



May 16, 2017

1121 L Street
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Suite 1060
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Sacramento
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California 95814
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TEL: 916 . 446 . 7517
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FAX: 916 . 446 . 2011
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www.sscal.com

Mr. CJ Cammack
Superintendent
Martinez Unified School District
921 Susana Street
Martinez, CA 94553

Dear Mr. Cammack:

School Services of California, Inc., (SSC) is pleased to provide the Martinez Unified School District (District) with the following proposal to perform a comprehensive Budget Review.

The Budget Review

Our detailed review of the budget involves analyzing each major revenue and expenditure category for the General Fund and ancillary funds (to the extent those funds have a fiscal impact on the General Fund). The review will not be an audit, but is designed to give the District a fair and independent assessment of the current District finances.

The review of revenues and expenditures includes:

- An examination of projected enrollment and average daily attendance
- A review of assumptions used for the Local Control Funding Formula
- Verification of State Budget assumptions for one-time sources and other state and categorical funds
- A review of budget assumptions for federal revenues, interest income, and other local sources
- Verification of budgeted salary and benefit amounts
- A review of budget assumptions for the expenditures of supplies, operational items, and capital outlay
- A review of fund balances and potential sources of funds
- Examination of cash flow projections and adequacy of cash balances
- Telephone interviews as needed with select District office staff members

We will report the Budget Review findings for each major revenue and expenditure category examined. If certain budget assumptions are found not to be reasonable and the amounts are significant, we will suggest budget revisions be made.

The Comparative Analysis

As part of this study, we will perform a comparative analysis of revenues, expenditures, fund balance reserves, staffing ratios, and teacher salaries and benefits using our statewide databases. The analysis will measure the District's level of funding, expenditures, and staffing, as well as teacher compensation, as compared to school districts of like size and with comparable resources.

Final Product and Presentation

Following an evaluation of the documentation provided by the District, a draft report will be prepared and submitted to the Superintendent for review and comment. Final recommendations will be included in a final document submitted to the Superintendent.

Our analysis yields a final report format suitable for constructive use by the Board, District administration, staff, and other stakeholders. The final report will include results of the detailed Budget Review, including any recommended changes in budgeting practices. Recommendations are tailored to the District's specific needs and characteristics and are focused on appropriate budget controls and fiscal solvency. Members of our team will be available to formally present the final report at a public meeting of the Board.

About SSC Staff

Staff for this project will include two consultants from SSC. Each portion of the project will be led by a member of our firm with special expertise in the assigned area:

Debbie Fry, Director, Management Consulting Services, provides support to school districts, charter schools, county offices, and community college districts in school finance and budgeting, collective bargaining, employer-employee relations, human resources, special education, and general consulting. Debbie brings a wealth of experience in the area of school finance, employment, personnel management, and special education. Debbie completed the Fiscal Crisis & Management Assistance Team (FCMAT) CBO Mentor Program, earned her Chief Business Official (CBO) certification from the California Association of School Business Officials (CASBO), and is a certified Administrator of School Finance and Operations from Association of School Business Officials (ASBO) International. She has served in increasingly responsible fiscal positions in California school districts for more than 20 years and most recently served as the CBO

and Director of Human Resources at the Metropolitan Education District. Debbie graduated from Ashford University with a Master's degree in Business Administration.

Brianna García, Director, Management Consulting Services, has worked with school districts to strengthen their organizations by conducting organizational reviews, comparative analyses of school district resources and staffing, facilities reviews, and charter petition reviews. She has provided guidance to school districts as they work through the Local Control and Accountability Plan process and also has extensive experience related to planning and development of charter school facilities, including Proposition 39. She has over a decade of professional experience in public K-12 education, worked as Facilities Development Manager for the Los Angeles Unified School District, and completed the University of Southern California Rossier School of Education School Business Management Certificate Program earning designation as a certified Chief Business Official. Brianna graduated from the University of Southern California with a Bachelor of Architecture, a Master of Planning, and a Master of Real Estate Development.

