

Business Services and Human Resources Review

September 8, 2025



**Chula Vista
Elementary School District**

Michael H. Fine
Chief Executive Officer

September 8, 2025

Eduardo Reyes, Ed.D., Superintendent
Chula Vista Elementary School District
84 East J St.
Chula Vista, CA 91910

Dear Superintendent Reyes:

In April 2025, the Chula Vista Elementary School District and the Fiscal Crisis and Management Assistance Team (FCMAT) entered into an agreement for FCMAT to conduct a review of the district's business and human resources processes and procedures. The agreement stated that FCMAT would perform the following:

1. Review operational processes and procedures in the Business Services Department and make recommendations for improved efficiency, if any, in the following areas:
 - Budget development
 - Budget monitoring
 - Position control
 - Payroll
 - Accounts payable
 - Accounts receivable
2. Review operational processes and procedures in the Human Resources Department and make recommendations for improved efficiency, if any. The review will include, but may not be limited to:
 - Hiring, onboarding and exit interviews
 - Evaluations
 - Training and cross training
 - Personnel file management
 - Leave management
3. Evaluate the current workflow and distribution of functions within and between the above departments and make recommendations for improved efficiencies, if any.
4. Conduct an organizational and staffing review of the above departments and make recommendations for staffing improvements and organizational restructuring, if any.
5. The Team will present the final report to the district's board of trustees at a public meeting following the completion of the review.

This draft report contains the study team's findings and recommendations. Please review it and provide any factual corrections by August 12, 2025. If you have questions regarding the report, please contact me at mwirowek@fcmat.org or 209-765-9159.

FCMAT appreciates the opportunity to serve the Chula Vista Elementary School District and extends thanks to all the staff for their assistance during fieldwork.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael H. Fine".

Michael H. Fine
Chief Executive Officer

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About FCMAT

Purpose and Services

FCMAT was created by the California Legislature to help California's transitional kindergarten through grade 14 (TK-14) local educational agencies (LEAs) avoid fiscal insolvency. Today, FCMAT helps LEAs identify, prevent and resolve financial, management, program, data, and oversight challenges; provides professional learning; produces and provides software, checklists, manuals and other tools; and offers other related school business and data services.

FCMAT may be asked to provide fiscal crisis or management assistance by a school district, charter school, community college, county superintendent of schools, the state superintendent of public instruction, or the Legislature.

When FCMAT is asked for help with management assistance or a fiscal crisis, FCMAT management and staff work closely with the requesting LEA to meet their needs. Often this means conducting a formal study using a FCMAT study team that coordinates with the LEA for on-site fieldwork to evaluate specified operational areas and subsequently produces a written report with findings and recommendations for improvement.

For more immediate needs in a specific area, FCMAT offers short-term technical assistance from a FCMAT staff member with the required expertise.

To help meet the need for qualified chief business officials (CBOs) in LEAs, FCMAT offers four different CBO training and mentoring programs that consist of 11 or 12 diverse two-day training sessions over the course of a full year.

For agencies with professional learning needs, FCMAT offers workshops on specific topics. Popular topics include associated student body operations, use of FCMAT's Projection-Pro online financial forecasting software, use of FCMAT's Local Control Funding Formula (LCFF) Calculator, and data reporting for the California Longitudinal Pupil Achievement Data System (CALPADS). FCMAT staff and management also frequently make presentations at various professional conferences.

The California School Information Services (CSIS) service of FCMAT helps the California Department of Education (CDE) operate CALPADS; helps LEAs learn about CALPADS, resolve data issues and meet reporting requirements; and provides LEAs with training and leadership in data management. CSIS also developed and continues to host and improve the Standardized Account Code Structure (SACS) web-based financial reporting system for all California LEAs, and provides ed-data.org, which gives educators, policy-makers, the Legislature, parents and the public quick access to timely and comprehensive data about TK-12 education in California.

Since it was formed, FCMAT has provided LEAs with the types of help described above on more than 2,000 occasions.

FCMAT's administrative agent is the Kern County Superintendent of Schools. FCMAT is led by Michael H. Fine, Chief Executive Officer, and is funded by appropriations in the state budget and modest fees to requesting agencies.

Workshop schedules, manuals, presentation slide decks, Projection-Pro software, LCFF calculators, past reports, an online help desk, and many other resources are available for download or use at no charge on FCMAT's website.

History

FCMAT was created by Assembly Bill 1200 (Chapter 1213, Statutes of 1991) and Education Code 42127.8. Assembly Bill 107 (Chapter 282, Statutes of 1997) added Education Code 49080, which charged FCMAT with responsibility for CSIS and its statewide data management work, and Assembly Bill 1115 (Chapter 78, Statutes of 1999) codified CSIS' mission.

Assembly Bill 1200 created a statewide plan for county offices of education and school districts to work together locally to improve fiscal procedures and accountability standards. Assembly Bill 2756 (Chapter 52, Statutes of 2004) gave FCMAT specific responsibilities for districts that have received emergency state loans.

In January 2006, Senate Bill 430 (Chapter 357, Statutes of 2005) amended Education Code 42127.8, and Assembly Bill 1366 (Chapter 360, Statutes of 2005) amended Education Codes 42127.8 and 84041. These new laws expanded FCMAT's services to include charter schools and community colleges, respectively.

Assembly Bill 1840 (Chapter 426, Statutes of 2018) changed how fiscally insolvent districts are administered once an emergency appropriation has been made, shifting oversight responsibilities from the state to the local county superintendent to be more consistent with the principles of local control, and giving FCMAT new responsibilities associated with the process.

Introduction

Background

The Chula Vista Elementary School District, located in the city of Chula Vista, California, serves approximately 28,964 students across both charter and noncharter schools ([Ed-Data](#)). The district operates 50 schools and is governed by a five-member school board elected at large.

For the 2023-24 fiscal year, the district's unduplicated pupil count (which includes students who are English learners, foster youth, or eligible for free or reduced-price meals) rose to 60.88%, an increase of more than two percentage points from the previous year ([Ed-Data](#)). The district's noncharter enrollment has also shown modest growth, averaging a 0.22% increase annually over the past three fiscal years ([Ed-Data](#)).

Study and Report Guidelines

FCMAT visited the district June 2-5, 2025 to conduct interviews with district and school staff, collect data and review documents. Following fieldwork, FCMAT continued to review and analyze documents. This report is the result of those activities.

FCMAT's reports focus on systems and processes that may need improvement. Those that may be functioning well are generally not commented on in FCMAT's reports. In writing its reports, FCMAT uses the Associated Press Stylebook and its own short internal style guide, which emphasize plain language, capitalize relatively few terms, and strive for conciseness, clarity and simplicity.

Study Team

The study team was composed of the following members:

Marcus Wirowek, CFE FCMAT Intervention Specialist	John Von Flue FCMAT Chief Analyst
Brooke Bien FCMAT Consultant	Cassady Clifton FCMAT Technical Writer

Those members of this study team who are otherwise employed by a local educational agency were not representing their respective employers but were working solely as independent contractors for FCMAT.

All team members reviewed the draft report to confirm accuracy and achieve consensus on the final recommendations.

Executive Summary

The Chula Vista Elementary School District operates without a formalized, detailed budget development process, instead relying on outdated documentation and informal practices. Budget development is unorganized, with accountants working independently, inconsistently, and receiving little to no direction. New personnel frequently receive minimal training and lack clear guidance, and recent turnover in key Business Services Department positions has further disrupted continuity. These conditions contribute to a fragmented approach that can diminish confidence in the budget's accuracy and raise concerns about the district's ability to meet contractual and staffing obligations. At the time of fieldwork, this instability was heightened by limited leadership continuity because the chief business official had been in the role for only eight months.

Furthermore, the district's budget monitoring practices are inconsistent and lack transparency. Although the district complies with statutory requirements for budget adoption and revisions, it does not provide detailed assumptions or justifications for changes, nor does it maintain a comprehensive procedure or standard operating manual. Historical audit data reveals significant variances between budgeted and actual revenues and expenditures, indicating weaknesses in forecasting, position control, and internal communication.

The district also lacks a centralized or integrated position control system. Instead, it relies on a fragmented, paper-based process involving multiple platforms, resulting in data inconsistencies, duplicate positions, and inefficiencies across departments. Staff lack a clear understanding of position control responsibilities, and regular reconciliation among the Human Resources, Payroll, and Business Services departments does not occur. Payroll operations are further hindered by the use of two financial systems with conflicting payroll standards, leading to discrepancies in pay rates and potential compliance issues with the California Public Employee Retirement System.

The lack of integration and standardized procedures within the district's systems increases the risk of errors, overpayments, and fraud. There is no centralized onboarding or oversight process, and staff reported being overwhelmed by inefficiencies. They also stated that the continued use of outdated systems and manual processes undermines the accuracy and reliability of payroll data.

Accounts payable functions within the district are generally well-structured, with appropriate segregation of duties and system controls that help prevent overspending. The district uses PeopleSoft to process payments, which includes budget checks and digital routing workflows. Although the system supports compliance and internal controls, training for new staff is inconsistent, and procedural guidance is limited.

In contrast, accounts receivable processes are largely manual and rely on ad-hoc spreadsheets rather than the district's financial system. While staff follow a transparent process for invoicing and depositing funds, the absence of a formalized procedures manual and reliance on legacy documentation create inefficiencies. Internal controls such as segregation of duties and chain of custody are in place, but the lack of standardized training and system integration limits the Business Services Department's overall effectiveness.

Human resources operations are similarly affected by inefficiencies and inconsistencies. Hiring and onboarding processes depend heavily on manual, paper-based systems, resulting in data duplication and procedural delays. New employee orientation is not mandatory, leading to gaps in understanding of benefits and district policies. Exit interviews are rarely conducted, depriving the district of valuable feedback. Employee evaluations are inconsistently conducted and tracked across multiple systems, with outdated board policies that do not align with current evaluation templates. Staff also lack training and clear guide-

lines for conducting evaluations. The absence of standard operating procedures and oversight has led to missed evaluations and reduced accountability.

Human resources staff receive minimal and informal training, often limited to shadowing coworkers. They also lack access to desk manuals or structured training plans, leaving them unprepared for their roles. Staff are unaware of their backup responsibilities due to the lack of cross-training processes, which compromises departmental continuity and increases the risk of errors during absences or transitions.

Personnel files are maintained across multiple systems and formats, including physical files and three electronic databases. At the time of fieldwork, there was no clear formal plan to transition to a single system, and staff were unclear on which system is the primary database. This duplication of effort and lack of clarity undermines data integrity and reduces operational efficiency. Training on current systems is also insufficient.

The district lacks a standardized process for submitting and monitoring leave. Leave tracking, a core human resources function, is fragmented and largely managed by the Payroll Department using multiple unintegrated systems. Staff are unclear about their responsibilities, and outdated board policies further complicate compliance. These issues increase the risk of overpayments, legal violations of collective bargaining agreement, and employee dissatisfaction.

The district lacks a coordinated workflow for position control or leave management, resulting in duplicated efforts and unclear departmental responsibilities. Departments operate in silos, and there is no regular reconciliation of data across systems. The absence of integrated systems and clearly defined roles compromises internal controls and increases the risk of fiscal mismanagement.

Although the Human Resources Department is relatively large, it lacks clarity in role assignments and organizational structure. Staff are often unsure of their responsibilities, and the department's website provides limited contact information. In contrast, the Business Services Department is more structured and transparent. While overall staffing levels in both departments appear adequate, inefficiencies in training and communication hinder their operational effectiveness.

Findings and Recommendations

Operational Process and Procedures for the Business Services Department

Budget Development

Resource allocation is one of the most important responsibilities of a school district's governing board and a fundamental function of management. The school district's budget outlines how resources are allocated and prioritized to support its educational mission and goals, while addressing the needs of students, staff, and the community. Budget development in school districts is a complex, ongoing process that requires forward planning and collaboration to ensure financial resources are effectively positioned to support student learning and other district priorities.

California Education Code (EC) 42127 requires school districts to adopt an annual budget within established statutory timelines. Before July 1 of each year, each school district's board must hold a public hearing on, and subsequently adopt, the budget for the following fiscal year. The adopted budget must be prepared in accordance with EC 42126. In addition, within 45 days after the governor signs the annual budget act, the school district must make available for review any revisions to revenues and expenditures needed to align with the funding provided by the budget act.

Given its complexity, budget development should begin early in the preceding fiscal year, with formal processes typically starting around January. This timeline allows for thoughtful development of the assumptions that drive both revenues and expenditures. It is essential that these assumptions be grounded in evidence and the best available information. Engaging educational partners — including community members and program leaders — in this process is vital to ensure the budget reflects the school district's priorities and needs.

