

SONOMA COUNTY OFFICE OF EDUCATION

**Business and Personnel Services Standing Committee
Regular Meeting Minutes - Adopted**

March 19, 2015, 11:00 a.m.

Present - Standing Committee Members: Gina Cuclis, and Khaalid Muttaqi; **Staff:** Jim Cerreta, Mary Downey, Jeff Heller, John Silvestrini, and Patti Springer

1. **Call to Order** - Mr. Muttaqi called the meeting to order at 11:00 a.m.
2. **Approval of the March 19, 2015 Meeting Agenda** – On motion by Ms. Cuclis, seconded by Mr. Muttaqi, the motion carried to approve the agenda.
3. **Approval of the February 26, 2015 Regular Meeting Minutes** – Mr. Muttaqi accepted the minutes as written.
4. **Public Comment** – None
5. **Action and/or Consent Items for Recommendation to the Board**
 - a) **Request Board Approval of the 2014-15 Fiscal Year Budget Revisions Between \$25,000 and \$99,999 from February 21, 2015 through March 11, 2015; and any Listed Budget Revisions Greater than \$100,000** – Ms. Downey presented the revisions, stating that the majority of them were over \$100,000, which the Committee reviewed in detail. On motion Ms. Cuclis, seconded by Mr. Muttaqi, the motion carried to recommend full Board approval of the budget revisions between \$25,000 and \$99,000 and those greater than \$100,000.
 - b) **Personal Property Sold/Transferred to School Districts** – Mr. Cerreta reviewed the report of the 2014-15 and 2015-16 program transfers of intact classrooms to Cotati-Rohnert Park (1), Petaluma City (2), Sonoma Valley (4), and Waugh (1). The program transfers include the transfer of SCOE-owned portables to those districts. The 2014-15 transfers were approved by the Board last year at this time. On motion by Ms. Cuclis, seconded by Mr. Muttaqi, the motion carried to recommend full Board approval of the 2015-16 transfers.
 - c) **Request Board Approval of the Resolution for the Week of the Teacher** – Mr. Heller presented the resolution and provided a brief overview. On motion by Ms. Cuclis, seconded by Mr. Muttaqi, the motion carried to recommend full Board approval of Resolution 14-15-18 for Week of the Teacher.
 - d) **Request Board Approval of the Resolution for the Week of the Classified Employee** – Mr. Heller presented the resolution and provided a brief overview and information on other recognition programs, such as Classified School Employee of the Year and the Personnel Commission’s Team Player Award. On motion by Ms. Cuclis, seconded by Mr. Muttaqi, the motion carried to recommend full Board approval of Resolution 14-15-19 for Week of the Classified Employee.
6. **Information/Discussion Items**
 - a) **Review Potential June 30 Cash Flow Loans to Districts** – Mr. Cerreta commented that with the improving economy and with the State’s actions to buy back the apportionment deferrals, the number of districts experiencing cash flow difficulties has almost disappeared. But, he was recently approached by the Cinnabar district that may need about \$200K in the next few months. Cinnabar was working on a facilities project and was advised by PG&E that they needed to make improvements to their utilities, which they did not expect. Cinnabar does not feel that they have the reserves to fund this expense, and

although they are looking at several other funding options, they may need to request a cash flow loan from SCOE. If they do, they will submit a formal request and this will be brought back to the Committee as an action item in May or June.

- b) **Review Preliminary 2015-16 Budgets Under Business Services** – Mr. Cerreta stated that the budgets under Business Services are more or less status quo. They are not requesting any additional staffing, but will be replacing some of the older computers.
- c) **Review Preliminary 2015-16 Budgets Under Human Resources** – Dr. Heller stated that the Human Resources budgets are contribution driven, with the exception of the Live Scan and Teacher Screening budgets. He has requested an increase in FTE for the Credential Clerk position from .75 to 1.0.
- d) **Review Board Policy Series 3460** – This item was discussed at great length with Ms. Cuclis providing an overview of the history of approved/disapproved Special Reserve Fund grant requests. The policy, per Ms. Cuclis, does not allow grants to school districts; and the outgoing Board members advised her that she could initiate a revision to the policy to allow for more flexibility and clearer criteria. It was her feeling, that due to the increasing balance in this fund, grants should be broaden to include programs outside of SCOE. Staff had previously determined that there was nothing in Ed Code that would prohibit this. Ms. Downey commented that the State is providing us with funds for SCOE students; and there could be the feeling of inequity if the Board was to grant funds to one district and not another. Ms. Cuclis stated that grants would be made for pilot projects, with Mr. Muttaqi stating for leadership and innovation as well.

Mr. Cerreta cautioned the Committee that the State reviews this fund, Fund 17 Special Reserves, along with the General Fund Reserves, and considers it as a funding source for reserves. He added that the State standard is 3% for reserves, SCOE has a policy for 6% in reserves, and the State looks at the Board's Special Reserves a part of this.

Ms. Cuclis commented on the policy's lack of clarity, flexibility, process, and criteria, and suggested that the new Board discuss what this policy means and what they can and cannot do. Mr. Muttaqi agreed that there is a need for additional criteria and processes; and sees the problem as a lack of clarity as to what entities are eligible to request grants and receive funding.

Mr. Silvestrini suggested the creation of an Administrative Regulation (AR) to accompany the Board Policy. Mr. Cerreta concurred with this suggestion and asked the Committee if they would allow him to draft the AR and present it to them at the next meeting. He believes the two documents would provide clarity to the public. Mr. Muttaqi and Ms. Cuclis agreed that before consenting to this direction, it should be brought before the full Board for discussion at its April meeting.

7. New/Pending Business

- a) **New/Old Business** – None
- b) **Facilities Update** – Mr. Cerreta stated that districts, as they take back programs and increase in size, have begun serving SCOE with notices to vacate certain facilities in which we house our programs, but are owned by districts. He also stated that possible program expansion at SCOE's main facility was creating demand for additional facility space. Mr. Cerreta reviewed Mr. Silvestrini's analysis of space needed for student and administrative housing for offsite and onsite programs. Affected programs include the Medical Therapy Units in the Bellevue and Cotati-Rohnert Park Districts; the Special Education and Adaptive Technology Programs in the Cotati-Rohnert Park District; and the Beginning Teacher Support & Assessment, Teacher Credential Program, and Migrant Education programs at the Skylane Facility.

In total, about 15,000 square feet of space is needed to meet these needs over the next few years. SCOE staff has been in contact with a local real estate agent to begin evaluating options in the Skylane Boulevard office park. Also reviewed was the report on existing lease purchase payments, which may be a funding source for new leases. Finally, Mr. Silvestrini reported there will likely be HVAC system upgrades at the main SCOE facility in the near future that will cost between \$200,000 and \$250,000. These upgrades are necessary as the existing system is aged and expensive to maintain and repair, which affects its ability to function properly. Mr. Cerreta indicated all these items will be a continuing topic for the committee in the coming months and years.

- c) **Audit Committee** – planning meeting with Auditors – July or September – Ms. Downey will provide the exact dates at the next BPSSC meeting, explaining that this committee is also the Audit Committee. She added that the auditors usually meet with the Committee in May but they have some scheduling issues and cannot meet until July.

d) **Additional Items from the Committee** - None

- 8. **Next Meeting** – The next meeting was scheduled for Thursday, April 16, at 11:00 a.m. in the Business Services Conference Room.
- 9. **Adjournment** – Mr. Muttaqi adjourned the meeting at 12:28 p.m.