



INTER-OFFICE CORRESPONDENCE

Los Angeles Unified School District
Office of the Chief Financial Officer

TO: Audit, Business and Technology Committee **DATE:** October 8, 2003

FROM: Kenneth C. Gotsch
Chief Financial Officer

SUBJECT: OVERVIEW OF THE OFFICE OF THE CHIEF FINANCIAL OFFICER

The mission of the Office of the Chief Financial Officer is to ensure the fiscal integrity of the District by efficiently providing financial services to schools and departments and maintaining an effective internal control structure. Services provided include: accounting, budgeting, investment management, capital finance, revenue collection, accounts payable and payroll.

The Office benefits the schools and departments by providing sound financial advice and creating an entrepreneurial environment that encourages cost-effective linkages and partnerships with public and private sector entities. Furthermore, in the execution of the Office's responsibilities, the focus of management is on enhancing the customer experience through timely communication and rapid responses to client needs.

The role of the Chief Financial Officer is to implement an appropriate internal control structure and manage functions that require specific financial expertise. Many of the functions handled by Finance staff are mandated by statute. Each branch provides specific business functions which are integral to the District's existence and well being. Listed below are major activities of this Office and the Divisions reporting to the Chief Financial Officer:

- Prepare, administer, and control District budget.
- Direct collection, control, and reporting of information related to student enrollment and attendance.
- Supervise multi-year District financial forecasting activities.
- Receive, disburse, and account for funds utilized in meeting the educational needs of all students.
- Process time reports and review data used to generate salary payments for all District employees.
- Process non-payroll expenditures including payments for instructional materials, travel expenses, leases, supplies and equipment, utilities and various profession/facilities contracts.

- Monitor the District's financial performance, including reporting financial results of investments and controlling the District's financial resources.
- Coordinate the District's financial activities relative to long-term and short-term financing program.
- Protect the District from monetary losses such as income reductions, penalties and interest payments.
- Design, review and conduct research studies in the fields of school finance, school district budgeting.

The Superintendent has articulated his academic vision and our operations must be designed to support and enhance this strategic direction. The bleak economic times for K-12 education funding in California demand reengineering and reorganization of our operations in order to meet the Superintendent's aggressive academic goals, and maximize the resources available for instruction. Our guiding principles are customer service, internal control and fiscal integrity.

The Board has charged us with improving the District's budget document and budget processes. Our other short-term goals are to provide better customer service, close the projected operating deficit through appropriate cost reduction and revenue enhancement strategies, reduce the payment cycle of our bills and to reduce the number of payroll adjustments. The workload in Finance has and will be impacted due to the increase in the number of schools, new reporting standards, the passage of Measure K, Proposition 47, and the remaining authorization for Proposition BB.

For your information, I have attached the organization chart that shows the Divisions that report to this Office, and their staffing levels as of October 2003.

