



**OAKLAND UNIFIED
SCHOOL DISTRICT**
Community Schools, Thriving Students

Oakland Unified School District

2023-24 DRAFT Proposed Budget



Presented by Lisa Grant-Dawson, Chief Business Officer
DeCarlos Kaigler, Chief Financial Officer

June 7, 2023

2023-24 Proposed Budget Public Hearing

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Purpose

Annually, the District must adopt a budget for all funds by June 30th for the ensuing fiscal year. Prior to adoption of the budget, which is scheduled for June 28, 2023, the Governing Board must conduct a Public Hearing. Education Code §42103 requires the District to display the Proposed Budget for public view and hold a Public Hearing prior to adoption. The Public Hearing was scheduled for June 7, 2023. Additionally, The Proposed Budget will include a review of reserves in compliance with Education Code §42127(a)(2)(B). The 2023-24 Budget is developed for all funds and establishes expenditure authority for the district in the ensuing year.

Summary Budget Assumptions

OUSD 2021-25 Budget Assumptions - Draft Budget									
Year	2021-22	2022-23 May Revise	2022-23 Adopted Budget	2022-23 45 Day Adopted Budget	2022-23 Third Interim	2023-24	2024-25	2025-26	
Cost of Living Adjustment (COLA)	5.07%	6.56%	6.56%	6.56%	6.56%	8.22%	3.94%	3.29%	
Statutory COLA	1.70%								
Compounded COLA (Special Education and Community Colleges Only)	4.05%		6.28%	6.28%	6.70%				
Additional LCFF Investment ***				12.84%	13.26%				
Grade Span Adjustment Factors			10.4% (K-3)/2.6% (9-12)	10.4% (K-3)/2.6% (9-12)	10.4% (K-3)/2.6% (9-12)				
Enrollment	34,374	33,208	33,208	33,208	34,239	33,638	33,258	33,258	
Attendance Used for Funding (Highest Year or Average)	33,888			33,700	33,152	31,986	30,726	30,726	
Attendance (ADA)	29,452	30,225	30,225	30,225	29,980	30,091	29,713	29,713	
Enrollment to ADA % *	86%	91%	91%	91%	88%	89%	89%	89%	
Unduplicated Pupil Count	77.40%	78.53%	78.53%	78.53%	77.74%	79.03%	79.53%	79.53%	
Consumer Price Index	6.56%	6.11%	5.75%	5.75%	5.71%	3.54%	3.02%	2.64%	
California Lottery (Unrestricted/Restricted)	\$176.94/\$81.94	\$163/\$65	\$170/\$67	\$170/\$67	\$170/\$67	\$170/\$67	\$170/\$67	\$170/\$67	
Mandate Block Grant (K-8/9-12)	\$32.79/\$63.17	\$34.94/\$67.31	\$32.79/\$63.17	\$34.94/\$67.31	\$34.94/\$67.31	\$37.81/\$72.84	\$39.30/\$75.71	\$40.59/\$78.20	
Salary and Negotiated Increases Adjusted - OEA	2.5%	\$1000/Cell	\$1000/Cell	\$1000/Cell	\$1000/Cell				
Salary and Negotiated Increases BCTC, UAOS, TEAMSTERS, MgtConf		6.00%	6.00%	6.00%	6.00%				
Salary and Negotiated Increases - SEIU		6.00%	6.00%	6.00%	6.00%	2.25%			
Step & Column	1.30%	2.00%	2.00%	2.00%	2.00%	2.0%	2.0%	2.0%	
Health Benefit Assumptions **		11.00%	11.00%	11.00%	11.00%	13.0%	25.0%	25.0%	
Mandatories & Benefits - Certificated	5.63%	5.63%	5.63%	5.63%	5.63%	5.03%	5.03%	5.03%	
Mandatories & Benefits - Classified	11.83%	11.83%	11.83%	11.83%	11.83%	11.23%	11.23%	11.23%	
State Teachers Retirement System	16.92%	19.10%	19.10%	19.10%	19.10%	19.10%	19.10%	19.10%	
California Public Retirement System	22.91%	25.37%	25.37%	25.37%	25.37%	27.00%	28.10%	28.10%	
Total Mandatories & Benefits Certificated	22.55%	24.73%	24.73%	24.73%	24.73%	24.13%	24.13%	24.13%	
Total Mandatories & Benefits Classified	34.74%	37.20%	37.20%	37.20%	37.20%	38.23%	39.33%	39.33%	

* Note: The 2022-23 Actual ADA projection is lower than the funded ADA. The Governor's Budget amended the LCFF calculation to allow school districts to utilize the greater of current year, prior year, or the average of the most recent three prior years' ADA due to the loss of ADA from the pandemic.

