

WILLOWS UNIFIED SCHOOL DISTRICT

FISCAL RECOVERY PLAN

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INTRODUCTION

The Willows Unified School District serves approximately 1720 students in its seven schools consisting of one elementary, one intermediate, one high school, one continuation high school, and three community day schools. In August, 2008, the Glenn County Office of Education disapproved the school district's budget for the 2008/09 school year based on projected negative ending balances for the 2009/10 and 1010/11 fiscal years, the premature use of restricted funds to balance the unrestricted general fund and the looming possibility that California school districts would be asked to make much deeper cuts than initially planned due to the state of the economy in California and the lack of a state budget. The Willows budget did not include any alternatives to overcoming these problems.

The goal set by the Willows School District and the Glenn County Office of Education is to implement budget adjustments that will reduce spending in the 2008/09 fiscal years. The amount of these adjustments will be sufficient to allow the district to adopt a balanced budget for 2009/10 including a 3% reserve for economic uncertainties and to show a positive ending balance for the two subsequent years. A fiscal advisor was hired to work with the district to complete a Fiscal Recovery Plan.

The Recovery Plan that follows is the compilation of work and ideas of the fiscal advisor, fiscal consultant, district business manager, district superintendent, and district staff starting in October of 2008 through January of 2009.

SCOPE OF WILLOWS UNIFIED RECOVERY PLAN

The scope and purpose of the Recovery Plan is two-fold. First, to identify areas where improvements or changes can be made in the district's operations and management that can save them money or bring in additional revenue. Second, to commit the district to specific strategies and actions that will result in these improvements or changes within a specified timeline.

The Recovery Plan is meant to complement the multi-year financial plan by insuring the implementation of sound administrative practices and policies that will prevent the recurrence of conditions that led to fiscal crisis and enable the district to return to solvency.

FINANCIAL PROBLEM DESCRIPTION

The financial decline at Willows Unified School District (WUSD) began in the 2003/04 budget year. During several of the years since that time the district spent more money than it received slowly decreasing its fund balance to the point when it could no longer cover the required reserves. The deficit spending pattern was also coupled with a steady decline in the student population during the same time period further eroding the district's ending balance. Since 2003/04 enrollment has dropped by approximately 125 students which is a loss of more than \$750,000 in revenue limit dollars.

Along with the loss of ADA and the loss of corresponding revenues, the district and the certificated bargaining unit bargained to move health and welfare benefits on to the salary schedule in an attempt to cap health and welfare benefit costs that had become too costly for the district. This agreement increased the salary schedule significantly and was envisioned as cost neutral but the corresponding cost of the statutory benefits associated with the salary increase was born solely by the district thus increasing their cost.

As the district planned future budgets, it factored in a number of retirements that did not materialize. The district also gave raises to the employees in future years. The raises were equal to an additional 12.87% on the salary schedule for the certificated and 12.87% for the classified unit. Management and Confidential units received raises of 8.87%. Starting with the 2008/09 school year, Management and Confidential accepted a 1% reduction in salary. During this same time period, other expenses also increased. The budget for contracts, insurance and utilities increased by over \$600,000 as well as a \$450,000 increase in the cost of special education services provided by the County Office of Education. Overall, the increased cost to the district budget was about \$3 million dollars a year.

It seems that the district did not move quickly enough to reduce staff or expenses in response to the increased costs and student loss which accelerated their financial decline and led to the disapproval of their 2008/09 budget. The prior superintendent and business manager had also left the district by this time leaving the current administration with a financial crisis. A review of the district's finances by the fiscal advisor and the district's financial consultant indicates the need for up to \$1.2 million in budget reductions for 2009/10 in order to stabilize the district's finances.

STEPS TAKEN TOWARD STABILIZATION

Unfortunately for the current administration, they started their new terms with a growing number of fiscal problems that needed their immediate attention. The new superintendent and interim business manager tried to assess the depth of the problem and took some steps to reduce expenses in 2008/09 budget period. They created a leadership team that met frequently to come up with a list of possible reductions for that year. The following reductions totaling \$643,400 were implemented in 2008/09.

