The Top 10 Things to Know About Business Services

January 25, 2018
TOP 10 THINGS TO KNOW ABOUT BUSINESS SERVICES

1. Know the biggest pitfalls.
2. Hire a CBO who is an organizational leader
3. Develop your relationship with your CBO
4. Clarify the relationship between the Board and the CBO
5. Everyone needs professional development – including business services
6. Questions every superintendent should ask their CBO
7. Know your budget
8. Ensure business services is transparent to all stakeholders
9. Establish high expectations for business services
10. Involve CBO in legislative matters
I. KNOW THE BIGGEST PITFALLS

The 4 B’s leading to superintendent termination

1. Boards
2. Budgets
3. Boundaries
4. Boosters
2. HIRE A CBO WHO IS AN ORGANIZATIONAL LEADER

- Know your and your district’s core values.
- Know your leadership style and hire accordingly!

<table>
<thead>
<tr>
<th>Area</th>
<th>Grade Provided by Superintendent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technical Skills</td>
<td></td>
</tr>
<tr>
<td>Ethics and Integrity</td>
<td></td>
</tr>
<tr>
<td>Management</td>
<td></td>
</tr>
<tr>
<td>District Leader</td>
<td></td>
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<tr>
<td>Politics</td>
<td></td>
</tr>
<tr>
<td>Community Relations</td>
<td></td>
</tr>
<tr>
<td>Board Relations</td>
<td></td>
</tr>
</tbody>
</table>
Common characteristics of standout CBO’s

- They step up their role as a Cabinet member
  - Not a super Fiscal Director, but a District leader
- Trust is worth more than money
- Provide great information with time for people to think about it
  - If you push information too fast without time for people to think about it, you will own it
- In good times or bad, they never stop developing their people
  - The capacity in your people will help weather the storm
3. DEVELOP YOUR RELATIONSHIP WITH YOUR CBO

- Develop a strong and trusting relationship
- Meet regularly with the CBO
- Set clear expectations
- Involve CBO in key decisions/discussions
- The CBO should look for yes and provide options to support district goals
- Listen thoroughly to concerns
- Ask questions to understand CBO perspective
4. THE BOARD AND CBO RELATIONSHIP

- Establish who/when/why/how CBO communicates with the board
- Discuss how the CBO and superintendent manage and communicate financial matters in closed session
- Always alert superintendent to CBO/Board communication
- Superintendent sets the table for the CBO in Board meetings on financial presentations and questions
- Establish roles and communication format around negotiations
5. EVERYONE NEEDS PROFESSIONAL DEVELOPMENT – INCLUDING BUSINESS SERVICES

<table>
<thead>
<tr>
<th>Accounting</th>
<th>Purchasing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fiscal Services</td>
<td>Safety</td>
</tr>
<tr>
<td>Facilities</td>
<td>Risk Management</td>
</tr>
<tr>
<td>Maintenance and Operations</td>
<td>Technology</td>
</tr>
<tr>
<td>Negotiations</td>
<td>Transportation</td>
</tr>
</tbody>
</table>
DISTINCTIVE ELEMENTS OF COACHING

- Reciprocity, collegiality, authenticity, and mutuality
- Provision of both career and psychosocial coaching functions
- Intentional advisement
- A safe harbor for self-exploration (disclosure)
- Transformation in the coachee’s professional identity
- A connection that endures beyond the formal role assignment
5. EVERYONE NEEDS PROFESSIONAL DEVELOPMENT – INCLUDING BUSINESS SERVICES

EXPECTED OUTCOMES

- Better job performance
- More involvement in professional organizations
- More networking and job opportunities
- Greater satisfaction with organization
- Lower attrition rates
- Stronger sense of professional identity
- Higher productivity
- Greater capacity to mentor others
- Greater career eminence
EXCELLENT COACHES:

- Offer counsel in difficult times
- Stimulate growth and challenge
- Self disclosure (when appropriate)
- Allow increasing mutuality (friendship)
- Provide advisement
- Narrate growth & development and guidance
- Availability for consulting & demonstration
6. QUESTIONS EVERY SUPERINTENDENT SHOULD ASK THEIR CBO

1. Where is the money hidden?
2. What funds should I pay attention to?
3. Where is the money/funds the superintendent has access to?
4. What are the district’s enrollment and attendance trends?
5. What are the multi-years assumptions/projections?
6. What are the significant changes with each budget presentation?
7. What is the impact of PERS/STRS increases to date and projected?
8. Are we deficit spending? Is it structural or as a result of carryover?
9. How much are we contributing to special education, transportation and other programs?
10. Do we have a current facilities master plan, and major maintenance plan?
The Fontana Unified School District

BUDGET REPORT CARD

LOCAL CONTROL ACCOUNTABILITY PLAN

GOAL 1
Increased Priorities & Strategic Thinking
- Textbooks & Technology
- Assessment
- Staff Development

GOAL 2
Promote Multilingualism & Biculturalism
- Language Arts
- Social Studies
- Science

GOAL 3
Graduation & College & Career Readiness
- College & Career
- Linked Learning
- A.P.I.B.

