

FCMAT

**Sacramento City Unified  
School District  
Fiscal Review**

September 21, 2006

FISCAL CRISIS  
& MANAGEMENT ASSISTANCE TEAM



*Administrative Agent*  
**Larry E. Reider**  
Kern County  
Superintendent of Schools

*Chief Executive Officer*  
**Joel D. Montero**

# Sacramento City Unified School District Fiscal Review

September 21, 2006

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**Administrative Agent Larry E. Reider Kern County Superintendent of Schools**

*Chief Executive Officer Joel D. Montero*

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*Fiscal Crisis & Management Assistance Team*

# FCMAT

FISCAL CRISIS  
& MANAGEMENT  
ASSISTANCE  
TEAM



September 21, 2006

M. Magdalena Carrillo Mejia, Superintendent  
Sacramento City Unified School District  
5735 47th Avenue  
Sacramento, CA 95824

Dear Superintendent Mejia:

In March 2006, the Fiscal Crisis and Management Assistance Team (FCMAT) received a request from the Sacramento City Unified School District for a review that would perform the following:

1. Conduct an analysis of the district's 2006-07 budget assumptions and projections through June 30, 2006 for all funds and the multi-year projections of the general fund included in the district's second interim financial report. Provide information on potential areas for cost containment and the use of funds for the 2006-07 budgets.
2. Evaluate the district's procedures for budget development, monitoring, and budget revisions for all funds and provide recommendations for improvement, including examples of procedures and time lines that are consistent with professional standards within California's public education environment.

FCMAT visited the district May 8-10, 2006. This report is the result of that effort. We have appreciated the opportunity to serve you, and we extend our thanks to all the staff of the Sacramento City Unified School District.

Administrative Agent  
Larry E. Reider  
Office of Kern County  
Superintendent of Schools

Chief Executive Officer  
Joel D. Montero

1300 17th Street - 5th Floor  
Bakersfield, CA 93301-4533  
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Fax.....661-636-1647  
Web site.....www.fcma.org

422 Petaluma Blvd. North, Suite C  
Petaluma, CA 94952  
Telephone.....707-775-2850  
Fax.....707-775-2854

Sincerely,

Joel D. Montero, Chief Executive Officer

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Administrative Agent Larry E. Reider Office of Kern County Superintendent of Schools

Chief Executive Officer Joel D. Montero

1300 17th Street – C

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ENTRE Bakersfield, CA 93301-4533 Telephone .....661-636-4611 Fax  
.....661-636-4647 Web site ..... www.fcmat.org

422 Petaluma Blvd. North, Suite C Petaluma, CA 94952 Telephone .....707-775-2850 Fax  
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Joel D. Montero, Chief Executive Officer



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*Fiscal Crisis & Management Assistance Team*

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## Foreword

### *FCMAT Background*

The Fiscal Crisis and Management Assistance Team (FCMAT) was created by legislation in accordance with Assembly Bill 1200 in 1992 as a service to assist local educational agencies in complying with fiscal accountability standards.

AB 1200 was established from a need to ensure that local educational agencies throughout California were adequately prepared to meet and sustain their financial obligations. AB 1200 is also a statewide plan for county offices of education and school districts to work together on a local level to improve fiscal procedures and accountability standards. The legislation expanded the role of the county office in monitoring school districts under certain fiscal constraints to ensure these districts could meet their financial commitments on a multiyear basis. AB 2756 provides specific responsibilities to FCMAT with regard to districts that have received emergency state loans. These include comprehensive assessments in five major operational areas and periodic reports that identify the district's progress on the improvement plans.

Since 1992, FCMAT has been engaged to perform more than 500 reviews for local educational agencies, including school districts and county offices of education. Services range from fiscal crisis intervention to management review and assistance. FCMAT also provides professional development training. The Kern County Superintendent of Schools is the administrative agent for FCMAT. The agency is guided under the leadership of Joel D. Montero, Chief Executive Officer, with funding derived through appropriations in the state budget and a modest fee schedule for charges to requesting agencies.