John Gray, CIA, President, contributes tremendous practical experience to the management consulting team and serves SSC's clients by conducting fiscal health analyses, providing collective bargaining assistance, performing multiyear financial projections, performing school district efficiency studies, conducting internal control reviews, conducting district office organization reviews, and directing executive search services. Prior to joining SSC, John served as the Director of Fiscal Services for the Fresno Unified School District. Prior to joining Fresno Unified, he served as Audit Supervisor for the Ticor Title Insurance Company and Auditing Officer for Union Bank. He has also performed consulting work for the Fiscal Crisis & Management Assistance Team (FCMAT). John received his Bachelor of Science degree in Accounting from California State University, Fresno, and his Master's degree in Administrative Leadership from Fresno Pacific University.

Dave Heckler, Director, Technology and Governmental Relations, provides clients with valuable information on what is happening in the State Capitol regarding legislative and State Budget matters. Dave also shares his expertise in education funding as a consultant to several statewide education coalitions, providing detailed revenue analyses and funding projections for special education. Prior to joining SSC, Dave served in the legislative and constituent affairs office for the Secretary of State and represented the Secretary before policy committees. In addition, while working in the Legislature, one of Dave's major accomplishments was successfully working out various changes to the 2005 federal special education conformity bill (Assembly Bill 1662 [Chapter 653/2005]). Dave is a graduate of California's public school system and received his Bachelor of Arts degree from San Jose State University.

Jamie Metcalf, Director, Management Consulting Services, has a wealth of experience in the areas of school finance, risk management, employment and personnel management, special education, and employee benefits. She has served in increasingly responsible human resource and

fiscal positions. Prior to joining SSC, Jamie served as the Chief Business Official at Travis Unified School District and was responsible for all business and finance functions and served as a key member of the district's cabinet. Jamie is a graduate of University of Phoenix with a degree in business administration and marketing.

Matt Phillips, CPA, Director, Management Consulting Services, provides support to school districts in fiscal-related issues including budget reviews, salary schedule analyses, organizational reviews, and negotiations, including factfinding services. He also participates in workshops across the state on a variety of topics including the Local Control and Accountability Plan (LCAP), advanced collective bargaining, district budgeting, and auditing. His background as a Certified Public Accountant, experience working in a school district, and completion of the California Association of School Business Officials (CASBO) Chief Business Official Certification program provide the foundation for these areas. Matt graduated from California State University, Chico, with a degree in business administration with emphasis in accounting.

Charlene Quilao, Assistant Director, Management Consulting Services, provides extensive technical and professional services to local school agencies and community colleges to help them implement and maintain effective and efficient operations. As an integral member of our Management Consulting Services team, Charlene prepares research and data analysis in order to conduct organizational reviews, efficiency studies, comparative analyses of school district resources and staffing, statewide workshops, informative publications, and other client services. She also serves as SSC's liaison to the State Board of Education, monitoring emerging education policy issues and providing this essential information to school districts. Charlene received her bachelor's degree from San Francisco State University, focusing on social sciences and research and is an American Bar Association Certified Paralegal.

Suzanne Speck, Vice President, provides support to school districts, county offices, and community college districts in governance, management, collective bargaining, employer-employee relations, human resources, special education, and general consulting. Suzanne is responsible for leadership of SSC's executive search services and brings a wealth of experience in the area of employment, personnel management, strategic planning, and organizational development. She served on the Fiscal Crisis & Management Assistance Team for human resources in South Monterey Joint Union High School District, Compton Community College District, and Inglewood Unified School District. Suzanne has served school districts in California for more than 20 years as a special education teacher, principal, and Assistant Superintendent, Human Resources. Suzanne holds a Bachelor's degree in Special Education and Early Childhood Education from Radford University, Radford, Virginia. She received two credentials and her Master's degree in Education Administration from California State University, Sacramento.

Kathleen Spencer, Director, Management Consulting Services, works with school districts, charter schools, county offices of education, and community colleges to implement effective and

efficient operations through innovative strategies. She serves educational agencies in strengthening operations and resource management through organizational reviews, shared services and efficiency studies, budget reviews, comparative analyses of school district resources and staffing, total compensation studies, and facilities reviews. She specializes in the impacts of federal health care reform and the demands on employers to provide cost effective and legally compliant benefits. Kathleen also provides negotiations support to local educational agencies (LEA) and has prepared and presented many school district factfinding cases, resulting in positive and improved labor relations for both the LEA and employee group. Kathleen received her bachelor's degree from California State University, Sacramento, focusing on social sciences and research.

