

Castro Valley Unified School District

Public Forum – 2010-2011 Budget Development

Questions & Answers

January 25, 2010

On January 8, 2010, Governor Schwarzenegger released his proposed 2010-2011 budget which increased the Castro Valley Unified School District's 2010-2011 deficit from \$3.1 million to \$5.1 million. The Board of Education reviewed the Governor's proposed budget at its regular meeting on January 14th and on January 15th held a 6½ hour budget workshop to identify how to make \$5.1 million in budget reductions.

On January 25th, Superintendent Jim Negri held two public forums for staff and parents/community to present the proposed budget reductions and respond to questions and comments. The questions/comments from these two forums have been consolidated into this document. Similar questions have been combined into related categories, but the intent of the questions has been maintained. The categories are not arranged in any priority order.

If you have additional questions/comments, please email them to Superintendent Jim Negri at jnegri@cv.k12.ca.us. If you are not receiving the *Budget Update Newsletter*, you may subscribe by going to the district web page, www.cv.k12.ca.us, and subscribing.

Questions/Comments

General Budget Questions

- 1. Are the \$5.1 million cuts relative to 2008-2009 or 2009-2010? What is the approximate operating budget?**

The \$5.1 million in cuts for 2010-2011 are based on the Governor's proposed budget. The state faces a \$20 billion deficit and the \$5.1 million relates to the Governor's proposed reductions to funding for education.

Budget Information

Item	2009-2010	2010-2011
Operating Budget	\$71 million	\$67 million
Budget Reductions	\$4.1 million	\$5.1 million projected
Percentage Reduction	6%	8%

- 2. Are the state cuts based on the financial health of the individual school district?**

No. The Governance Team of the Castro Valley Unified School (Board of Education and superintendent) has managed the district's budget extremely well over the years. The current budget crisis is caused by the economic situation in the United States and California coupled with the inability of the Governor and Legislature to get the California budget under control.

School district funding is based on the district revenue limit. Every district's revenue limit is somewhat different based on historical factors such as assessed value and various court decisions. Prop 98 established an

educational funding formula for K-14 education in California. Prop 98 “guarantees” education 40% of the state revenue and state revenue has declined tremendously in recent years.

In recent years, the state revenue has fallen from \$103 billion to \$82 billion. Therefore, the K-14 education 40% share under Prop 98 has fallen, but costs for education have increased in most cases. The bottom-line is that the cuts to education are state-wide to every district.

Budget Reserves/Other Funds

3. Does the district have money in reserve accounts or other funds that it could spend next year to avoid budget cuts and layoffs?

The district maintains specific one-time monies, called reserves, in the General Fund and in other funds for specific purposes. Some reserves are included on the Budget Considerations list provided at public forums as possible solutions to FY10/11 budget reductions. Others are legally or contractually restricted. The following list of Funds describes the status of fund balances reported to the Board and public on financial reports during this fiscal year.

Cafeteria Fund – resources in this Fund may only be used for operation of the Cafeteria program and are not available for any other purpose.

Building Fund – resources in this Fund may only be used for voter authorized facility projects and may not be used for any other purpose.

Special Reserve Fund for Capital Outlay – resources in this Fund are designated for retirement of existing debt, Certificates of Participation (COPs). If the resources were redirected, the General Fund would be required to make debt service payments.

Special Reserve – Other Than Capital Outlay (\$864,348) -the district is contractually obligated to pay the full cost of lifetime health benefits for employees who retired before 1986. Of these reserves, \$621,520 is to be used to cover these increasing costs whenever the increases cannot be absorbed by the General Fund. The remaining reserves are to be used for unanticipated small maintenance projects. There is no budget in the General Fund for such occurrences.

Capital Facilities Fund – resources in this Fund represent Developer Fee payments to the district and may only be used for facility needs related to growth.

Adult Education Fund – resources in this Fund are used for the operation of the Adult Education program. Under recent changes in law, a district may choose to “sweep” the fund balance that existed at the end of the 2007-2008 fiscal year or may choose to eliminate the program altogether. The district will sweep \$200,000 of the fund into the General Fund for the 2010-2011 fiscal year. The remaining Adult Education funds are currently projected to be used by the Adult Education program to mitigate State revenue cuts and to ensure payment of debt service obligations.

Deferred Maintenance Fund (\$1,332,070) - the district will use \$450,000 of these funds to offset General Fund deficits of \$150,000 in each of the next three years, as noted on the Budget Considerations list. Deferred Maintenance activities include paving and roofing repairs. No new funds will be received for these activities until 2013-2014. Annual expenses for deferred maintenance average \$500,000. Therefore, the proposed reduction of these reserves will result in limited maintenance activities for at least three years.

Bond Interest and Redemption Fund – resources in this fund are restricted for the purpose of debt service on outstanding bonds and may not be used for any other purpose.

2008/09 Year End Designated Reserves within General Fund:

State Fiscal Stabilization Funds (General Fund - \$1,238,063) - these funds will be used to offset deficits in 2010-2011, as noted on the Budget Considerations list.

Mandated Cost Reimbursement (\$232,256) - \$150,000 from this fund were used in 2009-2010 with the remaining funds to be used for unfunded mandates in 2010-2011.

Technology Investments (\$55,195) – these funds were used in 2009-2010.

Site Carryover (\$3,280,736) – school site budget carryover for sites to use 2010-2011 through 2012-2013.

Budget managers have been advised of proposed revenue reductions and will use these funds to operate until 2013-2014.

