



OAKLAND UNIFIED  
SCHOOL DISTRICT  
*Community Schools, Thriving Students*

# 2021-22 First Interim Report - Overview and Context



Presented by Lisa Grant-Dawson, Chief Business Officer

Governing Board Meeting - December 15, 2021

# Ask of the Board

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- Approve the First Interim Budget
- Receive and discuss update on relevant contextual information impacting Multi-Year Projections (MYP)

# Overview of Presentation

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**Part 1:** First Interim Report, including Multi-Year Projections

**Part 2:** Projected Changes to Staffing Costs from pending labor agreements, including impact on MYP

# First Interim Report

# First Interim Outline

- I. Overview & Summary of Assumptions**
- II. 1st Interim - Current Year Projections**
  - A. Unrestricted General Fund Summary & Detail
  - B. Restricted General Fund Summary & Detail
  - C. Summary of Ancillary Funds
- III. Multi-Year Projections (MYP) & Cash Flow**
  - A. General Fund Highlights
  - B. MYP Detail
  - C. Cash Flow
- IV. Going Forward - Key Considerations**
- V. Next Steps**

# Overview of District Financial Accountability

- California school districts are accountable to the State (through the County) for use of funds provided by the state and federal government.
- The process of accountability is prescribed by state law which includes district officials ensuring that the district is able to meet its financial commitments each year and into the future.

## Budget Adoption - By July 1

Projected results for the following fiscal year (July 1 - June 30) | *Ed Code §42127*

## Unaudited Actuals - By Sept 15th

Actual full year results for prior year (July 1 - June 30) | *Ed Code §42100*

## First Interim - By December 15

Updated projections as of October 31st | *Ed Code §42130 & §42131*

## Second Interim - By March 15

Updated projections as of January 31st | *Ed Code §42130 & §42131*

## Third Interim - By June 1

Updated projections as of April 30th | *Ed Code §42130 & §42131* [Required if 2nd Interim is qualified or negative]

# First Interim - Key Assumptions

## OUSD Unaudited Actuals and 2021-22 Budget Assumptions - First Interim

Year	2021-22	2022-23	2023-24
Cost of Living Adjustment (COLA)	5.07%	2.48%	3.11%
Statutory COLA	1.70%	2.48%	3.11%
Compounded COLA (Special Education and Community Colleges)	4.05%		
Enrollment	33,457	33,208	33,058
Attendance Used for Funding (Prior Year)	33,911		
Attendance (ADA)	33,911	30,551	30,413
Enrollment to ADA % *	101%	92%	92%
Unduplicated Pupil Count	77.4	79.22	81.23
Salary and Negotiated Increases Adjusted - OEA	2.5%		
Step & Column	1.3%	1.3%	1.3%
Health Benefit Assumptions **		11.0%	3.0%
Mandatories & Benefits - Certificated	5.63%	5.63%	5.03%
Mandatories & Benefits - Classified	11.83%	11.83%	11.23%
State Teachers Retirement System	16.92%	19.10%	19.10%
California Public Retirement System	22.91%	26.10%	27.10%
<b>Total Mandatories &amp; Benefits Certificated</b>	<b>22.55%</b>	<b>24.73%</b>	<b>24.13%</b>
<b>Total Mandatories &amp; Benefits Classified</b>	<b>34.74%</b>	<b>37.93%</b>	<b>38.33%</b>

\* Note: The District is using the higher of its current or prior year ADA as provided by Education CDE 42238.05, which is currently 2019-20 at 33,911.

\*\* Projected Increase for Kaiser which is the primary benefit selection for the majority of employees.

