



BUSINESS and ADMINISTRATION STEERING COMMITTEE
MEETING

Friday, September 14, 2007
8:45 a.m. – 2:00 p.m.

Embassy Suites Hotel
Sacramento, California

MINUTES

Pre-Meeting
8:45 a.m.

COFS

Tom Etchart

- Tom shared that the proposed rule on MAA is out which proposes the elimination of the current MAA program in 08-09 fiscal year. Tom shared that Sue Burr felt that we still have a chance to stop the ruling and or modify the proposal. If we are unable to stop the ruling we will try to get some modified program to replace it.
- Tom shared that several COES were not closed yet. Ken Shelton indicated that he is working with CDE on a basic funding model for community court school revenue limit. This is being driven by special education issues for those students. Currently the students incarcerated in the state facilities receive approximately \$25,000 per incarcerated youth. Ken is working with CDE to determine why are they are funded differently than county level incarcerated youth.
- The COFS members shared where each agency was with salary settlements. Very few have settled at this point. The professional development committee is very involved this year with the annual conference. Currently we have planned for a pre-conference day that will have 10 sessions in held in five different rooms. The general session workshop proposals include a session on program improvement (pi) schools – to finance what they need to do to come out of pi. Public debt may also be a topic and we may ask Mark Robbins to be the presenter.
- Caryn Moore shared some items for possible changes to c/s form in regards to COEs. COFS is working on closure of 8011 issue. The request is to have language added to CSAM to differentiate COE unrestricted from district unrestricted revenue. COFS proposed having separate language for district and COE 8011 revenue.
- The group discussed how each was dealing with excess property tax issues. COEs that have property tax in excess of Form O Revenue Limit can not spend these additional funds and must hold until next year for use against next year. (2558(e) ED CODE) This can build to a large amount. San Mateo is trying to identify those COEs that are in this situation.

SFSS: no report

FSCO

Stan Mantooth

- Stan shared the group last met on September 6th and he encouraged regions to make sure they send their facility representative to these meetings. The meeting minutes and the 07-08 calendar will be posted on the web site.
- Stan shared that OPSC has decided to rescind the Management representation letter which was an affidavit. You are encouraged to be aware if any audits were requesting this form to not sign, or send the form back to OPSC.
- Implementation committee meetings continue – not a lot new to share at this point.
- There is new clarification on deferred maintenance program that you are not to use project savings for your match.
- Vinceena Kelly, LACOE, will take chair in January and the committee will now need to find a new vice chair. Stan suggested that FSCO use the north/south selection process as the other committees use.
- SB704 which would have given special education facility grants the same increase as regular education is dead this year.
- It was discussed if BASC was the appropriate group to sponsor a new Williams training for the new FIT. It was shared that this may be done on a north/south basis and possibly as a video workshop. Mike and Sue will get back to Stan on this. CASH has been working on a fit user guide. Something the district would use prior to COE coming out. We would like to have some participation in the development of this document. Mike shared that it is up to BASC if we want to take this on. This will be a guide on how to use the fit. It was generally felt that FSCO needs to take the lead on this training. This will be a working committee of FSCO. They may include a component on tying the SARC to FIT. If we do not get out in front of this issue we will be still all doing the same thing next year. Most likely this will be a training this next spring.
- Stan asked Mike that CCSESA allow FSCO to meet at the CCSESA office as they have no funds for renting a meeting space.

Regular Meeting
9:30 a.m.

1. Call to Order

The Chair called the meeting at 9:30 a.m. The following members were present:

2. Additional Agenda Items

- a. 12 a. QEIA Funding Role Out

3. State of the State

Mike Ricketts

- Mike shared a handout on MAA proposed ruling.
- Legislation –AB131 (counseling bill) was originally thought to be a slam dunk but became more and more difficult. Senator Oropeza has come out against the current bill but would consider approval with amendments. Mike felt we should not amend as a matter of principle. It was held in suspense in senate appropriations on Senator Oropeza’s recommendation due to no amendments. However it could be resurrected in January. We may still have issues with her support.
- Year of Education – Secretary Dave Long has held eight community leader events. They have been relatively successful with good representation and good discussion. Secretary Long was asked what he plans to recommend to the Governor. His response included reducing restrictions on use of funds, sharing of best practices and building capacity. Phasing in a revised age for starting school. Developing a safe schools initiative by working with local government, schools and law enforcement. Ed data systems.
- Forest Reserve – several county Superintendents have gone east to meet. A proposal is going forward to reauthorize. No details yet. This has been linked to “pilt” – payment in lieu of taxes.
- Health Care – Mike was asked if any input will come from education committee. Sandy Silberstein stated that a special session had been called. Some members will be appointed to convene and come up with something concrete that they can vote on. Are they open to input. We think they will. Sandy said there were two messages from education management group, first that school based health clinics not to be funded in prop 98. Second, be sensitive to language under collective bargaining. Representatives on the committee include: Karen Bass, D- Los Angeles, Patty Berg, D-Eureka, Hector de LaTorre, D- South Gate, Mark De Saulnier, D- Martinez, Mervyn Dymally, D- Los Angeles, Mary Hayashi, D-Hayward, Ed Hernandez, D-Baldwin Park.