Revenue Limit Reduction (\$2,341,443) – these funds were used in 2009-2010. This was the July funding shift related to the July 2009 State Budget revision.

Technology Investment (\$446,804) – these funds are being used to implement the AERIES student information system and wireless network project which are in progress.

Class Size Reduction

4. I heard that parent volunteers cannot replace laid off teachers. Are there any restrictions on using parent volunteers as “aides” to help with the class in K-3 increasing to 28:1?

There are laws and other restrictions on using volunteers to replace employees, both certificated and classified, who have been laid off. However, there are still ways to use volunteers since volunteers in classrooms currently exist. Thoughtful consideration will be given to the use of volunteers to ensure adherence to our collective bargaining agreements with teachers (CVTA) and classified support staff (CSEA), and labor laws. The district values our volunteers and will work with employees and parent volunteers to ensure a successful K-3 class setting.

5. Please save K-3 20:1 class size reduction (CSR) program!

Personnel costs account for approximately 90% of the budget. Increasing class size in K-3 saves approximately \$770,000, the single largest savings in the proposed budget cuts. Given the scope and severity of the budget cuts (\$5.1 million) due to the state’s budget crisis, it does not appear possible to maintain the CSR program.

For the 2009-2010 budget, the 9th grade CSR program was eliminated. The district will work with staff and parents to ensure a successful K-3 class setting.

6. Is it true we pay a fine to the state for going over 20:1? How does that factor into savings?

The state removed the 20:1 cap for the CSR program, but imposed a scale of reduced CSR funding depending how far the class sizes in K-3 exceeding 20:1. The projected savings of approximately \$770,000 takes into account the reduced funding level. This sliding scale for funding expires after the 2012-2013 school year. At that point, the district will need to return to 20:1 or lose all CSR funding unless new legislation is passed to maintain the sliding scale.

7. Are there any school districts in California that have ratios of 28:1 for K-3?

Yes. A number of districts across the state increased class size in K-3 this year (2009-2010) due to the flexibility for funding the CSR program. More and more districts are looking at 28:1, 30:1, and 31:1 due to the budget crisis. A class size of 20:1 will probably be the exception in 2010-2011.

8. Since we are cutting back on athletics, eliminating K-3 CSR is a bad idea since this is the foundation for students to learn and understand the importance of learning.

Early education, especially in grades K-3, is indeed the foundation for learning. There is no research available that substantiates the current 20:1 ratio directly results in student academic achievement. There is data to

support working with students in groups of 13 or less results in positive gains for students. The district is planning on providing professional development for teachers in grades K-3 in the areas of classroom management, routines, and cooperative learning. Athletics also plays an important role in helping students maintain their health, learn organizational and cooperative skills, and connect them to school. Eliminating either of these programs is not ideal, but the budget crisis has placed the district in the position of cutting valuable programs. The district is carefully looking at minimizing the effects of the budget cuts, but every cut will have an impact on the educational program.

9. Will staff development be provided to prepare teachers for the increased class sizes?

The district is planning on providing K-3 teachers the staff development needed to prepare them for increased class size. Some of the training will occur this summer and there are plans being made to continue support during the school year.

Salary/Salary Reductions

10. What percent of the budget goes to salaries of administrators?

Employee Group	% of Total Salaries & Benefits
Management & Confidential	11%
Classified Non-management	19%
Certificated Non-management	69%

11. Will there be salary raises?

Certificated (CVTA) and classified (CSEA) employees have negotiated salary schedules that include “step and column” (a step represents years of experience, a column represents additional units or training). An employee can move a step and column until he/she reaches the last step or column. Management also has a salary schedule which has steps for years of service and which is not negotiated.

The base salary schedules were not increased in 2008-2009 or 2009-2010 (i.e., no cost of living adjustment or negotiated salary increase). Salaries for 2010-2011 must be negotiated with CVTA and CSEA and these negotiations are just starting. The \$5.1 million budget deficit is based on the current salary schedules.

Some employees will receive an increase to their salary as they advance step and column on the existing salary schedules. These advancements are related to additional experience and/or education, and are provided for in collective bargaining agreements with CVTA and CSEA.

12. Last year we lost 40 jobs (Note: The actual number of layoffs district-wide in all employee groups was 30.3 FTE.), a period from the high school, and several elementary music classes. Will the teachers union consider across the board pay cuts this year to protect both jobs and programs?

Under California law, salaries and pay reductions for both certificated (CVTA) and classified (CSEA) employees are subject to collective bargaining. The district cannot bargain in public since it would be a violation of the law. The district is currently bargaining with CVTA and plans to begin bargaining with CSEA in the spring. Only the teachers’ association (CVTA) can answer the question regarding their interest in across the board pay cuts.

13. Has the district considered an across the board salary cut based on salary level? For example: \$150,000 = 3%, \$75,000 = 1.5% and \$35,000 = .75%.

The district has considered an across the board salary cut, but currently is focusing on furlough days. Furlough days are a form of salary reduction since the employee’s salary is reduced by the number of furlough days.

Since salary is negotiable, the district cannot impose an across the board salary cut on collective bargaining unit members (i.e., CVTA and CSEA). When across the board salary cuts are made, there is often pressure to restore the cut plus include new salary increases when new money becomes available. Additionally, across the board cuts could result in employees with similar experience earning different salaries which the courts have ruled illegal in certain cases.

14. I want to know what the district is doing about a 10% administrative salary cuts. My company was not profitable and all executives took a 10% cut until we are profitable.

