Do You Have Confidence in Jorge Aguilar to Lead the Sacramento City Unified School District?

A Review of His Administration

Since Jorge Aguilar became the Superintendent of the Sacramento City Unified School District (SCUSD), the District has experienced:

1. Significant Fiscal Mismanagement:

- A. **Rejected Budgets**: Under Superintendent Aguilar's leadership, for the first time in its history, the SCUSD budget was rejected. Since it was first rejected in August 2018, the SCUSD budget has been rejected in each subsequent year (2019-20, 2020-21). The District's financial documents can be found here.
- B. Inaccurate Budget Projections: Since the District's budget was first rejected in August 2018, Superintendent Aguilar has repeatedly stated that the District is on the brink of fiscal insolvency. Despite consistent projections of budget deficits, SCUSD has ended nine of the last ten years with a surplus, resulting in a \$100 million reserve fund, the largest in SCUSD history. Under Superintendent Aguilar's leadership, students have been deprived of millions of dollars, which could have been spent on services to improve learning, because of the grossly inaccurate budget projections.
- C. **Poor Budgeting Practices**: Under Superintendent Aguilar's administration, the District's budgeting issues have been exacerbated by the inability of the District to provide accurate and complete data. This includes, but is not limited to, the failure to count five schools (720 students) in enrollment projections, a \$24 million mistake.
- D. Unnecessary Layoff Notices to Nearly One Thousand SCUSD Employees While Increasing the Number of Administrators: During the tenure of Superintendent Aguilar's predecessor, there were no certificated or classified staff who received layoff notices. In contrast, due to the District's faulty budget projections, nearly 1000 certificated and classified staff in total have received layoff notices since the 2018-19 school year. In contrast, since he began on July 1, 2017, Superintendent Aguilar has increased the number of administrators from 251 full-time equivalents (FTEs) to 258.9 FTEs.
- E. **Questionable Expenditures**: Under Superintendent Aguilar's leadership, several District expenditures have raised serious concerns:
 - i. The SCUSD/UC Merced Data Sharing Agreement: Soon after Mr. Aguilar was hired, SCUSD signed a \$1.5 million data sharing agreement with UC Merced where he remains an employee on leave. The SCUSD/UC Merced agreement was signed by board member Darrel Woo, who was not authorized to sign contracts on behalf of the District.
 - ii. **\$6 Million Vacation Buy-out for Top Administrators**: Since 2012-13, SCUSD has only ended the year with a budget deficit in one out of the last ten years—2017-18 when Superintendent Aguilar approved the \$6 million vacation buyout of top administrators.

- \$6 million Purchase for Unproven, Untested Portable Air Filters: In late 2020, Superintendent Aguilar moved forward with the \$6 million purchase of untested and unproven portable air cleaners that now sit unused in a District warehouse, despite being warned prior to the finalization of the purchase.
- iv. Lozano Smith: The District continues to spend millions of dollars on its outside legal firm, Lozano Smith. After promising to reduce legal costs, Superintendent Aguilar recently increased the annual spending on Lozano Smith by 40%, despite repeated legal losses. During Mr. Aguilar's tenure, in addition to losing numerous litigation actions against SCTA, the District has had to pay over \$500,000 in SCTA's legal fees as a result of the District's legal losses.
- F. **Criticism From Authorities**: The fiscal mismanagement under Superintendent Aguilar has led to severe criticism from several independent, governmental watchdogs including:
 - i. The California Fiscal Crisis Management Assistance Team (FCMAT):

 After the SCUSD budget was rejected in August 2018, FCMAT was assigned to conduct a "Fiscal Health Risk Analysis," which was released in December 2018.

