

East Bay ROP 2009-10 Budget June 30, 2009

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Overview

- School Services was asked to prepare the 2008-09 Third Interim Report and 2009-10 Adopted Budget for the East Bay ROP
- There are many factors which affect revenues and expenditures, so budgets are built using budget assumptions
 - The Adopted Budget should be considered a financial snapshot on the date it is approved

Budget Assumptions

- Revenues
 - ROP is considered a Tier III Flexible Program, and will receive the same relative statewide proportion that the LEA received in 2007-08 with the cuts to Tier III categorical funding applied
 - ◆ 15.38% for 2008-09 and 4.46% for 2009-10
 - The revenue for the East Bay ROP has been calculated using the School Services of California Revenue Limit Software

Budget Assumptions

- Expenditures
 - Salary costs reflect step increases and statutory benefits have been adjusted accordingly
 - The East Bay ROP has contracted with AUSD and OUSD for employee services, so employee costs are now budgeted as Contracted Services
 - The East Bay ROP has contracted with AUSD to provide fiscal services for 2009-10 for an annual fee of \$60,000

Budget Assumptions

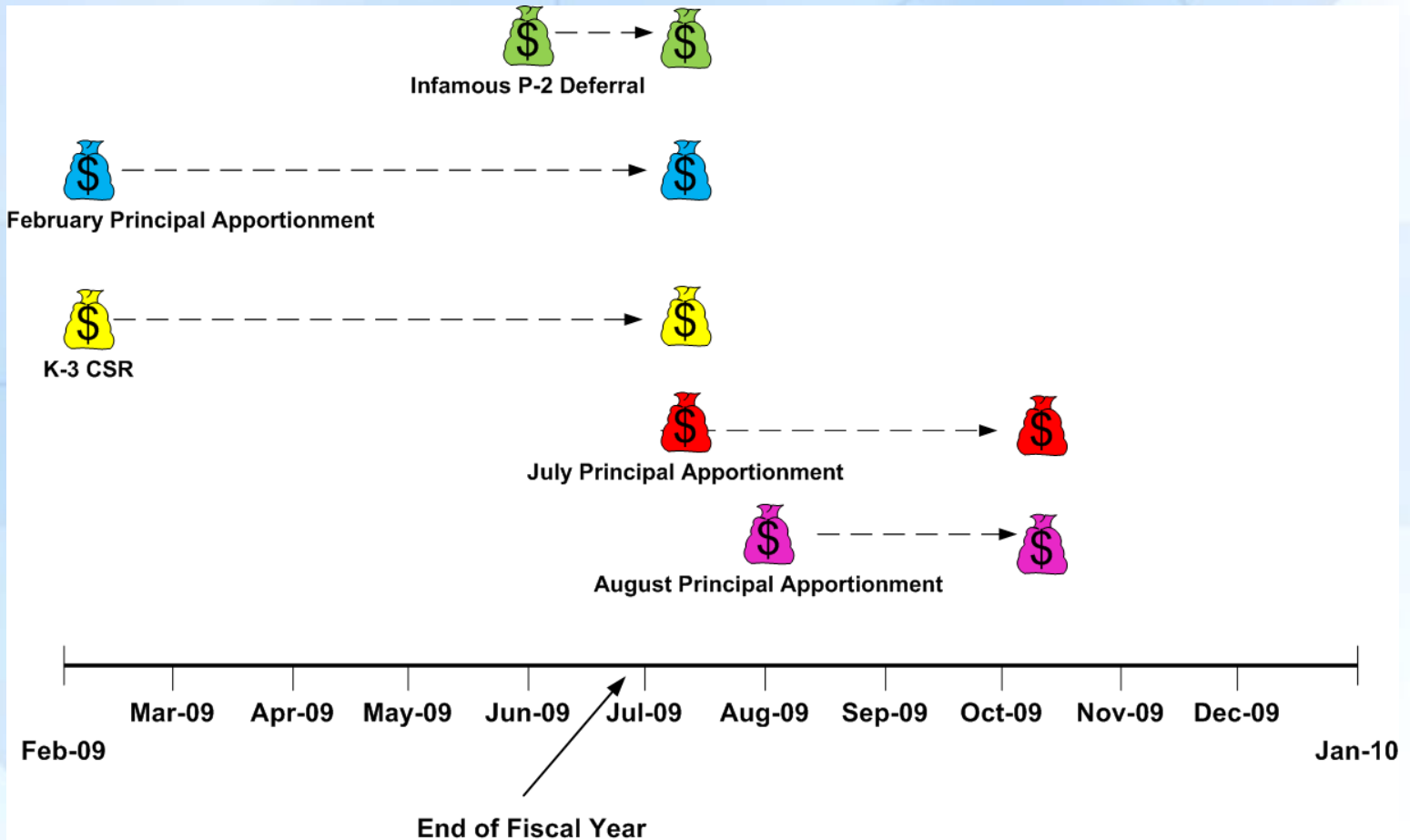
- Budgetary constraints and programmatic needs have required the staffing for the ROP to be adjusted from 2008-09

	2008-09 Full-Time Equivalents	2009-10 Full-Time Equivalents
Classroom Teacher	31.80	25.80
Teacher on Special Assignment	1.50	1.00
Administrators	1.20	1.40
Classified	1.75	2.00

Other Assumptions

- Maintaining the state-mandated level of reserve for economic uncertainties for 2009-10, 2010-11, and 2011-12
 - Eliminating deficit spending
- Maintaining positive cash balances
 - Reserves are not all cash
 - Deferrals continue

Deferrals



*** Remember, all of the deferrals are ongoing!**

2009-10 Budget

Other Local Revenues	\$2,607,200
Total Revenues	\$2,607,200
Books and Supplies	\$140,000
Services and Other Operating Expenses	\$2,461,801
Other Outgo	\$60,000
Total Expenditures	\$2,661,801
Net Decrease	(\$54,601)
Beginning Fund Balance	\$401,235
Reserve for Economic Uncertainties	\$106,472
Ending Balance	\$240,162

2010-11 and 2011-12 Budgets

- 2010-11
 - Revenue is increased by the statutory cost-of-living adjustment (COLA) of 0.9%
 - Employee costs are increased by step and column
 - Supply and Services are increased by the California Consumer Price Index amount of 1.7%
- 2011-12
 - Revenue is increased by the statutory COLA of 2.4%
 - Employee costs are increased by step and column
 - Supply and Services are increased by the California Consumer Price Index amount of 2.1%

Closing Thoughts

- Is this the end? – No
 - Is this the beginning of the end? – No
 - But, it might be the end of the beginning!
- But, make no mistake, California cannot legislate or wish this problem away
- Nearly every state is taking action to deal with the worldwide economic crisis – but, as usual, the problems are bigger in California
- We foresee revisions throughout the year
 - For 2009-10, there will likely be early cuts, midyear cuts, and late-year cuts
 - Monitor your budget closely and hold on to your reserves

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