The district is not looking at across the board salary cuts for any employee group. The district is considering furlough days for all employee units rather than only for administrators. Furlough days are a form of salary reduction. A furlough day from all employees saves approximately \$213,000. Broken out by employee group the savings would be

Employee Group	Savings/Day
Castro Valley Teachers Association	\$166,076
Classified School Employees Association	\$24,945
Management	\$22,523

The district is looking at budget cuts in all employee groups and programs. There will be additional administrative layoffs for 2010-2011. The administrative unit had the largest percentage of layoffs for 2009-2010.

15. I work for the state and have had a pay cut. Are the superintendent and upper level administrators taking a pay cut?

The district cannot impose cuts or furloughs on employees represented by CVTA and CSEA like the State of California. As noted in previous questions, the district is focusing on furlough days rather than an across the board percentage salary reduction. Furlough days are a form of salary reduction. All administrators will be part of any furlough days that are implemented.

16. What about having district employees vote on a voluntary salary/benefit cut to reduce expenses?

Salaries are part of the collective bargaining agreement with the certificated staff (CVTA) and classified staff (CSEA) and must be negotiated. The district is in or will be in negotiations with both CVTA and CSEA this spring. There have been no Cost of Living Adjustments (COLA) to the salary schedules in 2008-2009 and 2009-2010. When salary cuts are implemented, there is pressure at a later date to recoup the cost of the cuts, which creates an increased financial burden in subsequent years. (See previous questions regarding furloughs and salary.)

17. The Superintendent's contract includes a \$7,000 raise for each year. No one else is getting a raise. Are you willing to give up yours?

The superintendent's contract includes a step like the collective bargaining agreements for certificated (CVTA) and classified (CSEA) employees as well as management. The Board and superintendent agreed to a three-year contract when the superintendent was hired in May 2009. The superintendent is an "at will" employee who may be terminated at any time.

Many certificated, classified and management employees will receive a step and/or column raise in 2010-2011. All management employees have discussed possible salary reductions (e.g., furlough days, salary reduction) in conjunction with other budget reductions.

18. I haven't seen any reduction in the Superintendent's salary.

The superintendent's salary for 2009-2010 is \$10,000 less than it was in 2008-2009. (See the previous question)

Furlough Days

19. How do furlough days work? Would they be beneficial? Doesn't a student have to attend 180 days of school?

Furlough days reduce cost of salaries paid to employees by reducing the number of paid work days. For example a teacher works 185 days per year. A single furlough day would reduce the teacher's salary by 1/185 or .0054%. The work year for classified staff and management varies by job position and the collective bargaining agreement. The work year for certificated (CVTA) and classified employees (CSEA) is governed by their collective bargaining agreement so any furlough days must be negotiated. One (1) furlough day across all employee classifications would save the district approximately \$213,000.

Furlough days could be all employee work days, all student instructional days, or a combination of employee work days and student instructional days. The exact configuration of furlough days, if implemented, would be negotiated.

The state has temporarily suspended the requirement for 180 student instructional days which allows districts to reduce the school year to 175 student days. Under the current law, this authority to reduce the school year expires 2012-2013 when the school year would revert to 180 student days.

20. Cut 2 teacher workdays and 2 staff development days (use minimum days to help make up time). Total savings about \$800,000. It s a pay cut, but will save so much in dollars, but will be across the board (affect everyone, assuming management includes district and superintendent).

A reduction/furlough of four (4) days across all employees' work year would result in savings of approximately \$850,000. Furlough days for all employee groups (i.e., administration, classified, certificated) are under consideration.

Schools/Schedules/Programs

21. Is it possible to use the number of decreased school days (i.e., the state has approved reducing the school year from 180 student days to no less than 175 days) like a bank to meet requirements (i.e., number of instructional minutes) for early bird/late bird (i.e., split reading).

There are no budget savings to reducing the number of student days unless all employees work fewer days with a proportional reduction in salary (i.e., furlough days). The work year for teachers is 185 days (180 student days, 3 teacher work days, 2 staff development days) and is part of the collective bargaining agreement with the Castro Valley Teachers Association (CVTA).

While the state has allowed school districts to negotiate a shorter work year, there are still instructional minutes requirements for students. An early bird/late bird system brings half a class to school 45-60 minutes before the other half of the class and then these students leave 45-60 minutes before the other group of students. The resulting impact is that a teacher has only half a class at the start and end of the day, but the state allows the district to count instructional minutes from the time the first group of students arrives to the time the second group of students leave. However, individual students have less instructional time. An early bird/late bird schedule of 45 minutes would result in an individual student losing approximately 20 days of instruction over the course of the year plus 5 additional days of instruction if the school year is shortened to 175 days.

The district will look at the option, but is concerned about the loss of instructional time for students.

22. Are you saying that the TOPS program at the high school will be gone?

The TOPS Program at Castro Valley High School is funded from the Pupil Retention Block Grant. The state has determined that the funding from this categorical grant is now flexible and may be spent on any program. The district is using any funding source that it can to eliminate the budget deficit. Categorically funded programs like TOPS will no longer be supported.

23. Do we need so many assistant principals at the high school?

The middle and high school assistant principals in the district play a very important role in maintaining a safe campus environment by forming positive relationships with students and enforcing school rules. They also support instruction through the work they do with staff and the district office. The high school campus has over 2900 students. The district is researching the possible reorganization of staff to meet the needs of a large comprehensive high school, however, reducing the number of assistant principals may be a possibility in the current budget crisis.

24. Is the district cutting some of the resource periods/classes? TOPS serves the troubled kids not special education.

The district continues to provide special education students with the least restrictive environment for their educational needs. Special education teachers are staffed based on the number of special education students in the district. Resource classes or periods are not being reduced as they are based on the numbers of students and the teachers who support the students' learning.