KCG:jyr

Attachments

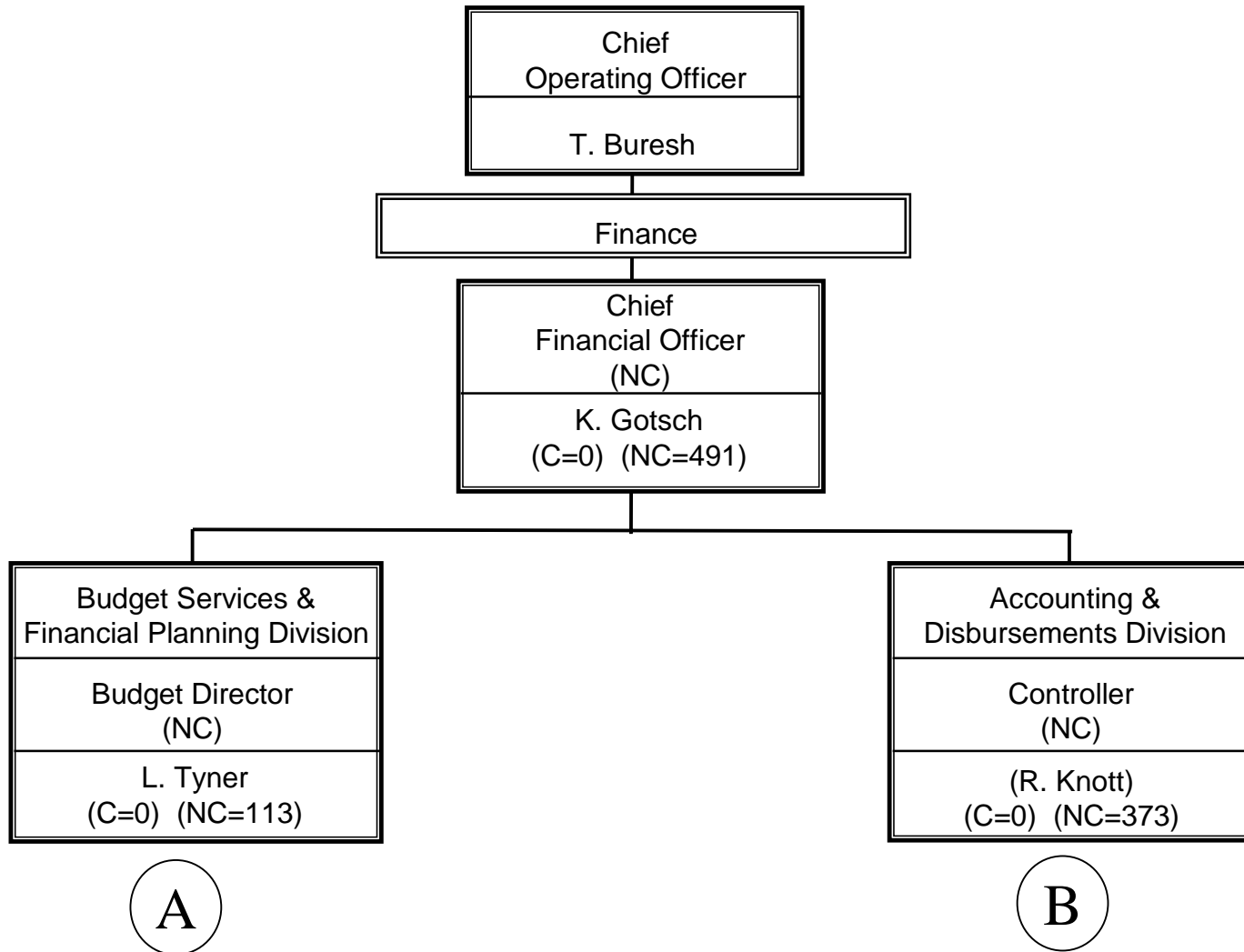
c: Members, Board of Education

Roy Romer

Tim Buresh



Finance
2003 - 2004 Organization Chart
(10-1-2003)