RATING	RECOMMENDATION	COST SAVING	CUMULATIVE SAVINGS
1	Cancel SARB contract (done)	\$10,000	\$10,000
2	Revise walk-on coaching stipends effective 1/1/08	\$15,000	\$25,000
3	Eliminate Bay Alarm Services	\$8,700	\$33,700
4	Renegotiate copier leases	\$5,000	\$38,700
5	Reduce unrestricted site budgets by 15%	\$20,000	\$58,700
6	Increase fees for driver training	\$12,000	\$70,700
7	Eliminate ACSA dues for administrators	\$15,000	\$85,700
8	Eliminate all excess appliances (PG&E savings)	\$5,000	\$90,700
9	Reduce 1 administrative position	\$122,000	\$212,700
10	Charge athletic transportation fees (\$35/season)	\$12,000	\$224,700
11	Charge HS lab fees (\$15-\$20/class)	\$8,700	\$233,400
12	Eliminate golf program	\$8,000	\$241,400
13	Reduce maintenance position	\$51,000	\$292,400
14	Reassign sub calling duties (target 08/09 school year)	\$16,000	\$308,400
15	Reduce 1 teaching position at WHS	\$65,000	\$373,400
16	Eliminate 1 cafeteria position	\$42,000	\$415,400
17	Reduce second cafeteria position	\$28,000	\$443,400
18	Reduce 1 teaching position at MES	\$65,000	\$508,400
19	Reduce second teaching position at WHS	\$65,000	\$573,400
20	Reduce 1 7 th /8 th teaching position at WIS	\$65,000	\$638,400
21	Charge transportation fees	\$5,000	\$643,400
	The Above Were Cuts For 2008/09 School year		

The district has even gone further in identifying more reductions for the 2009/10 budget year. These reductions total approximately \$1,000,000 from the unrestricted side of the general ledger and \$245,000 from the restricted side. There is an additional \$262,000 in reductions that can not be implemented without negotiation. The Board has already approved

the following reductions or ones with equivalent savings for 2009/10. The district has also drawn up a PARS retirement incentive plan for certificated staff that stands to be approved at the beginning of February if there are enough participants signed up to show a significant savings to the district. The costs for the retirement package have not yet been factored into the budget. As shown on the list, there are numerous certificated positions up for elimination or reduction that will reduce expenses for the district.

1	Eliminate Warehouse/Utility Position	\$67,613		\$67,613
2	Eliminate K-3 CSR (9 teachers- \$129,000) up to 13 teachers	*\$415,111		\$482,724
3	Eliminate 2 FTE at WHS	\$130,000		\$612,724
4	Eliminate 9 th Grade CSR	\$22,000		\$634,724
5	Combine Duties of District Supt and WCHS Admin	\$40,000		\$674,724
6	Reduce Additional Summer Custodial	\$25,000		\$699,724
7	Eliminate In-Town Pick-Ups/Bus Route	\$32,000		\$731,724
8	Reduce/Reorganize Summer School Program	\$15,000		\$746,724
9	Reduce/Reorganize Intervention at MES/WIS/WHS	\$20,000		\$766,724
10	Eliminate Teacher at WIS (Categorical)		\$65,000	
11	Eliminate/Reduce/Reorganize Athletics at WIS	\$30,000		\$796,724
12	Eliminate Athletic Director at WIS	\$5,000		\$801,724
13	Reduce Media Specialist positions at all schools (days only)	\$8,000		\$809,724
14	Eliminate 3.9 Custodian at WHS	\$12,000		\$821,724
15	Eliminate Heating and Cooling of WHS & WIS Hallway	\$1,000		\$822,724
16	Charge ASB for School-Site Vending Machines (2x\$300)	\$600		\$823,324
17	Eliminate Part-Time Counseling Position at WHS	\$75,000		\$898,324
18	Drain and Fill the WHS Swimming Pool	\$30,000		\$928,324
19	Eliminate/Reduce District Computer Tech Position		\$50,000	
20	Eliminate/Reduce 1 Counseling Position at WIS		\$65,000	
21	Eliminate/Reduce 1 Counseling Position at MES		\$65,000	
22	Reduce WCHS to 3 Hours Per Day	\$99,000		\$1,027,324
23	Eliminate WHS Sports Programs	\$90,722		\$1,118,046
24	Management Reduce Days: 3 days- \$17,911; 5 days- \$26,697			
25				
26	Combine Duties of DO Secretary and WCHS Secretary (must be negotiated)	\$20,000		
27	Eliminate/Suspend Music at Murdock (must be negotiated)	\$80,000		
28	Eliminate/Suspend PE at Murdock (must be negotiated)	\$65,000		
29	1% Salary Roll Back- All Units (must be negotiated)	\$97,000		
	TOTAL SAVINGS	\$262,000 (negotiated items)	\$245,000 Categorical Savings	\$928,324