Because employment and staffing reduction decisions must be made and initiated by March of the preceding year, it is essential for the school district to project staffing needs early in the budget development process. Position control accounts for staffing and compensation, which make up the majority of school district expenditures, and it must be carefully reviewed, updated and confirmed. Revenue projections should be based on the state budget and key factors such as student enrollment and demographics. Nonstaffing expenses also need to be analyzed and forecast, taking into account appropriate usage levels, anticipated cost increases, and any special district programs or projects. In addition, school districts must align their budgets with their Local Control and Accountability Plans (LCAPs), which outline district goals, priorities and the actions needed to achieve them.

A best practice is to develop budgets for each school collaboratively with the principals and their teams, and for departments in partnership with their managers and staff. This approach fosters shared ownership and responsibility, builds understanding of budget issues, and results in more accurate budget estimates. In many school districts, the Business Services Department prepares budget development materials, conducts workshops for school and department staff, and provides ongoing support to ensure a more accurate, transparent, informed and collaborative budget process.

The district's Board Policy (BP) 3100, adopted in 1990 and last revised in 2019, states that the board "recognizes its critical responsibility for adopting a sound budget for each fiscal year which is aligned with the

District's Vision, Values, goals, priorities, and Local Control and Accountability Plan (LCAP)." The policy further states that the "Superintendent/designee shall oversee the preparation of a proposed District budget for approval by the Board and shall involve appropriate staff in the development of budget projections." However, the policy does not address other important details of the budget development process, such as the specific steps to follow or which educational partners to include.

The district does not have a formal, detailed budget development process. However, it does have a budget development calendar with key milestones noted as follows:

- January – Initial financial projection based on the Governor's budget and enrollment projections.
- March – Statutory deadline for certificated and classified staffing reductions.
- April – Ensure LCAP actions and services funded in the budget.
- May – Update revenue projections based on the May Revision. Hold public hearings.
- June – Adopt the budget and LCAP.
- August – Revise adjusted budget, if necessary, based on enacted State Budget.

In addition, the district shared a general checklist that identifies budget areas of responsibility, the person responsible, and corresponding due dates.

A best practice is to establish and follow a budget development process that includes a budget calendar — preferably approved by the governing board — outlining tasks, deadlines, the individuals or departments responsible for each step, and the detailed assumptions to be applied. A comprehensive budget development calendar promotes clear communication, ensures the involvement of all affected schools and departments, and helps guarantee the budget is completed on time. It also provides valuable guidance to new employees in understanding expectations and planning for established deadlines. Without a documented and consistently followed process, the district risks inefficiencies and developing a noncomprehensive budget, which is especially concerning during periods of staffing transition.

Historically, the district's former chief business official (CBO), who served for a significant period of time, and staff were able to develop the budget through an informal structure without detailed written procedures. However, in the past fiscal year, the district has experienced substantial turnover in key Business Services Department roles involved in budget development. The CBO, fiscal services director, payroll manager, as well as several budget accountants and human resources analysts are all in their first year with the district. In addition, several accountants and analysts are new to both their positions and to the budget development process.

Interviews indicated that the district's budget is prepared by accountants assigned to specific programs and/or sites. Staff stated that there is no formal budget development process to guide their work and no districtwide budget development meetings. Instead, the accountants rely on collaboration with peers, input from their predecessors when available, the guidelines published in the district's Fiscal Services School Site Guide, and the prior year's budget to determine what needs to be considered and included.

The district's Fiscal Services School Site Guide, last updated on May 7, 2025, includes budget information such as staff budget responsibilities and contact information, the account code structure and frequently used codes, the estimated site allocation process, and staffing formulas.

Some budget accountants also indicated that they gather budget development information directly from program directors and site principals, particularly regarding staffing needs and contractual commitments. In addition, interviews indicated that in the current year, budget accountants have periodically received verbal directions and guidance from their supervisor on the budget development process. These directions

typically included adjustments to allocations and due dates. However, staff indicated that this guidance was inconsistent, with varying messages and frequently changing timelines.

Training resources for new staff are limited. Many interviewees reported receiving no organized training for their roles or on using the PeopleSoft financial system. In some cases, former employees had left behind desk notes that helped outline duties and procedures.

Many staff members, including both program directors and budget accountants, expressed a lack of confidence in the accuracy of their budgets. They attributed this to a limited understanding of the budget itself, a lack of structured processes, and uncertainty about key inputs such as position control. Concerns were also raised about outdated, paper-based workflows, which delay the availability of information and undermine confidence that all necessary data is captured. In addition, many interviewees voiced worries about whether some program budgets could adequately cover contracts, staffing and rising costs.

The San Diego County Superintendent of Schools is responsible for reviewing the district's budget to ensure compliance with EC 42127, including assessing whether the district meets the standards and criteria for fiscal stability and can fulfill its financial obligations. The district's budgets for 2023-24 and 2024-25 were found to have "met the necessary requirements" and were approved by the county superintendent.

The district's 2025-26 budget was presented for a public hearing on May 21 and brought back for board approval on June 11, meeting statutory deadlines. This budget projects that in 2025-26, the district will deficit spend by more than \$50.5 million on a \$400 million revenue budget.

In such a scenario, it is imperative for the district to have complete confidence in its budget. Overestimating the projected deficit could lead to unnecessary cuts to programs and services, while underestimating it could result in a larger actual deficit and accelerate the erosion of the fund balance. This underscores the importance of a robust budget development process built on reliable assumptions and accurate inputs, including position control and program and site allocations.

Recommendations

The district should:

1. Regularly review and update board policies.
2. Develop, document and implement a comprehensive budget development process that includes a detailed budget calendar, required assumptions, a checklist of tasks, responsible departments and individuals, and how their input will be considered.
3. Provide training for site and program administrators on understanding their budgets and the overall budget development process, including how to access and interpret reports and request budget adjustments.
4. Ensure staff responsible for developing the budget have the necessary information on funding amounts and assumptions that impact expenditure planning.
5. Establish and implement a process that ensures school and program administrators are actively involved in budget development.
6. Maintain regular communication with school and program staff regarding budget information and status updates.
7. Continue to prepare and adopt the budget within the statutory timelines.

Budget Monitoring

School district budgets are dynamic and subject to changes in estimated revenues and expenses. They are affected by factors such as state budget allocations, shifts in enrollment and attendance, expenditure items such as personnel, and negotiated settlements of employee bargaining agreements. Consequently, the ability to monitor and adjust budgets throughout the fiscal year is essential for maintaining fiscal solvency and ensuring that resources are allocated efficiently to support the educational needs of all students. Regular monitoring of budgets and ending fund balances is essential to verify that revenue projections align with actual income, expenditures are not materially different from those budgeted, and appropriations are not overspent.

Most school districts make budget revisions many times throughout the fiscal year as additional information develops and priorities change. Budget revisions typically fall into one of three categories:

- Material increases and decreases to estimated income and expenditure appropriations resulting from the receipt of new grant awards or donations.
- Budgeted carryover balances from prior years.
- Adjustments to expenditure appropriations to prevent budget overruns.

Budget adjustment and budget transfer conditions are addressed in EC 42600-42603 and 42610. EC 42600 states, in part:

The total amount budgeted as the proposed expenditure of the school district for each major classification of school district expenditures listed in the school district budget forms ... shall be the maximum amount which may be expended for that classification of expenditures for the school year. ...

Education Code 42600 also specifies that:

Transfers may be made from the designated fund balance or the unappropriated fund balance to any expenditure classification or between expenditure classifications at any time by written resolution of the board of education of any school district governed by a board of education, when filed with the county superintendent of schools and the county auditor, or by written resolution of the board of trustees of any school district not governed by a board of education, when approved by the county superintendent of schools and filed with the county auditor. A resolution providing for the transfers specified in this section shall be approved by a majority vote of the members of the governing board.

FCMAT interprets this provision to mean that all budget adjustments and budget transfers should be approved at an official meeting of a school district's board.

Some school districts submit budget revisions to their boards only with interim reports, which is the minimum recommended practice, while others present revisions more frequently, such as monthly. Presenting revisions more frequently is especially important for adjustments that will significantly affect the ending fund balance or other key aspects of the budget.

A best practice is to provide the governing board with the following information during interim reporting periods at minimum, but ideally on a monthly basis:

- Changes in operating costs.
- Employee and retiree benefit trends.

- Salaries and benefits as a percentage of all expenditures.
- Contributions to restricted programs.
- Ongoing versus one-time resources.
- General fund deficits.
- Projected balances of reserve funds.
- Cash flow projections.

In addition, monitoring budgets during the year includes helping schools and departments effectively use the funds available to them as well as ensuring that budgets are not overspent and that activity is coded correctly.

The district's board sets the policy for how frequently budget revisions are submitted and approved. According to BP 3100, which was adopted in 1990 and last revised in 2019:

... Whenever revenues and expenditures change significantly throughout the year, the Superintendent/designee shall recommend budget amendments to ensure accurate projections of the District's net ending balance.

In addition, budget amendments shall be submitted for Board approval as necessary when collective bargaining agreements [CBAs] are accepted, district income declines, increased revenues or unanticipated savings are made available to the District, program proposals are significantly different from those approved during budget adoptions, interfund transfers are needed to meet actual program expenditures, and/or significant changes occur that impact budget projections. ...

This policy does not specify the level of detail that should accompany budget amendments. However, every budget revision should include a detailed background, the assumptions used, and an explanation of its impact, so it is clear why the budget has changed and what effects the change will have.

The district does not have a documented procedure manual to guide budget monitoring by staff, sites or programs. As previously discussed, the district publishes a Fiscal Service School Site Guide that provides information for sites and programs. This guide includes a calendar showing when budget information is available, such as site balances, staffing allocations, and timelines for developing School Plans for Student Achievement. It also provides account coding information, instructions for requesting budget adjustments, and guidance on accessing budget reports.

Interviews indicated that discretionary site and program budgets are not permitted to be overspent. If a budget line is fully expended, a budget revision must be submitted and approved before additional spending can occur.

The district typically presents cumulative budget revisions to the board for approval during interim reporting periods or when additional staffing or material needs arise. A review of board records suggests that these revisions have generally been incorporated into interim reports for approval, because no other stand-alone budget revisions were included on board agendas in recent years. Other than required collective bargaining disclosures, which outline the costs of negotiated compensation increases, there was no evidence that detailed information was provided to the board on the specific budget revisions submitted for approval.

The district's audit reports include budget comparisons and identify variances between the approved budget and actual amounts:

- In the 2021-22 fiscal year, the audit showed that overall revenue was more than \$6.5 million below budgeted projections, while expenditures were \$5.9 million less than budgeted. Expenditures for certificated salaries exceeded the approved budget by approximately \$1.04 million, but expenditures for classified salaries, employee benefits, supplies, services and capital outlay were all below the approved budget.
- In the 2022-23 fiscal year, the audit identified revenue that was \$8.6 million higher than budgeted and expenditures approximately \$12.4 million less than budgeted, with certificated salaries exceeding the approved budget by \$777,399.
- In the 2023-24 fiscal year, the most recent completed audit, revenue was nearly \$6.9 million over budget, while expenditures were \$18.25 million below budget.

These variances are significant and highlight a disconnect in the district's budget monitoring and updating practices. Variances in revenue can indicate errors in calculating expected revenues or a failure to update budgets when revenue changes occur. Variances in expenditures for employee compensation may suggest a lapse in position control or mistakes in calculating compensation costs. Variances in discretionary spending categories — such as supplies, services and capital outlay — can either reflect budgets that were not fully expended, as is the case in the district, or a lack of controls that allow spending to exceed budgeted amounts (which was not found here).

These historical variances reveal inaccuracies in the district's budget projections, insufficient budget monitoring, and/or a lack of budget transparency — any of which can lead to inefficient or ineffective use of district funds and erode confidence in the district's budgeting practices. Further, expenditures that exceed the approved budget are a direct violation of EC 42600.

Recommendations

The district should:

1. Review and update board policy to ensure it reflects the board's expectations for budget reporting. This policy must clearly define what constitutes a material change that would trigger a budget revision requiring board approval.
2. Once relevant board policies have been revised, develop a standard operating procedure manual to guide budget monitoring by staff, sites, and programs.
3. Continue submitting budget revisions for board approval at each interim reporting period.
4. Revise board policy to require detailed information in budget revisions submitted for board approval, ensuring all adjustments and their impacts are clearly presented and understood.
5. In months when budget revisions are not submitted for board approval, provide budget updates to the board that explain changes in major object codes.
6. Ensure program and site administrators have access to their budgets, understand their allocations, and are held accountable for independently managing their budgets.
7. Continuously monitor the overall budget throughout the fiscal year to prevent overspending of appropriations, ensure revenue projections remain accurate, and identify any material differences between budgeted and actual expenditures.

