

Governing Board of Trustees
AGENDA
Thursday, June 28, 2012, 4:30 PM

Ledyard Hakes ♦ Brenda Kracht ♦ Doug Metz ♦ Dawn Ovrom ♦ Bruce Shepherd
Student Board Representative: Emily Kob
Superintendent/Secretary: Jeffrey Felix Recording Secretary: Maria Johnson

Times Indicated are Anticipated and Serve as Guidelines for Discussion

- 1.0 CALL TO ORDER 4:30**
- 2.0 OPEN SESSION 4:30**
 - 2.1 Pledge to the American Flag
 - 2.2 Approval of the Agenda: Any changes for either the full agenda or the consent calendar must be made at this time

3.0 COMMENTS FROM THE AUDIENCE (Agenda and Non-agenda items)

Anyone wishing to address the Board on agenda, non-agenda, and/or Closed Session items may do so. Individual speakers will be limited to three minutes. Total public input on any one subject will be limited to twenty minutes, and may be extended at the discretion of the Board President. Comments on an agenda item will be taken when the agenda item is discussed by the Board. Comments on non-agenda items will be held before the Consent Motion if there are three yellow cards or less per topic. If there are more than three yellow cards per topic then the comments from the audience will be held until the end of the agenda.

4.0 APPROVAL OF CONSOLIDATED MOTION FOR CONSENT CALENDAR

The purpose of the consolidated motion is to expedite action on routine agenda items. All agenda items, which are not held for discussion at the request of a member of the Board, will be approved as written as part of the consolidated motion. Items designated or held for discussion will be acted upon individually. Any member of the audience who wishes to speak to an agenda item should **complete a yellow card** and present it to the Recording Secretary **before the agenda is approved.**

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- 5.0 ACTION ITEMS**
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- 6.0 ORGANIZATIONAL BUSINESS**
 - 6.1 Future Agenda Items/Comments from Board Members
 - 6.2 Next Regular Meeting is Thursday, August 23, 2012, 4:30 PM
Next Board Workshop is September 6, 2012, 4:30 PM. The Board will conduct an assessment of the Summer Projects

7.0 CLOSED SESSION (Conference Room) 5:00

7.1 Student Matters: Settlement Agreement, Government Code 54962 and Education Code 35146; Case #2012041037

7.2 Conference with Legal Counsel - Anticipated Litigation (2 potential cases), Government Code 54956.9(b)

8.0 RECONVENE TO OPEN SESSION (District Board Room)

8.1 The Board will report out any action taken in Closed Session (Action Expected)

9.0 ADJOURN

Individuals who require special accommodation (American Sign Language Interpreter, accessible seating, documentation in accessible formats, etc.) should contact the Superintendent or designee at least two days before the meeting date. In compliance with Government Code section 54957.5, non-exempt writings that are distributed to a majority or all of the Board in advance of a meeting, may be viewed at 201 Sixth Street, Coronado, CA 92118, or at the scheduled meeting. In addition, if you would like a copy of any record related to an item on the agenda, please contact Maria Johnson, Executive Assistant to the Superintendent/Board, at (619) 522-8900, ext. 1025.

AGENDA – June 28, 2012

4.0 CONSOLIDATED MOTION FOR CONSENT CALENDAR

BUSINESS & FISCAL MANAGEMENT

4.1 Adopt Resolution Authorizing the Temporary Transfer of Special or Restricted Moneys between District Funds during the 2012-13 Fiscal Year (Action)

Background Information:

Pursuant to Education Code 42603, school districts may temporarily transfer cash between funds to assist with cash flow situations that arise. Frequently apportionment payments from federal, state, and local agencies do not arrive on a timely basis. When this occurs, District obligations may not be met and it becomes necessary to temporarily borrow cash from another fund. Authorization from the Governing Board is needed to process the temporary loan.

Report:

Transfer of funds would be processed only when necessary and repaid each time the apportionment arrives.

Financial Impact:

None

Superintendent's Recommendation:

JPF

That the Board and adopt Resolution #11-12-23 authorizing the staff to process temporary cash transfers of special or restricted moneys between funds when needed to assist with cash flow shortfalls.

Moved _____ Seconded _____

Ayes _____ Noes _____ Absent _____ Abstain _____ Student _____

RESOLUTION #11-12-23

AUTHORIZATION TO MAKE TEMPORARY TRANSFERS OF SPECIAL OR RESTRICTED MONEYS BETWEEN DISTRICT FUNDS

On motion of Member _____, seconded by Member _____, the following resolution is hereby adopted:

WHEREAS, the governing board of any school district may direct that moneys held in any fund or account may be temporarily transferred to another fund or account of the district for payment of obligations as authorized by Education Code 42603; and

WHEREAS, the transfer shall be accounted for as temporary borrowing between funds or accounts and shall not be available for appropriation or be considered income to the borrowing fund or account; and

WHEREAS, amounts transferred shall be repaid either in the same fiscal year, or in the following fiscal year if the transfer takes place within the final 120 calendar days of a fiscal year.

