

2013-2014

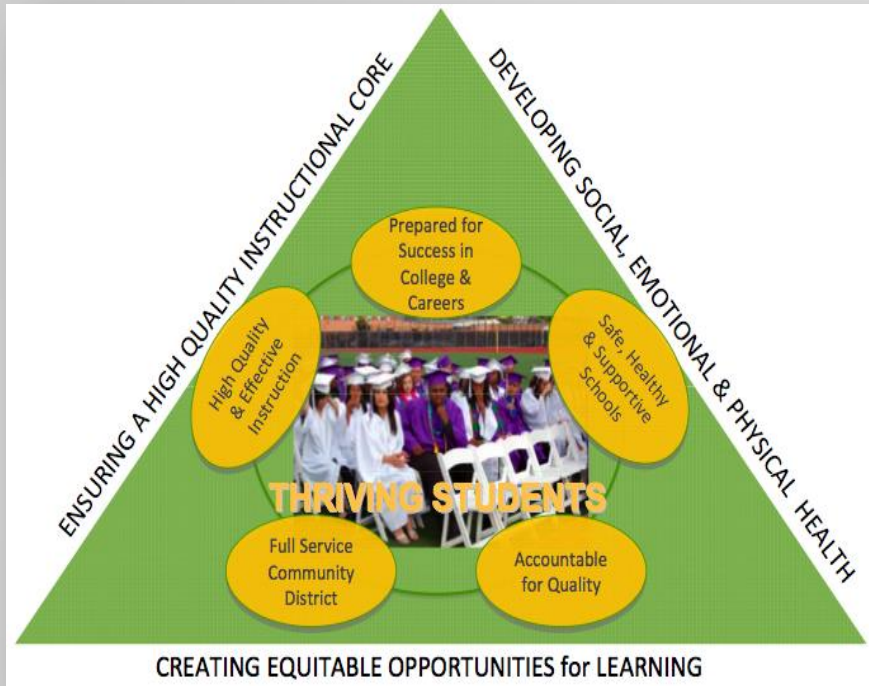
DRAFT V.11

SUPERINTENDENT'S
RECOMMENDATION
FOR INCREASED INVESTMENTS



STRATEGIC PRIORITIES DEFINED

Adoption of Community Schools, Thriving Students Strategic Plan



Adoption of the Balanced Scorecard & Board Strategic Priorities

Student Achievement	Organizational Excellence
1. Every 9 th grader graduates high school prepared to succeed in college and career.	1. There is high quality instruction in every classroom.
2. Students attend school every day.	2. Every school is a high-quality full-service community school.
3. Racial disparities in student discipline are not evident.	3. OUSD is solvent and its financial resources are maximized to improve teaching and learning.

WHAT? BOARD STRATEGIC PRIORITIES THAT REQUIRE INCREASED INVESTMENTS

- ◆ **Common Core State Standards:** Develop capacity and technology infrastructure in preparation for new standards and assessment system (Smarter Balance Approach)
- ◆ **Transforming School Culture -- Voluntary Resolution Plan:** Eliminate disproportionality and support Voluntary Resolution Plan (VRP) implementation
- ◆ **Improve High School Graduation Rate:** Strategies to meet the Balanced Scorecard targets

COMMON CORE STATE STANDARDS

a. **Purpose** - support PreK-12 schools sites in building the professional capacity and infrastructure towards implementing Common Core State Standards, by increasing the number of OUSD PreK-5 teachers prepared to implement a Balanced Literacy Framework aligned to the Common Core State Standards (CCSS), and increasing secondary teachers' capacity to provide CCSS-aligned literacy instruction that increases literacy achievement, particularly for African-American males, English Language Learners (ELL) and students with disabilities. Strengthen the professional capacity at school sites for the administration of Smarter Balanced online assessments.

COMMON CORE STATE STANDARDS

CONTINUED...