Position Control

Position control is a system used to manage the allocation of authorized positions within a school district, playing a crucial role in budgeting, staffing, and organizational planning. It involves creating, maintaining, and monitoring positions and their associated budgets, as well as ensuring that these positions are necessary to support the school district's educational goals. While position control is typically managed through collaboration between the school district's Human Resources and Business Services departments, all school and department leaders share responsibility for adhering to the district's position control policies and procedures.

Salary and benefit costs are the largest component of any school district's budget. In the district's 2024-25 second interim budget, personnel costs account for 88% of unrestricted and restricted general fund expenditures. Maintaining an effective position control system is essential to provide accurate information needed to manage these salary and benefit costs, ensure they are properly reflected in the budget, and keep them within a reasonable ratio to total expenditures.

Position control is a fundamental component of any school district's financial and personnel management system. Without a strong, centralized position control system, departments operate in silos, increasing the risk of fiscal mismanagement and potentially placing the school district in financial distress.

An effective position control system tracks all positions in the school district, whether filled or vacant. It ensures every position is board-authorized and properly funded by linking positions directly to the budget, calculates total compensation — including salary and benefits — and interfaces with payroll. A robust system should also support reporting on cost savings, projected step-and-column increases, and other key staffing metrics.

The district does not have a centralized or consistently maintained position control system. Instead, position data is managed through a paper-based Personnel Action Form (PAF) process that is manually routed through more than 11 steps, as detailed in the district's position control flowchart and described by staff. Information from these PAFs is then entered into multiple systems, including FileMaker, BusinessPlus, Frontline/AESOP, and PeopleSoft.

Additionally, site and department administrators maintain their own informal tracking systems, often using individual spreadsheets. This fragmented approach results in human resources, payroll and business services staff generating reports that frequently do not align, consuming significant staff time to resolve discrepancies.

Staff reported that new positions are often created without deactivating existing ones, leading to duplicate entries and the risk of overbudgeting or double payments. Payroll and business services staff also reported frequently receiving incomplete PAFs, which must be returned for correction, causing additional delays. There are no regularly scheduled meetings between human resources, payroll and business services staff to reconcile position data, no standard operating procedures (SOPs) to guide position control practices, and no accountability structure to ensure data accuracy or coordination across departments. As a result, staff time is used inefficiently, and trust in position control data is low.

Without a centralized system, staff spend excessive time re-entering data into multiple systems, tracking down lost or incomplete PAFs, and unnecessarily creating new position codes. This leads to duplicate records or even "ghost employee" positions — fictitious entries in the payroll system that may provide an opportunity for fraudulent financial gain. Internal controls are weak, and human resources staff indicated that they cannot generate a reliable list of active employees.

This lack of centralized oversight is concerning for several reasons:

- The absence of a master list of positions or staffing assignments makes it impossible to verify current staffing against board-authorized and budgeted positions.
- Multiple systems and manual processes increase the risk of data entry errors, duplication, and unauthorized staffing actions.
- The lack of clear accountability and standard documentation compromises internal controls and heightens the risk of audit findings.
- Disconnected systems require redundant data entry, waste staff time, and make reconciling fiscal and staffing records difficult.

The district's PAF process is inefficient. Staff reported frequent delays, misplaced forms, and an open-access structure in which anyone can create a PAF. Because the process is not electronic, there are no assigned roles or workflow safeguards. Interviews also revealed that many human resources staff lack a clear understanding of the purpose and importance of position control. For example, rather than assigning an existing position code to a new hire, staff sometimes create new codes, resulting in duplicate open positions and double budgeting.

Although staff indicated that no SOPs are in place, FCMAT was provided with a human resources manual containing steps for position control, as well as a separate document outlining position control procedures. However, these documents are not aligned, adding further confusion and inconsistency to the process.

These issues extend beyond operational inefficiencies — they are significant fiscal red flags. According to FCMAT's [Fiscal Health Risk Analysis \(FHRA\)](#) tool, the absence of a reliable position control system is a major risk factor. Without the ability to link budgeted full-time equivalents (FTEs) to actual staffing assignments, the district is at risk of:

- Overstaffing.
- Unauthorized compensation.
- Budget overruns.
- Noncompliance with Assembly Bill (AB) 1200 (Chapter 1213, Statutes of 1991) reporting requirements.

A centralized, integrated position control system that aligns with board policies and is regularly reconciled across departments is essential to ensure data integrity, fiscal oversight, and compliance. Implementing standardized procedures, assigning clear roles, and integrating systems will strengthen internal controls, reduce audit risk, and ensure that the district's financial and staffing decisions are based on reliable, up-to-date information.

Recommendations

The district should:

1. Explore implementing the PeopleSoft position control module to integrate position control within the financial system.
2. Evaluate electronic options for managing the PAF process.

3. Eliminate department- and staff-created position control spreadsheets, and use only a single, centralized position control file.
4. Eliminate duplicate data entries across multiple systems to ensure that position control is maintained and updated in only one system.
5. Establish regular meetings among human resources, business services and payroll staff to reconcile position control data.
6. Develop a standard operating procedure for position control, with input from human resources, business services and payroll staff, and distribute it to all relevant departments.

Payroll

Payroll is a critical function within the Business Services Department, characterized by detailed, time sensitive work. Ideally, payroll should operate through a single integrated system that is linked to position control and the budget. The department should also have a clearly defined process to ensure compensation is calculated accurately and reflects all approved time worked and leave balances.

The district tracks payroll through two systems: PeopleSoft and BusinessPlus. PeopleSoft, the district's financial system that reports to the county office, operates on a 2,080-hour (260 day) calendar for full-time classified employees. In contrast, BusinessPlus, the district's former financial system, uses a 2,088-hour (261 day) calendar. According to interviews, BusinessPlus will be phased out in the next fiscal year.

The California Public Employee Retirement System (CalPERS) defines "full-time" for classified employees as:

Pursuant to Gov. Code 20636.1(b), "pay rate" is the normal monthly rate of pay, or base pay, for a school member; for classified members, full-time is defined as 40 hours per week.

Payments for services rendered, not to exceed 40 hours per week, shall be reported as compensation earnable for all months of the year in which work is performed.

Reporting monthly earnings as pay rates for classified school members is a common payroll reporting error. When a pay rate isn't based on 40 hours per week, 173.3333 hours per month, or 2,080 hours per year, the pay rate and service credit will be reported inaccurately, which will cause inaccurate accrual of service credit and miscalculated final compensation.

Figures 1 and 2 provide screenshots from the district's BusinessPlus and PeopleSoft systems. While the annual and monthly calculations (highlighted in yellow) are the same across both systems, the daily and hourly rates (highlighted in green) differ. This data reflects a classified employee in a 1.0 FTE position.

Compensation Breakdown for a Classified Employee in BusinessPlus:

Index Key *	C24/37/05	Reg Rate *	H Hourly Rate				
Ratio Factor *	1	1.00000	Calc Option *	10 CALCULATION OPTION-ANN/PER (CExx/CExx)			
Override Salary *	N NO OVERRIDE (SYSTEM DERIVED)	Re-Calc					
Base Annual	80,197.38	Base Period	6,683.12	Base Daily	307.26966	Base Hourly	38.40871
Actual Annual	80,197.38	Actual Period	6,683.12	Actual Daily	307.26966	Actual Hourly	38.40871

Figure 1. A screenshot from the district's BusinessPlus system showing compensation details for a classified employee in a 1.0 FTE position. The annual and monthly rates (highlighted in yellow) are consistent across systems, while the daily and hourly rates (highlighted in green) differ, reflecting the use of a 2,088-hour work year. The daily rate shown is \$307.27 and the hourly rate is \$38.40, rounded to the nearest hundredth.

Source: District-provided screenshot.

Note: Highlighting added by FCMAT.

Compensation Breakdown for a Classified Employee in PeopleSoft

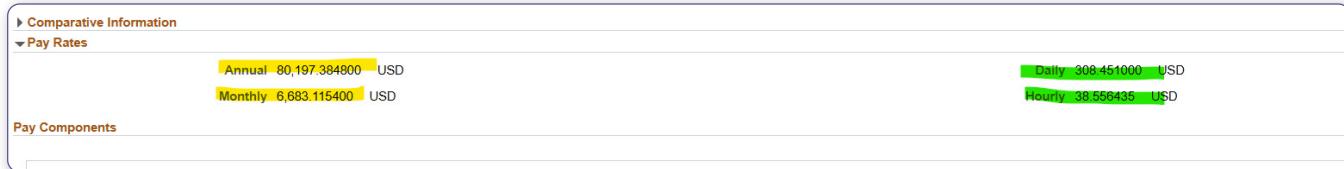


Figure 2. A screenshot from the district's PeopleSoft system showing pay rate details for a classified employee in a 1.0 FTE position. The annual and monthly pay rates (highlighted in yellow) match those shown in BusinessPlus. However, the daily and hourly rates (highlighted in green) differ, calculated using a different standard work year. PeopleSoft calculates the daily rate as \$308.45 and the hourly rate as \$38.57, both rounded to the nearest hundredth.

Source: District-provided screenshot.

Note: Highlighting added by FCMAT.

If payroll is processed using a 2,088-hour calendar while CalPERS calculates pay rates and service credit based on a 2,080-hour standard, this discrepancy can cause an employee's monthly rate of pay to be understated or overstated. As a result:

- The “pay rate” reported to CalPERS will be inaccurate, affecting the employee’s service credit accrual.
- Final compensation calculations may be incorrect, potentially impacting the employee’s retirement benefits.
- Audit exceptions may be flagged during CalPERS compliance reviews.
- The district may be held liable for corrections and back payments.

In addition, if the Payroll Department is using rates not approved by the board, this could be considered a gift of public funds. All pay rates must align with board-approved salary schedules, regardless of the payroll system in use.

Staff could not explain the origin or authorization of the 2,088-hour standard. Some indicated it came from the classified collective bargaining agreement (CBA); however, FCMAT’s review of that agreement found no reference to a 2,088-hour work year.

All district staff other than substitutes are on annualized pay schedules, including all classified hourly employees. Regular employees do not submit time sheets except for overtime or extra hourly pay.

Substitute time is tracked in Frontline/AESOP and uploaded into PeopleSoft each month without manual data entry. However, there is no accountability or process to ensure that all employee time is accurately recorded. Departments and supervisors lack tools to verify whether staff time has been fully accounted for because there are no time sheets for standard hours. In the rare cases where time sheets are used, they are not signed by both the employee and the supervisor to confirm actual time worked.

The district also lacks proper internal controls for payroll processes, which could allow staff to set unauthorized pay rates, process payments that have not been approved, inflate pay, and even create ghost employees. Such fraud could go undetected without system permissions and internal controls.

Payroll staff manage payroll for approximately 4,000 employees and report feeling overwhelmed due to inefficiencies. Many of the payroll challenges stem from the use of multiple, nonintegrated systems — including PeopleSoft, BusinessPlus, FileMaker, Frontline/AESOP, paper leave tracking, and paper PAFs. Without standardized processes and oversight, errors are more likely to occur and may go uncorrected.

The district’s reliance on multiple systems and paper-based PAFs increases the risk of discrepancies. For example, the district’s classified and certificated employee handbooks include a “Fun Facts” section with

a bullet point stating, “If you resign and keep receiving pay, please contact Payroll.” This suggests such errors happen frequently enough to warrant explicit mention, which is concerning.

Additionally, there is no centralized onboarding or standardized procedures for the Payroll Department. When staff were asked why the district uses a 261-days calendar instead of 260 days, responses included, “That’s how we were trained,” and “That’s what is in the system,” reflecting a lack of documented rationale or formal guidance.

These conditions, combined with the lack of formal procedures, place the district at high risk for wage violations, fiscal mismanagement, inaccurate time reporting — including the potential for ghost employees — and CalPERS compliance issues. Problems such as incorrect leave tracking, overpayments or underpayments, and reporting errors could all result from these weaknesses.

Several interviews indicated that the district intends to phase out its former financial system, BusinessPlus. However, staff reported that they have not seen any written plan adopted to support this transition. A few weeks after fieldwork, the district provided FCMAT with a BusinessPlus Migration Plan that included dates and goals. According to staff, continuing to use BusinessPlus costs the district between \$300,000 and \$350,000 annually — on top of the expenses already incurred for PeopleSoft.

To address these issues, the district should develop and implement a comprehensive plan to fully eliminate BusinessPlus and move all paper PAF, payroll, and leave tracking functions into PeopleSoft, creating a single, centralized system. The PAF process should be converted to an electronic format with defined workflows, and segregation of duties must be enforced to ensure no individual has start-to-finish control over processing an employee’s pay. Establishing strong system controls is critical not only for protecting the district’s finances but also for safeguarding employees from potential accusations of fraud.

In addition, the district must implement standardized payroll and leave processing protocols, along with clear oversight to ensure that all time and leave are properly tracked. Developing SOPs or desk manuals, providing formal training, and holding regular business meetings with both human resources and payroll staff will further support consistency, accountability, and compliance.