# First Interim - Fund Balance Summary

## 2021-22 First Interim Fund Balance Summary

	Unrestricted	Restricted	Total Fund
<b>A. Revenues</b>			
5) Total Revenues	\$ 425,556,067	\$ 322,643,080	\$ 748,199,147
<b>B. Expenditures</b>			
9) Total Expenditures	\$ 319,630,077	\$ 426,350,307	\$ 745,980,384
<b>C. Excess (Deficiency) of Revenues Over Expenditures</b>	\$ 105,925,990	\$ (103,707,227)	\$ 2,218,763
<b>D. Other Financing Sources/Uses</b>			
4) Total, Other Financing Sources/Uses	\$ (88,669,346)	\$ 83,694,346	\$ (4,975,000)
E. Net Increase (Decrease) in Fund Balance (C +D4)	\$ 17,256,644	\$ (20,012,881)	\$ (2,756,237)
<b>F. Fund Balance, Reserves</b>			
1) Beginning Fund Balance			
a) Adjusted Beginning Balance (F1c + F1d)	\$ 60,443,968	\$ 52,900,200	\$ 113,344,168
b) Restricted		\$ -	
2) Ending Balance, June 30 (E + F1e)	\$ 77,700,612	\$ 32,887,319	\$ 110,587,931

# Summary of 2021-22 Unrestricted General Fund Projections at 1st Interim (\$Millions)

## How is the District's Unrestricted General Fund Financial Position Projected to Change?

	First Interim
Beginning Fund Balance	60.4
Ending Fund Balance	77.7

## Why is District's Unrestricted General Fund Financial Position Projected to Change?

	First Interim
Revenues	425.6
Expenditures	319.6
Net Contributions/Transfers	-(88.7)
<b>Net Increase (Decrease)</b>	<b>17.3</b>



At First Interim, we expect to end the year with an **increase** in the Unrestricted General Fund Balance of **\$17.3M**

# Material Changes in Unrestricted General Fund Projections since Budget Adoption

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## Revenues (Unrestricted)

1. **\$15M Increase** in LCFF Concentration Allocation Rate as a result of Governor's Budget Clean Up Bill
  - Resources used to increase school site staffing to provide direct service to high poverty schools.
  - Use of funds to be illustrated in the District's one-time Local Control Accountability Plan Supplement for the 2021-22 LCAP

## Expenditures (Unrestricted)

1. **\$2.1M Increase** in projected cost of Certificated Salaries from Adopted Budget
  - Budget Increase of \$2.8M in Resource 0004 Central Concentration from Object 4399
  - Budget Decrease of \$.8M in teacher stipends budgets (Resource 0005 - Central Supplemental)
2. **\$1.9M Increase** in projected cost of Classified Salaries from Adopted Budget
  - Resource 0000 Base General Fund
    - \$.5M Decrease in Classified Support Salaries
    - \$.9M Increase in Classified Substitutes
    - \$.58M Increase in Clerical Substitutes

# Material Changes in Unrestricted General Fund Projections since Budget Adoption (Cont.)

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## Expenditures (Unrestricted)

- Resource 0006 - Suppl & Conc Carryover - \$.2M Increase in Classified Support Salaries
- Resource 0040 AB1840 - Allocation of \$.5M increase from Object 4399 for Enrollment Stabilization

### 4. **\$3.3M Decrease** in Books and Supplies

- \$3.8M Decrease in Resource 0004 Central Concen Obj 4399 Realloc to Other Object Codes
- \$.7M Increase in Resource 0005 Central Supplemental Obj 4100 Textbooks

### 5. **\$4M Increase** in projected cost of Services and Other Operating from Adopted Budget

- **\$1.4M Increase** - Resource 0000 - Base General Fund
  - \$.7M - Establish Street Academy Consultant Agreement Budget
  - \$.2M - Increase Fleet Management Repair Budget
  - \$.1M - Legal Consultant
- **\$.3M Increase** - Resource 0002 - Site Supplemental
  - Increase in various site consultant budgets

# Material Changes in Unrestricted General Fund Projections since Budget Adoption (Cont.)

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## Expenditures (Unrestricted)

- **\$.6M Increase** - Resource 0040 AB1840
  - \$.3M Increase to support Enrollment Stabilization Budget
  - \$.3M Increase in Trustee Contract Budget
- **\$1.3M Increase** - Resource 1100 Lottery (Reallocation of portion of \$2.6M fund balance to Object 5846 - Licensing Agreements)
  - \$2.0M Increase to support Granicus software
  - \$0.7M Reduction to CDW-G software budget