GOAL 4
Cultivate Effective Teachers & Leaders
- Professional Development
- Site Leadership Pipeline

GOAL 5
Engage Students and Decrease Dropouts
- Alternative Learning
- Counseling
- Behavioral Support

GOAL 6
Strength Family & Community Engagement
- Outreach
- Collaboration
- Partnerships

GOAL 7
Promote Healthy Environments
- Safety
- Health
- Learning

Funding by Need

Serving a Diverse Population
The Fontana Unified School District's 45 schools educate students from preschool through adults in a diverse urban/suburban environment.

Moving Forward
The doors for FUSD's 45th school will open July of 2016.

45 Total Schools
34K (88.3%) ELIGIBLE STUDENTS
$53.5 million Targeted Funding

Supplemental & Concentration Students
LOW INCOME: 32,974
FOSTER: 333
EL: 12,695
UNIQUE: 34,994

The Fontana Unified School District

REVENUES

DISTRICT FUNDING SOURCES

FUSD's Investment in People
2015-16 Employee Compensation
- Other
- Employee Compensation

FUSD Relies on State Funding
The Fontana Unified School District relies on a variety of funding sources. The primary sources of funding include Local, State, and Federal funds. The District is expecting to receive over $449 million in revenues during the 2016-17 school year. State funding accounts for 94.32% of the district's budget. Other state funding includes local control funding (LCFF) and other state revenue.
8. BUDGET TRANSPARENCY TO STAKEHOLDERS

The budget should be presented in a manner that is simple and easy to understand. The budget is not a secret!

- Board presentations
- Negotiations
- Cabinet reports
- Community meetings

2017-18 Total Revenues
San Bernardino City USD
$628.9 million
## THE UNFRIENDLY BUDGET

### Placentia-Yorba Linda Unified
Orange County

### 2012-13 First Interim
General Fund
Unrestricted (Resources 0000-1959)
Revenues, Expenditures, and Changes in Fund Balance

Placentia-Yorba Linda Unified
Orange County

#### A. REVENUES

<table>
<thead>
<tr>
<th>Description</th>
<th>Resource Codes</th>
<th>Object Codes</th>
<th>Original Budget (A)</th>
<th>Board Approved Operating Budget (B)</th>
<th>Actuals To Date (C)</th>
<th>Projected Year Totals (D)</th>
<th>Difference (Col B &amp; D) (E)</th>
<th>% Diff (E/B) (F)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Revenue Limit Sources</td>
<td>8010-8899</td>
<td>8010-8899</td>
<td>132,984,196.00</td>
<td>132,984,196.00</td>
<td>15,576,649.23</td>
<td>132,621,235.00</td>
<td>(362,751.00)</td>
<td>-0.3%</td>
</tr>
<tr>
<td>2) Federal Revenue</td>
<td>8100-8299</td>
<td>840,000.00</td>
<td>840,000.00</td>
<td>220,413.30</td>
<td>940,000.00</td>
<td>0.00</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td>3) Other State Revenue</td>
<td>8300-8599</td>
<td>16,700,579.00</td>
<td>16,700,579.00</td>
<td>3,689,266.59</td>
<td>19,070,855.15</td>
<td>1,370,306.16</td>
<td>8.2%</td>
<td></td>
</tr>
<tr>
<td>4) Other Local Revenue</td>
<td>8600-8799</td>
<td>876,367.00</td>
<td>876,367.00</td>
<td>246,822.85</td>
<td>966,838.20</td>
<td>90,471.20</td>
<td>10.3%</td>
<td></td>
</tr>
<tr>
<td>5) TOTAL, REVENUES</td>
<td></td>
<td></td>
<td>151,461,052.00</td>
<td>151,461,052.00</td>
<td>19,926,622.77</td>
<td>152,459,048.35</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### B. EXPENDITURES