25. Why do high school students in the Pleasanton Unified School District receive PE credits for Marching Band, while our varsity athletes have to take PE? It is a place to save money and student academic/art classes.

There are two different issues in this question:

- PE credit for Marching Band
- PE credit for inter-scholastic athletics

Granting PE credit for either Marching Band or inter-scholastic athletics would result in the layoff of PE teachers, and possibly larger class sizes in non-PE classes.

When PE was a four-year graduation requirement, some districts awarded PE credit for inter-scholastic athletics. However, as the graduation requirement in PE was reduced to two years, it was not possible to cover the physical education standards through athletics. No single inter-scholastic sport addresses all of the California physical education standards. Physical activity is not equal to addressing the physical education standards.

When PE credit for Marching Band was implemented in Pleasanton USD, it was the conclusion of a multi-year process that included numerous discussions at the high schools, the district office, the Pleasanton Board of Education, the California Department of Education, and the State Board of Education. The Marching Band class must be part of the instructional student day, not outside of the instructional day.

The final decision allowed a student in Marching Band to earn only 10 units of PE credit towards the 20 unit PE graduation requirement since Marching Band could only meet half of the physical education standards. Any student receiving PE credit for Marching Band was still required to complete the PE Fitness test in the year it was given whether or not the student was in a PE class.

26. As of now the bottom 1.0 FTE of music is funded by Visual and Performing Arts (VAPA) funding based on a decision made last year. Will the elimination of categorical funding be a de facto cut to the music program in addition to the \$40,000?

The previously restricted Arts & Music Block Grant funded the 1.0 FTE in music. The district will continue to fund a 1.0 FTE from the Arts & Music Block Grant to support the district VAPA plan. The \$40,000 cut is separate from the 1.0 FTE and is being made to reduce the contribution to the music program from the general fund budget.

27. Proposed budget reduction item 3.03 shows a \$40,000 cut to music which is only a part of the program. However, with the categorical fund change in 1.03, doesn't that mean 1.4 FTE's have been taken from music which is the entire elementary music program (i.e., all choral and instrumental).

The 1.0 FTE music teacher is funded from the previously restricted Arts & Music Block Grant which is not in either item 1.03 or 1.07. All other music teachers are funded from the unrestricted general fund.

Item 1.03 refers to a further reduction of the elementary music program in either grade 4 or grade 5. At this time, the final decision on which grade or program will be cut has not been made. Eliminating more of the elementary music program could have an impact on the middle and high school music programs depending on how staff is assigned to schools.

28. You mentioned music cuts at elementary school level. What about music/drama at high school level?

The proposed budget cuts to music are at the elementary level, but will undoubtedly affect the music program at the middle and high schools. Since the music program is a district program, the music teachers will not be able to offer the depth and breadth of program as they have in the past due to the reduction in staff. The number of elective offerings at the high school will be reduced next year. Elective classes such as drama will be offered based on student sign-ups and an effort to maintain a balanced academic program within the constraints of the budget.

Contact Negotiations

29. How will you address teacher's contract negotiations?

Under the law, the district cannot negotiate in public. To do so is a violation. The public may provide input when the teachers' association (CVTA) and the district sunshine their initial proposal to bargain. The sunshine process occurs at a public meeting. Both CVTA and the district will sunshine their 2010-2011 proposals at the Board of Education meeting on February 25, 2010. The meeting will be held at the District Office (4400 Alma Avenue) at 7:00 p.m.

30. Why hasn't the district entered into collective bargaining negotiations with teachers' unions to capture savings in that area? I know it's a long process; why haven't we started?

The district has concluded negotiations for 2009-2010 with the teachers' association (CVTA) and we will be bringing the agreement to the Board on February 25, 2010. At the same meeting, we will be sunshining our 2010-2011 proposals. (See previous questions.) The district is currently establishing negotiation dates with the classified union (CSEA). The negotiations are a collaborative process. The district cannot force a bargaining unit to the table to negotiate. However, CVTA and the district have scheduled three dates in March and April for bargaining.

Administrative Reductions

31. What administrator was cut at the high school for 2009-2010? Why isn't there an administrator cut in next year's budget?

For the 2009-2010 school year, a 1.0 FTE of an assistant principal was cut from the unrestricted general fund budget. The school was able to restore the position for 2009-2010 using site funds. The reduction of a 1.0 FTE assistant principal in the 2009-2010 general fund budget will continue forward in the 2010-2011 general fund budget. Additional certificated and classified management positions at both the district level and site level are being considered.

Restructuring Schools/Departments

32. Close Creekside and run Canyon on split schedule: Session 1 from 8:00 a.m. - 2:10 p.m. and Session 2 from 2:45 p.m. - 8:55 p.m., which would be about 1000 students per session.

No school closures are being considered for 2010-2011. Based on projected enrollment for grades 6-12, enrollment could reach 2200. This type of schedule requires a great deal of preparation, negotiations, and education to ensure that student and staff needs are met. We have seen no indication that parents want students in school until 9:00 p.m. This schedule would be considered a "change in working conditions" which would require negotiations.

33. What is the story behind Palomares Elementary School in terms of the district's ability to close it? Can it be used as a science facility?

Palomares Elementary School was grant deeded to the Castro Valley School District in 1956 as an educational or science facility. If the district does not use the school according to the terms of the grant deed, the ownership of the property would revert to the Nature Conservancy. The school could be used as a science facility, but this would increase the district's operating costs. There are no plans to close Palomares.