** 2023-24 Projected Increase for Kaiser which is the primary benefit selection for the majority of employees.

*** Additional LCFF Investment, NOT statutory COLA EC 42238.02(d)(5)

Current Status of Budget Development

- The District is completing the budget development and reconciliation process for all funds with additional revisions, input, resolutions, and plans covering:
 - Local Control Funding Formula (LCFF) Revisions and other revised projections as of May Revise
 - Local Control Accountability Plan Investments
 - One Time COVID Investments
 - *As Cited at Third Interim, the OEA TA is NOT included in the Proposed Draft Budget as the process for approving the TA is in progress.*

Current Status of Budget Development

- Complete 2023-24 Budget Reduction Reconciliation
- Review and present new or modified material requests for budget consideration to the Board
- Complete review of all position and revenue projections to calculate ending fund balance
- Complete all required reports for final budget submission and approval

2023-24 Budget Adjustments Update

- On March 9, 2023, the District presented and the Board Adopted Resolution 2223-0040A, Proposed Adjustments for the 2023-24 Budget, to include recommendations to be considered in 2023-24 and implemented in 2024-25.
- The summary of the Budget Adjustments was listed in a document labeled, Attachment A.
- An update and reconciliation of those Board Agenda Items is provided with this Draft Proposed Budget.
- Budget adjustments were sought for all funds and resources; however, the Unrestricted General Fund required more adjustments to ensure its ability to absorb ongoing and proposed new costs in the current and future years.

Reconciliation of Attachment A

Summary of Budget Resolution Outcomes

	Original Projected FTE Adjustments	Original Projected Savings/Investments	2023-24 Projected FTE Adjustments*	2023-24 Projected Savings/Investment*	2023-24 Realized FTE Adjustments *	2023-24 Realized Savings/Investment*	Variance to 2023-24 Projection*				
Resource 0000	(32.20)	\$ (17,367,468)	(14.50)	\$ (14,456,676)	(48.75)	\$ (10,614,165)	\$ (3,842,511)				
Resource 0004			0	\$ -	111.20	\$ 10,545,967	\$ (10,545,967)				
Resource 0005	(6.60)	\$ (16,308,981)	(6.60)	\$ (16,308,981)	(35.90)	\$ (15,966,857)	\$ (342,124)				
Resource 6500	(67.80)	\$ (5,132,551)	(67.80)	\$ (5,132,551)	(61.00)	\$ (4,250,000)	\$ (882,551)				
Resource 0002		\$ (2,876,645)	0	\$ -	0.00	\$ 69,015	\$ (69,015)				
Total	(106.60)	\$ (41,685,645)	(88.90)	\$ (35,898,208)	(34.45)	\$ (30,762,007)	\$ (5,136,201)	(Resource 0004 is excluded from this number as it is absorbing positions from other resources; therefore, supporting the savings.)			
Resources 3213, 3214, 41 and 40 & Measure G	66.95	\$ 13,218,570	49.25	\$ 10,341,925	32.75	\$ 4,872,005	\$ (5,469,920)				
			* Excludes 2023-24 School Site Savings								

The complete Reconciliation of Attachment A is included in this Board Packet.

Reconciliation of Attachment A

Summary of Budget Resolution Outcomes

- Attachment A projected \$41.7M in ongoing budget balancing solutions through reductions and \$13.2M in shifts of expenditures to one time resources.
- The \$41.7M in savings includes \$5.7M of savings to be implemented/considered for the 2024-25 budget; thus the savings target to be implemented in 2024-25 was \$35.9M.
- Of the \$41.7M, \$17.4M of savings was specific to Resource 0000 (The Base) in the Unrestricted General Fund.
 - \$2.9 were initiatives for 2024-25.
 - \$14.5M is the adjusted target for the 2023-24 Base General Fund Budget
- Currently, we have realized \$10.6M in savings to the Base General Fund Budget.
 - *This excludes the \$4.2M in Special Ed Savings (reduction in General Fund contribution)*

The complete Reconciliation of Attachment A is included in this Board Packet.