*cost savings = salary and benefits....need to include custodial/P&G&E savings

The First Interim report submitted to the county by the district in December, 2008, demonstrated that the district had made significant progress in addressing their financial problems. The report showed positive ending balances in all three years but was certified as qualified by the district because so much was still unknown about possible mid-year reductions and deficits for the 2009/10 budget year. The reductions that were already made and those that will be made next year should have put the district on a steady course toward solvency. However, on January 15, 2009, the Glenn County Office of Education changed the district's certification to negative due to the lack of an approved and adopted Financial Recovery Plan. The district appealed that decision to the California Department of Education and on February 9, 2009, the Glenn County Office of Education changed the district's certification to qualified.

RECOVERY

If an economic crisis had not crippled California, the reductions that the district has already made and will be making for next year would have solved their own financial crisis and put them on a solid path to full recovery. But at this time, the state is in the midst of the worst financial crisis since the great depression. The full impact of this crisis in terms of reduced revenue to school districts is not even known at this time. The state is struggling with a projected \$40 billion dollar deficit and is quickly running out of cash. The current estimate for revenue reductions from the state for school districts sits at 4.5% for the mid-year 2008/09 and an additional 3% revenue deficit for next year. There was no way to predict or even imagine a crisis of this magnitude. Unfortunately for Willows Unified this means more belt-tightening and more expense reductions for this year, next year and beyond.

For the current year, the district is trying to reduce spending by limiting all purchases to emergency or essential items only, eliminating overtime, limiting time off and substitute costs, instituting a hiring freeze whenever possible, cutting travel, conference and non-required in-service training, charging categorical programs for their share of the retiree benefit liability and reviewing their intervention classes for proper cost effective loading.

The district and its board have taken aggressive steps toward recovery and should be recognized for their considerable effort. They were hoping to show positive ending balances for the next three years starting with the 2009/10 budget. However, the State's financial crisis has made it difficult to predict at this time whether Willows Unified will be able to fully recover by that time.

2008/09

**CURRENT YEAR
RECOMMENDATIONS OR PROPOSALS**

CURRENT YEAR 2008-09

RECOMMENDATION:	Review all contracts for service.
OVERALL IMPACT:	Reduce costs
CHANGE IN MYP?	Yes
ESTIMATED REVENUE/SAVINGS:	Unknown at this time
ACTION REQUIRED:	Review contracts for need. Contact vendors for cost reduction
ASSIGNED TO:	
COMPLETION DATE:	
<p>BACKGROUND/RATIONALE/ISSUES:</p> <ul style="list-style-type: none"> • A review of all contracts for service. District may find contracts that can be eliminated, performed by current staff or reduced. • E.G. <ol style="list-style-type: none"> 1. District has a contract for creating the school accountability report card, however, a staff person does most of the work. 2. Contract for mandated cost services could be suspended, especially if State is not paying claims or eliminating claims. 	

CURRENT YEAR 2008-09

RECOMMENDATION:	Charge restricted programs for their share of retiree benefit costs. (Transfer to Fund 20)
OVERALL IMPACT:	Reduces Expense in unrestricted general fund
CHANGE IN MYP?	Yes
ESTIMATED REVENUE/SAVINGS:	\$50,000/yr.
ACTION REQUIRED:	Manual expense transfers in 2008/09. COE might be able to change payroll programs in the future to automate this transfer.
ASSIGNED TO:	
COMPLETION DATE:	
BACKGROUND/RATIONALE/ISSUES: <ul style="list-style-type: none"> • General Fund currently bears the full cost of this transfer for retiree benefit costs. • Changing this practice and charging the restricted programs for this cost frees up general fund money. 	