LEGEND

C = CERTIFICATED

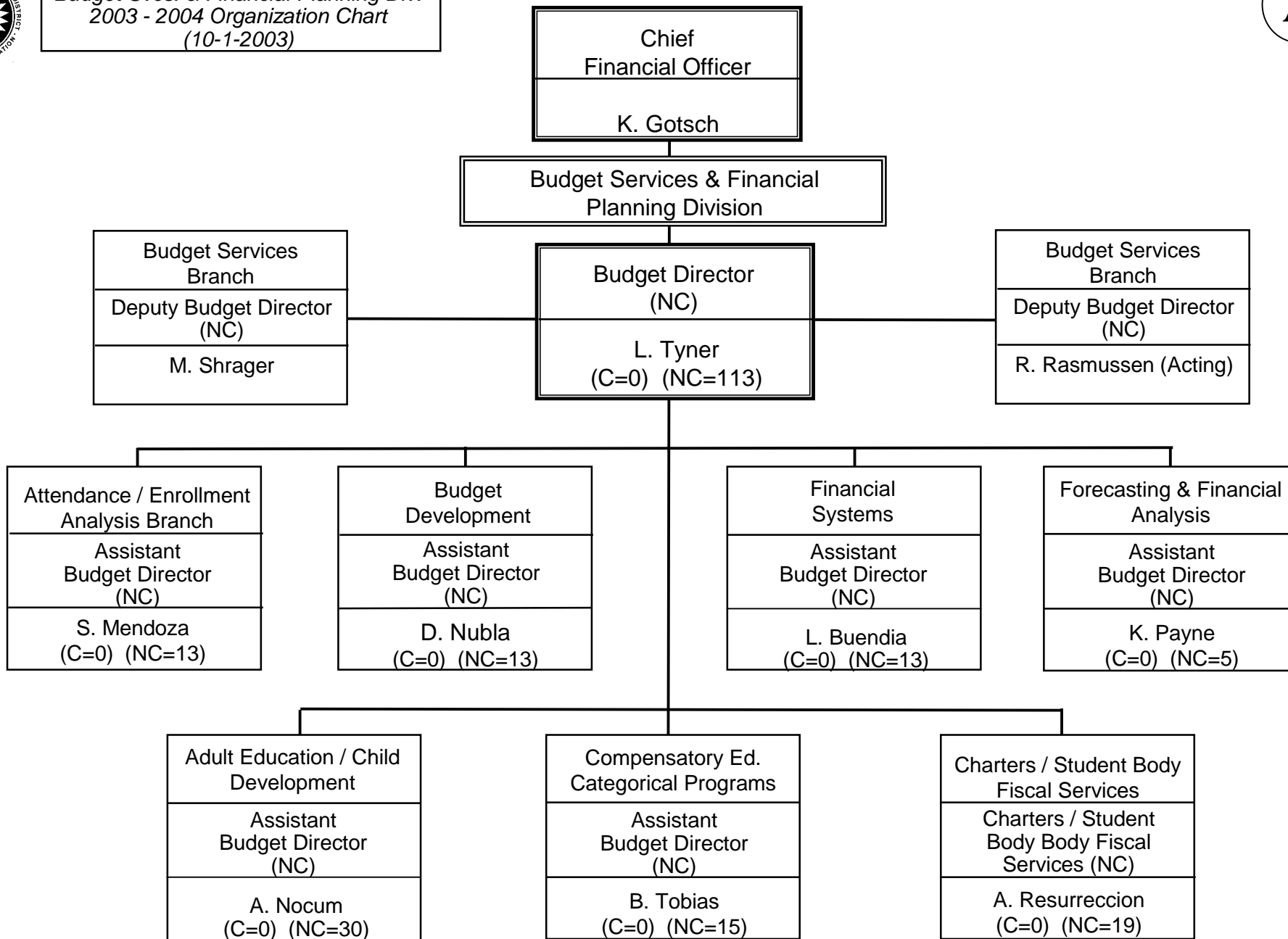
NC = CLASSIFIED

(NUMBER IN PARENTHESIS INDICATES TOTAL STAFF)



*Budget Svcs. & Financial Planning Div.
2003 - 2004 Organization Chart
(10-1-2003)*

A



LEGEND

C = CERTIFICATED

NC = CLASSIFIED

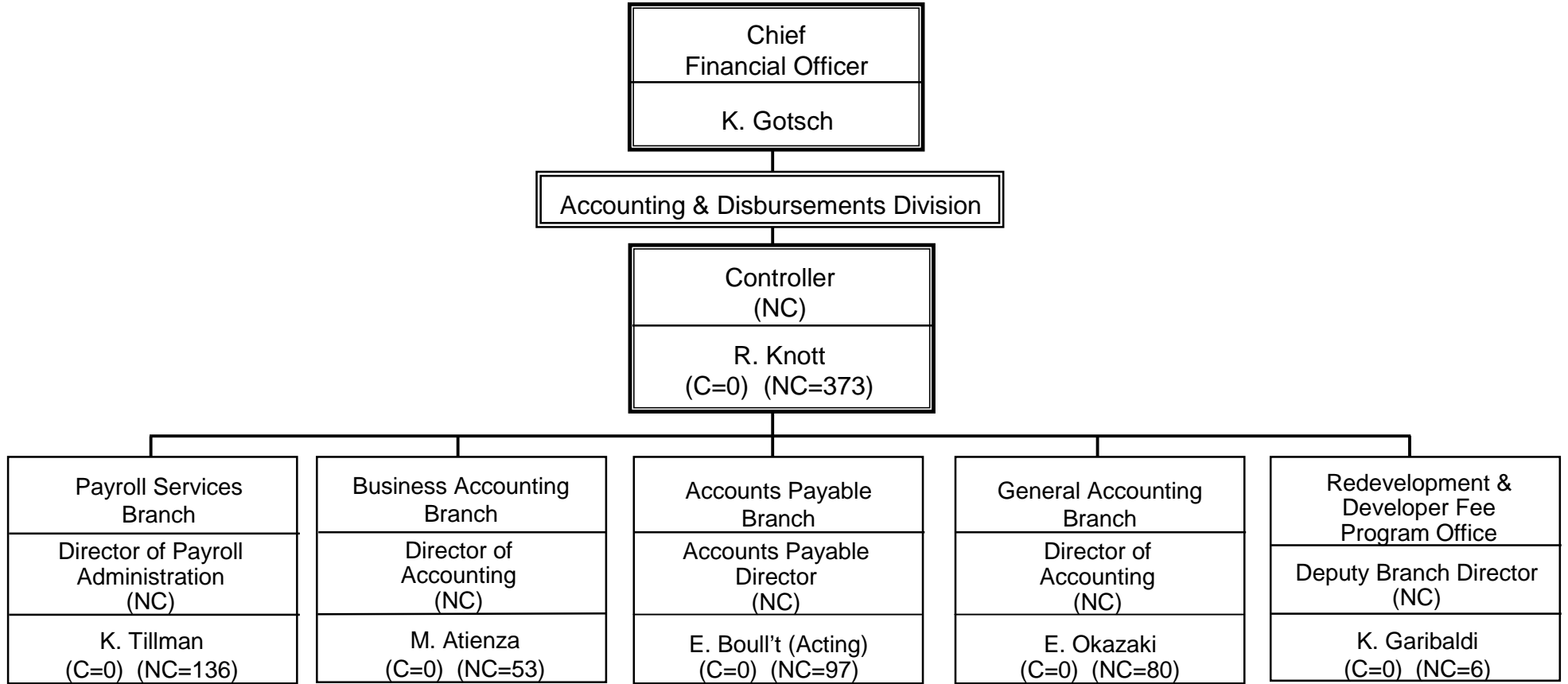
*** = Limited Term Positions – not in total count

(NUMBER IN PARENTHESIS INDICATES TOTAL STAFF)



Accounting & Disbursements Division
2003 – 2004 Organization Chart
(10-1-2003)

B



LEGEND

C = CERTIFICATED

NC = CLASSIFIED

(NUMBER IN PARENTHESIS INDICATES TOTAL STAFF)