34. Restructure purchasing department.

The Purchasing Department was reorganized in 2009-2010 and now includes Child Nutrition. The reorganization resulted in budget savings of approximately \$70,000.

35. We will not be ordering or purchasing items. Maybe we do not need a director of Child Nutrition and Purchasing.

Even though spending will be reduced, the district will still need to purchase supplies and services to maintain operations and to provide lunch for students. There is currently one manager, Director of Purchasing and Child Nutrition, who oversees both operations. Previously, there was a manager for each program. The Director of Child Nutrition was cut from the 2009-2010 budget.

In Fiscal Year (FY) 07/08, the district issued 3370 purchase orders. In FY 08/09, the district issued 2384 purchase orders. To date in FY 09/10, the district has issued 2296 purchase orders. It appears that the district is on track to order the usual amount (pre-spending freeze) of supplies. The district is a \$70 million business that needs to order normal operations supplies.

Layoffs/Retirements

36. About how many CVTA, classified (CSEA) and management positions would be eliminated? Currently, the district is planning to eliminate at least three non-school site management (i.e., district office) positions and up to three assistant principal positions.

With the increase in class size to 28:1, the district plans to eliminate thirty-four (34) K-5 teachers. In addition, the district has identified up to three other K-12 positions that would be eliminated due to the further reduction to the elementary music program and in tightening up the scheduling of electives and teacher release periods.

It is very likely that there will be additional teacher reductions due to the elimination of positions that are currently supported by state funding.

As with certificated and management positions, the district will eliminate all or part of several positions that are currently being funded with categorical funding. As explained earlier, the district will be sweeping and recapturing several of these categorical fund categories, which will eliminate both certificated and classified positions.

37. How many temporary teachers are there at each level (e.g. elementary, middle, and high school)?

There are only a few reasons that a teacher can be placed in "temporary status." The main reasons are the position is being funded with categorical money, such as the Class Size Reduction (CSR) program or the teacher is replacing a teacher with a like credential that is on leave. Currently, the district has 60 temporary teachers in grades K-12; 45 of these teachers have a Multiple Subject Credential which allows them to teach in the elementary schools and in the core classrooms at the middle schools.

38. How will the process of laying off temps be determined? Is it site based or district based?

Under the Education Code, temporary teachers are not part of the layoff process and can be released without cause. However, the district will be working with the site administrators and the teachers' association (CVTA) to develop the guidelines that will be used to determine which temporary teachers will be released and which will be rehired.

39. When do you expect the revised seniority list to be distributed?

The certificated seniority list is currently available at each school site. The classified seniority list has also been distributed to each site. However, since seniority for classified employees is determined by the number of hours that an employee accrues, this list will be updated again in March.

40. How many retirees does the district expect to have this year?

In an average year, the district sees 12 retirees and these retirements are factored into budget projections. While the district has received some retirements for 2010-2011, it does not have a projected number at this time.

41. Eliminate stipend/raises for teachers who seek a Masters. Some research shows a Masters degree does not increase their effectiveness.

The stipend for the Masters is part of the collective bargaining agreement with CVTA. Any change would have to be negotiated. There is significant research that shows that teachers with a greater grasp of their content area are more effective teachers.

42. In reference to offering retirement incentive – won't that save jobs for newer teachers that the district has spent money on? Long term gain for highly qualified new teachers? Is there any chance of some Golden Handshakes (i.e., an early retirement incentive)?

Retirements do work to save or create jobs for newer employees. Early retirement incentives are designed to accelerate retirements of employees who would otherwise not retire in a given year. Early retirement incentive plans can actually cost more than they save under many circumstances. The district has considered an early retirement incentive, but the expected savings were short term, albeit the retention of highly qualified new teachers is beneficial.

43. What about contractors? What is your position on contractors?

Current law prohibits school districts from laying off employees and then replacing them with contracted services or volunteers. The Governor has proposed changing this law to allow districts to contract out services. The Governor assumes a savings of \$300,000,000 in the 2010-2011 budget, but the Governor's proposal has

not been enacted into law. The district has no estimate of projected savings, if any, and, therefore, is not including any contractor savings in the 2010-2011 budget.

The district does use contractors to provide services for which it does not have staff or the appropriate equipment to perform the services (e.g., legal services, architectural services, auditing services).

Athletics

44. If athletics are eliminated, would the funding only be through donation and fundraisers?

District funding for athletics at all levels was cut by 50% for 2009-2010 with the expectation that student-athletes would donate \$150 per sport per student at the high school level and \$50 per student-athlete at the middle school level. Donations have been running at approximately 40% of the expected level leading to the reduction of the athletic program this year (e.g., elimination of athletic transportation at the high school, elimination of the elementary track program).

For 2010-2011, the proposed district budget does not include any funding for K-12 athletic programs. Therefore, donations and fundraisers will be required to fund athletics. The district can no longer support athletics in favor of other educational and operational priorities that it is being forced to cut.

45. Why would athletics be cut at middle school level when Booster Clubs at the middle schools pay all, if not most, of the associated athletic expenses? Coaches can be volunteers.

For the 2009-2010 school year, the district's General Fund is contributing \$35,000 to support the middle school athletic program. This amount is 50% of the 2008-2009 allocation. Currently, the district pays for one-half of the costs and donations were expected to cover the remaining portion. However, donations have not come in at the expected level.

If the district eliminates the middle school athletic program, using volunteer coaches may not be an option since the volunteer may be replacing a position covered by the collective bargaining agreement with the teachers (CVTA). The district is reviewing the use of volunteers in all areas, but it must abide by the collective bargaining agreement and the Education Code which prohibits volunteers replacing laid off positions.