THEREFORE, BE IT RESOLVED that the Governing Board of the Coronado Unified School District, in accordance with the provisions of Education Code Section 42603 adopts the following authorization for fiscal year 2012-13 to temporarily transfer funds between the following funds, provided that all transfers are approved by the Superintendent or Associate Superintendent:

- General Fund 01**
- Child Dev-State Preschool Fund 12**
- Cafeteria Fund 13**
- Deferred Maintenance Fund 14**
- Capital Facilities/SB 2068 Fund 25**
- Special Reserve – Capital Projects Fund 40**

PASSED AND ADOPTED by the Board of Coronado Unified School District of San Diego County, California, on this 28th day of June 2012, by the following vote:

AYES:
NOES:
ABSTAIN:
ABSENT:

STATE OF CALIFORNIA)
SS)
COUNTY OF SAN DIEGO)

This is to certify that the foregoing document is a true copy of the Resolution of the Board of Education of Coronado Unified School District of San Diego County.

Secretary to the Governing Board of the
Coronado Unified School District

AGENDA – June 28, 2012

4.0 CONSOLIDATED MOTION FOR CONSENT CALENDAR

BUSINESS AND FISCAL MANAGEMENT

4.2 Approve/Ratify Contracts for Services (Action)

Background Information:

Board Policy 3312 states “The Superintendent or designee may enter into contracts on behalf of the District. All contracts must be approved or ratified by the Governing Board. No contract made under this delegation of power shall be valid until the Board approves or ratifies the contract.”

Report:

The following contracts need the approval/ratification of the Board.

Name	Dates	Amount	Source of Funds
Atkinson, Andelson, Loya, Ruud & Romo Legal Services Agreement	7/01/12-6/30/13	Per Fee Schedule	General Fund
Care-A-Van Special Ed Transportation	Exercise Option to Extend 7/01/12-6/30/13	\$205 Per Day Per Round Trip	Special Ed
Datel Systems Incorporated Maintenance and Support Service Level Agreement	Exercise Option to Extend 7/01/12-6/30/13	\$5,000	Technology
Fagen Friedman & Fulfrost LLP Legal Services Agreement	7/01/12-6/30/13	Per Fee Schedule	General Fund
Lynn Perino Strategic Planning	7/01/12-6/30/13	\$7,200	Categorical Flex
McGregor and Associates, Inc. COBRA Administrative Services	7/01/12-6/30/13	\$1,000 Set Up \$0.75 per Active Employee Per Month	General Fund

Name	Dates	Amount	Source of Funds
Procopio Cory, Hargreaves & Savitch LLP Legal Services for Charter School	7/01/12-6/30/13	Per Fee Schedule Approx. \$10,000	General Fund

Financial Impact:

It is estimated that the total General Fund unrestricted contribution for Special Education services will be \$2,135,278 for the 2011-12 school year. In addition, the contracts listed above are included in the 2011-12 budget.

Superintendent's Recommendation:

JPF

That the Board approve/ratify the contracts for services.

Moved _____ Seconded _____

Ayes _____ Noes _____ Absent _____ Abstain _____ Student _____

4.0 CONSOLIDATED MOTION FOR CONSENT CALENDAR

BUSINESS & FISCAL MANAGEMENT

4.3 Approve Proposed Amendments to the Coronado Digital Academy Charter (Action)

Proposal:

Petitioners request two amendments and minor (non-substantive) language changes to address concerns raised by the California Department of Education in the charter school grant review process:

- 1. Non-classroom based funding impact on admissions.

Pursuant to the grant guidance document issued by the (CDE), Coronado Digital Academy, as a charter school which will provide non-classroom based education to its students, "admission is limited (as a consequence of funding) to pupils who reside in county in which the charter has been approved and contiguous counties." CDE prescribes that the school "needs to establish minimum eligibility requirements that permit enrollment only by students in this category." (RFA, page 83)

Therefore, Petitioners propose that Element 8, Admissions Requirements, be amended to include the following:

All public students in the state are eligible to attend the Coronado Digital Academy, **provided they reside in the County of San Diego or a contiguous county to the extent required by Education Code section 51747.3.** (Bold is the new language.)

- 2. District-resident preference

In addition, the Charter Schools Act requires inclusion of "in district" preference for residents of the Coronado Unified School District. CDE guidance (RFA, page 71) provides that "the only way to reconcile these provisions [the California preference and the Federal law requiring a single lottery] is for the charter school to employ a single lottery with a higher weighting for students in this category" (i.e., district resident students).