Sheila G. Vickers, Vice President, provides support to school districts, county offices, and community college districts in collective bargaining, legislative issues, human resources, information systems, executive search services, fiscal health analyses, and other management consulting services. She is a presenter at statewide workshops on school finance, collective bargaining, human resources, and employee benefits. She has served on Fiscal Crisis & Management Assistance Teams (FCMAT) for human resources and finance, and as a county-appointed fiscal advisor for school districts in financial distress. For 11 years prior to joining SSC, Sheila served in various financial roles in both K-12 public school districts and community colleges. Sheila received her Master's of Business Administration from California State University, Sacramento (CSUS), with emphasis on Management Information Systems. Her Bachelor of Science degree, also from CSUS, is in Business Administration with concentrations in Accounting and Management Information Systems.

Anticipated Timelines

The Budget Review will commence on a mutually agreed upon time. The final report is expected to be completed within six to eight weeks following receipt of the District documents necessary to complete the project.

Proposal Costs

We propose to provide the specified support and services for \$13,400, plus expenses related to completion of the project. Expenses are defined as actual, out-of-pocket expenses, such as travel, meals, shipping, and duplication of materials.

If meetings are required that are not described in this proposal (for example, an additional Board presentation), a charge of \$240 per hour, per consultant will be billed in addition to actual and reasonable expenses. We will submit monthly billings for services associated with the project.

After reviewing the proposal, if you decide the proposed scope should be expanded or contracted, we would be happy to make modifications and provide a revised estimated fee. If the proposal meets with your approval, please sign the appropriate enclosed Agreement for Special Services and return it to our office, whereupon a final executed Agreement will be returned for your records. Our proposal is valid for 60 days from the date of this letter.

We appreciate the confidence you have in our firm and look forward to working with the Martinez Unified School District on the upcoming project.

Very truly yours,



SHEILA G. VICKERS
Vice President

Enclosure

AGREEMENT FOR SPECIAL SERVICES
Budget Review

This is an Agreement between the **MARTINEZ UNIFIED SCHOOL DISTRICT**, hereinafter referred to as "Client," and **SCHOOL SERVICES OF CALIFORNIA, INC.**, hereinafter referred to as "Consultant," entered into as of May 16, 2017.

RECITALS

WHEREAS, the Client needs assistance regarding a Budget Review; and

WHEREAS, the Consultant is professionally and specially trained and competent to provide these services; and

WHEREAS, the authority for entering into this Agreement is contained in Section 53060 of the Government Code and such other provisions of California law as may be applicable;

NOW, THEREFORE, the parties to this Agreement do hereby mutually agree as follows:

1. The Consultant agrees to assist the Client by reporting on specified issues and providing a report on findings regarding a Budget Review.
2. The Client agrees to pay the Consultant the amount of \$13,400, plus direct expenses related to the completion of the project. Expenses are defined as actual, out-of-pocket expenses, such as travel, meals, shipping, and duplication of materials.
 - a. If meetings are required that are not described in this proposal (for example, an additional Board presentation), a charge of \$240 per hour, per consultant will be billed in addition to actual and reasonable expenses. The Consultant will submit monthly billings to the Client for services associated with the project.
3. This Agreement shall be for the period commencing May 16, 2017, and terminating January 31, 2018. It may be terminated at any time prior to January 31, 2018, by either party on thirty (30) days' written notice. In case of cancellation, the Client shall be liable for any costs accrued to date of cancellation.

4. It is expressly understood and agreed to by both parties that Consultant, while carrying out and complying with any of the terms and conditions of this Agreement, is an independent contractor and is not an employee of the Client.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as indicated below:

BY: _____ DATE: _____
CJ CAMMACK
Superintendent
Martinez Unified School District

BY: _____ DATE: _____
SHEILA G. VICKERS
Vice President
School Services of California, Inc.