- b. **Outcomes** – 1. Increased literacy achievement, particularly for African-American males, ELL and students with disabilities as measured by Scholastic Reading Inventory (SRI) assessment data and CCSS-aligned writing assessments. 2. Assess the technology infrastructure of all sites and begin to use online assessments.
- c. **Activities** - professional development for PreK-12 principals and teacher leaders, online CCSS-aligned assessments, and phased expansion of school-site classroom-leveled libraries
- d. **Alignment with Board's Budget Priorities** - there is High Quality Instruction in Every Classroom.
- e. Amount - \$1M
- f. One-Time or Recurring Expense
- g. Source - TBD

TRANSFORMING SCHOOL CULTURE VOLUNTARY RESOLUTION PLAN

- a. **Purpose**— begin the implementation of year one activities of the Voluntary Resolution Plan by increasing the number of certificated and classified staff prepared to implement strong and supportive school cultures that increase positive social and academic engagement for African American students.
- b. **Outcomes**— 1. decrease suspension rates for African American students, 2. increased achievement, particularly for African American males as measured by Scholastic Reading Inventory (SRI) assessment data, state assessments and graduation rates.
- c. **Activities**— professional learning institutes for school teams on transforming school culture, increase the capacity of sites to implement Positive Behavior Intervention and Supports and Restorative Justice as well as establish Student Success Teams, publish, provide professional development on a new student discipline guide, staff the plan and evaluation.
- d. **Alignment with Board’s Budget Priorities**— Racial disparities in student discipline are not evident.
- e. Amount—\$700,000
- f. One-Time or **Recurring Expense for 5 years**
- g. Source— TBD

IMPROVE HIGH SCHOOL GRADUATION RATE

- a. **Purpose** - provide the three large high schools with the resources to sustain the highly effective Small Learning Communities structure, provide middle and high school students with more rigorous curriculum (Springboard) that builds students' skills and competencies to successfully engage in advanced courses, and afford more students opportunities to recover credits.
- b. **Outcomes** - 1. increased overall and A-G graduation rates, 2. increase the success and participation rate of African and American and Latino/Hispanic students in A-G and Advanced Placement courses, 3. hold students in high schools beyond the critical ninth grade.
- c. **Activities** - fund the small learning communities in the three large high schools, provide Springboard instructional materials and professional development for teachers and principals, and phased expansion of summer and on-line credit recovery courses.
- d. **Alignment with Board's Budget Priorities**— 1. Every 9th grader graduates high school prepared to succeed in college and career. 2. There is High Quality Instruction in Every Classroom.
- e. Amount—\$1,350,000 M
- f. One-Time or **Recurring Expense**
- g. Source—TBD

PRIORITIES

COST \$3,050,000

- ◆ **Common Core State Standards:** Develop professional capacity to deliver Common Core aligned instruction and build the technology infrastructure for new assessment system (Smarter Balanced Assessment Consortium)..... \$ 1,000,000
- ◆ **Transforming School Culture – Voluntary Resolution Plan:** Eliminate disproportionality and support Voluntary Resolution Plan (VRP) implementation\$ 700,000
- ◆ **Improve High School Graduation Rate:** Strategies to meet the High School Balanced Scorecard graduation targets.....\$ 1,350,000

PREVIOUS INVESTMENTS

A. Adult Flex Investments and Grants

1. 9th Grade Small Learning Communities
2. High School Summer School and Summer Intervention
3. Secondary Literacy Support
4. Central Counselors
5. College and Career Readiness
6. Advanced Placement Course Expansion
7. Manhood Development Program
8. Accelerated Teachers on Special Assignment
9. Family Engagement and Community Partnerships

B. Adult Ed Investments

1. GED Preparation
2. Family Literacy

PREVIOUS INVESTMENTS OUTCOMES

9th Grade Small Learning Communities

FTE: 9 (3 per school)

Amount: \$ 1,000,000

Source: Grant Funds Sunset...need \$450,000 yearly to sustain

The Small Learning Communities at Oakland Tech, Oakland High and Skyline High have dramatically improved the holding power from 9th to 10th grade. From 2006 to 2010, OUSD lost between 450-740 students yearly. For the past three years, there are as many students in 10th grade as in 9th grade the year before at high schools with 9th grade Small Learning Communities.