Therefore, Petitioners propose that Element 8, section a(5) be amended to read:

"All other children will have one ballot with their name or number on it in the drawing pool, **except those applicants residing within the Coronado Unified School District will be entitled to 2 ballots to provide the preference required by California and allowed by Federal law.**"

The Coronado Digital Academy with proposed changes is available digitally at: www.coronadousd.net

Financial Impact:

None

Superintendent's Recommendation:



That the Board Approve the proposed Amendments to the Coronado Digital Academy Charter.

Moved _____ Seconded _____

Ayes _____ Noes _____ Absent _____ Abstain _____ Student _____

AGENDA – June 28, 2012

5.0 BUSINESS AND FISCAL MANAGEMENT

5.1 Adoption of the 2012-13 Budget (Action)

Background Information:

Education Code 42127 requires the Board of Education to adopt a budget for the new fiscal year no later than June 30th. As in the past several years, the Board must adopt the budget before the revenue is known from the state and the federal government.

Report:

During the 2011-12 school year the Budget Study Committee met monthly to review and study the financial information related to the District budget. In addition, staff provided budget updates to the Governing Board at the May 24th and the June 21st Board Meeting.

The attached Goldenrod Executive Summary of Budget Events provides information on the impact of key events upon our local general fund operating budget. A major change to the 2011-12 budget includes the following:

- On June 19th the District received a voucher for federal funds that reflects the final 2008 payment of impact aid. The 2011-12 budget has been revised to reflect the one time funds in the amount of \$450,000.

The assumptions utilized to develop the 2012-13 budget include the most up to date information from the Governor’s May Revise.

The single largest source of revenue comes from Revenue Limit funds. The Revenue Limit calculation uses average daily attendance (ADA) multiplied by a Revenue Limit amount as defined for our District, and adjusted annually by state cost-of-living allowance (COLA). The 2012-13 Revenue Limit estimate is \$4,762 per ADA as compared to \$5,773 in 2007-08. The estimate assumes the Governor’s tax initiative fails and reduces the revenue limit by \$441 per ADA.

The proposed budget for all funds (SACS Forms) for the 2012-13 fiscal year has been submitted to the Board under separate cover and is available on the Internet. A display copy is available at the District Office.

Superintendent’s Recommendation:



That the Board adopt the proposed budget for Coronado Unified School District as submitted for the 2012-13 fiscal year.

Moved _____ Seconded _____

Ayes _____ Noes _____ Absent _____ Abstain _____ Student _____

Coronado Unified School District

Executive Summary of Budget Events

"The Goldenrod"

	Column I	II	III	IV	V	VI	VII	VIII	IX	X	XI
	Date	Description	Projected General Fund Combined Exp (nt 1)	Projected General Fund Unrestricted Exp	Structural Surplus/Deficit (nt 2)	Proj Operating Reserve Balance June 30, 2012	Proj Operating Reserves as % of Exp	Other Reserves or One time Revenue (nt 3)	Proj "Other Res" One Time Rev as % of Exp	Total Reserves 6/30/2012 (nt 4)	Total Reserves % of Exp
CUSD 2011-12 Budget	June 30, 2011	2011-12 Adopted Budget	25,564,122	19,558,771	-2,363,443	797,928	3.12%	3,030,298	11.85%	3,828,226	14.97%
	September 15, 2011	2010-11 Unaudited Actuals	25,564,122	19,558,771	-2,363,443	784,228	3.07%	3,078,235	12.04%	3,862,463	15.11%
	November 17, 2011	2011-12 First Interim	25,635,081	19,563,287	-2,216,188	931,483	3.63%	3,078,235	12.01%	4,009,718	15.64%
	March 12, 2012	Mid-Year Trigger cuts - (\$55 per ADA) retained \$672,145 as one time dollars	25,965,224	19,808,165	-2,216,188	931,483	3.59%	3,750,380	14.44%	4,681,863	18.03%
	June, 2012	Increase RL, CNS & Spec Ed Exp, restricted	26,625,837	19,938,302	-2,316,188	931,483	3.50%	3,750,380	14.09%	4,681,863	17.58%
	June, 2012	2008 Impact Aid Funds	26,625,837	19,938,302	-2,316,188	931,483	3.50%	4,200,380	15.78%	5,131,863	19.27%
	Date	Description		Change	Structural Deficit	Description					
MYP Events	November 17, 2011	2011-12 First Interim	25,635,081		-2,316,188	Reduced Potential Trigger Set Aside (\$330 per ADA, \$983,400) -147,255. Remaining trigger set aside = \$836,145					
	March 12, 2012	Governor's 2012-13 Budget Proposal	25,965,224	-393,455	-2,709,643	Trigger cuts if tax proposal fails: \$370 per ADA + 100% Transportation funding \$1,229,600 - \$836,145 = 393,455 delta					
	March 12, 2012	Increase Expense	26,130,224	-165,000	-2,874,643	K-3 CSR 25:1 in 11-12. 3 teachers funded from the Jobs Fund.					
	June, 2012	Increase Expense	26,500,504	-145,000	-3,019,643	K-3 CSR 3 teachers delta 15k per teacher + 100 K Special Ed Expenditure Growth					
	Date	Inherited Structural Deficit (nt 2)	Effect of Continued Flex Transfers & Furloughs Adopted Spring 2010*	One time Funds (nt 5)	Net Remaining Inherited Structural Deficit	Cost of Step/Column/H&W,COLA (nt 6)	Total Deficit	Portion of Deficit Funded By Draw Upon Reserves (nt 7)	Total Reserves at 06-30	Total Reserves % of Exp	
MYP Projection	June 30, 2013	-3,019,643	833,380	0	-2,186,263	-350,000	-2,536,263	2,536,263	2,595,600	9.67%	
	June 30, 2014 (CSR Ends)*	-3,019,643	492,000	0	-2,527,643	-350,000	-3,227,643	3,227,643	-632,043	-2.29%	
	June 30, 2015 (Serp x Ends)* (Flex Ends)	-3,169,643	492,000	0	-2,677,643	-350,000	-3,727,643	3,727,643	-4,359,686	-15.63%	
	*SB 70 re-authorized										