CURRENT YEAR 2008-09

RECOMMENDATION:	Have teachers or students perform crossing guard duties (volunteers)
OVERALL IMPACT:	Eliminate cost for paid crossing guards.
CHANGE IN MYP?	YES
ESTIMATED REVENUE/SAVINGS:	\$12,000
ACTION REQUIRED:	Review crossing locations for feasibility
ASSIGNED TO:	
COMPLETION DATE:	
BACKGROUND/RATIONALE/ISSUES:	
<ul style="list-style-type: none">• Have teachers or students pick up crossing guard duties for 15 minutes before school and after school for crosswalks near the school.	

CURRENT YEAR 2008-09

RECOMMENDATION:	Reduce/Eliminate Yard Duty Supervisors
OVERALL IMPACT:	Eliminate cost for paid crossing guards.
CHANGE IN MYP?	YES
ESTIMATED REVENUE/SAVINGS:	\$35,000
ACTION REQUIRED:	Review crossing locations for feasibility
ASSIGNED TO:	
COMPLETION DATE:	
BACKGROUND/RATIONALE/ISSUES:	
<ul style="list-style-type: none">• Cost per year for Yard Duty personnel is \$25,000 at Murdock and \$10,000 at Willows Intermediate.	

CURRENT YEAR 2008-09

RECOMMENDATION:	Review intervention classes student/teacher ratio. Reorganize or eliminate classes
OVERALL IMPACT:	Reduce costs
CHANGE IN MYP?	Yes
ESTIMATED REVENUE/SAVINGS:	\$20,000
ACTION REQUIRED:	Eliminate classes with too few students. Consolidate instruction.
ASSIGNED TO:	
COMPLETION DATE:	
<p>BACKGROUND/RATIONALE/ISSUES:</p> <ul style="list-style-type: none"> • The District currently staffs intervention classes for fewer than 5 students in some cases. This is not cost effective. • Consolidate and reorganize existing classes and staffing. • Should reduce cost and need for teaching staff. 	

CURRENT YEAR 2008-09

RECOMMENDATION:	Review copier cost per copy.
OVERALL IMPACT:	Decreased costs in current and future years.
CHANGE IN MYP?	Not at this time
ESTIMATED REVENUE/SAVINGS:	Not known
ACTION REQUIRED:	Review contract – get copier information to each principal and manager about #of copies compared to last year.
ASSIGNED TO:	
COMPLETION DATE:	
BACKGROUND/RATIONALE/ISSUES: <ul style="list-style-type: none"> • Management staff have documented that copier costs have increased significantly this past year. They don't believe that the number of copies has increased. • A review of the costs, copy numbers and contract should be done. 	

CURRENT YEAR 2008-09

RECOMMENDATION:	Reduce current year expense wherever possible.
OVERALL IMPACT:	Increase ending balance and cash position.
CHANGE IN MYP?	No
ESTIMATED REVENUE/ SAVINGS:	Unknown
ACTION REQUIRED:	Extend responsibility or cost cutting measures to all managers and administrators.
ASSIGNED TO:	
COMPLETION DATE:	
BACKGROUND/RATIONALE/ISSUES: <ul style="list-style-type: none"> • For the remainder of 2008-09 limit all purchases to emergency or essential items only, eliminate overtime whenever possible, limit time-off and corresponding substitute costs, freeze all hiring, reduce travel, conference and non required in-service training. • These cost saving measures should continue into future years until current budget crisis subsides. 	

CURRENT YEAR 2008-09

RECOMMENDATION:	Review 2009 summer school operations and hourly programs for cost savings. Eliminate encroachment.
OVERALL IMPACT:	Reduce costs to the general fund.
CHANGE IN MYP?	YES
ESTIMATED REVENUE/SAVINGS:	\$15,000
ACTION REQUIRED:	Reduce program to required classes only so no additional general fund money is needed to run the program.
ASSIGNED TO:	
COMPLETION DATE:	
BACKGROUND/RATIONALE/ISSUES: <ul style="list-style-type: none"> • Neither Summer school, nor the hourly programs are currently cost neutral. Overruns cost the district regular education dollars. This program needs to be reviewed and pared down for 2009 summer school to include only classes that are required and are covered by the dollars received from the State. • Second option is to eliminate summer school altogether. 	