Attachment A

Summary of Budget Resolution Outcomes

- All actions and impact categories were able to achieve at or above the amounts projected, excluding the Central Discretionary Dollars savings
- The District is \$3.8M short of the adjusted \$14.5M target for the Base.
 - The District was unable to realize the proposed \$4.5M in Unrestricted discretionary savings
 - Savings were used to absorb other changes including shifts of positions from the base.
- All staffing adjustments from Resolution 2223-0185A Classified Reduction in Force Resolution, which projected 98.4 less FTE in 2023-24. The proposed budget reflects a reduction of 112 FTE's Classified & Certificated .

Projected COVID Investments 2023-24

Sum of Earnings Resource Code	Program Code	Total
3213 ESSER III	0020 One-Time Community Positions	\$157,470
	0030 One-Time Targeted Tutoring	\$0
	0035 One-Time TK-2 Reading Tutors	\$0
	0064 OneTime State Loan Repay	\$7,133,333
	0066 One-Time PubHlth&Safety	\$1,466,814
	0068 1X MgmtPrep&Response	\$2,897,518
	0069 1X Facility Repair&Improvement	\$6,263,562
	0070 1X Education Technology	\$15,114,129
	0071 1X Distance Learning Suppt	\$505,434
	0072 1X Technology Support Staff	\$337,936
	0076 1X Translation	\$0
	0085 Covid Contact Tracing	\$350,000
	0087 Outdoor Dining	\$50,000
	0088 PPE	\$500,000
	2236 Blueprint Transition cohort 2	\$219,363
	4850 Educationally Deprived	\$0
	6251 One-time TA 2021-22	\$25,000
	9060 Hr Recruitment	\$467,433
	0089 School Site STIP Sub	\$5,151,455
	0091 General Education Pre-k	\$1,200,000
	0093 1-Time School Perimeter Safety	\$1,600,000
3213 ESSER III Total		\$43,439,447

Sum of Earnings Resource Code	Program Code	Total
3214 ESSER III Learning Loss	0020 One-Time Community Positions	\$582,205
	0040 One-Time Reading Acceleration	\$98,366
	0068 1X MgmtPrep&Response	\$1,969,906
	0070 1X Education Technology	\$205,311
	0076 1X Translation	\$553,405
3214 ESSER III Learning Loss Total		\$3,409,192
3216 ELO Esser II St Reserve	0050 One-Time Attendance Case Mgmt	\$0
	0036 Core K-2 Early Lit Tutor	\$115,024
3216 ELO Esser II St Reserve Total		\$115,024
3217 Expanded Learning GEER II	0078 1x Credit Recovery	\$0
	0036 Core K-2 Early Lit Tutor	\$151,553
3217 Expanded Learning GEER II Total		\$151,553
3218 ELO ESSER III St Resv Emergency	0036 Core K-2 Early Lit Tutor	\$703,114
3218 ELO ESSER III St Resv Emergency Total		\$703,114
3219 ELO ESSER III St Resv LL	0036 Core K-2 Early Lit Tutor	\$112,046
3219 ELO ESSER III St Resv LL Total		\$112,046
7426 Expanded Learning Opp Para	0035 One-Time TK-2 Reading Tutors	\$241,510
	0040 One-Time Reading Acceleration	\$10,899
7426 Expanded Learning Opp Para Total		\$252,409
7435 Learning Recovery Emergency	0035 One-Time TK-2 Reading Tutors	\$223,872
	0036 Core K-2 Early Lit Tutor	\$1,051,672
7435 Learning Recovery Emergency Total		\$1,275,544
5634 Homeless Children & Youth II	4857 Homeless	\$175,156
5634 Homeless Children & Youth II Total		\$175,156
3225 ESSER III (ASES Summer)	1146 Summer Prog-district	\$818,285
3225 ESSER III (ASES Summer) Total		\$818,285
Grand Total		\$50,451,772

