

Who Really Benefits from Education Dollars

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

LASD Response

The district disagrees with the finding. Los Altos School District does not provide health benefits for trustees nor make pension contributions. Board members rarely travel or attend conferences and, when travel is required, board members often pay expenses out of their own pockets.

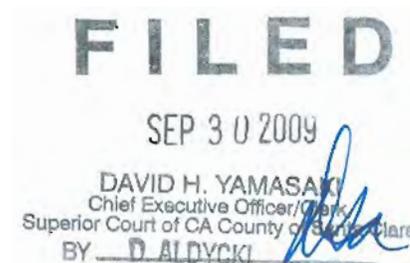
Recommendation 1

Board 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

LASD Response

As stated above, Los Altos School District already has implemented this recommendation.



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 superintendent
- 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 the district
- Personal technology allowances
- Professional memberships and subscription allowances
- Excessive travel and entertainment expenses
- Salary increases automatically triggered by increases in teachers' 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

LASD Response

The district disagrees with the finding. The district offers none of the above benefits to its superintendent. The district does provide a travel/expense allowance of a modest \$3,000 per year for its superintendent.

Recommendation 2

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

LASD Response

As stated above, Los Altos School District already has implemented this recommendation.

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.

LASD Response

The district disagrees with the finding. A superintendent's duties are very similar no matter the size of the district. But size is only one of many factors determining compensation. There are many demands placed upon our superintendent because of the nature of our community. Our superintendent's evaluation (and compensation increases) does take into account student academic performance.

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.

LASD Response

As stated above, Los Altos School District already has implemented this recommendation.

Finding 4

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

LASD Response

The district disagrees with the finding. The district has hired two superintendents over the last 22 years. The first was hired from within the district, without employing a search firm. The current superintendent was hired four years ago with the assistance of a search firm, in order to attract the best possible candidates from all over the state. The cost to the district was approximately \$20,000, which when weighed against the investment we were undertaking (finding the right person to lead our district) was a relatively minor expense.

Recommendation 4

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

LASD Response

As stated above, Los Altos School District already has implemented this recommendation. The board first looked within the district before employing a search firm four years ago.

Finding 5

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

LASD Response

The district agrees with the finding. However, the district spends considerable time determining which attorneys to use based upon areas of expertise, track record, as well as cost. We weigh the cost benefit of using one attorney over another as well as compared to county counsel. The complexities of the various issues that arise demand that we gain the best legal advice in order to avoid or mitigate costly legal claims against the district. At all times we endeavor to minimize the ultimate cost to the district, in order to spend money where we really want to—for the benefit of our schoolchildren and our employees.

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.

LASD Response

Los Altos School District will not implement this recommendation because it is not warranted (see response to finding 5).

Finding 6

The operation of 34 K-12 school districts and four 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 districts having only one or two schools.

LASD Response

The district is not in a position to agree or disagree with this finding.

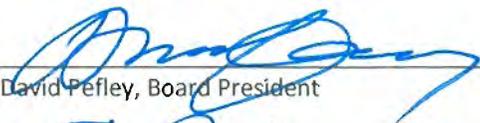
Recommendation 6

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

LASD Response

The recommendation cannot be implemented by local boards and trustees, because under California Education Code, consolidation of school districts is relegated to the people who live in the school district. Should communities wish to join with other communities to create larger school or community college districts, the process is clearly spelled out in the Education Code, under which a vote of the electorate can change district organization. In our county, voters from a few districts have chosen in the past to consolidate, but for the most part they have established a strong tradition and preference for local control of school districts. The county office of education does provide many centralized services—such as alternative schools, special education programs, finance, and technology services—all directed at reducing costs for districts.

Responses prepared by the administration and governing board of Los Altos School District.



David Pefley, Board President



Tim Justus, District Superintendent

9-24-09

(Date)