Recommendations

The district should:

1. Develop and implement a plan to phase out BusinessPlus and transition all payroll, leave tracking, and PAF functions into PeopleSoft.
2. Convert the PAF process to an electronic format with role-based workflows and audit trails.
3. Implement system controls and segregation of duties to ensure that no single individual has end-to-end access to payroll processing.
4. Collaborate with the county office to establish an appropriate method for calculating the work year.
5. Establish regular meetings between human resources and payroll to maintain alignment and accountability.
6. Ensure compliance with CalPERS regulations by aligning payroll calendars with the 2,080-hour standard and reconciling any discrepancies.

Accounts Payable

Accounts payable is responsible for accurately tracking amounts owed to vendors, ensuring payments are properly approved, and processing those payments. This process begins when the school district makes a purchase to obtain supplies, materials, or services.

School districts typically use purchase requisitions and/or purchase orders (POs) to initiate purchases. A purchase requisition is used to start a request and complete the internal approval process, after which a PO communicates the order to the vendor. A purchasing process that relies on a purchase order system integrated with the school district's financial system is considered the best practice. Such systems automatically encumber budgeted funds when a PO is prepared, which is critical for controlling spending and monitoring the budget. When used to its fullest, an integrated system also documents and tracks the receipt of goods and services and provides essential information to accounts payable to authorize payments and support audits.

Given the nature and volume of transactions, purchasing and accounts payable functions are particularly vulnerable to errors and fraud. Effective processes and procedures in these areas include separating vendor setup and payment duties and ensuring all expenditures are approved against available budgeted resources, with only legitimate, accurate invoices authorized for payment.

To process a vendor's invoice for payment, it is essential first to verify the school district's intent to purchase the goods or services, typically confirmed by the existence of a PO. In addition, evidence that the goods or services were received — such as a receiver document or packing slip — is required.

The district's accounts payable responsibilities are divided among four accounting technicians, primarily assigned by vendor alpha splits, while also factoring in specific areas such as utilities, expense claims and district credit cards (CAL-Cards). Duties are intentionally separated to maintain appropriate internal controls, with vendor setup managed by purchasing staff and vendor payments processed by accounts payable staff.

Interviewees noted that procedural support manuals are available from the county office, including a payables guide and a PeopleSoft manual. However, they also indicated that their onboarding experiences varied: some employees received training that introduced their responsibilities, tasks, and tools, while others did not. Several staff members reported that their primary training came directly from their predecessors, including in the form of informal desk manuals or personal notes.

The Fiscal Services School Site Guide is designed to provide programs and sites with the district's fiscal procedures, templates, and resources. It also serves as a reference for accounts payable accounting technicians, covering topics such as purchasing, employee reimbursement claims, and CAL-Card processes. However, interviews indicated that this guide was developed to help sites and departments, not as a training resource for new Business Services Department staff.

Accounts payable processing is conducted through the PeopleSoft financial system, which enables digital routing of requests and approvals. Accounts payable staff stated that budget controls within PeopleSoft prevent purchase requisitions from being approved if sufficient funds are not available. If a requisition exceeds the available budget, it is denied unless a budget revision is made to increase funding. Additionally, accounts payable staff do not process payments without a PO and confirmation that goods or services were received. As a final control, all checks are audited by the county office to ensure compliance with applicable laws and regulations.

Recommendations

The district should:

1. Maintain the segregation of duties between accounts payable and purchasing staff to support strong internal controls.
2. Continue using the hard stop function in the financial system to prevent purchase requisitions from proceeding without sufficient funds.
3. Ensure accounting technicians responsible for purchasing and accounts payable are adequately trained in all aspects of their duties.
4. Develop an accounts payable guide for accounting technicians that outlines procedures and compliance requirements, and incorporates relevant elements from the county office's payables guide and the PeopleSoft manual.

Accounts Receivable

Accounts receivable involves organizing and processing funds owed to the school district from other entities, such as grantor agencies and customers (e.g., other districts that contract with the school district for services). School districts also receive payments from a variety of sources, including student fundraising activities, cafeteria sales, retiree health benefit payments, and developer fees. These funds may arrive as electronic transfers through the county office or other granting authorities, as well as by check, cash, or other means.

Typical accounts receivable and cash collection duties include creating and issuing invoices, collecting cash receipts, depositing funds into bank accounts or the county treasury, recording deposits in the financial system, reconciling accounts, and tracking outstanding balances. Effective accounts receivable policies and procedures help ensure that revenue accounts are regularly updated and monitored.

When managing cash and deposits, maintaining strong internal controls is critical. This includes segregation of duties and a clear chain of custody. Segregation of duties means different individuals count, verify and document funds received, including cash tally records, reconciliation reports and deposit transactions. A documented chain of custody protects funds during transfer from receipt to deposit, using measures such as sealed deposit bags, secure storage, and recorded hand offs between employees.

Interviews indicated that the district does not have an accounts receivable procedures manual, although the Fiscal Services School Site Guide addresses topics such as cash handling, internal controls over cash receipts, and the deposit process. The guide also includes links to resources for site and associated student body collections, such as tally sheets and instructions for ordering security deposit bags.

Staff reported being trained by a former employee who developed a desk manual; however, this manual had not been vetted by district management and was therefore not provided to FCMAT for review.

Interviews also revealed that the district relies on staff-developed ad-hoc spreadsheets to track receivables instead of using the district's financial system. Staff described processes for invoicing, tracking accounts receivable, receiving and handling funds, making deposits, performing reconciliations, and resolving variances. Based on these interviews, it appears that accounts receivable staff generally follow a transparent process for identifying, invoicing, tracking and depositing funds owed to the district. They also maintain a clear chain of custody for funds from receipt to deposit using internal controls such as two-person handling and counting of checks and cash, sealed and documented transfers, secure storage, and timely deposits and account reconciliations.

Recommendations

The district should:

1. Develop a manual outlining processes and internal controls specific to accounts receivable processes and functions.
2. Provide training on best practices for accounts receivable procedures and internal controls, including cash handling.
3. Maintain the segregation of duties to ensure proper transport, counting, recording, deposit and reconciliation of all funds received.

Operational Process and Procedures for the Human Resources Department

Hiring, Onboarding and Exit Interviews

One of the most important functions of human resources is hiring and onboarding staff. These processes should be standardized, timely, efficient, and legally compliant. All new employees should receive a formal orientation. During this time, district leadership and human resources staff have the opportunity to create a welcoming environment and clearly communicate essential information, including employee benefits, leave policies, and retirement systems. Orientation also sets the tone and culture of the district.

Exit interviews are another key component. They offer valuable insights into employees' experiences, highlight organizational strengths, and most importantly, identify areas for improvement to help strengthen departments and roles.

However, interviews indicated that the district's hiring and onboarding practices are inconsistent. PAFs are used to initiate the process of advertising or recruiting for a position, but these forms are paper-based and manually routed from department to department. This approach slows down the process, lacks system controls, and often results in PAFs being misplaced, completed incorrectly, or left blank. The PAF system is not linked to any of the district's electronic systems.

Once employees are hired, their information must be manually entered into four different systems — FileMaker Pro, BusinessPlus, Frontline/AESOP, and PeopleSoft. PeopleSoft serves as the district's primary financial system and is also used for reporting to the county office.

Before being officially processed, all prospective hires are required to complete a pre-employment physical exam, per BP 4012.4 (last revised September 19, 2000) and Administrative Regulation (AR) 4012.4 (last revised September 13, 2023), and to be fingerprinted. The district covers the cost of the physical exam, while documents provided to FCMAT indicate that new hires are responsible for fingerprinting costs. However, not all human resources staff are aware of this process. The district needs to ensure that human resources staff are fully informed and apply the process uniformly.

Furthermore, while the physical exam requirement is clearly outlined in board policy, employees were unclear about its purpose — particularly why the district pays for physical exams but requires classified applicants to pay for fingerprinting. Interviews also indicated that there is no direct connection between the district's pre-employment physical exam requirement and its workers' compensation program. However, FCMAT did not interview the Risk Management Department on this issue.

During the site visit, FCMAT observed that new employees were reviewing employment paperwork in a front office area frequently used by the public and other staff, which compromises privacy. Additionally, because the district enters employee information into four different systems, it may benefit from working with the county office to explore options for processing and uploading this information digitally into its financial systems.

Although the district has begun transitioning to PeopleSoft to streamline operations and digitize the PAF process, progress has stalled due to the lack of a clear implementation plan and dedicated oversight. Management interviews indicated that there is a written plan for migrating from BusinessPlus to PeopleSoft; however, the district did not provide FCMAT with a copy until a few weeks after fieldwork. This migration plan outlines dates and goals, with the first milestone scheduled for August 2025.

If the district cannot digitally upload employee information, it may benefit from exploring electronic document tracking systems. Having employees enter the same information into four different databases is inefficient. While not all information is identical across these systems, they generally track overlapping data.

Once hired, new staff are offered an orientation; however, attendance is not mandatory. New employee orientation is an important opportunity to introduce staff to the district's leadership, mission, values and objectives. Interviews indicated that not all employees attend these sessions, and many were unsure whether attendance was required. Some new staff expressed frustration when unable to attend, because they often had to reach out to individual departments to complete missing paperwork or learn about benefits on their own. As a result, many employees are not adequately informed about leave policies, retirement options, or health benefits.

Without administrative coordination or formal onboarding protocols, onboarding responsibilities fall to individual departments. This slows employee acclimation, leads to inconsistent understanding of benefits, leave, retirement options, and district culture, and increases the risk of payroll and leave-related errors. The lack of standardized onboarding lowers employee trust, may reduce retention, and could expose the district to legal or compliance risks.

Staff interviews indicated that district lacks a formal exit interview process. They stated that exit interviews are inconsistently conducted and documented, limiting the district's ability to understand the causes of employee turnover. Any turnover data that is collected tends to be minimal and may be subjective. Interviews indicated that there has never been a structured exit interview process, meaning the district misses valuable information that could support improvement efforts.

Recommendations

The district should:

1. Collaborate with the county office to explore options for an electronic PAF process that is fully integrated with PeopleSoft.
2. Assess opportunities to streamline the hiring process by implementing electronic onboarding, including digitized employee documentation.
3. Consider updating BP 4012.4 and AR 4012.4 regarding physicals and link this information to its workers' compensation program.
4. Communicate the fingerprinting process to all human resources staff.
5. Communicate the exit interview process to all staff, use the information to identify trends in employee turnover and systemic issues, and ensure that findings are documented and regularly reported to leadership to support continuous improvement.

Evaluations

Employee evaluations are an essential tool for building a strong, productive school district and for protecting the organization. With proper training and guidance from management, the evaluation process can foster a positive culture by promoting transparency, accountability, and professional growth, while also supporting compliance and performance improvement. Effective evaluations encourage open communication between staff and supervisors throughout the year, not just during evaluation periods, helping employees feel heard and supported.

Interviews indicated that staff members have not been trained on how to conduct evaluations or on their importance. While some consistently submit evaluations on time, overall it remains a challenge for the Human Resources Department to receive all evaluations in a timely manner. Additionally, evaluations are tracked across multiple systems, including spreadsheets and FileMaker Pro — a system being phased out — making it difficult for the department to monitor trends or generate efficient reports.

As detailed in the “Training” section of this report, many staff members also indicated that they do not have SOPs, desk manuals, or access to proper training. Training is often minimal, informal, and shared verbally, leaving employees to rely on their own notes or self-documentation. Without adequate training and desk manuals or SOPs, staff cannot be properly evaluated on their tasks and responsibilities. This results in management effectively assessing employees on functions they have not been fully trained to perform.

The inconsistent evaluation practices in the district stem from several factors, including the use of multiple tracking systems, insufficient training, and limited oversight or enforcement by management. Additionally, BP 4315 and AR 4315 on evaluations are outdated — both approved in November 13, 1990 and last revised on February 11, 1997 — and do not align with the district’s evaluation template for management, supervisory, and confidential personnel. These fundamental issues undermine accountability and support across the organization. Without proper training or SOPs, supervisors lack clear guidelines on how and what to evaluate, making it difficult to implement evaluations consistently or effectively.

Failing to follow best practices exposes the district to ongoing performance problems, potential liability in disciplinary cases, and risks when probationary evaluations are missed for employees who may not be meeting standards. Evaluations must be conducted in accordance with board policies, administrative regulations, and relevant CBAs to ensure a fair, consistent, and documented process that promotes accountability, improvement, and growth for all staff. A strong evaluation process builds districtwide consistency and reinforces trust in leadership. Conversely, maintaining outdated board policies and relying on multiple systems to track evaluations weakens the district’s ability to lead effectively and diminishes confidence in its governance.

