



SMMUSD Financial Oversight Committee – Minutes

Date: Tuesday, October 6, 2009

Time: 7:00 pm to 9:00 pm

**Location: Testing Room, SMMUSD Admin. Offices
1651 16th Street/Santa Monica, CA 90404**

Attendance: (*Committee Members*) Joan Chu Reese, Craig Hamilton, Patricia Hoffman, Nimish Patel, Cynthia Torres [*Chair*], Carrie Wagner. (*Board Liaisons*) Jose Escarce, Barry Snell; (*Staff*) Jan Maez, Dawn Smithfield; Jody Brooks (*SMMEF*).
Absent: Gordon Lee [Vice Chair], Paul Silvern and Manel Sweetmore.

I. Call to Order

The meeting was called to order at 7:07 p.m. by Ms. Torres

II. Approval of Minutes 9/8/09

A motion was made by Mr. Hamilton and seconded by Ms. Hoffman to approve the Minutes. Motion passed unanimously.

III. Staff Report: Chief Financial Officer Janece L. Maez (*Limited Discussion*)

A. Budget Update: It was mentioned that there has been some talk about State mid-year cuts, but no details have been released.

B. Updated on 9/24/09 Workshops: Business & Fiscal Services and Attendance: Copies of the Agendas for both workshops were distributed. Ms. Maez informed FOC members that two workshops were held on 9/24/09 for both site and District staff. The morning session was presented by Business and Fiscal Services staff in the areas of budget, accounting, human resources, etc. The afternoon session was regarding attendance, presented by the District's auditors, Ms. Christy White and Ms. Nicole Guzman, and Ms. Ruthy Mangle, Director of Information Services. Both sessions were well attended, including several principals and clerical staff. There were lots of questions, and the sessions have yielded common procedures.

C. Update on Superintendent's Budget Advisory Committee (SBAC): A copy of the materials from the 9/29/09 SBAC Meeting, including charts, multiyear projections and enrollment projections, was distributed. That meeting focused on the budget in the area of District expenditures for SBAC members' analyses and suggestions. Ms. Maez explained that the multiyear projections have been extended through 2013-14, using the School Services dartboard. Although a COLA increase is projected from 2011-12 through 2013-14, the projected step-and-column and benefit increases offset that COLA. FOC members encouraged the emergency temporary funding committee (parcel tax committee) to show the public the types of District expenditures that are beneficial to the communities, such as music programs, will include other items to be added to that list in the future.

IV. Update from Subcommittees:

Subcommittees were revised to align with the FOC's focus for 2009-10, and members chose their assignments, as follows:

A. District Bond Program subcommittee was replaced by the District Revenue Enhancement subcommittee: *J. Chu Reese, C. Torres, C. Wagner*

B. Review of Special Education Budget subcommittee focus remains for 2009-10:
C. Hamilton

C. Public Education Program Related to District Finances was replaced by the District Financial Strategy subcommittee: *P. Hoffman and N. Patel*

It was requested to revise the subcommittee changes on future FOC agendas. Since Mr. Lee, Mr. Silvern and Mr. Sweetmore were absent from the meeting, Ms. Torres will contact them to ascertain their choice of subcommittee.

V. Measure BB Update: Mr. Hamilton reported that the new Measure BB committee members are now up-to-speed. He requested that Ms. Maez share with FOC members the powerpoint that Mr. Sam presented at the last Measure BB meeting. The Measure BB Committee is preparing for the impact of the upcoming construction, and looking at a communication plan. Mr. Hamilton requested that the Measure BB website link be emailed to FOC members.

Mr. Snell stated that he and Ms. Maez will be going to the California Coastal Commission (CCC) meeting in Oceanside on Thursday, 10/8/09, regarding the District's application for portable, temporary field lighting at Malibu High School. (Mr. Snell clarified that that this application is not part of the Measure BB Program.) We're working with Ms. Andi Culbertson of Culbertson & Associates, LLC, who has previously appeared before the CCC. If the CCC decision is made in the District's favor, the lights would be able to be used at the 10/16/09 MHS football game. FOC members wished them well.

VI. Discussion/Action Items;

A. Report from Ed Foundation: Ms. Jody Brooks attended the meeting on behalf of Ms. Linda Gross. Ms. Brooks said that the Santa Monica-Malibu Education Foundation (SMMEF) has been in existence since 1982, but she has been with it for the past three years. SMMEF is a non-profit foundation that exists solely to support essential programs for SMMUSD. They currently support music, arts and academic programs, and anticipate receiving a supporting athletics endowment. They have \$3 million in endowment funds, that suffered some loss given this economy. She explained how fundraising has grown more complex over the years, SMMEF's ability to fundraise has grown and they now have a proven track record. Fundraising is most successful when communities support and recognize the importance of school programs. Their endowment for this year funds \$80,000 for various programs: visual arts, supplies, teacher grants, librarians, computer training and computers for college-bound AVID students, the Dream Winds program, (which includes some Title One students), elementary choral program, Olympic guitar program, middle school dance program and high school drama program. SMMEF hopes to increase their endowments this year by selling 250 Cirque du Soleil tickets, which donated the tickets, and 100% goes to the programs. They have a partnership with the Cirque du Soleil in which a portion of every one of their new shows in Los Angeles will be donated to SMMEF. Subsequently, they've received inquiries from other potential partners. SMMEF has also met

