

# IRVINE UNIFIED SCHOOL DISTRICT

## Finance Committee

July 8, 2013

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Call to Order: The meeting of the Finance Committee was called to order by Brian Daucher.  
Roll Call: Roll Call was conducted via sign-in sheet.  
Members Present: Alan Battenfield, Madeline Clyde, Brian Daucher, Denise Espinosa, Ira Glasky, Kathy Overman, Sherry Slunka and Jason Vioria  
Members Absent: Alex Abshier and Cynthia Foster  
IUSD Staff: John Fogarty, Asst. Supt., Business Services, Susana Lopez, Director of Fiscal Services  
Raianna Chavez, Confidential Secretary  
Guests:  
Next Meeting Date: Changed to September 30, 2013  
Finance Committee Business

### 1. Call to Order; Roll Call; Recognition

- x Brian Daucher called the meeting to order at 6:34 p.m.

### 2. Approval of Meeting Minutes

- x May 28, 2013 – Approved

### 3. Appointment of Interim Finance Committee Chair

- x Item was deferred until next Finance Committee meeting.

### 4. 2013-14 Budget Adoption Presentation, by John Fogarty

- x John Fogarty presented the 2013-14 Adopted Budget presentation that was presented to the IUSD Board during the June 25, 2013 Board Meeting. The presentation covered:
  - x The budget was developed assuming the adoption and implementation of the LCFF. The final Adopted 2013-14 State Budget will include the LCFF.
  - x The budget outlook has improved over recent years.
  - x The Local Control Funding Formula (LCFF) replaced a 40 year funding model.
    - ¾ Changes are expected over the next few years as the LCFF is implemented.
    - ¾ Over the long-term IUSD doesn't fare well in comparison to the funding model used for the past 40 years.
    - ¾ For the 2013-14 Budget year and 2 following years IUSD is no longer projected to maintain Basic Aid status.
    - ¾ LCFF include bans of funding for: K-3, 4-6, 7-8, 9-12
    - ¾ LCFF Accountability System
      - f Accountability program to make sure English Language Learners and Free and Reduced Lunch students receive funds allocated to them.
      - f Local Control and Accountability Plan (LCAP)
        - ™ Local goals focused on improved student outcomes.
        - ™ Goals aligned with annual spending plan.
      - f State Requirements
        - ™ Performance expectations
        - ™ Expenditure requirements
        - ™ Proportionality rule
        - ™ Annual audit
      - f County and State Superintendent Oversight

- ™ Technical assistance
- ™ Approval and disapproval of local plans
- ™ Review data on eligible student counts
- ™ Stay and rescind actions of local governing board.
- f Categorical Programs Under LCFF
  - ™ Repeals funding and program requirements for most categorical programs excluding Special Education, State Personnel and Oral Health Assessments.
- f IUSD's LCFF Base Entitlement Target based on the Budget Compromise.
  - ™ Using a 2013-14 projected ADA of 29,097
  - ™ IUSD's Base Grant Funding is \$217,414,445
  - ™ With Base Grant Adjustments totaling \$8,245,689, for Class Size Reduction (CSR) in bands K-3.
    - i. LCFF is requiring districts to get back to a 24:1 student teacher ratio. Districts need to make incremental improvements with 11.5% in 13/14, unless a district has language in the negotiation contract stating otherwise.
  - ™ Total Base Grant Funding with adjustments totaling \$225,600,134
  - ™ LCFF also includes a Supplemental Grant funding estimated at \$11,009,867 which brings the District's target to \$239,291,779.
- f 2013-14 Budget Challenges:
  - ™ Implementation of LCFF and Funding Determination
  - ™ LCFF or Basic Aid – District's funding model likely to fluctuate over the next several years
  - ™ Development and implementation of Ethical Control Accountability Plans (LCAP) – will be adopted with the 2014/15 Budget
  - ™ Impact of Class Size Reeducation Augmentation
    - i. It is difficult to calculate if implementing the CSR 11.5% incremental improvements right now because IUSD is running out of space and there have been two options for Kindergarten.

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