from the State since 07-08, salary increases were limited to step & column (1.5%). Over time, these drastic cuts required all staff to take furlough days to balance the budget. Prop 30 prevented mid-year cuts last year and the District paid the H & W increases for all employee groups. This year, NMCFT has a MOU for a 2.5% one-time bonus.

5. What is the role of the advisory groups?

They remain the same-

Positive External Annual Audit Report-January 23rd

John Goodell, an outside certified public account presented a favorable audit report. He commended all District employees, especially those working out at the school sites and the business office for their hard work in doing things “right.” There were only two adjustments that had to be made due to inaccurate budget coding out of the many, many accounting transactions that took place during 2012-2013. These adjustments did not change the overall expenditures or revenue. However, one adjustment resulted in \$400K of un-designated funds, meaning it was not budgeted for any specific purpose in the 13-14 budget. This amount was determined in November after the audit took place and was the basis for the one-time bonus under the MOU with NMCFT.

MOU with NMCFT Approved-January 23rd

The Board approved the MOU settlement with NMCFT. Once the District and NMCFT reached a tentative agreement, the District was required to submit an AB1200 document that is required whenever there is a tentative agreement related to collective bargaining. The Monterey County Office of Education has 10 business days to review and approve the AB1200 document. Both the MOU and the AB1200 document were approved at the Board meeting. NMCFT members should expect the one-time bonus of an estimated 2.5% during the month of February. The MOU also included language for K-3 CSR for this year and credential and authorization requirements under NCLB.

CSEA “Sunshine” Approved-January 23rd

The District and CSEA will now be able to begin the collective bargaining process for 2013-2014.

LCAP and Budget Development Timeline

January 16th: **State Board of Education Establishes Temporary Legislation for LCFF and LCAP**

January 17th: **Governor’s Proposals for State Budget for 2014-2015**

January 25th: **NMCUSD Special Budget Study Session**

January-March: **Stakeholder Groups/Committees Continue Meeting-Priorities for LCAP**

February-April: **Budget Advisory Committee will review various program budgets**

April-May: **Draft LCAP**

May: **Approve LCAP for 2014-2015, 2015-2016, 2016-2017 (3 year plan)**

May: **Governor’s Revised Proposed State Budget**

June: **Approve 2014-2015 District Budget Aligned with LCAP**

By July 1st the **State is to Approve Budget for 2014-2015**