LCFF Summary - 2022-23

Oakland Unified (61259) - FY 2023-24 Proposed Budget	v.24.1						PY1
LOCAL CONTROL FUNDING FORMULA							2022-23
LCFF ENTITLEMENT CALCULATION							
Calculation Factors	COLA & Augmentation 13.26%		Base Grant Proration 0.00%		Unduplicated Pupil Percentage 77.96%		
	3-PY Average						
	ADA	Base	Grade Span	Supplemental	Concentration	Total	
Grades TK-3	12,112.18	\$ 9,166	\$ 953	\$ 1,578	\$ 1,510	\$ 159,964,519	
Grades 4-6	7,901.64	9,304		1,451	1,389	95,951,264	
Grades 7-8	4,422.21	9,580		1,494	1,430	55,292,806	
Grades 9-12	8,788.80	11,102	289	1,776	1,700	130,663,771	
Subtract Necessary Small School ADA and Funding	-	-	-	-	-	-	
Total Base, Supplemental, and Concentration Grant		\$ 324,475,131	\$ 14,082,870	\$ 52,787,963	\$ 50,526,396	\$ 441,872,360	
NSS Allowance		-				-	
TOTAL BASE	33,224.83	\$ 324,475,131	\$ 14,082,870	\$ 52,787,963	\$ 50,526,396	\$ 441,872,360	
ADD ONS:							
Targeted Instructional Improvement Block Grant						\$ 10,094,682	
Home-to-School Transportation (COLA added commencing 2023-24)						5,724,962	
Small School District Bus Replacement Program (COLA added commencing 2023-24)						-	
Transitional Kindergarten (Commencing 2022-23)	TK ADA	1,170.99	TK Add-on rate	\$ 2,813.00		3,293,995	
ECONOMIC RECOVERY TARGET PAYMENT							
LCFF Entitlement Before Adjustments							\$ 460,985,999
Miscellaneous Adjustments							-
ADJUSTED LCFF ENTITLEMENT							\$ 460,985,999
Local Revenue (including RDA)							(159,252,851)
Gross State Aid							\$ 301,733,148
Education Protection Account Entitlement							(58,502,353)
Net State Aid							\$ 243,230,795

LCFF Summary - 2023-24

Oakland Unified (61259) - FY 2023-24 Proposed Budget	v.24.1	5/26/2023	CY
LOCAL CONTROL FUNDING FORMULA	2023-24		
LCFF ENTITLEMENT CALCULATION			
Calculation Factors	COLA & Augmentation 8.22%	Base Grant Proration 0.00%	Unduplicated Pupil Percentage 79.26%
	3-PY Average		
	ADA	Base	Grade Span
Grades TK-3	11,571.87	\$ 9,919	\$ 1,032
Grades 4-6	7,626.97	10,069	1,596
Grades 7-8	4,272.26	10,367	1,643
Grades 9-12	8,624.60	12,015	312
Subtract Necessary Small School ADA and Funding	-	-	-
Total Base, Supplemental, and Concentration Grant	\$ 339,492,428	\$ 14,633,044	\$ 56,135,970
NSS Allowance	-	-	-
TOTAL BASE	32,095.70	\$ 339,492,428	\$ 14,633,044
ADD ONS:			
Targeted Instructional Improvement Block Grant			\$ 10,094,682
Home-to-School Transportation (COLA added commencing 2023-24)			6,195,554
Small School District Bus Replacement Program (COLA added commencing 2023-24)			-
Transitional Kindergarten (Commencing 2022-23)	TK ADA	1,200.00	TK Add-on rate \$ 3,044.23
			3,653,074
ECONOMIC RECOVERY TARGET PAYMENT			-
LCFF Entitlement Before Adjustments			\$ 486,046,797
Miscellaneous Adjustments			-
ADJUSTED LCFF ENTITLEMENT			\$ 486,046,797
Local Revenue (including RDA)			(154,564,937)
Gross State Aid			\$ 331,481,860
Education Protection Account Entitlement			(73,081,197)
Net State Aid			\$ 258,400,663

Impact of Unapproved SELPA Plan

- At the May 24, 2023 Board meeting, Item 23-1069, Special Education Local Plan Area (SELPA) Annual Service Plan and Budget was not approved by the Budget (\$140.5M).
- The Special Education Budget is currently included in the Draft Proposed budget. Lack of the approval of the plan would technically exclude its eligibility from being included in the 2023-24 Proposed Budget.
- It is the Staff's understanding that this item is returning for the Board's consideration on June 21, 2023.
 - The Board's lack of approval on June 21, 2023 would require the District to either exclude the Special Education program in the final budget or note the lack of plan approval at adoption. Services or required services may also be reduced to the amount of the budgeted contribution as the General Fund cannot fund the entire program without the supplemental Special Education Revenue.