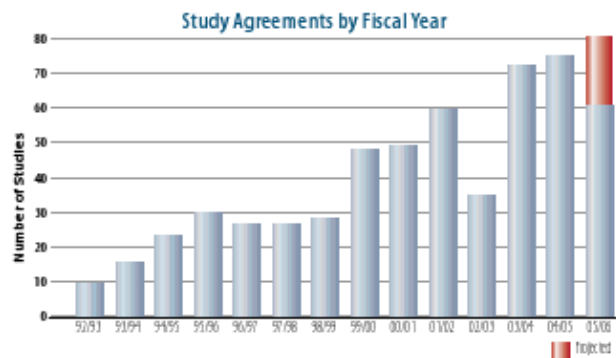
Total Number of Studies ..... 562

Total Number of Districts in CA ..... 982

Management Assistance.....	513	(91.28%)
Fiscal Crisis/Emergency.....	42	(7.47%)
Emergency Loan.....	7	(1.25%)

Note: Some districts had multiple studies

(Rev. 4/2010)



Sacramento City Unified School District

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(Rev. 4/7/06)

80  
70  
60  
50  
40  
30  
20  
10  
0

*Sacramento City Unified School District*

## **Study Agreements by Fiscal Year**

92/93 93/94 94/95 95/96 96/97 97/98 98/99 99/00 00/01 01/02 02/03 03/04 04/05 05/06 Projected

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*Fiscal Crisis & Management Assistance Team*

# Introduction

## Background

Located in the city of Sacramento, the Sacramento City Unified School District is among the state's 10 largest school districts and serves approximately 50,000 students in kindergarten through twelfth grade.

The district is composed of 54 elementary schools, six kindergarten through eighth grade schools, eight middle schools, six high schools, one continuation school, one independent study school, one alternative school, 12 charter schools, six of which are dependent, and five adult education centers.

In March 2006, the Fiscal Crisis and Management Assistance Team (FCMAT) received a request from the Sacramento City Unified School District for a study that would perform the following:

1. Conduct an analysis of the district's 2005-06 budget assumptions and projections through June 30, 2006 for all funds and the multiyear projections of the general fund included in the district's second interim financial report. Provide information on potential areas for cost containment and the use of funds for the 2006-07 budgets.
2. Evaluate the district's procedures for budget development, monitoring, and budget revisions for all funds and provide recommendations for improvement, including examples of procedures and time lines that are consistent with professional standards within California's public education environment.

## Study Team

The study team was composed of the following members:

Michelle Plumbtree  
FCMAT Management Analyst  
Petaluma, CA

Margaret Rosales  
FCMAT Consultant  
Kingsburg, CA

Leonel Martinez  
FCMAT Public Information Specialist  
Bakersfield, CA

Linda Grundhoffer  
FCMAT Consultant  
Danville, CA

## Study Guidelines

FCMAT visited the district in May 2006 to conduct interviews, collect data and review documentation. This report is the result of those activities and is divided into the following sections:

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Michelle Plumbtree Margaret Rosales FCMAT Management Analyst FCMAT Consultant  
Petaluma, CA Kingsburg, CA

Leonel Martínez Linda Grundhoffer FCMAT Public Information Specialist FCMAT Consultant  
Bakersfield, CA Danville, CA Study Guidelines FCMAT visited the district in May 2006 to conduct interviews, collect data and review documentation. This report is the result of those activities and is divided into the following sections:

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- II. Position Control
- III. 2005-06 Budget Assumptions
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- VI. Budget Development
- VII. Categorical Funds
- VIII. Staffing Formulas
- IX. Reconciliation of Prior Year Accounts
- X. Training
- XI. Retiree/Post Retirement Benefits
- XII. Long-Term Debt
- XIII. Appendices

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