



CAMPBELL UNION SCHOOL DISTRICT

EDUCATION BEYOND THE EXPECTED

FILED

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DAVID H. YAMASAKI
Chief Executive Officer/Clerk,
Superior Court of CA County of Santa Clara
BY D. ALDYCKI

September 11, 2009

Honorable Jamie Jacobs-May, Presiding Judge
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Dear Judge Jacobs-May,

On behalf of the Campbell Union School District Governing Board, pursuant to California Penal Code §933(c), attached is the Campbell Union School District's response to the 2008-09 Santa Clara County Civil Grand Jury Final Report, Who Really Benefits from Education Dollars? (Hint: It's Not the Students).

Thank you for the results of your report. Our responses to the Report's applicable findings and recommendations are attached.

If you have any questions related to the Board's response, please contact Mary Breshears, Assistant to Superintendent at (408) 341-7232.

Sincerely,

Johanna VanderMolen, Ed.D.
Superintendent

cc: CUSD Governing Board

September 11, 2009

CAMPBELL UNION SCHOOL DISTRICT GOVERNING BOARD RESPONSE TO

SANTA CLARA COUNTY GRAND JURY REPORT

WHO REALLY BENEFITS FROM EDUCATION DOLLARS?
(HINT: IT'S NOT THE STUDENTS)

Finding 1:

Boards of Trustees approve overly generous benefits to themselves which include the following:

- Fully paid health benefits for trustees and their families (often exceeding those of teachers and/or with no payment ceiling)
- Excessive travel and conference costs
- Pension contribution

Response to Finding 1:

We are not aware of the benefits other boards receive, but we disagree that the CUSD Board receives overly generous benefits. Our Governing Board does not have the option of receiving full benefits. They only have the option of a low dollar cap – one of the lowest caps in the county, which is equal to that of our employees. The number of Board members who take this benefit differs each year. This year there is only one member participating.

Recommendation 1:

Boards of Trustees should carefully review the benefits listed in Finding 1 and:

- Eliminate health benefits for Board Members
- Minimize travel and conference costs
- Eliminate pension contributions

Response to Recommendation 1:

The recommendation will not be implemented because it is not warranted as follows:

The CUSD Governing Board does not receive pension contributions or travel allocation. Two to three of the five members attend one school board conference yearly, which is essential to good boardsmanship. In Campbell Union School District, receiving such benefits is not abused by any member, past or present.

Finding 2:

Boards of Trustees are approving overly generous benefits to Superintendents and Chancellors, including the following:

- Auto allowances (auto leases/purchases, insurance, maintenance, etc.) to superintendents
- Housing allowances
- Million dollar housing loans at zero or below market interest rates
- Guaranteed annual step and/or longevity increases
- Signing bonuses
- Contract buyouts
- Excessive performance bonuses
- Per diem payments when out of the district
- Personal technology allowances
- Professional memberships and subscription allowances
- Excessive travel and entertainment expenses
- Salary increases automatically triggered by increases in teacher's salaries which are in addition to other guaranteed salary increases
- Pension allowances (in addition to regular STRS/PERS contributions)
- Advanced degree stipends
- Lifetime medical insurance benefits
- Annual physicals

Response to Finding 2:

We disagree with the finding. The high cost of living in the area has created a market in which compensation packages offering certain benefits are present. In the vast majority of cases, the benefits are not "overly generous," but in line with the realities of market supply and demand.

Recommendation 2:

Boards of Trustees should carefully review and renegotiate the Superintendent/Chancellor benefits listed in Finding 2 for possible reduction and/or elimination.

Response to Recommendation 2:

The recommendation will be further analyzed by the CUSD Governing Board with consideration given to the following conditions:

- Superintendent salaries are driven by the market. The job is demanding and the responsibilities are large.
- A shortage of well-qualified candidates, coupled with a high demand because of high turnover, creates present market-condition salary expectations.

Finding 3:

Superintendent salaries and increases appear to bear no relationship to the number of schools, students, and employees they oversee, nor their district's academic improvement.

Response to Finding 3:

We disagree with the finding. Our Superintendent's contract does include expectations for student progress and quantifiable metrics as well as many other measurable goals. The attainment of these goals is evaluated yearly by the Governing Board.

Recommendation 3:

The Board of Trustees should ensure that Superintendent/Chancellor salaries and increases take into account the number of schools, teachers, and students they oversee, and are tied to the district's students' progress and quantifiable metrics.

Response to Recommendation 3:

The recommendation has been implemented as follows:

One of the CUSD Superintendent's goals each year is increasing student achievement, and she is held personally accountable for that. She is evaluated yearly on meeting this goal, provided feedback, and the goal is, according to the results, re-benchmarked each year. Contracts are updated accordingly.

Finding 4:

Boards of Trustees hire costly search firms to recruit successors for retiring or dismissed Superintendents/Chancellors.

Response to Finding 4:

We do not agree or disagree. We are not aware of what other districts spend on search firms. Hiring a Superintendent is one of the most important jobs of the Governing Board and, while there are costs involved with hiring a search firm, these amounts are small in

comparison to the high stakes involved. Board members are typically not experienced in handling superintendent searches and district staff is not always equipped or positioned to do so effectively.

Recommendation 4:

Boards of Trustees should conduct a preliminary search within the local area prior to hiring search firms.

Response to Recommendation 4:

In August 2009, the CUSD Governing Board discussed the best way to find a new Superintendent due to the current Superintendent retiring in January 2010. The Board balanced expenses in recruitment with the crucial need to bring in the best candidate possible. Realizing that there is a well-documented shortage of well-qualified candidates for superintendent positions, it was decided that our candidate pool needs to be broad-based to recruit the best.

Finding 5:

Boards of Trustees approve the hiring of multiple private attorneys, in some cases at a tremendous expense.

Response to Finding 5:

We disagree with the finding. The firms that we work with are competitive and the complex legal issues determine costs. School districts are faced with a broad array of legal issues including, for example, special education issues, employee and contract issues, and more. It is not fathomable that the County Counsel would be able to have the breadth of knowledge and experience to handle all 38 districts' legal issues. The benefits of using specialized attorneys (who are competitively priced) far outweighs the slight cost differential.

Recommendation 5:

All Boards of Trustees should engage County Counsel whenever possible and leverage their buying power to negotiate lower fees with private law firms.

Response to Recommendation 5:

The recommendation has been implemented as follows:

At times we do use County Counsel for areas of their expertise, especially expulsion cases. However, expert litigators are needed for many other areas for which the County Counsel would not be as qualified. As stated in our response to Finding 5, the fees of the firms that we work with are competitive.

Finding 6:

The operation of 34 K-12 school districts and four (4) community college districts creates excessively high management and administrative costs. Five K-12 school districts have excessively high Superintendent costs per student which is reflective of the district's having only one or two schools.

Response to Finding 6:

Disagree. This is not controllable by us nor are we in a position to judge the districts identified.

Recommendation 6:

A consolidation of districts should be considered to reduce the numbers and costs of Superintendents/Chancellors, Boards of Trustees, administrative staff and overhead.

Response to Recommendation 6:

The recommendation requires further analysis. This is a recommendation that also came from the California Master Plan for Education about 8-10 years ago. Neither the Governor nor the Legislators have taken action to implement this plan. We agree that it is time for the Governor and Legislators to dust off the Master Plan and make some strategic decisions which are visionary, support student learning, and are fiscally sound.


Johanna VanderMolen, Ed.D.
Superintendent