Recommendations

The district should:

1. Use a single, integrated human resources and business services platform that also tracks employee evaluation due dates.
2. Establish a process for generating reports from the Human Resources Information System to keep management informed of upcoming evaluations.
3. Ensure executive staff actively support the human resources team in meeting and enforcing evaluation deadlines.
4. Update board policies and evaluation forms to align with its employee evaluation template and applicable CBAs.
5. Provide professional development opportunities for staff, both internally and through the county office.

Training

Local educational agencies (LEAs) must ensure that human resources staff receive comprehensive training in their areas of responsibility, supported by clear direction and consistent oversight from management. Adequate training allows staff to be appropriately evaluated based on their position and performance. Without it, employees may receive poor evaluations simply because they lack the knowledge or skills need to fulfill their duties.

Human resources staff must be well-versed in their functions and stay current with legal requirements, board policies, and best practices. Providing thorough training, particularly for new hires, establishes a strong foundation for success and operational efficiency. It is the best practice for all human resources employees to attend regular training that covers new and revised laws, regulations, and the department's policies and procedures. Training delivered when staff are hired or promoted helps fill knowledge gaps, ensures the department can continue providing technical support to the district, and enables employees to perform their duties effectively and in alignment with district standards.

Aside from management, supervisory and credentialing staff, the majority of the district's Human Resources Department staff are relatively new to both human resources and to operating in a transitional kindergarten through grade 12 (TK-12) environment. Interviews indicated that training for these employees is minimal. Most staff reported that their primary form of training was simply sitting at a coworker's desk for a period of time to observe their duties. No desk manuals or SOPs were available to guide them in their positions.

When FCMAT inquired why more structured training had not been provided, most staff could not explain the lack of training. Many were relatively new and unsure what types of training might even be available for their roles. FCMAT also found that staff largely defined "training" as merely watching someone else perform tasks, requiring FCMAT to clarify what formal training and professional development entail.

While learning by shadowing a coworker can be a helpful component of onboarding, it should not be the sole method of training. Without oversight, this approach risks perpetuating inconsistent practices or bad habits. Management and supervisors should ensure they are aware of what is being taught to new employees so that training is accurate, thorough, and aligned with the district's standards.

Effective human resources training typically involves a combination of internal and external opportunities, reflecting the broad scope of responsibilities the department manages. Comprehensive training is critical because even minor errors or failures to comply with legal requirements can have serious consequences for the district, including potential violations of CBAs.

FCMAT recommends that district management develop a training schedule tailored by classification. This approach would help ensure that all functional areas and tasks are thoroughly addressed, and it would give management a clear basis to evaluate whether employees are meeting established standards.

Cross-Training

Cross-training involves preparing employees to perform tasks outside their primary job descriptions but still within their classification. This practice offers numerous advantages that can improve a school district's overall performance and efficiency. It ensures continuity of operations by allowing another employee to step in when someone is unavailable, and it eases transitions by enabling cross-trained staff to quickly assume additional responsibilities when needed.

Cross-training also reduces the impact of turnover by empowering employees to adapt to changing demands and challenges. Having multiple staff members trained for the same tasks also provides a built-in system of checks and balances, helping to detect and correct errors or irregularities. Additionally,

cross-training promotes a deeper understanding of the roles and responsibilities across the school district, fostering collaboration and improving communication among employees.

The district provided FCMAT with a cross-training schedule that identified which staff members were responsible for specific tasks and who served as backups. However, interviews indicated that this was the first time most staff had seen this document, suggesting it was developed specifically for FCMAT's visit. While many staff had previously been verbally informed of their backup responsibilities, the district appears to still be in the process of formally developing cross-training schedules for the Human Resources Department. Additionally, interviews indicated that many staff were uncertain how to perform some of the functions listed in the cross-training schedules.

If staff are expected to cover additional responsibilities during unplanned absences or vacations, the district must ensure they are properly trained for those specific tasks or functions. Alternatively, the district should require the development of desk manuals that provide step-by-step instructions to guide staff in completing these responsibilities.

Recommendations

The district should:

1. Ensure that the Human Resources Department develops an annual written training plan, organized by employee classification.
2. Require human resources staff to regularly participate in training on relevant TK-12 California public school issues.
3. Seek training opportunities through the county office, particularly for the human resources modules within PeopleSoft.
4. Develop desk manuals or SOPs for key tasks and functions to support training and cross-training efforts.
5. Ensure staff are adequately trained in areas where they serve as backups or secondary support.
6. Continue implementing a cross-training plan for human resources staff.

Personnel File Management

Personnel files contain sensitive and confidential information about employees that must always be securely maintained. Typically, these files are organized into several categories covering areas such as payroll, employee performance, employee data, benefits, and tax records.

While certain departments require access to specific parts of these files — such as payroll staff needing tax or retirement contribution information, or supervisors reviewing prior evaluations of employees they oversee — access to complete personnel files should be strictly limited to protect confidentiality.

During field work, FCMAT observed a file room containing hard copy personnel files. Interviews indicated that personnel information is also stored electronically in the district's FileMaker Pro, BusinessPlus and PeopleSoft systems.

BusinessPlus served as the district's primary human resources and financial system prior to 2017, when the district transitioned to PeopleSoft's financial modules. Interviews indicated that the district is now in the

process of discontinuing its contract with BusinessPlus and is primarily using PeopleSoft's human resources modules.

However, staff expressed uncertainty about the future of BusinessPlus, noting they have received little to no guidance. They reported that an extension of BusinessPlus was executed in July 2024 because the district was not ready to complete the transition to PeopleSoft. Some staff also indicated they have not received adequate training on PeopleSoft and are unclear about its full functionality. Although management indicated that the district has a documented transition plan, it was not provided to FCMAT until a few weeks after fieldwork.

Whatever direction the district ultimately chooses, improving efficiency must be the primary goal. Staff are entering the same information into four separate databases — three electronic and one set of physical records. While FCMAT recognizes that the district may need to maintain a database for historical information, it is unclear why identical information is being entered into multiple systems.

The district would benefit from identifying where work is being duplicated and determining which system will serve as the primary repository for both current and historical information. A significant concern is that staff and management are unsure which database functions are the official system of record. As a result, if there are discrepancies among the four systems, there is no clear understanding of which data source is authoritative.

Recommendations

The district should:

1. Identify and establish a single system as the primary repository for all current and historical personnel records.
2. Eliminate duplicate personnel files and maintain one comprehensive file for each current employee.
3. Grant system access based on operational need and ensure that relevant information is appropriately shared with the departments that require it.

Leave Management

Leave management is a critical human resources function that is being managed by the district's Payroll Department. Leave administration must comply with board policies, CBAs, employee handbooks, and applicable state and federal laws. All types of leave — including sick and vacation time, as well as longer-term leave such as that under the Family Medical Leave Act (FMLA), California Family Rights Act (CFRA), Industrial Accident Leave, and extended illness leave — must be accurately tracked, consistently and promptly documented, and processed in a timely manner.

The district does not maintain a centralized or consistently managed leave tracking system. Instead, multiple systems are in use — including BusinessPlus, Frontline/AESOP, PeopleSoft, eFMLA, and even handwritten paper cards — creating fragmentation and inefficiency.

Interviews with staff revealed that there is no standardized process for submitting or monitoring leave. Because employees do not complete time cards, there is no systematic way to verify absences. Depending on the time of year, leave data can lag by one to three months before being entered into the system. As a result, employees may be unaware of their actual leave balances, and the district risks overpaying staff who have exhausted their leave.

Additionally, the district's board policies on employee leave are outdated and do not align with current provisions of the California Education Code, Labor Code, or federal and state leave laws. For example, BP 4057.1 and AR 4057.1 (work-related injuries) were last updated in October 2002, while BP 4161.11 and AR 4161.11 (industrial accident and illness leave) date back to February 1991, and BP 4361.1 and AR 4361.1 (personal illness and injury leave) have not been updated since November 1990.

These outdated policies contain conflicting information. There are no board policies addressing sick leave for classified or certificated employees, including substitute sick leave. While there are some outdated policies for management, supervisory, and confidential staff — such as BP 4361.13 (expiration of leave), last revised in 1990 — these do not align with the current Chula Vista Elementary School District Administrators Association agreement.

When interviewing staff, it became evident that there is confusion over which department is responsible for tracking long-term leaves and where employees should submit long-term leave requests or physician's notes. Payroll staff expressed discomfort handling personal medical information, while interviews indicated that the Human Resources Department recently began using eFMLA to distribute forms. However, this system does not track the duration of leaves and does not align with board policy. Payroll monitors employee absences through emails but does not maintain an ongoing list of employees on leave.

Without clear policies, procedures, and strong interdepartmental collaboration, there is a lack of ownership and clarity. Staff are uncertain of their roles and how best to support employees on leave, and employees do not know who to contact or where to submit leave forms or physician documentation.

This fragmented approach is not only time-consuming but also increases the risk of discrepancies in reported leave. When leave is not submitted or entered on a monthly basis, the likelihood of overpayment grows, creating potential liability for the district.

Recommendations

The district should:

1. Update all board policies and administrative regulations related to leaves.
2. Develop a clear, districtwide leave process and share it with all relevant staff.
3. Provide training to supervisors on their responsibilities for ensuring employees submit leave documentation while absent.
4. Implement a single, integrated system for leave tracking.
5. Track leave monthly to align with payroll processing.
6. Ensure employees have access to view their current leave balances.
7. Ensure compliance with FMLA, CFRA, and all requirements for medical certifications and physician notes.

Workflow and Distribution of Functions

Position Control

As discussed earlier in this report, a reliable position control system establishes positions by site or department and ensures that all board-approved positions are captured, helping to prevent over- or underbudgeting of staff. It also reduces the risk of omitting routine annual expenses tied to district positions, such as step-and-column salary increases, substitutes, extra duty pay, stipends, vacation payouts, retiree health and welfare payments, and other contract-related costs.

A well-functioning position control system also enables school districts to maintain accurate budget projections, employee demographic data, and salary and benefit information. It is critical for identifying cost savings from vacant positions or attrition and for modeling the fiscal impact of changes to salary schedules. To be most effective, position control should be fully integrated with other financial modules, including budget and payroll systems.

Strong internal controls are essential to protect the school district from material weaknesses, serious errors, and fraud, while also ensuring efficient operations, reliable financial reporting, and compliance with legal requirements. This includes establishing clear segregation of duties within and across functions. These controls help ensure that only board-authorized positions are entered into the system, that human resources hires exclusively for board-authorized positions, and that payroll processes compensation only for employees hired into those authorized positions.

Table 1 outlines a suggested distribution of responsibilities between the Business Services and Human Resources departments to help school districts establish the necessary internal control structure.

Table 1. Suggested Distribution of Position Control Tasks

Responsible Party	Task
Governing board	Approve or authorize positions.
Business Services Department	Enter each approved position into position control with the estimated salary and budget. Assign a unique position number. Eliminate positions as necessary. Manage account codes. Develop and manage the budget. Prepare budget, salary and multiyear projections.
Human Resources Department	Enter each employee's demographic data into the system, including their: <ul style="list-style-type: none">• Name.• Address.• Social Security number.• Credential (if applicable).• Classification.• Salary schedule placement. Conduct annual reviews of employee assignments.

Responsible Party	Task
Business Services and Human Resources departments	<p>Update employee benefits.</p> <p>Review and update employee work calendars.</p> <p>Review and update salary schedules annually (or more frequently as needed, e.g., after collective bargaining).</p>

Source: FCMAT.

Interviews with staff from the district's Payroll, Human Resources, and Business Services departments indicate that reconciliation of position control is not occurring. Although PeopleSoft is the district's primary financial system, interviews revealed that it is not reconciled with BusinessPlus — the district's former financial system that payroll and human resources staff continue to use. This has led to duplicated work and raised concerns about data accuracy and which system reflects the most current information. Additionally, each department relies on its own separate systems and spreadsheets to track position control.

FCMAT's FHRA was developed as a tool to help evaluate an LEA's fiscal health and risk of insolvency in the current and two subsequent fiscal years. The FHRA includes up to 20 sections, each with targeted questions based on FCMAT's extensive work since the inception of AB 1200. These questions reflect common indicators of risk or potential insolvency identified in LEAs that have neared insolvency and needed assistance from outside agencies. Each section of the FHRA is critical; failure to address these areas will eventually lead to an LEA's financial failure.

Section 19 of the FHRA, "Position Control," can help school districts assess whether they are using best practices in this area. Example questions from this section include:

- 19.1- Does the district account for all positions and costs?
- 19.2- Does the district analyze and adjust staffing based on staffing ratios and enrollment?
- 19.3- Does the district reconcile budget, payroll and position control regularly, at least at budget adoption and interim reporting periods?
- 19.6- Do managers and staff responsible for the district's human resources, payroll and budget functions meet regularly to discuss issues and improve processes?

If a school district cannot answer "Yes" to these questions, it is at risk of failure in its position control process. At the time of writing this report, the district would not be able to answer "Yes" to all these questions.