 FCMAT found that "the district's business team is not cohesive and is lacking in communication with other departments and sites. . . The lack of understanding of data and the lack of best practices for data integrity and analysis are significant." (p. 24) FCMAT further identified "leadership issues" as one of eight major factors that raised concerns about the District's fiscal management. In follow-up communication with the Superintendent and school board president, FCMAT CEO Mike Fine was extremely direct: "Let's be frank, the district has no creditability. To hide behind closed doors when discussing the budget, stabilization plan and options is simply wrong, and depending on the details, likely illegal, and will ultimately do more damage than what you may believe the value of secrecy."
 - **ii. The California State Auditor:** In December 2019, California State Auditor Elaine Howle <u>issued her report</u> about the District's finances. The State Auditor's conclusions included: "Sacramento Unified has been unable to provide documentation of the rationale it used to develop many of the revenue and expenditure estimates in its three-year projections." (p. 27) and that "the district board failed to uphold its fiduciary duties." (p. 65). The State Auditor further concluded that the District's "failure to create and maintain comprehensive budget policies and procedures has exacerbated the problems resulting from its lack of consistent leadership and has contributed to its inability to manage its growing costs effectively." Moreover, the State Auditor repeatedly describes Mr. Aguilar's response to the report <u>as "misleading," and even "disingenuous."</u>
 - iii. The California Collaborative on Education Excellence (CCEE): California Ed Code provides that if a school district has failed to meet priority outcomes for students with disabilities, English learners, low-income students and foster youth in three out of four consecutive years then a district is eligible for intervention from the CCEE, "a statewide agency that works to strengthen California's public-school systems so [districts] can build their capacity to improve student outcomes." SCUSD's failure to meet priority outcomes for

Foster Youth, Students Experiencing Homelessness, and Students With Disabilities resulted in CCEE undertaking a System Instructional Review (SIR) of SCUSD. The CCEE's report on SCUSD was released in December 2020. The finding of the CCEE included the following:

- "There is a lack of leadership and accountability to ensure students
 with disabilities and foster and homeless youth are provided services
 and support so they are not disproportionately suspended,
 chronically absent, and/or at risk for failure." (p.45)
- "The current district organizational structure and climate do not support the urgent need to provide equitable support to schools and robust instruction and educational experiences for all students. Some interviewees shared a perception that requests for assistance get addressed by the central office staff based on relational power and portrayed the district as top down with little room for collaboration, input, or feedback on initiatives underway or in development." (p.11)
- "Top-down management structure and expectations limit collaborative decision-making and shared responsibility for attaining success on district goals." (p.58)
- 2. Failure to Provide Services to Students: The CCEE report details the District's shortcoming in terms of services to students with disabilities, foster youth, and youth experiencing homelessness. But there are other issues as well.
 - The California Department of Education (CDE) Complaint Citing Α. SCUSD's Failure to Provide Services to Students With Disabilities: In November and December, 2020, parents filed complaints against Superintendent Aguilar and SCUSD for failure to provide services to students with disabilities. In January 2021, the CDE issued a finding against the District, upholding the complaint. Three months later, in a letter dated April 8, 2021, the CDE informed Superintendent Aguilar that it was considering "exercising its authority to withhold special education funds allocated to the District under state and federal law, pursuant to Title 5, California Code of Regulations (5 CCR), sections 3088.1(b) and (c). Such a withholding may occur when a District has failed to comply substantially with a provision of law regarding special education and related services, 5 CCR Section 3088.1(a)." The CDE April 8 letter continued: the CDE may move to withhold future payments or refer the matter to the Office of Inspector General at the US Department of Education or the Department of Justice if the District continues to neglect or defer its responsibilities under IDEA." Even after this stern warning, Superintendent Aguilar and the District continued to be non-responsive. On April 28, the CDE wrote Superintendent Aguilar and SCUSD expressing its ongoing frustration that SCUSD's response has been "overdue, incomplete, and/or otherwise inadequate in those cases." (April 28, 2021)
 - B. **Black Parallel School Board lawsuit**: In September 2019, the Black Parallel School Board <u>filed a lawsuit in federal district court</u> against Superintendent Aguilar and the SCUSD school board on behalf of SCUSD students that alleges