<table>
<thead>
<tr>
<th>Description</th>
<th>Resource Codes</th>
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<th>% Diff (E/B) (F)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Certificated Salaries</td>
<td>1000-1999</td>
<td>1000-1999</td>
<td>76,768,649.00</td>
<td>76,768,649.00</td>
<td>15,987,003.86</td>
<td>77,579,112.71</td>
<td>(810,463.71)</td>
<td>-1.1%</td>
</tr>
<tr>
<td>2) Classified Salaries</td>
<td>2000-2999</td>
<td>16,112,776.00</td>
<td>16,112,776.00</td>
<td>5,027,164.13</td>
<td>16,398,544.82</td>
<td>(858,768.82)</td>
<td>-5.5%</td>
<td></td>
</tr>
<tr>
<td>3) Employee Benefits</td>
<td>3000-3999</td>
<td>30,592,411.00</td>
<td>30,592,411.00</td>
<td>6,737,531.62</td>
<td>31,417,939.71</td>
<td>(825,428.71)</td>
<td>-2.7%</td>
<td></td>
</tr>
<tr>
<td>4) Books and Supplies</td>
<td>4000-4999</td>
<td>4,616,755.00</td>
<td>4,616,755.00</td>
<td>1,059,445.11</td>
<td>3,586,849.35</td>
<td>719,995.65</td>
<td>15.6%</td>
<td></td>
</tr>
<tr>
<td>5) Services and Other Operating Expenditures</td>
<td>5000-5999</td>
<td>9,879,244.00</td>
<td>9,879,244.00</td>
<td>3,374,081.46</td>
<td>9,733,736.13</td>
<td>145,585.87</td>
<td>1.5%</td>
<td></td>
</tr>
<tr>
<td>6) Capital Outlay</td>
<td>6000-6999</td>
<td>46,535.00</td>
<td>46,535.00</td>
<td>0.00</td>
<td>46,535.00</td>
<td>114,435.00</td>
<td>(67,900.00)</td>
<td>-145.9%</td>
</tr>
<tr>
<td>7) Other Outgo (excluding Transfers of Indirect Costs)</td>
<td>7100-7299</td>
<td>1,601,441.00</td>
<td>1,601,441.00</td>
<td>313,667.96</td>
<td>1,724,966.33</td>
<td>(123,524.33)</td>
<td>-7.7%</td>
<td></td>
</tr>
<tr>
<td>8) Other Outgo - Transfers of Indirect Costs</td>
<td>7300-7399</td>
<td>(1,018,390.00)</td>
<td>(1,018,390.00)</td>
<td>(5,737.60)</td>
<td>(1,023,731.30)</td>
<td>15,321.50</td>
<td>-1.5%</td>
<td></td>
</tr>
<tr>
<td>9) TOTAL, EXPENDITURES</td>
<td></td>
<td></td>
<td>138,601,423.00</td>
<td>138,601,423.00</td>
<td>32,492,156.34</td>
<td>140,493,773.44</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### C. EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES BEFORE OTHER FINANCING SOURCES AND USES (A5 - B9)

12,779,629.00 - 12,779,629.00 = 0.00

#### D. OTHER FINANCING SOURCES/USES

<table>
<thead>
<tr>
<th>Description</th>
<th>Resource Codes</th>
<th>Object Codes</th>
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</tr>
</thead>
<tbody>
<tr>
<td>1) Interfund Transfers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Transfers In</td>
<td>8900-8929</td>
<td>1,522,536.00</td>
<td>1,522,536.00</td>
<td>0.00</td>
<td>1,522,536.00</td>
<td>(22,536.00)</td>
<td>-1.4%</td>
<td></td>
</tr>
<tr>
<td>b) Transfers Out</td>
<td>7600-7629</td>
<td>2,500.00</td>
<td>2,500.00</td>
<td>4,245.00</td>
<td>6,745.00</td>
<td>(4,245.00)</td>
<td>-165.8%</td>
<td></td>
</tr>
<tr>
<td>2) Other Sources/Uses</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>a) Sources</td>
<td>8930-8979</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td>b) Uses</td>
<td>7630-7699</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.00</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td>3) Contributions</td>
<td>8980-8999</td>
<td>(20,721,891.00)</td>
<td>(20,721,891.00)</td>
<td>2,266.09</td>
<td>(20,701,625.00)</td>
<td>217,671.00</td>
<td>-1.1%</td>
<td></td>
</tr>
<tr>
<td>4) TOTAL, OTHER FINANCING SOURCES/USES</td>
<td></td>
<td></td>
<td>(19,101,855.00)</td>
<td>(19,101,855.00)</td>
<td>(1,975.91)</td>
<td>(19,103,830.91)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
A School Budget is a Policy Document…