4. **Edbuy**

Ted Witt

- Ted gave an update on the recent best practices for purchasing workshops. Ted gave an update on what he gleaned from the trainings. See handout. Ted offered to come to a COE to do the training.

5. **SSC**

Terry Anderson

- Terry of SSC, shared that they are forming an Coalition for *Hourly instruction programs* (CHIP). This new coalition will sponsor legislation that would help establish rules and guidelines and will provide technical support and support a clearing house for information. It appears that several districts are not fully utilizing their full allowance as there is a lot of dollars left on table. Some districts feel that since they do not get full reimbursement, they are not offering as much as possible. We will need to take a statewide approach in order to get something through the legislature. This coalition will also look at providing technical assistance while waiting on legislative solutions. SSC has developed data on full utilization of the programs at the district level. SSC will come to your Superintendent meeting if you like. SSC is trying to keep the costs down and will allow a COE to join on behalf of its districts through a county consortium.
- Robert Miyashiro shared current budget updates and COLA information for next year.
- Governor and state congratulating themselves on this late budget with largest reserve of \$4 billion. However, once signed, the income is down and court ruled STRS must be paid back, education fund to be sold, and the Governor vetoed spending budgeted for Medicaid, so three weeks later we are down from a \$4 billion reserve to \$1 billion. UCLA forecast does not see a recession but a slowing in the economy. It is beginning to look bleak for 08/09. Stay tuned as we should get another finance report soon. Robert handed out the new dartboard which shows a 4.3% COLA for 08-09, in January it was 2.7%. The trend is going up – this is as of late August. Legislative analyst will come out with a report in November and will do a COLA estimate – trend is that it will likely be higher than dartboard. Debate has been whether SSC should update at the time legislative analyst data comes out. SSC plans to leave it as is until January. The difference could be as high as .5% higher. Issue is which number to recommend to districts. The group asked if SSC could footnote that the number will change in January. Robert shared that there will be a lot of pressure to fund the full COLA. The Governor will not likely over appropriate prop 98. The Governor could fund COLA on revenue limit but not on other categorical funding. Since most districts will have done most of first interim work – the LAO report in late November will just create issues if dartboard changes. They can always add later. Robert felt that SSC could come out with an article talking this through. Some CBOs like to have a conservative number to fall back on. The group felt that we could tell the districts that if they choose to use the higher COLA that they should indicate that

amount in their reserve balance. Robert was asked if SSC could add a line on the chart for bifurcated COLA. Robert indicated that it was in the footnote but that they could add to the chart.

6. CDE

Scott Hannan

- (No CDE rep present) Gary shared that Susan Grinsell has developed a calculator to calculate the carry forward adjustment. It will be posted on the web site. Test it. We would like to try to get this waived for COEs. It was stated that the three year rolling average had been around for a number of years. This is an issue for more people this year due to the 5100 issue.

7. State Software / Vista Operating System

Carlene Naylor

- While there was no CDE representative present the group was trying to determine if the new VISTA operating system will work with the state software. Some people reported having some difficulties and this was referred to SSFS to work with CDE staff. Not sure if the state can upgrade at this time as there will be a cost associated with the upgrades. One fix is to submit your data through XP until a fix is in place.

8. Chairs

Gary Thomas

8.1 CCSESA proposed budget actions – Gary shared that the steering committee budgets will be done differently next year. We will go to a quarterly report and this should help with the CCSESA audit issues.

8.2 Capital facility fees – Wendy shared documents from OCOE regarding fees imposed for capital facility assessments. Some districts and COEs are getting charged for capital facility fees that must be negotiated. Most districts do not know that they are even paying these fees as they are almost always buried in other invoices. If they have done any construction where square footage was added, have them review their invoices and utility bills carefully. These fees will be listed on the utility bill as capital facility fees. You should be able to determine the fees and if not contact them.

8.3 Susan will be posting 2008 goals on web site. Give her any input soon. She must submit by October.

8.4 AB347 – Students that do not pass CAHSEE could get intensive instruction. A sub group was formed, (Ken, Gary Wendy, Carlene, Mike R and Damon) and they met yesterday for a lively debate. We will be responsible to collect data from districts that they informed students of rights and what kind of response did district get. These activities will be imbedded in Williams visit for decile 1 and 2 districts. BASC has been asked to come up with an allocation method for students who do not pass to get up to two year

service/assistance to pass. All eligible students are to be sent a letter with rights under this. Districts must provide this service. COE must verify that notice is posted, students got letter, and services were provided. Under the Williams sites, COE must verify the extent to which these services were provided. Only 500 had applied as of yesterday. The eligibility for students to get the two years is retro active.