- that the Sacramento City Unified School District "has created and perpetuates an unlawful school system that results in modern-day segregation and mistreatment of students with disabilities, particularly Black students with disabilities." The District is now in mediation in an effort to reach a settlement and avoid further litigation.
- C. African-American Suspension Rate: A study released in the summer of 2018, found that SCUSD had the highest suspension rate (20.7%) among African-American males in the entire state of California. As part of the 2016-17 collective bargaining process, SCTA and the Black Parallel School Board jointly developed a restorative practices proposal that was presented to the District. The SCTA proposals also included the development of a robust early intervention program as part of the broader implementation of Multi-tiered System of Support (MTSS), which is virtually non-existent in Sac City. SCTA and the Black Parallel School Board followed up again in August 2018. To this day, Superintendent Aguilar refuses to work with educators to include restorative practices and the implementation of MTSS, as the District's bargaining team continues to reject SCTA proposals on these issues.
- D. Cuts to Child Development: Across the country, education advocates and public officials point to the critical role that pre-school education plays in a child's social, emotional and academic development. In SCUSD, Superintendent Aguilar has repeatedly cut Child Development programs. In 2019-20, for example, Superintendent Aguilar cut millions in the District's child development programs, by eliminating 599 pre-school slots for Sac City students, among other reductions.
- E. Lack of Chromebooks and Adequate WiFi For Students: When school closed in the March 2020 due to the pandemic, Superintendent Aguilar rejected a SCTA proposal to use health plan savings to purchase Chromebooks for every SCUSD student and other efforts to bridge the digital divide.. After initially promising that every SCUSD student who needed a Chromebook would be provided one, Superintendent Aguilar immediately backtracked on his commitment and limited distribution to one per family. Since the return to inperson instruction this past April 2020, many school sites have struggled to provide adequate WiFi services for students and staff, particularly for lower-income students.
- **F. 4**th **R:** For many years, the City of Sacramento has operated a very successful after-school program, 4th R, in many SCUSD schools. This spring, when inperson instruction was expected to begin, the District failed to inform the City of Sacramento resulting in the loss of the 4th R program for the spring. Superintendent Aguilar committed to the return of 4th R next fall only after parents voiced strong concerns and City of Sacramento intervention. Additionally, the District failed to follow through on its commitment in its MOU with SCTA to explore expanding childcare opportunities for SCUSD parents and staff.

- 3. Lack of Transparency:
 - A. Failure to Count Five (5) Schools: Not only did the District fail to count five schools in its budget projections in the first quarter of 2019, but Superintendent Aguilar failed to inform the full school board and the public that the mistake had occurred. Hundreds of staff were laid off as a result. The mistake only came to light after a California Public Records Act Request, nearly two months after Superintendent Aguilar notified the Sacramento County Office of Education about the \$24 million error.
 - B. Failure to Inform the Elected School Board of Its Right to Appeal SCOE's Budget Certification Reversal: In March 2021, a majority of the school board took the extraordinary step of rejecting the recommendation from Superintendent Aguilar, Chief Business Officer Rose Ramos and SCOE's Dave Gordon to certify the 2nd Interim Budget as "negative," and instead voted to certify the budget as "qualified." Approximately three weeks later, SCOE Superintendent Dave Gordon took the unprecedented step of reversing the school board's certification and returned the budget with a "negative" certification. When Superintendent Aguilar, Chief Business Officer Ramos and President Pritchett shared Dave Gordon's letter with other board members (but not the public) they failed to provide the information that SCUSD had the right to appeal SCOE Gordon's reversal.
 - C. Violation of the Brown Act (California's Public Meeting Law): On March 23, 2021, Sacramento County Superior Court Judge Steven M. Gevercer ruled "that the Court has found that the District violated Section 54957 when it discussed the 'release' of multiple administrators in closed session on February 21, 2019." Earlier this year, the District repeated the same unlawful act, and was forced to reach a settlement with SCTA to avoid further litigation. In addition, parents have recently demanded that SCUSD comply with the Brown Act, when holding meetings of the Executive Committee of the SCUSD school board.
 - Sala Million in Federal and State Covid Revenue, Including the Expanded Learning Opportunity Grant: As part of Governor Newsom's 2021-22 budget, school districts are required to seek community and stakeholder input in order to be eligible for significant state funding by way of Extended Learning Opportunity Grants. SCUSD is eligible to receive \$28.5 million for this grant. Despite being informed of the grant and its requirements in March (like every other school district in California), Superintendent Aguilar failed to solicit the required community and stakeholder input and hastily scheduled a special board meeting to obtain board approval prior to the June 1 grant application deadline. SCUSD's failure to follow the procedures jeopardizes its receipt of the \$28.5 million. Overall, the District will receive more than \$313 million in federal and state dollars related to COVID. Mr. Aguilar has yet to present a comprehensive plan on how those dollars will be spent.
- The Superintendent's Failure to Keep His Promises and to Provide a Vision
 Superintendent Aguilar Takes Pay Raise In Violation of School Board Policy and Promise Not To: On March 7, 2019, the SCUSD school board passed a resolution,