CURRENT YEAR 2008-09

RECOMMENDATION:	Reduce library aide/tech time at elementary and high school.
OVERALL IMPACT:	Reduce cost
CHANGE IN MYP?	YES
ESTIMATED REVENUE/SAVINGS:	Up to \$70,000
ACTION REQUIRED:	Reduce positions for 2009/10
ASSIGNED TO:	
COMPLETION DATE:	
BACKGROUND/RATIONALE/ISSUES:	
<ul style="list-style-type: none">• Middle school library tech is already reduced to 3.9 hours. High school and elementary still have full time librarians.	

CURRENT YEAR 2008-09

RECOMMENDATION:	Review actual cost benefits of PARS to be sure that the cost of the programs doesn't outweigh the savings.
OVERALL IMPACT:	Could end up costing the District more than it saves.
CHANGE IN MYP?	
ESTIMATED REVENUE/ SAVINGS:	
ACTION REQUIRED:	CAUTION! Before approving retirements, all costs and savings must be known.
ASSIGNED TO:	
COMPLETION DATE:	
<p>BACKGROUND/RATIONALE/ISSUES:</p> <ul style="list-style-type: none"> The cost for each retiree under the PARS Retirement Incentive is approximately \$12,000/yr for 5 years or \$60,000 each. If 10 teachers retire, the yearly cost to the District is \$120,000 and \$600,000 over 5 years. These costs need to be carefully weighed against any potential savings. 	

CURRENT YEAR 2008-09

RECOMMENDATION:	Review charges to outside agencies or groups for use of facilities
OVERALL IMPACT:	Increase revenue
CHANGE IN MYP?	Not at this time
ESTIMATED REVENUE/ SAVINGS:	Unknown
ACTION REQUIRED:	Recalculate billing structure
ASSIGNED TO:	
COMPLETION DATE:	
BACKGROUND/RATIONALE/ISSUES: <ul style="list-style-type: none"> • This District does charge a small fee for the use of its facilities to outside groups. • District needs to make sure that the fees cover the costs of custodial and utilities. Fees charges over those costs can be extra income to the District. 	

CURRENT YEAR 2008-09

RECOMMENDATION:	Consider reducing transfer amount to Fund 20 for benefit costs.
OVERALL IMPACT:	Increases general fund ending balance
CHANGE IN MYP?	Yes
ESTIMATED REVENUE/ SAVINGS:	\$20,000
ACTION REQUIRED:	Reduce transfer formula
ASSIGNED TO:	
COMPLETION DATE:	
<p>BACKGROUND/RATIONALE/ISSUES:</p> <ul style="list-style-type: none"> • The District currently transfers about \$20,000 to Fund 20 each year in excess of the actual cost of benefits. • Reduce the transfer for the next year or two to increase the ending balance in the general fund. • This savings will decrease as the cost for benefits increases or the number of retirees with district paid benefits increases. 	

CURRENT YEAR 2008-09

RECOMMENDATION:	Postpone textbook adoptions
OVERALL IMPACT:	Delay expense to another year
CHANGE IN MYP?	Maybe – if expense is budgeted in current or 2 subsequent years.
ESTIMATED REVENUE/SAVINGS:	Unknown at this time
ACTION REQUIRED:	Get management buy-in for decision
ASSIGNED TO:	
COMPLETION DATE:	
BACKGROUND/RATIONALE/ISSUES: <ul style="list-style-type: none"> • The District is looking to reduce costs in the current and subsequent year. Postponing textbook adoptions as long as possible delays the expense and increases the District’s cash position. 	

CURRENT YEAR 2008-09

RECOMMENDATION:	Reduce then eliminate financial consultant
OVERALL IMPACT:	Reduce cost
CHANGE IN MYP?	YES
ESTIMATED REVENUE/SAVINGS:	\$50,000 - \$100,000
ACTION REQUIRED:	Reduce contract for remainder of 08/09 and then eliminate contract altogether for 09/10
ASSIGNED TO:	
COMPLETION DATE:	
BACKGROUND/RATIONALE/ISSUES: <ul style="list-style-type: none"> • Review the need for the financial consultant for the remainder of this year for possible reduction in time required through June 30. • Eliminate this contract starting in July 2009/10. The district hired a new business manager in 2008. This person should be ready to assume full responsibility after 1 year working with the consultant. 	