9. Criteria and Standards Committee

Debbie Simons

- Debbie Simons shared that the committee was reconvened now that we have a year of criteria and standards use. They have found that there are issues with standard 5, 6, 8. No policy or philosophical changes are being proposed – only clean up. Next meeting will be held later in September. The committee hopes to only have two meetings. Wendy, Susan, Debbie, and Anne P. are the BASC representatives. Meeting went well and a lot of ground was covered. Debbie is asking BASC members to look at recommendations to see which ones we should be moving forward with. Have your staff review. Get feedback to Debbie by September 26. August meeting notes are posted on web site.

10. Public Records

Teresa Parsons

- Teresa shared a newspaper article and court case regarding the disclosure of employee salary. Most in attendance had always the understanding that a salary schedule was public – now it seems that the individual salary is open for disclosure as well. San Joaquin COE was asked for all employees by name, title and total earnings. San Joaquin shared that they will share what documents they developed for all their districts to use. All the earnings that would appear on W-2 appear to be subject to the disclosure requirement. A question was posed as to whether this applies to all employees, just management or those over \$100,000 total compensation. It was felt that it covers all employees.

11. PERS Golden Handshake

Bud Burrow

- (Gov. Code 7507) this topic came up some time ago as to whether COEs are required to take the district's PERS GH to the board. Kern COE obtained a legal opinion that indicated that the intent was not to burden board with this. The opinion concludes that this was never a requirement of PERS. There was a letter in 1997 that refers to resolutions to a COE. In a subsequent letter the county board was changed to county superintendent. PERS concurs that Gov. Code 7507 refers to local legislative bodies. Before a local legislative body can take any action that increases public retirement benefit an actuarial must be completed and submitted detailing impact. Schools Legal Service opinion is that PERS/STRS have done the proper calculation to determine what the applicable rates and savings should be to cover the cost.

12. Governor's Education Excellence Forums **Debbie Simons/Ken Shelton**

- Did anyone attend one of these forums? Ted Mitchell's group is holding these forums. Gaye Smoot did attend the Sacramento one. These are all efforts to prepare for the year of education. The Governor is starting to gather recommendations for development of budget proposals.

13. QEIA Rollout

- It is up to the two lead COEs (Sacramento and LA) as to how the dollars will rollout. There is a split in the state for north/south regions and there are north/south region leads. Call Gary if you have any questions. Gary did caution that if a LEA gets funding but does not meet its goal, then they could lose funding.

14. COMMITTEE REPORTS

14.1 Audit

Jim Thomas

- Vallejo appeal goes to EAAP on Monday.

14.2 Business partnerships

Carlene Naylor

- No report, conference call next week

14.3 Charter Schools

Gary Thomas

- Gary shared the recent indictments for the California Charter School administrators. Wendy has an analysis for proposed conflict of interest that she will share. These will go to SBE in November. Gary will post this on website.

14.4 GASB 45 – no report

Ken Shelton/Debbie Simons

14.5 Legislative

Linda Protine

- information was covered during meeting

14.6 PASSCO

Stan Mantooth

- Stan shared that the PASSCO group are meeting today for their quarterly meeting. They are working on new employee orientation trainings that follow the Disney and Ritz Carlton methods. Some shared that they are doing videos to orientate new employees and what the COE does. It was suggested that this possibly be a topic for our May joint meeting.

14.7 Professional Development

Francie Heim

- Francie shared that the CBO training mentor projects applications are out for the next cohort.– Francie shared how appreciative we are of Sandy Silberstien's efforts to keep the CBO Education Partnership Program funding in the budget. Sandy has not given up on getting the funding. We now need to look to how to keep this program going and fund this next year.
- The Annual Fiscal Oversight training will be held on Oct 23. The flyers are out. We will be inviting county superintendents this year. We have speakers confirmed. There will be a welcome from Joel Montero and Sue Burr. Joel will then give the "Mechanics of Fiscal Oversight" and then we will have a panel discussion on the Politics of Fiscal Oversight and the top 10 list of things you should know. The panel will consist of Tom Henry, Ron Bennet and Dee Alarcon.
- As Tom discussed in the COFS report the pre-conference on February 20th. This day will be set up like a mini CASBO. There will be 10 workshops throughout the day with a special session at the end for new or aspiring County CBOs. The workshops sessions will include topics on Form O, Fiscal Oversight, OPEBS, AB602, Budgets, MAA, Indirect, Charters, Williams responsibilities and contracts.
- Barney spoke to having a director level training. He shared that there is a group in Monterey, MCMAT (Monterey county management assist team) that is developing a program. If we are successful in training all these CBOs, then we will be short directors!

14.8 TTSC

Mary Jarvis

- Mary attended meeting and the budget was reviewed. They would like to develop better working relationships with the other committee. They are beginning with CISC. They want to look at the delivery system of information (i.e. binders vs. cd) for conference material. CTO program was offered for a year as a test. They will recommend to CCSESA that it be reauthorized due to its success. CTAP reauthorization has been approved.

14.9 MAA

Don Gatti

- Don shared a written update on the MAA program that covered those items that were previously discussed under COFS report.