



**SCTA Proposal
To Address SCUSD Budget Fiasco
September 13, 2018**

Despite increased revenues of 51% or nearly \$200 million per year compared to 2012-13, the Sacramento City Unified School District has had its budget “disapproved” by the Sacramento County Office of Education (SCOE). The District submitted a budget for 2018-19 that projects \$24 million deficit spending. The District was aware of that deficit when its budget was submitted in June 2018, demonstrating that the District’s administration and School Board, led by its Budget Committee, have been derelict in their duties as stewards of tax-payer dollars. The Superintendent and School President recently announced publicly that they welcomed the involvement of SCOE and the State’s Fiscal Crisis Management Action Team (FCMAT), implicitly admitting that the current District administration and board lacked the expertise to manage its own affairs.

The District has been notoriously inaccurate in its budget projections, consistently underestimating revenues while overestimating spending by tens of millions per year.

I. Immediate Savings

To address immediate concerns, and to ensure that the District resources remain focused on students and in the classroom, the Sacramento City Teachers Association (SCTA) proposes the following, immediate, changes:

1. **Curbing Bureaucratic Bloat:** In 2014-15, the District employed 190 administrative full-time equivalent (FTEs) positions. In 2018-19, that number has swelled to 271 FTEs, an increase of 43% while the District’s ADA has remained relatively steady during the same period from 38,855 to 38,611.77 (estimated for 2018-19).

The District should reduce the number of administrators to 2014-15 levels which would produce a savings of

# of Administrators	Salary	Statutory Benefits (19.46%)	Health Benefits	Total Savings
81	\$149,342	\$29,062	\$20,000	\$16,070,720

2. **Reigning in Escalating Administrator Salaries:** At \$190,100, California Governor Jerry Brown is the highest paid governor in the United States. SCUSD Superintendent Jorge Aguilar is paid \$305,950 in 2018-19, or 61% higher.

The District should compensate its administrators at levels that match other state and local government entities, beginning with Superintendent Jorge Aguilar, thereby achieving the following savings:

Position	SCUSD Salary	State of California Equivalent Position	Savings to the District
Superintendent Jorge Aguilar	\$305,950	\$190,100	\$115,850

We further propose that no other administrator receive more than \$150,000 or roughly 2 times the average certificated teacher salary.

That would produce the following savings:

Position	SCUSD Salary	Salary Over the \$150,000 Cap
Chief Operations Officer	\$175,079	\$25,079
Deputy Superintendent	\$205,817	\$55,817
Chief Communications Officer	\$175,079	\$25,079
Chief Business Officer	\$202,351	\$52,351
Chief Continuous Improvement Officer	\$175,079	\$25,079
Chief Human Resource Officer	\$175,079	\$25,079
Chief Academic Officer	\$175,079	\$25,079
Asst Supt Curriculum	\$156,043	\$6,043
4 Asst Supt Instruction	\$156,043	\$24,172
Asst Supt Labor Relations	\$156,043	\$6,043
Asst Supt Student Support Services	\$156,043	\$6,043
		\$281,907

Total Savings from Escalated Administrator Salary: \$397,757

3. Questionable Affiliations: The District spends \$37,868 to affiliate with the Council of Great City Schools and \$62,000 to affiliate with CORE District Collaborative, for a total of \$99,868. The District has demonstrated no benefit to students from of these affiliations.

Total Proposed Saving

- | | |
|---------------------------------------|--------------|
| 1. Elimination of Bureaucratic Bloat: | \$16,070,720 |
| 2. Adjustment to Excessive Salaries | \$397,757 |
| 3. Questionable Affiliations | \$99,868 |

Grand Total

\$16,568,345

II. Additional Potential Savings

With the cooperation of the Business Office, to provide details behind various line items, we believe additional reductions could be achieved without adversely impacting resources in the classroom.

Several items that warrant further exploration for additional savings, include, but are not limited to:

Budget Item	Actual expenditure, unless noted	2018-19 Budgeted Amount	Notes
701 Board of Education	\$360,619 (2014-15)	\$616,234	71% increase
703 Superintendent	\$695,690 (2017-18)	\$895,966	29% increase
704 Employee Relations		\$39,897	What is it for?
717 Legal Counsel		\$1,784,490	Does it include HR/Labor relations?
712 Area Supt West		\$436,196	What is it for?
714 Area Assistant Supt.		\$272,351	What is it for?
716 Area Assistant Supt-Central		\$264,593	What is it for?
720 Area Assistant Supt-East		\$384,698	What is it for?
721 Chief Academic Officer	\$1,909,150 (2017-18)	\$2,421,026	27% increase
723 Deputy Superintendent	\$2,643,029 (2017-18)	\$4,979,754	88% increase
770 Human Resources		\$3,586,959	What's included? Directors duties can be streamlined.
800 Business Services	\$1,818,979 (2017-18)	\$2,201,751	21% increase
840 Risk Management	\$1,830,512 (2017-18)	\$2,775,656	52% increase
850 Long Term Leave	\$12,033 (2017-18)	\$4,182,486	\$4.2 million increase
859 Legal Settlement	\$371,514 (2017-18)	\$2,375,00	\$2 million increase
860 Lottery	\$311,409 (2017-18)	\$5,879,722	\$5.8 million increase
862 Direct Services	\$6,461 (2017-18)	\$3,274,175	\$3 million increase

III. Need for Budget Committee Change

In addition, in the best interest of students, parents and educators and the broader Sacramento City Unified School District community, we believe the Board of Education’s Budget Committee members Jay Hansen, Michael Minnick, and Darrel Woo should resign their budget committee positions as a recognition of their failure to provide the appropriate oversight to the Superintendent and District staff to protect the financial interests of the District. SCTA also strongly recommends that SCTA may appoint a representative to the Budget Committee, along with a community representative appointed by the Community Priorities Coalition.