2009-10

**ALTERNATE
RECOMMENDATIONS OR PROPOSALS**

**ALTERNATE CUT
TO 1% SALARY REDUCTION**

RECOMMENDATION:	Freeze step & column raises for 2-3 years
OVERALL IMPACT:	Reduce costs temporarily
CHANGE IN MYP?	YES
ESTIMATED REVENUE/SAVINGS:	\$200,00-350,000 over 2-3 years
ACTION REQUIRED:	Negotiation with bargaining unit
ASSIGNED TO:	
COMPLETION DATE:	
<p>BACKGROUND/RATIONALE/ISSUES:</p> <ul style="list-style-type: none"> • As an alternate reduction to a 1% salary decrease. This option also requires negotiation, but might be preferable. • Implement for a minimum of 2 years. • Adjust when Districts start to receive COLAS again that would cover the increased costs. No Back adjustments for lost increases should be given. When Step & Column is reinstated, everyone would move to step & column they would have been on if the freeze had not happen. • This option does not reduce current salaries. 	

**ALTERNATE CUT
To class size reduction**

RECOMMENDATION:	Create combination classes at Murdock elementary as an alternate to eliminating Class Size Reduction
OVERALL IMPACT:	Reduce costs
CHANGE IN MYP?	Yes
ESTIMATED REVENUE SAVINGS:	\$160,000
ACTION REQUIRED:	Layoff two teachers at MES by March 15, 2009. Create classes for 2009/10 school year.
ASSIGNED TO:	
COMPLETION DATE:	Layoff by March 15, 2009 Create classes for 2009/10 school year
BACKGROUND/RATIONALE/ISSUES: <ul style="list-style-type: none"> • A reorganization of classes at Murdock could eliminate 2 classes with the creation of 2 combo classes • This alternative should be implemented if the district decides not to eliminate Class Size Reduction (CSR). 	

ALTERNATIVE CUT

If District Eliminates CSR at Murdock and/or No Categorical Flexibility is Given by State

RECOMMENDATION:	Close Willows Intermediate School
OVERALL IMPACT:	Reduced costs.
CHANGE IN MYP?	YES
ESTIMATED REVENUE/SAVINGS:	\$250,000 - \$300,000
ACTION REQUIRED:	Research and plan for school closure
ASSIGNED TO:	
COMPLETION DATE:	
BACKGROUND/RATIONALE/ISSUES: <ul style="list-style-type: none">• This option would require careful research and planning. Closing a school is never easy. Murdock will have many vacant classrooms if the district eliminates class size reduction. 5th and 6th grade could move to Murdock and, if possible, make it a K-8 school. If not, the 7th and 8th grade could be housed at the high school.• The costs for central office staff, custodial, maintenance, cafeteria and utilities could be saved with this plan.	

2009-10

**FUTURE YEAR
RECOMMENDATIONS OR PROPOSALS**

RECOMMENDATION:	Create on-site Special Ed classes/program. Look at alternate programs or placements.
OVERALL IMPACT:	Possibly Reduce costs
CHANGE IN MYP?	Yes
ESTIMATED REVENUE/SAVINGS:	Not known at this time.
ACTION REQUIRED:	Study all Special Ed students assigned to the county office for alternative placement. Conduct feasibility study to determine cost savings, if any.
ASSIGNED TO:	
COMPLETION DATE:	
BACKGROUND/RATIONALE/ISSUES: <ul style="list-style-type: none"> • Willows currently has about 170 Special Ed. Students that are enrolled in a county office run program. Costs for this program have escalated over the last few years and the district has no control over these costs. • The school district should explore taking back all non-severe students and create special classes or integrate them into the regular classrooms with pull-outs for RSP services. • Work with the county office to reduce the costs for special ed students identified as severe. 	

RECOMMENDATION:	Consider changing 7 th and 8 th grade to self-contained classes.
OVERALL IMPACT:	Could eliminate 1-2 teachers with current student population.
CHANGE IN MYP?	Yes
ESTIMATED REVENUESAVINGS:	\$70,000 - \$140,000
ACTION REQUIRED:	Layoff and rehiring of teachers
ASSIGNED TO:	
COMPLETION DATE:	
BACKGROUND/RATIONALE/ISSUES: <ul style="list-style-type: none"> • This recommendation comes with built in complications. Multi-subject credentialing for self-contained classroom teachers is required. Current 7th & 8th grade teachers hold single subject credentials and would not be able to teach in a self-contained classroom. • The second consideration is the need for expertise in certain subject areas. Classes for Math, English or Social Studies could be arranged by Basic, Proficient, Advanced and have the students broken out amongst the 7th or 8th grade teachers for those subjects to draw on the strengths of the teachers. 	