PREVIOUS INVESTMENTS OUTCOMES

High School Summer School and Summer Intervention

FTE: 100

Amount: \$ 710,000

The High School Summer School and Summer Intervention afforded 1,367 students the opportunity to earn credits. This helps students to stay on track to graduation, and reduces drop-out and learning loss. The program has targeted 11th and 12th graders. In 2013, the offering will be expanded to address the needs of 9th and 10th graders to increase graduation rates and decrease drop-out rates, given the more demanding graduation requirements (meeting A-G eligibility). In Summer 2012, 10,518 credits were earned.

PREVIOUS INVESTMENTS OUTCOMES

Secondary Literacy Support

FTE: 12.4

Amount: \$ 838,277

This fall, 755 students (6th-12th grade) were enrolled in Secondary Strategic Literacy classes. Analysis of all 9th grade participants with score from Fall and Mid Year (1/2 of a year) evidenced that more than half (53%) of the students made at least half year growth in half year's time. 36% progressed at least a grade level. Analysis of African American 9th grade participants with score from Fall and Mid Year (1/2 of a year) evidenced that 63% of the students made at least half year growth in half year's time and 42% progressed at least a grade level.

PREVIOUS INVESTMENTS OUTCOMES AND LESSONS LEARNED

Central Counselors

FTE: 6.6

Amount: \$757,886

By contract, OUSD is required to have a 700:1 district-wide ratio of counselors to students. Systems and structures for transcript review have been instituted to increase the percentage of students on track for graduation. Direct service has been provided to students in high schools and students transitioning from the Juvenile Justice Center, and when they enter the District at the Student Assignment Center. New technology tools are under construction for timely intervention to keep all students on track to graduation and A-G completion.

PREVIOUS INVESTMENTS OUTCOMES AND LESSONS LEARNED

College & Career Readiness

FTE: 1 FTE

Amount: \$100,000

Established the Workforce Development Office that has concentrated on establishing concrete partnerships with local industry partners to provide a robust sequence of work-based learning opportunities to OUSD students, especially those engaged in Linked Learning pathways. As a snapshot, 132 potential industry partners attended three separate Industry Summits, at which they connected with Linked Learning pathway teachers, and through them, our students. A total of 117 students were engaged in paid summer internships—the gold standard culminating work-based learning opportunity offered to our students.

PREVIOUS INVESTMENTS OUTCOMES

Advanced Placement Course Expansion

Professional development, supplies & materials

Amount: \$ 125,000

Increase in overall numbers of African American and Latino students participating in Advanced Placement(AP). In 2012-13, 21.5% of all 11th graders were enrolled in AP. 29% of OUSD 12th graders were enrolled in AP. African American participation rose from 272 in 2010-11 to 366 in 2012-2013. Latino student participation rose from 296 in 2010-11) to 411 in 2012-13.

PREVIOUS INVESTMENTS OUTCOMES

Manhood Development Program / African American Male Achievement

FTE: 5.0

Amount: \$ 758,720 (Grant-funded in 2012-13)

Manhood Development Program is in 11 schools – 8 high schools, 3 middle schools, reaching 29% of all OUSD African American male students in grades 9. Compared to all African American males in 9th and 10th grades, Manhood Development Program students had lower chronic absence rates, and reported positive personal growth, academic identity, school connectedness.