Recommendations

The district should:

1. Design a position control workflow that aligns with industry standards and that shifts responsibilities to the appropriate department as outlined in Table 1.
2. Discontinue the use of external tracking methods, such as spreadsheets and other district systems used for position control.
3. Use section 19 of FCMAT's FHRA, "Position Control," to evaluate whether it is following best practices that help reduce the risk of fiscal insolvency.

Leave Management

Leave management is the process of administering various types of employee leave, including vacation, sick, emergency, personal, and family leave. Effective leave management requires adherence to district-established rules — such as board policies and administrative regulations — as well as compliance with relevant state and federal laws and CBAs. While leave management is primarily a function of the Human Resources Department, it necessarily involves close coordination with the Payroll Department. Although some aspects of leave management have been discussed in earlier sections of this report, this section focuses on the critical collaboration needed between the district's human resources and payroll staff.

Interviews with staff from both departments revealed that the current process is fragmented. The Human Resources Department typically becomes aware of an employee's leave only when notified by payroll or the employee. In cases where employees first reach out to human resources, they are generally referred to the Payroll Department to initiate the leave process. Payroll staff manage and maintain all leaves and leave records, including receiving updated notes or medical information related to an employee's condition.

Both departments expressed concerns about the leave management process, noting that employees are falling through the cracks because no one is consistently monitoring who is on leave. While the Payroll Department ensures employees are paid correctly during their leave, responsibilities such as administering discipline, conducting follow-up related to leaves, managing interactive process requirements, and tracking the exhaustion of leave balances — all tasks clearly within the Human Resources Department's purview — are not being addressed.

Interviews further indicated that the district lacks an established process for managing employee leaves. Staff provided varying descriptions of how leave is handled across the organization, as well as within the Human Resources and Payroll departments. Most human resources staff deferred leave-related questions to the Payroll Department, explaining that payroll is primarily responsible for processing leaves. Meanwhile, payroll staff expressed frustration and concern about being responsible for monitoring and maintaining leaves and leave records.

Table 2 below outlines FCMAT's suggested distribution of responsibilities for managing employee leaves between the Human Resources and Payroll departments.

Table 2. Suggested Distribution of Leave Management Tasks

Responsible Department	Task
Human Resources Department	Notification and initiation of leave. Determination of leave duration in accordance with CBAs, board policy, and the California Education Code. Coordination of accommodation or the interactive process related to leave. Tracking of leave timelines and exhaustion of available leave. Administration of leave-related discipline.
Payroll Department	Determination of leave eligibility. Calculation and processing of pay while on leave, including differential pay and relevant CBA provisions. Management of retirement contributions. Oversight of benefit coverage and Consolidated Omnibus Budget Reconciliation Act (COBRA) implications.

Source: FCMAT.

The district could use Section 9 of FCMAT's FHRA, "Employee Benefits," to help evaluate whether it is applying best practices for benefit management, including leaves. One key question in this section asks:

- 9.5- Does the district track, reconcile and report employees' compensated leave balances?

At time of writing this report, the district could not answer "Yes" to this question. As such, it is at risk of failing Section 9 of the FHRA, which increases its overall risk of insolvency. Ineffective leave management can result in increased costs to the district, and in some cases, may constitute a gift of public funds by granting additional leave that an employee is not entitled to.

Recommendations

The district should:

1. Reassign primary responsibility for leave management from the Payroll Department to the Human Resources Department.
2. Develop a standardized employee leave workflow that outlines each step of the process. Use Table 2 to clearly define departmental responsibilities and designate which staff members are accountable for specific tasks.
3. Establish and maintain regularly scheduled joint meetings between the Human Resources and Payroll departments to ensure that all leave records are accurately reconciled and aligned with the standards outlined in FCMAT's FHRA.

Staffing and Organization

Span of Control

Span of control refers to the number of subordinates who report directly to a supervisor.¹ Although there is no universally agreed-upon ideal number of subordinates, it is generally recognized that the span of control can be larger at lower levels of an organization than at higher levels. This is because subordinates at lower levels typically perform more routine duties and are thus easier to supervise.

Chain of Command

Chain of command refers to the flow of authority within an organization.¹ It is largely governed by two principles: unity of command, in which a subordinate is accountable to only one supervisor, thus eliminating the potential for conflicting direction from multiple supervisors; and the scalar principle, which suggests that authority and responsibility should flow in a direct vertical line from top management to the lowest level. This results in a hierarchical division of labor.

Line and Staff Authority

Line authority refers to the relationship between supervisors and their subordinates within the chain of command in an organization.¹ For example, in the district, the superintendent has direct line authority over the assistant superintendent of human resources, who in turn exercises direct line authority over the two directors, and so forth. In contrast, staff authority is advisory in nature. Staff members lack the authority to make and implement decisions; instead, they provide support to line personnel. The organizational structure of LEAs includes both line and staff authority.

Accordingly, management positions are responsible for supervising employees and the operations of their respective departments. They must ensure that staff understand and follow all school district policies and procedures, and that duties are performed in a timely and accurate manner. In this context, directors and managers also serve as liaisons between their departments and others, helping to identify and resolve problems as well as develop or revise processes and procedures as needed. Routine daily tasks are generally not assigned to management positions; these are more appropriately handled by department staff.

Organizational Charts

Organizational charts are useful graphic representations of the roles, responsibilities, and reporting relationships within an organization. These charts may represent the entire organizational structure or focus on specific departments or units. Typically, they show the chain of command, which helps increase operational efficiency, clarify lines of communication, support staff at all levels, streamline delegation, and establish accountability.

¹R. C. Wood, D. C. Thompson, L. O. Picus and D. I. Tharpe, *Principles of School Business Management*, Association of School Business Officials International, 1995.

Human Resources Department Staffing

At the time of field work, the district's Human Resources Department was staffed as shown in Figure 3 below.

Human Resources Organizational Chart, 2025

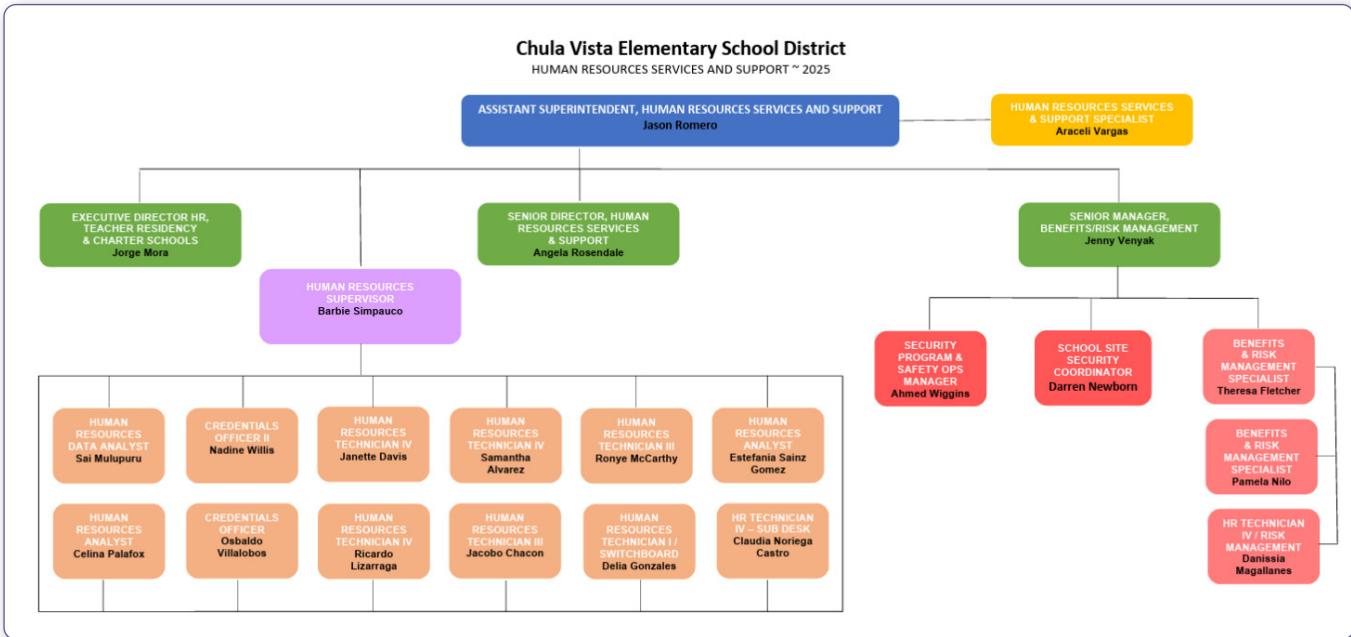


Figure 3. Organizational chart showing the structure of the Human Resources Services and Support Department at Chula Vista Elementary School District in 2025.

Source: District-provided document.

The Human Resources Department has a total of approximately 23.0 FTE. Although Figure 3 reflects this total, one of these positions — a human resources technician/switchboard operator — serves as the main receptionist for the district office. Interviews indicated that while this position provides some support to the Human Resources Department, the majority of its duties appear to be receptionist-related, including helping visitors upon arrival at the district office.

There is uncertainty amongst staff as to what position is assigned what duties within the district. For example, two positions are primarily responsible for credentialing, but there is no clear assignment of specific employees or schools between them. This is similar with other staff responsible for human resources functions. Staff were unclear about which sites or employees they are responsible for. Interviews indicated that many times, staff are assigned work without any rhyme or reason. Staff indicated that this is how the structure has always been within the department. The department should be more organized with how it assigns its work.

This lack of clarity extends to the district's human resources [web page](#), which provides minimal contact information beyond the main district phone number. As a result, both internal and external customers may be unsure of whom to contact for specific human resources needs.

To improve transparency and customer service, the district would benefit from developing and posting an organizational chart that clearly identifies each human resources staff member's contact information and their assigned employee groups or schools. Figure 4 on the following page provides an example of an organizational chart that uses staff last names to show site assignments. Implementing this approach would help reduce confusion and improve communication for those seeking support from human resources.

Example Organizational Chart with Contact Information for Human Resources Services and Support Department

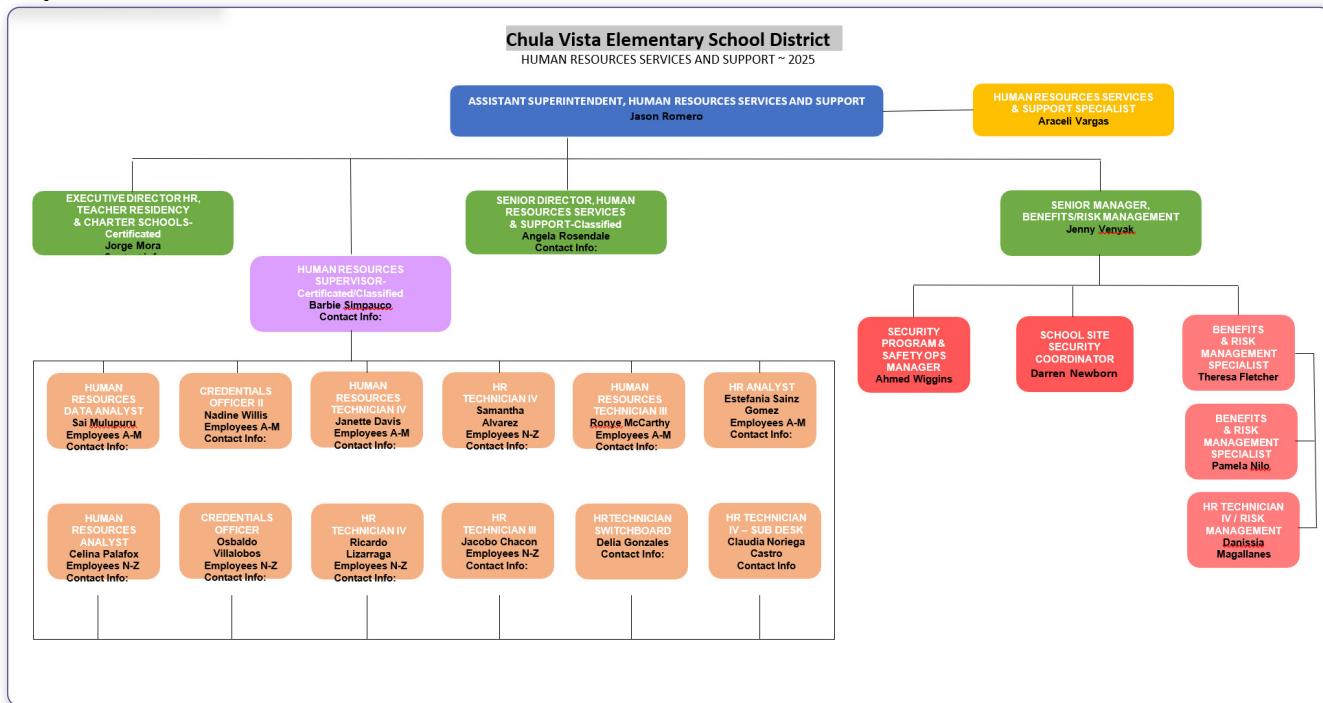


Figure 4. Example of an organizational chart showing the structure of the Human Resources Services and Support Department with staff contact information.

