Jorge A. Aguilar Superintendent

BOARD OF EDUCATION

Jessie Ryan President Trustee Area 7

621 Capitol Mall, Suite 1200 Sacramento, CA 95814 RE: Update Audit 201908

RE: Monthly Update on SCUSD Budget and Negotiation Efforts

Dear Ms. Howle,

Thank you for youMay 19, 2020 letter requesting that the District provide monthly updates to keep your office apprised of important developments related to the District's budget and the recommendations contained in the audit.repostletter is the District's July update consistent with that request.

As you are aware, the solution to the District's budget deficit will be found through negotiations for a successor contract with our bargaining partners, and specifically related to achieving a balanced District contributio its employees' health care plans. The largest portion of savings from putting a cap on health benefit plans comes from our certificated employees represented by SCTA, for whom the District pays the full cost of up to and including the family planteaunder the Kaiser and Health Net Family Plans. This is why the District has continued requesting field that theycome to the table and begin negotiations since November of 2018. On June 9, 2020, we held just the second negotiations session with the famile four proposals of their own (see attached). These proposals would add significantly to the budget through spending on new programs and SCTA positions and largely impede upon management rights. Importantly, SCTA did not provide counteproposals to or specifically address the District's proposals, including that rring with SCTA regarding

hools, the District's team made clear that it was rejecting d proposal.

In addition, and as you are also no doubt aware, the District is currently analyzing how to reopen its scho**s**/for the upcoming school year beginning on September 3, 2020. As part of this process, there will certainly be areas where we will discuss the needs and concerns of our employees with District labor unions, and on June 23, 2020, we he