with the City of Santa Monica's Cultural Affairs department about reinvigorating the arts budget. Programs currently being developed include: elementary visual arts, athletic endowment, reinvigorating the *For the Arts* campaign, the EdLive series to bring awareness of who they are at Barnum Hall, and launching an alumni appeal. The FOC District Revenue Enhancement subcommittee members met with Ms. Gross and Ms. Brooks last week regarding ways for the District to raise revenues. SMMEF's commitment is to provide programs districtwide, and they believe a great opportunity exists for an alumni donation program. Ms. Torres requested a more concrete plan as to how to accomplish the goals. SMMEF has offered to work in partnership with FOC members regarding revenue enhancement and will set up meetings for discussion. Members were supportive of working with SMMEF.

B. District Strategic Plan Development: Ms. Chu Reese and Ms. Torres met with Superintendent Cuneo, who has been working on the Strategic Plan. He presented a powerpoint at his management team meeting in August outlining what's been done in the past and what still needs to be done; a copy was emailed to FOC members. A District Strategic Plan group of 50 community members has been created to come up with the vision, strategy, gap analysis, etc. and the results will be shared with the community at large for input. Superintendent Cuneo would like the plan to be finished by March to be able to steer budget discussions. Mr. Snell will request this to be put on the Agenda for the 10/15/09 Board Meeting.

C. Revenue Enhancement Suggestions: Members agreed on the urgency for revenue enhancements to begin. The subcommittee will check out the Greek Theater for possible use for weekend daytime family-oriented events, which may require a landscaping upgrade. Carrie met with Ms. Freedman and Ms. Maez regarding increasing attendance. It was mentioned that there are currently 168 permit students, yet the Board agreed to allow up to 200 permit students. Ms. Maez stated that we're staffing according to projected resident enrollment, and using transfers to fill in spaces. Most inter-district transfers are for kindergarten pupils, which has no shortfall. Members believed that the permit process should open earlier to have a better idea of the number of transfer students and to better prepare for staffing. More resident students have returned to SMMUSD from private schools this year, probably due to the downturn in the economy. Marolyn Freedman, Director of Student Services, is employing various strategies to increase attendance, such as scheduling site-based meetings by November to go over "Every Minute Counts", and encouraging students who are out for five or more consecutive days, such as for family travel, to contract for those days under an independent study agreement. That way, the District can still claim the ADA. Members agreed that giving parents feedback on how well school sites are doing on attendance is a good idea. It was suggested to let parents know the daily cost for those students who don't attend, and ask for a donation. Ms. Maez spoke about a letter from the Superintendent that can be printed in PTA newsletters regarding the cost for missed school days. The goal is to increase attendance from 95.2% to 96%, which translates to an annual revenue increase of \$450,000. This could mean an increase of three children at each school. It was suggested to create a Districtwide school attendance competition as well as a competition among the five houses at Samohi. Ms. Wagner was directed to come up with incentives to offer to schools.

Mr. Patel clarified information given at the 9/8/09 FOC meeting regarding Item VI.C, *Revenue Enhancement Suggestions*. He said that if we choose to use the licensing agreement program offered by the vendor, there's no "finder's fee" charge to the District, but the company would pay Beverly Hills Unified.

D. Update on Quarterly Joint Meetings with the Board of Education: Mr. Snell spoke with Mr. Mechur and Mr. Cuneo, who agreed to have a one-hour joint FOC/Board meeting in workshop format at the 11/19/09 Board Meeting, perhaps starting the meeting earlier or moving the Closed session later. The following joint meeting/workshop would be possibly for 2/18/10, with either the 5/6/10 or 5/20/10 Board Meeting as the annual report to the Board. The Superintendent's Budget Advisory Committee would also be included in these same meetings. It was agreed to focus on revenue enhancement at the 2/18/10 Joint Meeting.

VII. Receive and File:

- 8/17/09 Letter from Superintendent Cuneo to all staff re: additional reductions
- CDE 2009 Budget Act and Related Legislation (8/28/09)
- The Press Democrat: *Santa Rosa Approves Advertising in School* (9/10/09)
- EdSource: *Local Revenues for Schools: Limits and Options in California* (9/09)
- EdSource: *Federal Education Policies: California's Challenge* (10/09)
- SSC Fiscal Report: *Governor Calls Special Session on State Tax Reform* (10/2/09)
- School Services of California, Inc: *Fiscal Reports* (9/4/09 & 9/18/09)

VIII. Public Comments:
None

IX. Agenda Planning for Next Meeting: 11/10/09
Election of Officers
Subcommittee chairs

X. Adjournment: Meeting adjourned at 9:12 p.m.