LCAP & Budget Draft Timelines

Local Control Accountability Plan:

- First Draft LCAP for Initial Review by Governing Board, LCAP Parent & Student Advisory Committee, and Alameda County Office of Education
 - Provided to PSAC, Governing Board, & Posted on LCAP Website on 5/19/23
- Revised Draft LCAP for 6/7/23 Public Hearing and Presentation to Governing Board
 - Provided to PSAC, Governing Board, & Posted on LCAP Website by 6/2/23
- Final LCAP for Adoption on 6/28/2023
 - Provided to PSAC, Governing Board, & Posted on LCAP Website by 6/25/23

LCAP & Budget Draft Timelines

2023-24 Budget

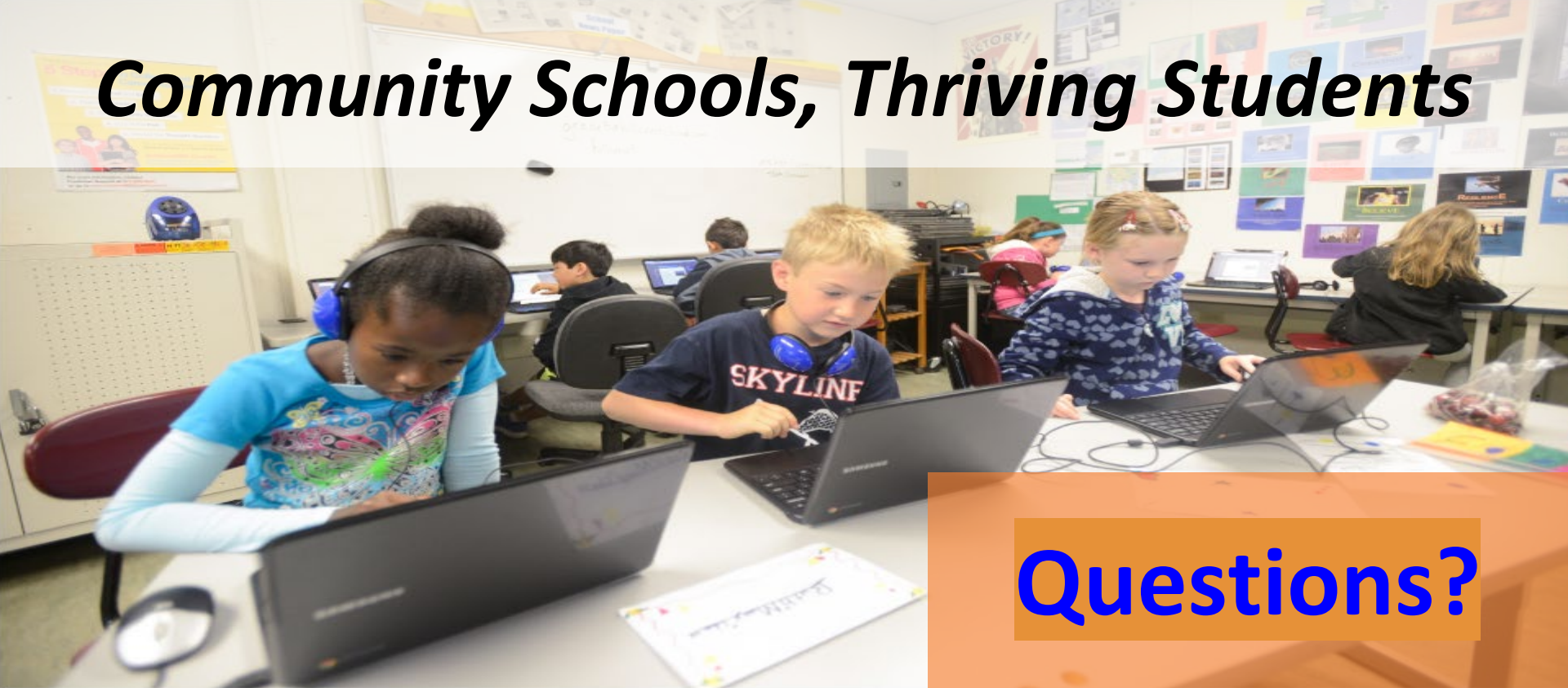
- 5/24/23 - Governing Board Meeting Draft Budget
- 6/7/23 - Governing Board Meeting Public Hearing - Draft Proposed Budget
- 6/8/23 - Budget & Finance Meeting
 - Continued Engagement Budget & LCAP
- *6/21/23 - Governing Board Meeting - Reconsideration Special Education Local Plan Area (SELPA) Annual Service Plan and Budget*
- 6/28/23 - Governing Board Meeting - Proposed Budget Adoption

Next Steps

- Complete LCAP and Budget Development and reconciliation for June 28, 2023 Budget Adoption
- June 7, 2023 – LCAP & Budget Public Hearing
- June 28, 2023 – LCAP & Budget Adoption



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Questions?



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