46. With no district funding, what would the high school athletic program look like? What would survive?

The athletic program would be dependent on the level of donations and fundraising that is accomplished. In determining which sports would be offered, the district would need to look at funding, revenues, equity issues, and Title IX issues. Some districts have eliminated selected sports or frosh and junior varsity teams. No decisions have been made and will not be made until the level of funding is determined.

Race to the Top (RTTT)/Federal Stimulus Funding

47. You stated we won't qualify for the state/federal one-time money. So why apply? Will we have to throw out tenure and seniority as told to do if we accept these funds?

The district has received approximately \$3.6 million in federal stimulus funding (SFSF and ARRA) of which \$2.4 million was spent in 2009-2010. The remaining \$1.2 million will be spent in 2010-2011 to reduce the number of layoffs and program cuts. The federal stimulus funding is one-time money, which means the district needs to cut an equal amount in the 2011-2012 budget.

When RTTT was introduced this past summer, the federal government told California that it would not be eligible to apply for funding since its laws did not meet the federal requirements for RTTT funding. During the first week of January 2010, the Legislature passed and the Governor signed two educational reform bills that allowed California to apply for RTTT funding.

The district's RTTT memorandum of understanding (MOU) was due to the California Department of Education (CDE) on January 8, 2010. The district did not intend to apply for RTTT, but in the days leading up to the January 8th deadline, the CDE changed the application criteria and began discussing alternative ways to distribute RTTT funding, if and when California receives the RTTT funding.

Given the changing criteria and distribution of funding plans, the district decided to submit a MOU to at least have a place at the table if the criteria for funding changes further. RTTT funding was originally designed for schools in deciles 1-3 (i.e., the lowest 30% of schools). The district has no schools in deciles 1-3, but the CDE is now discussing distributing some funds based on Title I counts. In this situation, the district could qualify for funding.

RTTT does require districts to change the evaluation process for teachers as well as impacting seniority and permanent status (often referred to as "tenure"). All of these issues are subject to collective bargaining. The CDE has indicated that districts that submitted a MOU for RTTT can withdraw the MOU before it receives funding and/or if the district cannot negotiate the required changes. Given all of the uncertainty surrounding California's application for RTTT funding, it made sense to submit the MOU in January.

48. Is there a way to obtain Federal Stimulus funds? The stimulus funds may be wisely spent to save jobs more economically, than creating new jobs.

The district will use \$2,329,677 of the Federal Stimulus (SFSF) funding in 2009-2010 and an additional \$1,238,063 remains in the fund balance for use in 2010-2011. The SFSF funding has been extremely helpful and has helped to save \$3.5 million in CVUSD jobs. It is important to remember that as helpful as the funding is, it is a one-time resource, and eventually, increased revenue or further budget reductions will be needed to balance the district budget.

Political Contacts/Action

49. Can the district provide a list of politicians to contact about the education budget? What can we do?

The following table lists the local California representative with both district and Sacramento office addresses and phone numbers. One of the best things that individuals can do, especially parents, is to contact our local legislators and explain the impact of the budget cuts on their students. Make legislators aware of the impact both today and in the future. Legislators are often in their district on Friday, which is a good time to contact them locally. Schools where the parent club is a PTA have an extremely strong voice in Sacramento and should work through their PTA contacts regarding legislation and advocacy. Check the state PTA web page for information, <http://www.capta.org/>.

Name	District	Address	Phone
Ellen Corbett	10 th Senate	1057 MacArthur Blvd San Leandro 94577	510.577.2310
		State Capitol Sacramento 94248-0001	916.651.4010
Loni Hancock	9 th Senate	1515 Clay Street Oakland 94612	610.286.1333
		State Capitol Sacramento 94248-0001	916.651.4009

Mary Hayashi	18 th Assembly	22320 Foothill Blvd. Suite 540 Hayward 94541	510.583.8818
		State Capitol Room 3013 Sacramento 94249-0018	916.319.2018
Alberto Torrico	20 th Assembly	39510 Paseo Padre Parkway Suite 280 Fremont 94538	510.440.9030
		Senate Capitol Room 319 Sacramento 94249-0020	916.319.2020

English-Language Arts Adoption

50. Does lottery money completely fund the K-8 English-Language Arts adoption? What is the total expense of adoption?

There are two categories of lottery funding, unrestricted and restricted. Restricted lottery funding can be used only for the purchase of instructional materials. Restricted lottery funds will be used to purchase the English Language Arts adoption and these funds are sufficient to fully cover the cost of approximately \$650,000.

The English-Language Arts adoption is the last adoption until the state resumes textbook adoptions in 2014. This adoption completes the adoption cycle and it aligns with the district's efforts with Response to Intervention (RTI). The restricted lottery funds cannot be used for any other expenditure. The district is moving approximately \$318,000 from the previously restricted Instructional Materials Fund (IMF) into the General Fund budget.

Category 5 Items (Previously discussed, but not included in the budget cuts)

51. There are many items in Category 5 budget cuts that should be in Category 1. For example: Close district office on Friday during the summer, district level consultants, tech support, meetings, workshops and cost of supplies (wasted).

Many of the items in Category 5 were suggestions from the Public Forums in September and November that were considered, but were considered not feasible or not cost efficient to implement.