Coronado Unified School District

Executive Summary of Budget Events

Notes and Comments

Notes:

1. "Projected General Fund Combined Exp" includes expenses for which the District receives restricted revenues (e.g., title I, ROP, economic impact aid, and special ed). Generally, the revenues are sufficient to cover the expenses. To the extent the restricted revenues are not sufficient to cover these expenses, the gap is included in the projected Structural Deficit.
2. The "Structural Surplus/Deficit" figure represents a projection of the anticipated excess, for the current year, of the **on-going** projected expenses (including an annual set aside of \$117,000 for health benefits) relative to **on-going** projected revenues. Note the following:
 - (a) For purposes of this calculation, the expenses include any encroachment caused by restricted revenues being insufficient to cover the associated expenses;
 - (b) in 09-10, the District addressed that year's structural gap (1) by utilizing special authority provided by the state (for the years 09-10 through 12-13) to reallocate categorical funds to cover unrestricted general fund expenses (sometimes referred to as a "flex transfer"), with resulting savings of about \$1,100,000, (2) by sweeping approximately \$80,000 of adult education ending balance funds, and (3) by utilizing approximately \$950,000 of one-time special federal stimulus funds;
 - (c) in 10-11, the District addressed the structural gap as follows: (1) about \$1,100,000 by re-authorizing flex transfers undertaken in 09-10 and further implementing 7 furlough days (5 school days), with the furloughs saving about \$625,000/yr, (2) \$100,000 taken from site carryforward and \$200,000 from Deferred Maintenance reserves (see nt 5), (3) about \$125,000 saved by implementing the early retirement program approved in the Spring of 2010, and (4) the resulting balance will be drawn from the Operating Reserve Balance. Accordingly, a change in revenues or expenses results in a correlative change in the projected year end Operating Reserve Balance.
 - (d) In the Multi-year Projection (MYP), the spreadsheet further projects the impact on future reserves, assuming (1) continuation of the same structural gap, (2) continued **board utilization of the flex transfer authority (some of which will have to be reauthorized to use in such years), and (3) negotiated furlough days through 2012-13. The** spreadsheet also acknowledges, however, that additional expenses will be incurred through step and column and health benefit increases (see note 6).
3. **This amount consists of Fund 17 (Mandated Costs one time payment and Impact Aid PY) and Categorical Flex ending balance.**
4. "Total Reserves" includes, in addition to traditional operating reserves, the following amounts: Fund 17 and Categorical Flex ending balance. This figure does not include reserve amounts held in categorical reserves. The District's remaining categorical reserves include a \$685,000 reserve for textbooks. Generally speaking, state law limits use of categorical reserves except for the respective categorical purposes (though, as per note 2 above, an exception permits a local board to convert certain categorical reserves to cover other district expenses in 09-10 to 12-13). This figure also does not include (a) funds set aside for retirement benefits (the first such set aside is \$117,000 in calendar year 2010-11) or (b) separate reserves arising from CDA collections (including funds in Fund 40 from 2% pass through revenues).
5. This figure in 2011-12 consists of Deferred Maintenance Sweep (\$200K remaining) and \$165K from the Federal Jobs Funding to fund 3 teachers CSR 25:1.
6. As stated in note 2, projected increases in step and column and health insurance premiums will add to the deficit in future years unless offset by equivalent cuts at that time.