No. 3060 "On Fiscal Solvency Plan to Save Our Schools" which included the following: "District Superintendent, Jorge Aguilar, has agreed to forgo any salary increase allowed under his Employment Agreement until the District receives either a qualified or positive certification as defined in Education Code section 42131, subdivision (a)(1)." SCUSD Board Resolution No. 3060, passed unanimously March 7, 2019. Mr. Aguilar further promised to support the resolution. Less than one year later, however, despite not meeting the conditions set forth in the resolution, Superintendent Jorge Aguilar's total compensation was raised to \$414,848, an increase of \$34,126. In a survey of educators represented by SCTA, 96% opposed the extension of Mr. Aguilar's contract in January 2020 and accompanying salary increase.

- B. Superintendent Aguilar Has Failed to Articulate His Vision to Improve Services to Sac City Students: After nearly four years as the Superintendent, Mr. Aguilar has yet to provide a comprehensive vision for improving services to Sac City students. As the CCEE report identified, "While there is understanding that the superintendent's overall vision and mission is to address existing inequities in SCUSD utilizing continuous improvement, there remains a need for the district to articulate the instructional vision, strategies, priorities, and outcomes that will be taken to accomplish this." (p. 9). In preparation for another study of SCUSD commissioned by the District with the Policy Analysis for California Education in the fall of 2019, Superintendent Aguilar provided virtually no details regarding his "equity agenda," aside from "integrating the SPSA development process with principles of continuous improvement, and expanding a 6th grade camp to all 6th graders." Superintendent Aguilar has never been a fully credentialed teacher nor a credentialed administrator. Pressed further by the PACE researchers, Mr. Aguilar prioritized additional spending on increasing the District's reserve fund and reducing liability of benefits for SCUSD retirees, rather than making improvements to student services.
- **5. Extensive Administrative Turnover:** Since Mr. Aguilar became superintendent in July 2017, there has been an extensive turnover in top District administrators. These include:
 - A. **3 Chief Business Officers**: Since July 1, 2017, the District has had three Chief Business Officers, as well as an outside consultant who filled the role on an interim basis throughout 2019. The outside consultant continues to be employed by the District.
 - B. **2 Chief Academic Officers**. Since July 1, 2017, the District has had two Chief Academic Officers. In addition, the District announced that the Assistant Superintendent for Curriculum and Instruction, effectively the number two administrator in the Academic Office is departing at the end of this school year. Two Associate Instructional Superintendents, both women of color, are also leaving at the end of this school year, with several parents and community activists raising concerns that their departure is based on discriminatory acts.
 - C. Other Unfilled Cabinet Level Positions: The Chief Information Officer, the top Information Technology position in the District has been without a permanent replacement since September 2019. The District did not fill the Chief Operations Officer position, and recently "combined" that position with the Chief Business Officer position while adding two additional Assistant