RECOMMENDATION:	Expand the Odyssey curriculum program to include the continuation high school.
OVERALL IMPACT:	Reduce half-time teacher
CHANGE IN MYP?	Yes
ESTIMATED REVENUE/SAVINGS:	\$40,000
ACTION REQUIRED:	Change in teaching method for delivery of high school program.
ASSIGNED TO:	
COMPLETION DATE:	

BACKGROUND/RATIONALE/ISSUES:

- There is currently a plan to eliminate the principal/teacher position at the Willows Continuation High School. The recommendation is for the district superintendent to assume the role of the principal but that leaves a half-time teaching position unfilled.
- The district currently uses Odyssey on-line instruction for its independent study program.
- The recommendation is to expand the use of on-line instruction to the Continuation High School and eliminate the need for the half-time teacher. The one full-time teacher could oversee the whole program.

RECOMMENDATION:	Expand independent study using Odyssey to include drop-outs and possibly adults that didn't graduate from high school and want a diploma.
OVERALL IMPACT:	Increased revenue
CHANGE IN MYP?	YES
ESTIMATED REVENUE/SAVINGS:	Unknown, but each additional ADA would receive \$6000
ACTION REQUIRED:	Establish and market the program.
ASSIGNED TO:	
COMPLETION DATE:	

BACKGROUND/RATIONALE/ISSUES:

- The district currently uses Odyssey online courses for independent study. This program can be expanded to include anyone that has not completed high school using an on-line curriculum from home, library, school, etc.
- Continuously enrolled rules apply here so once a student drops out – they would no longer be continuously enrolled or eligible for ADA. This would be a K-12 program only.

RECOMMENDATION:	Eliminate 1 or 2 vice principal positions
OVERALL IMPACT:	Need for someone to handle discipline remains – thoughts are shared in comments below. Reduce 2 administrative FTEs
CHANGE IN MYP?	YES
ESTIMATED REVENUE/SAVINGS:	\$100,000 - \$230,000
ACTION REQUIRED:	Layoff notices by March 2009
ASSIGNED TO:	
COMPLETION DATE:	
BACKGROUND/RATIONALE/ISSUES: <ul style="list-style-type: none"> • The District currently has two VP’s. One at the high school and one at the intermediate school. Both VP’s work part-time at the elementary school. The high school VP is also the Athletic Director. • Vice principals are normally in charge of discipline and working with parents/students with complaints, problems or concerns. • Other districts have already done this so it is possible. Use staff teachers or counselors for the discipline piece. Several teachers have had or will have their contracts reduced and would have periods open to perform these duties. It might be possible to hire a retiree part-time at each school on a temporary contract to take on these functions. A cost savings would be recognized by using existing staff and eliminating costly administrative personnel. 	

RECOMMENDATION:	Use retiree staff to fill part-time, temporary positions.
OVERALL IMPACT:	Reduces costs for statutory benefits on wages. Might reduce health care costs since retirees already have health benefits paid by the district.
CHANGE IN MYP?	YES
ESTIMATED REVENUE/SAVINGS:	Not known
ACTION REQUIRED:	
ASSIGNED TO:	
COMPLETION DATE:	
<p>BACKGROUND/RATIONALE/ISSUES:</p> <ul style="list-style-type: none"> • Whenever possible consider hiring a retired employee for part-time temporary positions. Statutory benefits such as PERS, STRS, Social Security are not paid on wages earned by retirees of the district. Since they already receive health benefits there would be a full or partial savings for those costs as well. • The district may also find itself with a large retiree pool for next year and beyond. 	

RECOMMENDATION:	Eliminate all aide positions unless class size reaches 35. Does not affect Special Ed. Aides.
OVERALL IMPACT:	Frees up restricted dollars for other purposes
CHANGE IN MYP?	No
ESTIMATED REVENUE/SAVINGS:	Up to \$375,000
ACTION REQUIRED:	Layoff Classified Aides
ASSIGNED TO:	
COMPLETION DATE:	
<p>BACKGROUND/RATIONALE/ISSUES:</p> <ul style="list-style-type: none"> Savings in 09/10 are possible. Savings on restricted side could be used for other purposes – a teacher for intervention, pull-out reading, math or ELL classes. 	