PREVIOUS INVESTMENTS OUTCOMES

Teachers on Special Assignment (TSA) at Acceleration High Schools

FTE: 86.30

Amount: \$619,325

Comparison data between Fall 2011 and Fall 2012 evidenced a decrease in chronic absence, suspensions, and Ds and Fs in A-G courses for Castlemont, Fremont, and McClymonds high schools. (i.e. McClymonds doubled the number of 10th grade students testing proficient on CAHSEE math (37% in 2012 to 67% in 2013), improved reading in 55% of all students as measured on the SRI assessment and dropped suspension rates from 26% to 3%).

PREVIOUS INVESTMENTS OUTCOMES

Family Engagement and Community Partnerships

FTE: 6.75

Amount: \$ 697,000

A Family Engagement unit was established in the Family School Community Partnership Department. The unit supports schools to increase literacy, attendance, and college readiness through the increased involvement and engagement of families at cohort sites, and district-wide through parent conferences and engagement activities. Total families impacted through site-based and district-wide activity, from September through March: 2,847.

PREVIOUS INVESTMENTS OUTCOMES

GED Preparation

FTE: 6.5 plus 5 Part-time Hourly

Amount: \$ 907,654

In 2012-13, the GED program offered 12 classes at 8 locations and served 483 students. Of these students, 67% were age 23 or older, and 41% were former OUSD students. As of February 2013, 34 students had earned GED certifications. Over the past five years, the average number of students receiving GED certification is 89 a year.

PREVIOUS INVESTMENTS OUTCOMES

Family Literacy

FTE: 5.5 plus 8 Part-time hourly

Amount: \$ 849,360 (including \$70,000 school contribution for cost of instructor and babysitters)

In 2012-13, the Family Literacy Program provided 12 adult education morning classes at 10 OUSD elementary school sites. 139 parents were enrolled in Computer Family Literacy, and 333 parents were enrolled in English as a Second Language Family Literacy.

PREVIOUS INVESTMENTS LESSONS LEARNED

What have we learned?

- ▶ High school communities need time and resources to plan structural, cultural and instructional changes to meet the needs of young adults.
- ▶ School communities working collaboratively on problems of practice can have collective impact.
- ▶ Multiple strategies can have an additive and with time a multiplicative effect.
- ▶ A return on the investment is impacted by planning time and start-up capacity.
- ▶ None of this work is simple or easy.
- ▶ Successes are often the result of multiple years of work and represent layers of complexity. However, we continue to raise the graduation rate and lower the drop-out rate as we push forward with preparing our students for college, career and community.

PREVIOUS INVESTMENTS

LESSONS LEARNED

What have we learned?

- ▶ Personalization and connection to community was paramount along with increased academic rigor to holding 9th graders and graduating more student A-G eligible.
- ▶ The study of data and identification of barriers for African American and Latino students, as well as the investment in building the capacity of teachers to work with new populations in Advanced Placement classrooms opened opportunity and increased student success with rigorous curriculum.
- ▶ Helping schools review data and examine practices that limit opportunities and success for populations of students leads to action.
- ▶ When we institute new practices, we must support infrastructure and capacity development.
- ▶ When we create specialized learning opportunities (Strategic Reading Classes, Manhood Development classes and Linked Learning) to address student needs, students advantage them and stay engaged.
- ▶ As we increase graduation requirements, we must extend the school year or day for students to stay on track and engaged. (Summer School, on-line courses and work-based experiences)
- ▶ We must bring in comprehensive curriculum materials (Springboard and AP) and professional development (Common Core, Springboard and AP) to increase academic rigor.

PREVIOUS INVESTMENTS OUTCOMES

2012 Cohort Grad Rate:

- ▶ **62.6%** for district high schools only, up from **60.7%** in 2011 (**+1.9%**)
- ▶ **50.6%** for African American males (**+4%**)
- ▶ **Oakland Tech, Skyline and MetWest** reached cohort graduation rates **above 80%**. Oakland Tech's **African American** cohort graduation rate is **80.6%**.