Source: Adapted from district-provided document.

Human Resources Department Staffing Comparison

FCMAT compared Chula Vista Elementary School District's Human Resources Department with those of several similarly sized and structured school districts. While comparative data can provide helpful context, it should not be the only measure for evaluating appropriate staffing levels. Each school district is unique in its demographics, resources and organizational structure, and generalizations can be misleading without considering these factors. Careful evaluation is recommended.

In selecting comparison school districts, FCMAT considered district type, student enrollment, and unduplicated pupil percentage. Enrollment and demographic data were obtained from the Education Data Partnership (Ed-Data) [website](#), while staffing data were collected directly from the human resources web pages of the comparison school districts. When using school district websites, FCMAT assumed all listed human resources positions were full-time (1.0 FTE). For one school district operating under the merit system, FCMAT combined the FTE counts from both the Human Resources and Personnel Commission/Merit departments.

The three comparison districts shown in Table 3 on the following page had student enrollment ranging from 19,369 to 28,964. Only Bakersfield City School District's ADA was closely aligned with that of Chula Vista Elementary School District, differing by approximately 200 students. Across the sample, the average human resources FTE was approximately 21.0, with an average enrollment of approximately 23,901. Chula Vista Elementary School District's FTE was included in this analysis.

Table 3. Comparison of Human Resources Staffing Levels in Similarly Sized Elementary School Districts, 2025

District	County	Human Resources FTE	Census Day Enrollment	Unduplicated Pupil %
Palmdale Elementary School District	Los Angeles	20.00	21,205	89.60%
Panama-Buena Vista Union Elementary School District	Kern	17.00	19,369	78.13%
Chula Vista Elementary School District	San Diego	23.00	28,964	60.88%
Bakersfield City Elementary School District	Kern	25.00	28,761	93.48%
Average		21.25	24,575	80.52%

Source: [Ed-Data.org](https://www.ed-data.org), school district websites, and school district responses to FCMAT survey.

Note: Palmdale Elementary School District is a merit system school district with a personnel commission.

If the district is considering hiring additional staff for its Human Resources Department, FCMAT recommends first implementing the recommendations outlined earlier in this report to improve departmental efficiency. While a department may appear to be understaffed, a well-organized and adequately trained team that operates efficiently can often complete work in a timely manner while supporting a healthy work-life balance for staff.

Recommendations

The district should:

1. Develop an organizational chart that clearly identifies key areas of authority and responsibility for personnel management, with logical and easy-to-follow reporting lines. This chart needs to include employee or site assignments as well as staff contact information.
2. Post the new organizational chart on the Human Resources Department's web page and share with relevant education partners.
3. Prior to making any staffing adjustments, implement previous recommendations within this report.

Business Services Department Staffing

Business Services departments vary significantly across LEAs in terms of size, functions and responsibilities. For example, in some LEAs, Maintenance, Operations, and Transportation (MOT) may be housed within the Business Services Department, while in others, MOT functions as a separate division. Information technology is another function that may be aligned differently depending on the LEA's organizational structure.

For the purposes of this report, the district's Business Services Department is defined to include finance, accounting, budget, payroll, and accounts receivable/accounts payable functions. FCMAT recognizes that other large LEAs may also include departments such as purchasing, warehouse services, or publishing within the Business Services Department. As noted earlier in this report, each LEA structures its operations based on local priorities and needs.

Figure 5 on the following page shows the organizational chart for the district's Finance Services Division within its Business Services Department.

Organizational Structure of the Finance Services Division, 2024-25

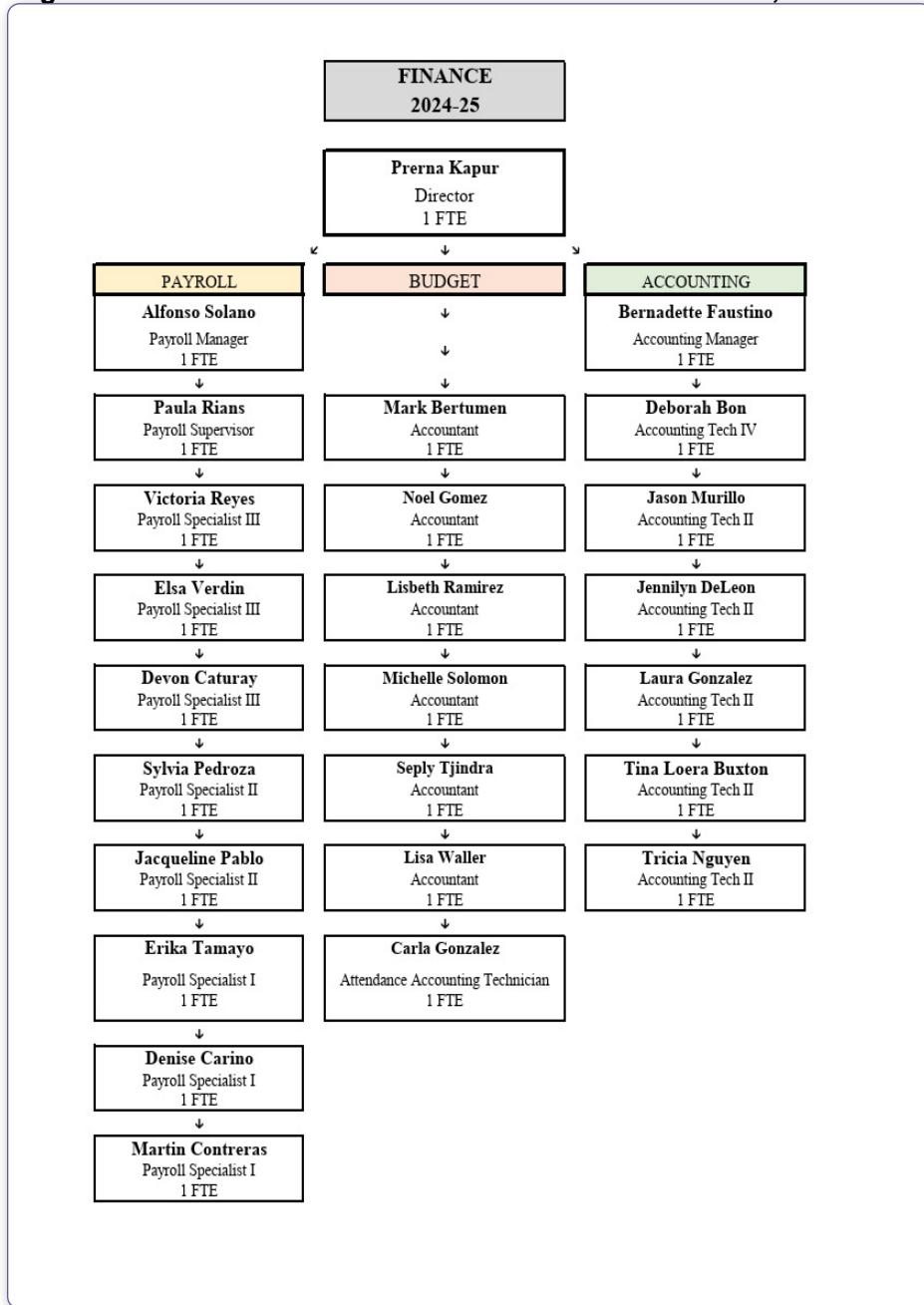


Figure 5. Organizational chart showing the structure of the district's Finance Services Division for the 2024-25 fiscal year, including the Payroll, Budget, and Accounting departments. Each position is shown with its title, name, and FTE.

Source: District-provided document.

Note: All positions shown are 1.0 FTE.

The Business Services Department's [web page](#) includes staff contact information and notes their respective responsibilities. From a customer service standpoint, this is a best practice, and the district is encouraged to continue it.

Because several key business services staff are relatively new to the district and to the TK-12 public education system, the district should ensure that all new staff receive adequate and timely training. FCMAT recommends that the district maintain its current staffing structure within the Business Services Department.

Business Services Department Staffing Comparison

FCMAT compared Chula Vista Elementary School District's Business Services Department with those of several similarly sized and structured school districts, as shown below in Table 4. In selecting comparison school districts, FCMAT considered district type, student enrollment, and unduplicated pupil percentage. Enrollment and demographic data were obtained from the Ed-Data [website](#), while staffing data were collected directly from the business services web pages of the comparison school districts. When using school district websites, FCMAT assumed all listed business services positions were full-time (1.0 FTE).

The comparison included three school districts with student enrollment ranging from 19,369 to 28,964. Of the school districts reviewed, only one —Bakersfield City School District — had an ADA closely aligned with Chula Vista Elementary School District, with a difference of approximately 200 students. Across the sample, the average business services FTE was approximately 20.5, and the average enrollment was approximately 23,901.

Table 4. Comparison of Business Services Staffing Levels in Similarly Sized Elementary School Districts, 2024-25

District	County	Business Services FTE	Census Day Enrollment	Unduplicated Pupil %
Palmdale Elementary School District	Los Angeles	15.00	21,205	89.60%
Panama-Buena Vista Union Elementary School District	Kern	25.00	19,369	78.13%
Chula Vista Elementary School District	San Diego	26.00	28,964	60.88%
Bakersfield City Elementary School District	Kern	25.00	28,761	93.48%
Average		22.75	24,575	80.52%

Source: Ed-Data.org, school district websites, and school district responses to FCMAT survey.

Based on the available data, the district's Business Services Department appears to be adequately staffed. Although the district reports an ADA of 28,964, it also serves eight charter schools within its boundaries. Of these, five are dependent charter schools, which are closely tied to their authorizer, and are often treated as a school site within the district. The remaining charter schools are independent, meaning they function as separate LEAs.

Recommendation

The district should:

1. Maintain current staffing allocations in the Business Services Department.

Appendix

Appendix A — Study Agreement

Appendix A — Study Agreement



FISCAL CRISIS & MANAGEMENT
ASSISTANCE TEAM

FISCAL CRISIS & MANAGEMENT ASSISTANCE TEAM STUDY AGREEMENT FOR MANAGEMENT ASSISTANCE

This study agreement, hereinafter referred to as Agreement, is made and entered into by and between the Fiscal Crisis and Management Assistance Team, hereinafter referred to as the Team or FCMAT, and the Chula Vista Elementary School District, hereinafter referred to as the Client; collectively, FCMAT and Client are hereinafter referred to as the Parties. This Agreement shall become effective from the date of execution hereof by FCMAT.

1. BASIS OF AGREEMENT

FCMAT provides a variety of services to local education agencies (LEAs) as authorized by Education Code (EC) 42127.8(d). The Client has requested that the FCMAT assign professionals to study specific aspects of the Client's operations. The professionals will include FCMAT staff and may include professionals from county offices of education, school districts, charter schools, community colleges, other public agencies or private contractors. All professionals assigned shall work under the direction of FCMAT. All work shall be performed in accordance with the terms and conditions of this Agreement.

FCMAT will notify the Client's county superintendent of schools of this Agreement.

2. SCOPE OF THE WORK

A. Scope and Objectives of the Study

1. Review operational processes and procedures in the Business Services Department and make recommendations for improved efficiency, if any, in the following areas:
 - Budget development
 - Budget monitoring
 - Position control
 - Payroll
 - Accounts payable
 - Accounts receivable
2. Review operational processes and procedures in the Human Resources Department and make recommendations for improved efficiency, if any. The review will include, but may not be limited to:
 - Hiring, onboarding and exit interviews

- Evaluations
- Training and cross training
- Personnel file management
- Leave management

3. Evaluate the current workflow and distribution of functions within and between the above departments and make recommendations for improved efficiencies, if any.
4. Conduct an organizational and staffing review of the above departments and make recommendations for staffing improvements and organizational restructuring, if any.
5. The Team will present the final report to the district's board of trustees at a public meeting following the completion of the review.

B. Services and Products to be Provided

1. Orientation Meeting

The Team will conduct an orientation session at the Client's location to brief the Client's management and supervisory personnel on the Team's procedures and the purpose and schedule of the study. This orientation meeting is normally held at the beginning of fieldwork for the study.

2. Fieldwork

The Team will conduct fieldwork at the Client's office and/or school site(s), or other locations as needed. Limited fieldwork may also be conducted remotely via telephone or videoconferencing services, in addition to the Public Safety Considerations outlined in Section 13 below.

