

January 14, 2018

Dear Superintendent Aguilar:

In our letter dated August 22, 2018, the district's 2018-2019 Adopted Budget was disapproved. After re-submission of the budget, the district was notified in a letter dated October 11, 2018 that the budget was again disapproved. In that letter, we also requested that the district submit a viable board-approved budget and multi-year expenditure plan that reversed the deficit spending trend with the 2018-2019 First Interim Report, which was due on December 14, 2018.

We requested that the district quickly identify cuts and expedite actions that could be taken on items that do not require negotiations, while planning for those items that do require negotiations. As part of the on-going assistance offered by this office in monitoring district timelines and budget reduction progress, we and the district recently initiated weekly meetings. These meetings, along with the assistance of the fiscal advisor assigned by this office, have been very helpful and will be continued.

After submission of the First Period Interim Report, the County Superintendent of Schools is required to review the report for adherence to the State-

- x The multi-year projections submitted project that the unrestricted General Fund balance will decrease by \$22,114,107 in 2018-2019, \$42,017,874 in 2019-2020, and \$50,470,043 in 2020-2021.

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We would like to thank your staff for their cooperation during our review process.

If you have any questions or concerns, please call Tamara Sanchez at (916) 228-2551.

Sincerely,

David W. Gordon
Sacramento County Superintendent of Schools

DWG/TS/dw

cc: Jessie Ryan, Board President, SCUSD
John Quinto, Chief Business Officer, SCUSD
Al Rogers, Ed.D., Deputy Superintendent, SCOE
Tamara Sanchez, Assistant Superintendent, SCOE
Debra Wilkins, District Fiscal Services Director, SCOE
Terri Ryland, Fiscal Advisor, SCOE
Michael H. Fine, Chief Executive Officer, FCMAT
Nick Schweizer, Deputy Superintendent, CDE
Betty T. Yee, California State Controller