2012 A-G UC/CSU Eligibility:

- ▶ * **42.3%** for district high schools only, compared to **38.3%** for the state.
- ▶ **Coliseum College Prep's** very first graduating class had a **64.2%** cohort graduation rate. An amazing **85.3%** of these graduates completed all **A-G** courses with a grade of **"C"** or better, and **88.9%** **A-G** rate for Latino students.

PREVIOUS INVESTMENTS OUTCOMES

2012 Cohort Dropout Rate:

- ▶ 24.7% for district high schools only, down from 26.6% in 2011 (-1.9%)
- ▶ African American Male dropout: 31%, down from 35.7% in 2011 (-4.7%)

2012 Holding Power:

- ▶ A total of 238 students graduated in 2012 from OUSD high schools, but were not counted in the cohort graduation rate because they took longer than four years to graduate. They are mostly the “still enrolled” students from the prior year or two, who neither dropped out nor graduated with their respective cohorts.
- ▶ These kinds of results – overall and at individual high schools – are gains that have been years in the making, and are a testament to investments in AAMA, literacy across the curriculum, Small Learning Communities in the big high schools, Linked Learning, access to A-G for all, and to the strong school leadership in many of our high schools. **These graduation results are an early sign -- as we implement our Strategic Plan -- that we are on the right path, doing the right work, and that we must continue to prioritize our high schools.**

2013-2014 BUDGET DEVELOPMENT UPDATE GENERAL FUND UNRESTRICTED RESOURCES

Overview:

- ▶ There are three major factors having significant impact on the District's financial position for the upcoming 2013-2014 fiscal year, which are
 - ▶ Revenue funding remaining flat,
 - ▶ Cost of Living Adjustment (COLA) and
 - ▶ Enactment of a new funding model for school districts, the Local Community Funding Formula (LCFF), which includes a COLA for school districts.
- ▶ The change to the District's financial position based on each factor is depicted in the following three scenarios:
 - ▶ Scenario A, Revenue Remains Flat
 - ▶ Scenario B, Cost of Living Adjustment (COLA)
 - ▶ Scenario C, Local Community Funding Formula (LCFF), including a COLA

SCENARIO A: REVENUE REMAINS FLAT SUMMARY

GENERAL FUND - UNRESTRICTED	2013-14 Bgt Dev	2012-13 2nd Interim	Difference
Revenues	\$ 263,193,282	\$ 262,881,357	\$ 311,925
Other Sources (Transfers-In)	734,067	1,323,260	(589,193)
Indirect Cost Offset	3,756,723	5,206,439	(1,449,716)
Total Rev , Other Sources & Indirect	A \$ 267,684,072	\$ 269,411,056	\$ (1,726,984)
Total Uses (Contrib. & State Loan Debt Service)	B \$ 46,726,463	\$ 45,451,463	\$ 1,275,000
Net Available for Exps (Objs 1000-6999)	A-B=C \$ 220,957,609	\$ 223,959,593	\$ (3,001,984)
Total School Site Budgets	\$ 163,284,909	\$ 162,780,507	\$ 504,402
Total Central Office Budgets	49,869,740	49,324,058	545,682
Districtwide Budgets (Site 998 & 999)	10,830,263	11,509,173	(678,910)
Total Expenses (Objs 1000-6999)	D \$ 223,984,912	\$ 223,613,737	\$ 371,174
Net Incr/(Decr) in Fund Balance	C-D=E \$ (3,027,303)	\$ 345,855	\$ (3,373,158)
Total One-Time Items in Expenses	F \$ 1,874,717	\$ 3,426,033	\$ (1,871,316)
Est (Deficit) / Surplus - After One-Time Exp Items	E+F=G \$ (1,152,586)	\$ 3,771,889	\$ (5,244,474)