3. Exit Meeting

The Team will hold an exit meeting at the conclusion of the fieldwork to inform the Client of the status of the study. The exit meeting will include a review of the scope of work; outstanding items, including documents, data and interviews not yet received or held; and the estimated timeline for a draft report. The meeting will not memorialize details regarding findings because the Team's conclusions may change after a complete analysis is finished. Exceptions to this will be findings of immediate health and safety concerns for students or staff, and other time-sensitive items that include the potential for risk or exposure to loss.

4. Exit Letter

Approximately 10 business days after the exit meeting, the Team will issue an exit letter briefly memorializing the topics discussed in the exit meeting.

5. Draft Report

An electronic copy of a preliminary draft report will be delivered to the Client's point

of contact identified below for review and comment.

6. Final Report

An electronic copy of the final report will be delivered to the Client's point of contact and to the Client's county superintendent of schools following completion of the study. FCMAT's work products are public and all final reports are published on the FCMAT website.

7. Board Presentation

Presentations to the Client's board are optional and are made at the request of the Client. If a board presentation is requested, it will be noted in the scope and objectives of the study or can be added as a change in scope at a later date.

8. Follow-Up Review

If requested by the Client within six to 12 months after completion of the study, FCMAT, at no additional cost, will assess the Client's progress in implementing the recommendations included in the report. This follow-up support is primarily a document review-based study. Progress in implementing the recommendations will be documented to the Client in a FCMAT management letter. FCMAT will work with the Client on a mutually convenient time to return for follow-up support that is no sooner than eight months and no later than 18 months after the date of the final report.

3. PROJECT PERSONNEL

The personnel assigned to the study will be led by a FCMAT staff person (job lead) and will include at least one other professional. FCMAT will notify the Client of the assigned personnel when the fully executed copy of this Agreement is returned to the Client.

FCMAT will communicate to the Client any changes in assigned project personnel.

4. PROJECT COSTS

The cost for studies requested pursuant to EC 42127.8(d)(1) and 84041 shall be as follows:

- A. \$1,200 per day for each FCMAT staff member while on site conducting fieldwork. The cost of independent FCMAT consultants will be billed at their daily rate for all work performed. On-site is defined as either 1) physically at the Client's office or school site(s), or 2) in a scheduled virtual meeting with the Client's personnel, representatives or others associated with the scope of work pursuant to Section 13 below.
- B. All out-of-pocket expenses, including travel and its associated costs, and miscellaneous items necessary to complete the scope and objectives of the study.
- C. The applicable indirect rate at the time work is performed on the study will be added to all costs billed.
- D. The Client will be invoiced for 50% of the not-to-exceed cost shown below following completion of fieldwork (progress payment) and the remaining amount shall be due upon

the issuance of the final report or presentation to the Client's board, whichever is later (final payment). The Parties agree that changes documented in a revised study agreement may change the original not-to-exceed amount shown below. If changes are made before or during fieldwork, the new not-to-exceed amount documented in such a revised study agreement will constitute the basis for the progress payment. If changes are made after fieldwork, 100% of the total changed value documented in a revised study agreement, less progress payments made, will constitute the final payment due. All payments shall be due immediately based on the terms of the invoice.

Based on the scope and objectives of the study, the total not-to-exceed cost of the study will be \$46,000.

- E. Any change to the scope of work will affect the total cost. Changes may include, but are not limited to, delays, revisions to the scope of services, and substitution or addition of personnel. The need for changes shall be communicated by FCMAT to the Client in advance in the form of a revised study agreement.

Payments for FCMAT's services are payable to Kern County Superintendent of Schools, Administrative Agent, 1300 17th Street, City Centre, Bakersfield, CA 93301.

5. RESPONSIBILITIES OF THE CLIENT

- A. Return current organizational chart(s) that show the Client's management and staffing structure with the signed copy of this Agreement. Organizational charts should be relevant to the scope of this Agreement.
- B. Provide private office or conference room space for the Team's use during fieldwork.
- C. Provide for a Client employee to upload all requested documents and data to FCMAT's online SharePoint repository per FCMAT's instructions. Provide FCMAT with the name and email of the person who will be responsible for collecting and uploading documents requested by FCMAT with the signed copy of this Agreement.
- D. Provide documents and data requested on the Team's initial and supplementary document request list(s) by the date requested.

All documents and data provided shall be responsive to FCMAT's request, in quality condition, readable and in a usable form. With few exceptions, documents and data requested are public records and records maintained by LEAs in the routine course of doing business. Some data requested may require exporting LEA financial system reports to Microsoft Excel or another usable format agreed to by FCMAT.

All documents shall be provided to FCMAT in electronic format, labeled as instructed by FCMAT. Upon approval of this Agreement, access will be provided to FCMAT's online SharePoint repository, to which the Client will upload all requested documents and data.

- E. Ensure appropriate senior-level staff are available for the orientation and exit meetings.
- F. Facilitate access to requested board members, officers and staff for interviews.

- G. Facilitate access to requested information and facilities to include, but not be limited to, files, sites, classrooms and operational areas for observation.
- H. Review a draft of the report and return it to FCMAT by the date FCMAT requests with any comments regarding the accuracy of the report's data or the practicability of its recommendations. The Team will review this feedback in a timely manner and make any adjustments it deems necessary before issuing the final report.
- I. Return the requested evaluation survey to FCMAT as described below.

6. **PROJECT SCHEDULE**

Time is of the essence. The Parties acknowledge that the goal of the scope and objectives of the study under this Agreement is to produce a timely and thorough report that adds value for the Client. To accomplish this goal, the Parties agree to communicate and mutually agree to honor established time commitments. These commitments include the Client providing requested documents, setting and keeping interview appointments and returning comments on the draft report consistent with the established project schedule.

The following project schedule milestones will be established by FCMAT upon receipt of a signed Agreement from the Client:

ACTION	TIMELINE
FCMAT provides the Client with a draft Agreement.	Draft Agreements are usually provided within 20 business days of the Client's initial request for services.
Client returns partially executed Agreement to FCMAT along with the applicable organizational chart and the name and email of the person who will be responsible for collecting and uploading documents requested by FCMAT.	Draft Agreements are valid for 30 business days.
FCMAT returns a fully executed Agreement to the Client and identifies the project schedule and the lead and other personnel assigned to the job.	Within five business days of the Client's return of the signed Agreement.
Client uploads initial requested documents and data to FCMAT's online SharePoint repository.	Within 10 business days of the Client's receipt of the FCMAT document and data request list.
Fieldwork	Mutually agreed upon; usually, to commence within 10 business days of FCMAT's receipt of requested documents and data.
Orientation meeting	First day of fieldwork.
Exit meeting	Last day of fieldwork.
Follow up fieldwork, if needed (e.g.,	Mutually agreed upon; usually, within

ACTION	TIMELINE
rescheduled interview, additional interviews).	five business days of FCMAT's request.
Client uploads supplemental documents and data to FCMAT's online SharePoint repository.	Within two business days of the Client's receipt of FCMAT's supplemental document and data request(s).
Draft report submitted to the Client.	To be determined, usually, within eight weeks of the conclusion of fieldwork and receipt of all documents and data requested.
Client comments on draft report	Within 10 business days of FCMAT providing a draft report to the Client.

The Client acknowledges that project schedule deadlines build upon and are contingent on each previous deadline. Missed deadline dates will affect future deadline dates and ultimately the timing of the final report. For example, if the Client does not provide requested documents and data by the specified date, the fieldwork may not be able to proceed as originally planned.

FCMAT acknowledges that the Client has an educational program to administer, is balancing many priorities, and in some cases may have records management difficulties, staffing capacity issues, staff on various types of leave, or other circumstances, all of which will affect the project schedule.

The Parties commit to regular communication and updates about the study schedule and work progress. FCMAT may modify the usual timelines as needed.

7. COMMENCEMENT, TERMINATION AND COMPLETION OF WORK

FCMAT will commence work as soon as it has assembled an available and appropriate study team, taking into consideration other jobs FCMAT has previously undertaken, assignments from the state, and higher priority assignments due to fiscal distress. The Team will work expeditiously to complete its work and deliver its report, subject to the cooperation of the Client and any other related parties from which, in the Team's judgment, it must obtain information. Once the Team has completed its fieldwork, it will proceed to prepare a report. In the absence of extraordinary circumstances, FCMAT will not withhold preparation, publication and distribution of a final report once fieldwork has been completed.

Prior to completion of fieldwork and upon written notice to FCMAT, the Client may terminate its request for service and will be responsible for all costs incurred by FCMAT to the date of termination under Section 4 (Project Costs). If the Client does not provide written notice of termination prior to completion of fieldwork, the Team will complete its work and deliver its final report and the Client will be responsible for the full costs.

FCMAT may terminate this Agreement at any time if the Client fails to cooperate with the requested project schedule, provide requested documents and data and/or make staff available for interviews as requested by FCMAT.

8. INDEPENDENT CONTRACTOR

FCMAT is an independent contractor and is not an employee or engaged in any manner with the Client. The manner in which FCMAT's services are rendered shall be within its sole control and discretion. FCMAT representatives are not authorized to speak for, represent, or obligate the Client in any manner without prior express written authorization from an officer of the Client.

9. RECORDS

The Client understands and agrees that FCMAT is a state agency and all FCMAT reports are public records and are published on the [FCMAT website](#). Supporting documents and data in FCMAT's possession may also be public records and will be made available in accordance with the provisions of the California Public Records Act.

FCMAT has a records retention policy and practice, and every effort will be made to maintain records related to this Agreement in accordance with this policy.

10. CONTACT WITH PUPILS

Pursuant to EC 45125.1, representatives of FCMAT will have limited contact with pupils. The Client shall take appropriate steps to comply with EC 45125.1.

11. INSURANCE

During the term of this Agreement, FCMAT shall maintain liability insurance of not less than \$1 million unless otherwise agreed upon in writing by the Client, automobile liability insurance in the amount required by California state law, and workers' compensation as required by California state law. Upon the request of the Client and receipt of the signed Agreement, FCMAT shall provide certificates of insurance, with the Client named as additional insured, indicating applicable insurance coverages.

12. HOLD HARMLESS

FCMAT shall hold the Client, its board, officers, agents, and employees harmless from all suits, claims and liabilities resulting from negligent acts or omissions of FCMAT's board, officers, agents and employees undertaken under this Agreement. Conversely, the Client shall hold FCMAT, its board, officers, agents, and employees harmless from all suits, claims and liabilities resulting from negligent acts or omissions of the Client's board, officers, agents and employees undertaken under this Agreement.

13. PUBLIC SAFETY CONSIDERATIONS

Whether due to public health considerations, extreme weather conditions, road closures, other travel restrictions or interruptions, shelter-at-home orders, LEA closures or other related considerations, at FCMAT's sole discretion, the Scope of Work, Project Costs, Responsibilities of the Client, and Project Schedule (Sections 2, 4, 5 and 6 herein) and other provisions herein may be revised. Examples of such revisions may include, but not be limited to, the following:

A. Orientation and exit meetings, interviews and other information-gathering activities may

be conducted remotely via telephone, videoconferencing, or other means. References to fieldwork shall be interpreted appropriately given the circumstances.

- B. Activities performed remotely that are normally performed in the field shall be billed hourly as if performed in the field (excluding out-of-pocket costs that can otherwise be avoided).
- C. The Client may be relieved of its duty to provide conference and other work area facilities for the Team.

14. FORCE MAJEURE

Neither party will be liable for any failure or delay in the performance of this Agreement due to causes beyond the reasonable control of the party, except for payment obligations by the Client.

15. EVALUATION

In the interest of continuous improvement, FCMAT will provide the Client with an evaluation survey at the conclusion of the services. FCMAT appreciates the Client's honest assessment of the Team's services and process. The Client shall return the evaluation survey within 10 business days of receipt.

16. CLIENT CONTACT PERSON

The Client's contact person designated below shall be the primary contact person for FCMAT to use in communicating with the Client on matters related to this Agreement. At any time when this Agreement or FCMAT's process requires that FCMAT send information, document request lists, draft report or final report, or when FCMAT makes other requests for the Client to act upon, this is the person whom FCMAT will contact. The Client may change the contact person upon written notice to FCMAT's job lead assigned to the study.

Name: Jason Romero, Assistant Superintendent, Human Resources

Telephone: (619) 425-9600

Email: jason.romero@cvesd.org

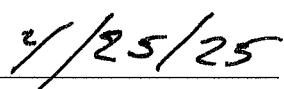
17. SIGNATURES

Each individual executing this Agreement on behalf of a party hereto represents and warrants that he or she is duly authorized by all necessary and appropriate action to execute this Agreement on behalf of such party and does so with full legal authority.

For Client:



Dr. Eduardo Reyes, Superintendent
Chula Vista Elementary School District



Date

For FCMAT:

Michael H. Fine  Digitally signed by Michael H. Fine
Date: 2025.05.01 23:30:13 -07'00'

Michael H. Fine,
Chief Executive Officer
Fiscal Crisis and Management Assistance Team

Date