

**OAKLAND UNIFIED SCHOOL DISTRICT  
BOARD OF EDUCATION  
Operational Expectation #7  
Financial Planning**

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The Superintendent shall develop and maintain a multi-year financial plan that enables the Oakland Unified School District to achieve its **Results** and **Operational Expectations** policies, and does not jeopardize the District's long-term fiscal stability.

The Superintendent will establish an annual budget that:

1. Is developed in accordance with a publicly noticed Budget Development Process and Calendar.

**Interpretation:**

The Superintendent and staff interpret this to mean that the development of a budget development process approved by the Board which may include town hall meetings, special board meetings, budget work sessions, and other opportunities for community involvement. As a result, a budget development calendar will be created and made available to the public.

**Evidence of Compliance:**

Evidence of compliance will be the Board approved district wide Budget Development Calendar.

2. Discloses fundamental budget-planning assumptions.

**Interpretation:**

The Superintendent and staff interpret this to mean that all significant assumptions are disclosed to the Board in the County's required assumption worksheet for the Adopted Budget. The assumptions will include:

- A. The Governor's May Revise which includes education-related proposals, Cost of Living Allowance (COLA) and any federal and state categorical funding
- B. Negotiated salary agreements
- C. Anticipated cost increases including but not limited to insurance and utilities

- D. Incorporation of recommendations from the District's most recent Multi-year Fiscal Sustainability Plan (MYFSP)
- E. Anticipated restricted local revenues including private donations
- F. Other significant revenue and expenditure assumptions

**Evidence of Compliance:**

The major budget assumptions noted above will be presented to the board and the public as part of the budget development process.

- 3. Provides all schools with guided budget development authority.

**Interpretation:**

The Superintendent and staff interpret this to mean that the Results Based Budgeting (RBB) PROCESS PROVIDES ALL SCHOOLS WITH APPROPRIATE GUIDED BUDGET DEVELOPMENT AUTHORITY.

**Evidence of Compliance:**

Administration and distribution of an annual RBB handbook is utilized as a tool that enables the sites to make fiscally responsible decisions.

- 4. Is presented in a design and format that allows the Board of Education and the general public to easily recognize the relationship between the budget and the strategic work priorities established to achieve the District's **Results** and **Operational Expectations** policies.

**Interpretation:**

The Superintendent and staff interpret this to mean that the key components of the Annual Budget will be summarized and presented to the Board. The Annual Budget, as adopted, is required to be in the California State Accounting Code Structure (SACS), and is very detailed and voluminous (over 150 pages). Accordingly, the Chief Financial Officer will summarize the budget by explaining total General Fund revenues and expenditures, and its assumptions, as well as a general summary of the other main funds of the District. The relationship between the budget and the *Results* priorities and the *Operational Expectations* goals for the year will be presented to the Board by showing the following:

- A. Percentage of funds allocated to the instructional program as compared to other operating expenditures
- B. Dedicated resources to major district strategies THAT ARE DESIGNED TO ACHIEVE THE DISTRICT'S RESULTS AND OPERATIONAL EXPECTATION POLICIES.

C. Other related information

**Evidence of Compliance:**

The Superintendent and staff presented the Adoption budget at a board meeting in June in accordance with ACOE and CDE deadlines.

5. Is presented in a design and format that allows the Board of Education and the general public to easily recognize changes in revenues, expenditures, student enrollment, student average daily attendance, and number of employee positions between the most recently completed fiscal year, the current fiscal year, and the next fiscal year.

**Interpretation:**

The Superintendent and staff interpret this to mean that there will be an easy to read comparative report in the following budget categories:

- A. Revenues
- B. Expenditures
- C. Student Enrollment
- D. Student Average Daily Attendance
- E. Employee Positions

**Evidence of Compliance:**

District staff will provide the Board and the public with financial reports by the SACS major object codes that detailed projected expenditures and budgets for the most recently completed fiscal year, the current fiscal year, the budget year and the difference between the current year and budget year. Staff will developed a budget format which will provide the same information by Function categories as listed in the "Interpretation" above. Staff will focus on "Key Budget Indicators" for the Board to monitor to ensure that District financial sustainability is maintained. Explanation of significant fluctuations will be indicated.

6. Is presented in a design and format that allows the Board of Education and the general public to easily understand budget details for each individual school and District department.

**Interpretation:**

The Superintendent and staff interpret this to mean budget information for each SCHOOL and department will be presented to include applicable revenues by

resource, expenditures by major object code, FTE's by object code, student profile and enrollment data for current and budget year and other relevant data.

**Evidence of Compliance:**

The production of a one page per SCHOOL AND DEPARTMENT budget summary included in the district-wide booklet, produced and distributed in the fall of the budget year.

7. Is balanced and maintains a cash reserve for Economic Uncertainties in an amount equal to 3% of the District's combined unrestricted and restricted General Fund revenues.

**Interpretation:**

The Superintendent and staff interpret this to mean the District will calculate the reserve for economic uncertainty based on the total general fund for unrestricted and restricted expenditures plus transfers out.

**Evidence of Compliance:**

Evidence is the percentage of balance designated for economic uncertainty noted for all reporting periods as specified in the Interims, Adopted Budget, and Unaudited Actuals.

8. Discloses the status of the District's Self-Insurance Fund, and all short-term and long-term debt, and unfunded liabilities.

**Interpretation:**

The Superintendent and staff interpret this to mean that the District will receive periodic reports on all self insured activities and will receive full disclosure for all District indebtedness both actual and anticipated.

**Evidence of Compliance:**

The status of the District's Self-Insurance Fund, short-term and long-term debt, and unfunded liabilities (including Workers' Compensation and Post-Employment Benefits) will be reported at each Interim Budget Report Period and at the annual Closing of the Books.

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