- Superintendents (Business Services and Facilities), increasing the CBO salary by 16.8%.
- **6. Unprecedented Labor Unrest:** Mr. Aguilar's tenure at SCUSD has been marked with unprecedented labor strife. This includes the following:
 - A. The First Teacher Strike in 30 Years: Four months after Mr. Aguilar started at Sac City Unified, a strike was only narrowly avoided after a last-minute mediation from Sacramento's mayor. When Mr. Aguilar backtracked on key portions of that agreement and committed several unlawful actions, SCTA-represented educators struck for one-day in April 2019. It was the first teacher strike in Sacramento 30 years. A second strike was avoided after a timely intervention from State Superintendent of Public Instruction, Tony Thurmond. Mr. Aguilar failed to follow through on commitments with SPI Thurmond.
 - B. Classified Employees On Brink of Strike Over Health and Safety Issues:

 This past April, classified employees represented by Service Employees
 International Union (SEIU) Local 1021 voted by a 95% margin to strike to
 protest the District's bad faith negotiations related to health and safety concerns
 regarding the return to in-person instruction. After avoiding the strike, Mr.

 Aguilar recently announced that he was unilaterally violating the SEIU

 Memorandum of Understanding (and the SCTA MOU with identical language)
 during the final ten in-person school days of the 2020-21 school year, even after
 it was pointed out to Mr. Aguilar in writing that lowering the safety standards is
 in violation of the District's own COVID health and safety policies.
 - C. The California Public Employment Relations Board (PERB) Has Issued More Complaints Against SCUSD in the Last Three Years Than Any Other School District in California. There are 1037 school districts in the state of California. PERB has issued more complaints (16) against SCUSD than any other school district in California. To date, three of those complaints have moved forward to hearings/trials, SCUSD has lost each one. In an extraordinary move, PERB (SA-CE-2945-E) even ordered SCUSD to pay SCTA's attorney fees, a remedy PERB rarely mandates.
 - D. Mr. Aguilar Unsuccessfully Sued His Own Teachers to Attempt to Avoid the Collective Bargaining Agreement He Personally Negotiated and Signed. In 2018-19, Mr. Aguilar took another unprecedented action in suing his own teachers for trying to enforce the collective bargaining agreement that he personally negotiated and signed concerning a new educator salary schedule. Mr. Aguilar's lawsuit was thrown out of court, SCTA was able to move the issue to arbitration, where educators won a major, \$14 million victory forcing Mr. Aguilar to abide by the agreement he signed in November 2017.
 - E. Mr. Aguilar Threatened to Take Legal Action Against Educators Who Offered to Help Parents and Students with Technical Issues Related to Distance Learning. When the pandemic hit, educators swiftly began to volunteer to help students and parents navigate the technical challenges many faced in the early days of Distance Learning. Mr. Aguilar responded by sending

- teachers a "cease and desist" letter and threatening them with legal action if they did not stop volunteering.
- F. Mr. Aguilar Refused to Pay Substitutes Even After Receiving Funding from the State to Provide Compensation to All Employees. Responding to the economic challenges of the pandemic, Governor Newsom worked with legislators to continue funding to school districts to allow them to continue to pay employees. Newson even created a Framework for Labor-Management Collaboration, and SCUSD became the only large urban school district in the state to refuse to follow it. Mr. Aguilar refused to pay substitutes forcing them onto the unemployment rolls.
- **G.** Failure to honor signed written agreements with SCTA and SEIU: As mentioned above, Mr. Aguilar announced that he is refusing to honor MOUs with both SCTA and SEIU concerning the last ten days of in-person instruction in 2020-21.
- H. The District is Demanding \$750 Per Month Reductions in the Average Teacher Take-Home Pay, While He and Chief Business Officer Rose Ramos Receive \$34,000 Pay Increases. Since 2019, only two employees in the District have had their salary schedules increased, Superintendent Aguilar and just last month, Chief Business Officer Rose Ramos, both of whom received increases of more than \$34,000 per year. A majority of classified staff make less than \$34,000 in a single year. At the same time, SCUSD is demanding a massive \$750 per month reduction in the average take-home pay of certificated and classified staff.