Closing an office or school can save utility costs, but the district cannot mandate that the employees take the day off. Implementing furlough days, which must be negotiated with CSEA for office staff, is a more efficient approach since an entire office can be closed. Each furlough day would save approximately \$213,000 plus other related costs if offices can be closed. Budgets for consultants, tech support, meetings, workshops, and supplies were reduced in 2009-2010 and staff will continue to evaluate the expenditure for possible further reductions, but supplies are needed to keep the schools open and operating.

52. Close the district office on Fridays (especially summer school since it's only 4 days anyway).

Since summer programs are in session on Friday, it is important to have district staff level for services (e.g., maintenance, transportation, registration). To save money, all facilities need to be closed down. However, the district cannot mandate employees to take the day off. That is why furlough dates are being considered.

Utility Costs

53. Why are lights outside of classrooms being left on by night maintenance crews?

There is an ongoing effort to reduce energy costs. The district recently modernized many of its facilities with more efficient heating and lighting. More work is needed, but many of the marginal savings can be realized by changes in human behavior. Some exterior lighting may be needed of safety or security purposes. Staff will review where energy savings are possible. The next phase of energy conservation efforts will focus on efficiencies available through changing personal behaviors (e.g., turning off lights, eliminating personal appliances like coffee pots, refrigerators, heaters).

54. Does the district shut everything down during winter/spring breaks?

During these times, most energy using appliances and heating/lighting are turned off. However, the district offices remain open to the public and employees are working. The district is continually looking at ways to reduce energy costs.

55. Get student groups involved in reducing the utility costs – policing the energy spent at the sites.

Good suggestion. The district will look into this suggestion with the principals. A number of schools are already involved with the Castro Valley Sanitation District's recycling programs which are reducing waste plus earning grants for the school.

Technology Support

56. What does “technology in terms of district adopted programs” mean? Programs seem to be site based. We don't get support now.

The Technology Department provides support to individuals, site technical staff, and schools relative to district adopted software and hardware. Requests for technical support for non-district adopted software and hardware impacts the workload of the department. The department receives numerous requests to support site-based, site-installed programs. Providing this type of individual technology support often pulls technology support staff away from district-wide projects that benefit all users. The technology will focus its efforts on district adopted programs. There is no direct cost savings included in the budget since staff cannot project a dollar savings at this time.

STAR Testing

57. I know that it will not solve all of the budget problems, but I am confused as to why we continue to pay for STAR testing. Seems like if we cut it we'd save a ton of money.

STAR testing is a state and federal mandate and the costs are reimbursable. The district receives the funds only because it administers the STAR tests.

Parcel Tax

58. Please consider a parcel tax. Keeping our schools well funded and keeps our property values up. What happened to the parcel tax discussed a year ago? Why have none made it to the ballot still?

The district is still considering a parcel tax, but in this economic environment, a parcel tax is not a front burner issue for several reasons:

- A parcel tax requires a 2/3's vote to pass. Bonds require a 55% vote to pass. In November 2010, it appears that there will be a state initiative lowering the parcel tax threshold to 55% which would make it much easier to pass.
- The district has to pay the cost of a poll to determine the level of support for a parcel tax and the level of the parcel tax.

- The district has to pay the cost of the election, which could be in the range of \$200,000. This is the cost from Alameda County to place the parcel tax on the ballot. The cost of the election campaign cannot come from district funds and would have to be raised independently.
- A parcel tax requires the ballot language to be specific. With the changing economic environment and shifting budget cuts from the state, it could be difficult to identify the priority items in a ballot description.
- The state of the economy currently is not conducive to a parcel tax.

Inter-district Transfers

59. Has removing all non-district students and elimination of teaching positions related to out of district students been considered?

The California Education Code allows students to attend schools outside of their district of residence. Castro Valley accepts out-of-district students only where it has room. This practice helps to fill up classes that are just shy of full. The practice generates additional revenue without significant, if any, additional costs. Currently, the district has about 500 inter-district students who generate about \$2.5 million in added revenue. Eliminating teachers for 500 students would save approximately \$1.2 million thus adding \$1.3 million to the district's deficit.

60. What if the district accepted more transfer students to boost revenue and increase student ratio? Would we come out ahead? Does this outweigh the 2010-2011 CSR penalties?

See the previous question for information on transfer students. The question implies increasing class size in K-3 to greater than 28:1. The CSR penalties remain the same above 28:1 until a district loses all CSR funding.

Donations

61. What about soliciting more volunteers where possible (e.g., instructors for special courses, maintenance, assistants)?

The district greatly appreciates the volunteers that currently support our schools. However, the district's labor practices are governed by the collective bargaining agreements that it has with its certificated (CVTA) and classified (CSEA) employee groups, and labor laws. The district cannot replace laid off employees with volunteers nor can it add volunteers if the work is covered by the collective bargaining agreement. However, the district will work with CVTA, CSEA and interested volunteers to see how volunteers can be used to support the students, staff, and schools.

62. Need volunteers for special education classes.

Volunteers are always welcome in our classrooms and in most programs. Each special education student has an Individualized Educational Plan (IEP) with specific goals and services. Often, specially trained staff is hired to meet the requirements of the IEP.

63. Ask parents/students to volunteer for the maintenance of grounds.

There are certain employee contract restrictions and other thoughtful considerations that need to be observed. However, the challenging time ahead will require the involvement and contribution of many as we move forward. The district will work with employees and, as appropriate, volunteers to assist where possible.

64. Ask local and area corporations and businesses to help.

There is not a large corporate or local business based in Castro Valley. Local businesses are currently struggling in this economic climate. The various foundations do reach out to local businesses for donations, but the scope is limited. Parents who work for large corporations should check to see if their employer will match a donation to a school or foundation. It is an easy way to double a donation.