SCENARIO A: REVENUE REMAINS FLAT DETAIL PART 1

OUSD Bgt Dev 2013-14 Unrestricted General Fund				Comments	
Revenues		2013-14 Bgt Dev	2012-13 2nd Interim	Difference	
Rev Limit		176,417,889	176,595,544	(177,655)	35 less ADA than 2nd Interim Based on Lower Projected Enrollment
Unrestr Fed		69,999	69,999	-	
Other State		61,062,646	60,540,713	521,933	Primarily More Mandated Block Grant (\$48/ADA FY13-14 vs \$28/ADA FY12-14)
Local		25,642,748	25,675,101	(32,353)	Diff includes one-time amount in FY 12-13
Total Revenues	a	263,193,282	262,881,357	311,925	
Other Sources					
Transfers In (Self Ins & other Funds to cover costs)		734,067	734,067	-	
Transfers In (from state loan to cover state loan pmt)			589,193	(589,193)	State Loan fully depleted in FY 12-13. No amt avail for FY 13-14
Total Other Sources	b	734,067	1,323,260	(589,193)	
Indirect Costs Offset					
Interprogram		2,395,558	3,874,966	(1,479,408)	Amt for 13-14 reduced to budget Adopted amt for 12-13
Interfund		1,361,165	1,331,473	29,692	
Total Indirect Cost Offset	c	3,756,723	5,206,439	(1,449,716)	
Total Revenues, Other Sources & Indirect	a+b+c=d	\$ 267,684,072	\$ 269,411,056	\$ (1,726,984)	
Uses (Other than exps)					
Other Outgo		8,951,416	8,951,416	-	
Transfers Out		-	1,000,000	(1,000,000)	Transfer to Adult Ed Fund assumed to be eliminated
Contributions		37,775,047	35,500,047	2,275,000	Incr to RRMA transfer. Current yr amt is low due to use of one-time monies in Fd 40
Total Uses	e	\$ 46,726,463	\$ 45,451,463	\$ 1,275,000	
Net Available for Exps (Objs 1000-6999)	d-e=f	\$ 220,957,609	\$ 223,959,593	\$ (3,001,984)	

SCENARIO A: REVENUE REMAINS FLAT DETAIL PART 2

OUSD Bgt Dev 2013-14 Unrestricted General Fund					Comments
		2013-14 Bgt Dev	2012-13 2nd Interim	Difference	
Central Office Exps (Objs 1000-6999)					
Central Offices		49,869,740	49,324,058	545,682	Central Redesign, Invest in Fiscal Operations & Custodial Services (Health Clinics)
Centrally Bgtd Site Exps - Site 998		6,592,063	6,373,921	218,142	FY 13-14 Bgt based on Adopted 12-13 which includes Meas G Art to be alloc during the yr to Schls
Centrally Bgtd Site Exps - Site 999		3,738,200	3,628,243	109,957	FY 13-14 Bgt based on Adopted 12-13 bgt less one-time Items
One-Time Items-Consultants for Audit Issues - Site 999		500,000	635,000	(135,000)	Est. Reduction in the Support Needed for an Independent Financial Audit for FY 13-14
Board/Bond (Measure J) Election Expense - Site 999			267,267	(267,267)	One-time Item for 12-13
Payment of Early Retirement Program - Site 999			604,742	(604,742)	One-time Item for 12-13
Total Central Budgets	g	60,700,003	60,833,231	(133,228)	
School Site Budgets Exps (1000-6999)					
School Site Budgets		156,589,595	156,684,911	(95,316)	
Net Decr Not Made for Fall Revisions Based on Actual Enroll.			1,054,305	(1,054,305)	At Fall Revision for 12-13, This Amt was to be Reduced Based on Actual 20th day Enroll Counts but Wasn't Due to Need
Measure G Art			366,626	(366,626)	Amt for FY 13-14 Included in Ctrl Site 998 Bgt to be Allocated During FY 13-14
Balancing Pool Awards		5,740,597	4,081,945	1,658,652	Amt Set Aside for Balancing Pool for Fy 13-14 was \$3M. Amt Exceeded by \$2.2M
TSA Strategy		592,719	592,719	-	
Newcomer Programs		361,998		361,998	New One-Time Allocation for FY 13-14
Total School Site Budgets	h	163,284,909	162,780,507	504,402	
Total Expenses (Objs 1000-6999)	g+h=i	\$ 223,984,912	\$ 223,613,737	\$ 371,174	
Net Incr/(Decr) in Fund Balance	f-i=j	\$ (3,027,303)	\$ 345,855	\$ (3,373,158)	
One-Time Items in Expenses					
One-time costs for Administrator on Special Assignment (ASA)			172,000	(172,000)	
TSA Strategy (Three year strategy)		592,719	592,719	-	
Payment of Early Retirement Program			604,742	(604,742)	
Write-offs		100,000	100,000	-	
Decr Not Made at Schls for Fall Revisions Based on Act Enroll			1,054,305	(1,054,305)	
One-time Support for Audit work		500,000	635,000	(135,000)	
One-time Investment in Barack Obama		320,000			
Board/Bond (Measure J) Election Expense			267,267	(267,267)	
Newcomer Programs		361,998		361,998	
Total One-time Items in Exps	k	\$ 1,874,717	\$ 3,426,033	\$ (1,871,316)	
Est (Deficit) / Surplus - After One-Time Exp Ite	j+k=l	\$ (1,152,586)	\$ 3,771,889	\$ (5,244,474)	