RECOMMENDATION:	Reduce retiree benefit costs.
OVERALL IMPACT:	Reduce costs in future year. Reduced liability in Fund 20.
CHANGE IN MYP?	YES
ESTIMATED REVENUE/SAVINGS:	Up to \$5,000/per retired employee
ACTION REQUIRED:	Negotiate contract change
ASSIGNED TO:	
COMPLETION DATE:	
<p>BACKGROUND/RATIONALE/ISSUES:</p> <ul style="list-style-type: none"> • Both classified and certificated retirees receive over \$11,000/yr in benefits until age 65. Some employees are grandfathered with lifetime benefits. • District needs to reduce this current/future cost. District should try to negotiate to pay for medical premiums only. Dental and vision premiums should not be paid by the district but could be purchased by retiree. • Medical premium should be capped. • This also reduces amount needed for future liability (fund 20) each year. 	

RECOMMENDATION:	Reduce ground position to 11 month.
OVERALL IMPACT:	Reduce costs
CHANGE IN MYP?	YES
ESTIMATED REVENUE/SAVINGS:	\$4800
ACTION REQUIRED:	Renegotiate contract or calendar for grounds position
ASSIGNED TO:	
COMPLETION DATE:	
BACKGROUND/RATIONALE/ISSUES: <ul style="list-style-type: none"> The grounds position is typically a 12 month year round job. This suggestion is to reduce the position to 11 months with December being a no-work month. School is typically closed for two weeks during this time and landscape needs are minimal during the winter. 	

RECOMMENDATION:	Reduce absenteeism and related sub costs.
OVERALL IMPACT:	Decreased substitute costs.
CHANGE IN MYP?	Not at this time
ESTIMATED REVENUE/SAVINGS:	Unknown at this time
ACTION REQUIRED:	Work with staff. Get the work out about costs for absenteeism.
ASSIGNED TO:	
COMPLETION DATE:	
BACKGROUND/RATIONALE/ISSUES: <ul style="list-style-type: none"> • This item is difficult but most times sick leave is taken for non-stick days. Positions that require a sub for the day can be very costly for the district. • The District should inform staff that sick-leave hours can be added to their days worked for retirement purposes and increase their monthly retirement checks. The District could also look into incentives for staff e.g. a share of the money saved for substitutes. 	

RECOMMENDATION:	Full day kindergarten
OVERALL IMPACT:	Increased enrollment
CHANGE IN MYP?	Not at this time
ESTIMATED REVENUE/SAVINGS:	Each new student would increase revenue by over \$6,000
ACTION REQUIRED:	Implement proposal and advertise new kindergarten hours.
ASSIGNED TO:	
COMPLETION DATE:	

BACKGROUND/RATIONALE/ISSUES:

- School districts are only paid for half-day kindergarten but teachers are there and paid for a full day.
- As a proposal to possibly increase enrollment and revenue, consider making kindergarten a full day class with 40 students and two teachers in each class.
- Parents might like having their child in school all day. The kindergarten student can be picked up or ride the bus with the other students. Parents don't have to make additional trips to school for pickup. Daycare is available at a reduced cost after school for working parents.
- This option might increase enrollment and revenue.

RECOMMENDATION:	Increased enrollment and ADA
OVERALL IMPACT:	Increased revenue
CHANGE IN MYP?	Not at this time
ESTIMATED REVENUE/SAVINGS:	\$6,000 + per student
ACTION REQUIRED/SAVINGS:	Explore ways to bring students to Willows Unified.
ASSIGNED TO:	
COMPLETION DATE:	
BACKGROUND/RATIONALE/ISSUES: <ul style="list-style-type: none"> • Enrollment at Willows has been declining for the past several years. The district should explore all avenues to increase enrollment and ADA to increase revenue. • Review transfer policies; work with COE to uphold transfer denials; offer on-line courses to drop-outs or adults that did not graduate from high school; increase independent study options; offer incentives to students to increase ADA – trips, event tickets, electronic devices, etc. 	