…Not Just a Series of Numbers

The Budget Can Be a Great Communication Vehicle:

1. Gives the reader a quick and easy understanding
2. Responds to the primary interests of the readers
3. Makes it possible for the reader to understand the options available to a local agency governing board
## 9. ESTABLISH HIGH EXPECTATIONS

### 2017-18 Key Performance Indicators

<table>
<thead>
<tr>
<th>#</th>
<th>PRIORITY KPI TOP 11</th>
<th>2015-16 RESULTS</th>
<th>2016-17 GROWTH TARGETS</th>
<th>TARGET MET</th>
<th>2017-18 TARGET</th>
<th>LONG RANGE GOALS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Invoices Processed per FTE per Month</td>
<td>459</td>
<td>510</td>
<td>Yes</td>
<td>+10%</td>
<td>800</td>
</tr>
<tr>
<td>2</td>
<td>Utility Cost per Square Foot</td>
<td>$1.69 5%</td>
<td>-5%</td>
<td>Yes</td>
<td>-5%</td>
<td>5% Yearly</td>
</tr>
<tr>
<td>3</td>
<td>Median and Maximum Projected Student Error per School</td>
<td>Median ES &lt; 22, MS &lt;76</td>
<td>Median ES &lt;22, MS &lt;37.5</td>
<td>YES</td>
<td>Median Maximum ES &lt;16, MS &lt;55</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Expenditures Efficiency - Adopted Budget as a Percent of Unaudited Actuals</td>
<td>101%</td>
<td>100%</td>
<td>Yes</td>
<td>100%</td>
<td>100%</td>
</tr>
<tr>
<td>5</td>
<td>Network Bandwidth (Internet)</td>
<td>Elem 0.1 GB, Sec 1 GB, SBCSS 5 GB</td>
<td>1 GB, 1 GB, 10 GB</td>
<td>Yes</td>
<td>Yes</td>
<td>10 GB, 40 GB, 100 GB</td>
</tr>
<tr>
<td>6</td>
<td>Work Order Completion Time in Days</td>
<td>6.6</td>
<td>6.0</td>
<td>Yes</td>
<td>5.5</td>
<td>4.0</td>
</tr>
<tr>
<td>7</td>
<td>Lunch Free/Reduced/Paid Participation Rate (PR)</td>
<td>PR 76% +5%</td>
<td>PR 81% +5%</td>
<td>No</td>
<td>5%</td>
<td>90%</td>
</tr>
<tr>
<td>8</td>
<td>Informal Solicitation - Procurement Flowtime (From Receipt of Purchase Requisition to)</td>
<td>Avg 10 Days</td>
<td>Avg 10 Days</td>
<td>Yes</td>
<td>Avg 7 Days</td>
<td>Avg 5 Days</td>
</tr>
<tr>
<td>9</td>
<td>Workers’ Compensation Cost per Claim</td>
<td>$3,387</td>
<td>$4,507</td>
<td>No</td>
<td>$4,000</td>
<td>$3,500</td>
</tr>
<tr>
<td>10</td>
<td>Safety Trainings Completed</td>
<td>1,083</td>
<td>2,000</td>
<td>Yes</td>
<td>4000</td>
<td>8,000</td>
</tr>
<tr>
<td>11</td>
<td>Days to Route and Commence Busing, Special Ed Students</td>
<td>8 Days</td>
<td>7 Days</td>
<td>No</td>
<td>7 Days</td>
<td>5 Days</td>
</tr>
</tbody>
</table>
10. ACTIVE INVOLVEMENT IN LEGISLATION

LEGISLATIVE UPDATES

- AB 1743 – California career technical education incentive
- AB 1744 – After school programs substance use prevention
- AB 1747 – School Safety Plans
- AB 1754 – Pre-K for all Act of 2018
- AB 1766 – Swimming pools: public safety
- AB 1798 – School buses passenger restraint systems
- AB 1861 – Pupil instruction: human trafficking use of social media
- AB 1871 – Charter schools – free and reduced-price meals
- AB 1884– Food facilities single-use straws
- SB 1405 – Integrated pest management plan if certain pesticides are used at a school site
- SB 837 – Transitional Kindergarten: enrollment for all 4-year olds
Hire, develop, and prepare for an outstanding leader as your district’s CBO

Establish a relationship of trust with your Board, CBO, and community

Set clear expectations and mutual goals to meet the district’s goals

Support business with coaching and professional development
THANK YOU!