SCENARIO A: COMPONENTS OF THE FUND BALANCE

Unrestricted General Fund	Bgt Dev 2013-14	2012-13 2nd Interim	Difference
Ending Fund Balance	\$ 30,187,641	\$ 33,214,944	(3,027,303)
Components of the Ending Fund Balance:			
Reserve for Economic Uncertainty	\$ 12,418,276	\$ 12,418,276	\$ -
Revolving Cash	150,000	150,000	-
Audit Findings & One-time Items	7,500,000	7,500,000	-
Designated for Early Retirement Pgm Approved 2011-12	895,258	895,258	-
Designated For One-Time Employee Compensation	6,000,000	-	6,000,000
Designated for One-Time Invest in Priorities (VPR; High Schl; Common Core); Less Deficit Spending-\$1,152K	972,697	-	972,697
Designated for Cash Deferred Pmts from the State & Other Designations	2,251,410	12,251,410	(10,000,000)
Total Ending Fund Balance	\$ 30,187,641	\$ 33,214,944	\$ (3,027,303)
<p>Reserve for Econ Uncertainty is the 2% minimum required for OUSD per State Dept. of Ed. Board policy requires 3% thus the reserve for Economic Uncertainty is 3%. The additional 1% is \$3,963,279</p>			

SCENARIO B: COST OF LIVING ADJUSTMENT (COLA)

- ▶ The revenue forecast of a 1.65% COLA increase in next year 2013-2014 budget is approximately \$3.8M.
- ▶ The additional revenue from this source would allow the District to consider
 - ▶ A. COLA of 1.5% for employees estimated cost \$2.9M
 - ▶ B. Apply the remaining \$.9M to reducing the structural deficit

SCENARIO C: LOCAL COMMUNITY FUNDING FORMULA WITH COLA

- ▶ In Scenario C, the District anticipates receiving approximately \$9.3M of additional funds, based on the Governors current budget proposal. The LCFF generates \$5.5M and the COLA \$3.8M.
- ▶ The additional funds will allow the District to consider its options and priorities, such as,
 - ▶ A. Eliminating/Reducing the Structural Deficit
 - ▶ B. Compensation for Employees
 - ▶ C. Investments in Board Strategic Priorities
 - ▶ i. Improving High School Graduation Rate
 - ▶ ii. Transforming School Culture, Voluntary Resolution Plan
 - ▶ iii. Common Core State Standards

KEY GEARS FOR SUCCESS