65. Is there any Eden Hospital/Eden Township funding going towards schools?

No. In the past, there apparently was a proposal made to Eden Hospital to help fund school nurses. The district will continue to look at all funding options, but is not aware of any funding options at this time from Eden Hospital/Eden Township.

66. If every parent gave a \$50 donation per semester would that make a significant amount for the schools?

If parents donated at the suggested level, it would generate \$890,000 which would be a significant amount. However, Save Our Schools Castro Valley! (SOSCV!) has been operating on the premise of donating \$1 per day per student, which would generate approximately \$3,248,000. The current rate of giving is approximately \$7 per student. In this economic environment, it is extremely difficult for many families to donate.

67. What about soliciting donations of library and other books? Lots of people have a book or 20 on their shelves not used.

The only cost to this item is the cost of processing the books (e.g., collecting, distributing, cataloging, coding). The books would need to be appropriate for classrooms and libraries. Staff will review this option. In terms of classroom instructional materials, core materials must be on the state-approved list of instructional materials.

68. Actively ask a family to donate the lost ADA (average daily attendance) revenue when a student misses a day of school. Other districts do this.

Please consider strongly suggesting that families donate \$32 everyday their student is out of school to get back the money from the state.

California is funded on ADA (i.e., the number of days students are in attendance). For funding purposes, there is no such thing as an excused absence. If every student in the district attended school one additional day during the school year, the district would generate approximately \$240,000 in revenue from the state.

Asking parents to donate the lost revenue would require staff time and staff may have to distinguish between types of absences. The district does not want parents sending sick students to school. There is no way to require the parent donation since the California Constitution guaranteed a free public education. The district will look at what other districts are doing.

69. How about a texting to save our school – similar to Haiti?

This suggestion is definitely out of the box thinking. There are several educational foundations in Castro Valley committed to supporting our schools. Each foundation has its own goals. Save Our Schools Castro Valley! (SOSCV!) is the only foundation that turns over all of its fundraising to the district without restrictions. SOSCV! has provided \$60,000 to the district this year.

QEIA Funding

70. Does the district receive any Quality Education Improvement Act (QEIA) funds?

QEIA funding is the result of a lawsuit several years ago when the Governor captured education funding, but did not repay it. The settlement distributed the funding to Decile 1, 2 & 3 schools (i.e., the lowest 30% of California schools in terms of academic achievement). Since the district has no schools in Decile 1, 2 or 3, it did not receive any QEIA funding.

Rental of Facilities

71. What about leasing facilities after school hours for community events, movie nights, parties for money?

The District currently rents athletic fields and certain other facilities to outside user groups. Under California law, many of our facility users pay only the direct costs of renting the facility so the District does not profit from the rental.

Various General Fund Budget

72. School safety and violence prevention funding needs to stay in the budget.

The Alameda County Sheriff's Office pays for one of the two School Resource Officers (SROs). Alameda County's budget is also being impacted by the state budget crisis. At this time, the district does not know what the Sheriff's Office will be able to pay. The other SRO and the campus patroller are paid by a grant that is expiring.

73. ROP costs should not be reduced.

The district participates with three other districts (Hayward, USD, San Leandro USD, and San Lorenzo USD) in the Regional Occupational Program (ROP). The districts are interested in reviewing the ROP agreement for possible changes in funding, but the districts are not interested in eliminating ROP.

74. Have all travel, professional development, continuing education and conference attendance budgets been cut completely?

No. There are certain activities that the district needs to do as part of the normal cost of doing business. As an educational institution, the district continues to train teachers, especially new teachers. All of these budgets have been reduced and will be further reduced in 2010-2011.

There is federal funding, Title II, for professional development which can only be spent on professional development and cannot be moved to any other expenditure. The district is part of the Tri-Valley Teacher Induction Program (TV TIP) to train first and second year teachers who are legally required to have training. The district's participation in TV TIP requires a contribution that has been reduced as there are fewer new teachers.

75. Is re-imbursement for cell phones, pagers and internet service that is being provided for teachers and administrators been cut?

Certain administrators have district-paid cell phones as part of the district's emergency plan. The cost is being reviewed. The district does not provide cell phones to teachers or reimburse the cost of cell phones. The district pays for district-wide Internet service as part of doing business. Any employee can access their email from home through the Internet provider for which he or she pays.

76. What, if any, measures are the district taking to raise revenues through means of selling advertising and/or naming rights to the stadium and Center for the Arts?

The high school does have some paid advertising, proceeds of which are used to help support various high school activities. The school and district are looking to see if this practice can be expanded in the near future within Board policy and Education Code regarding naming and advertising.

77. Does the district have a grant writer on staff or someone in charge of looking for and applying for grants?

The district does not employ a grant writer at the present time and does not plan to add one in the near future since district staff is being cut due to the budget crisis. The challenge is to find grants that align with district needs and do not add any ongoing costs to the district budget. Currently, individuals in each department review appropriate grant opportunities for the district. If an appropriate grant appears, existing staff is responsible for writing the grant.

78. Combine meetings, workshops and conferences – combine two meetings into one – so students would be in school more.

Combining district meetings would not necessarily reduce budget expenditures. Meetings are called for specific purposes with specific individuals so combining meeting may not be productive. Many district meetings are held outside of school hours. The many meetings (e.g., staff development days, teacher work days, parent conference days) are scheduled outside of the student instructional day.

Other

79. Can board members please get email?

This request will be shared with the Board. Board members are accessible through their district voice mail.