# First Interim Summary - Unrestricted General Fund Adopted v Revised

## 2021-22 Unrestricted First Interim Fund Balance Summary

	Adopted Budget	Revised Budget	Variance
<b>A. Revenues</b>			
5) Total Revenues	\$ 410,574,363	\$ 425,556,067	\$ 14,981,704
<b>B. Expenditures</b>			
9) Total Expenditures	\$ 314,664,491	\$ 319,630,077	\$ 4,965,586
<b>C. Excess (Deficiency) of Revenues Over Expenditures</b>	\$ 95,909,872	\$ 105,925,990	\$ 10,016,118
<b>D. Other Financing Sources/Uses</b>			
4) Total, Other Financing Sources/Uses	\$ (95,909,872)	\$ (88,669,346)	\$ 7,240,526
<b>E. Net Increase (Decrease) in Fund Balance (C +D4)</b>	\$ -	\$ 17,256,644	\$ 17,256,644
<b>F. Fund Balance, Reserves</b>			
1) Beginning Fund Balance			
a) Adjusted Beginning Balance (F1c + F1d)	\$ 71,069,152	\$ 60,443,968	\$ (10,625,184)
b) Restricted		\$ -	
<b>2) Ending Balance, June 30 (E + F1e)</b>	\$ 71,069,152	\$ 77,700,612	\$ 6,631,460

# Summary of 2021-22 Restricted General Fund Projections (\$Millions)

## How is the District's Restricted General Fund Financial Position Projected to Change?

	First Interim
Beginning Fund Balance	52.9
Ending Fund Balance	32.9

## Why is District's Restricted General Fund Financial Position Projected to Change?

	First Interim
Revenues	322.6
Expenditures	426.3
Net Contributions/Transfers	83.7
<b>Net Increase (Decrease)</b>	<b>- (20.0)</b>



At First Interim, we expect to end the year with a **decrease** in the Restricted General Fund Balance of **\$20M**

# Material Changes in Restricted General Fund Projections since Budget Adoption

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## Revenues (Restricted)

### 1. \$130M higher than Adopted Budget

- Resource 2600 ELOP – Increase \$10.5M
- Resource 3010 Title I – Increase \$6.4M Deferred Revenue (DR)
- Resource 3210 ESSER I - \$3.9M (DR)
- Resource 3211 ESSER Community Schools \$3M (DR)
- Resource 3212 ESSER II - \$51M (DR)
- Resource 3213 ESSER III - \$103.6M (DR)
- Resource 3214 ESSER III Learning Loss - \$25.9M (DR)
- Resource 4035 Title II - \$1.1M (DR)
- Resource 4124 Title IV - \$1.8 (DR)
- Resource 6010 After School - \$1.7M
- Resource 6388 K12 Strong Workforce - \$4M
- Resource 6537 SpEd Learning Recovery - \$3.3
- Resource 7425 Expanded Learning - \$11.7M
- Resource 7426 Expanded Learning Para - \$1.3M
- Resource 7690 STRS On Behalf - \$-9.9M
- Resource 7812 Early Literacy Block Grant - \$3.7M

# Material Changes in Restricted General Fund Projections since Budget Adoption (Cont.)

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## Revenues (Restricted)

### 1. \$243M higher than Adopted Budget

- Resource 3010 Title I – Increase \$6.4M - Carryover from 2020-21
- Resource 3182 ESSA – Increase \$1.1M - Carryover from 2020-21
- Resource 3210 ESSER I - \$4M Carryover
- Resource 3211 ESSER Community Schools \$3M Carryover
- Resource 3212 ESSER II - \$54.2M
- Resource 3213 ESSER III - \$103.6M
- Resource 3214 ESSER III Learning Loss - \$25.9M
- Resource 4035 Title II - \$1.1M
- Resource 4124 Title IV - \$1.8M
- Resource Title 4 – \$0.9M

## Expenditures (Restricted)

### 4. \$13.7M Increase in projected cost of Certificated Salaries from Adopted Budget

- Majority are Position additions or adjustments in staffing of 495 COVID FTE
- Resource ESSER II - \$1.8M

# Material Changes in Restricted General Fund Projections since Budget Adoption (Cont.)

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## Expenditures (Restricted)

- Resource ESSER III - \$4.5M
- Resource 7425 Expanded Learning Opportunity - \$4.5M

### 4. **\$6M Increase** - Classified Salaries

- Majority are Position additions or adjustments in staffing of 495 COVID FTE
- Resource 3212 ESSER II - \$2.5M
- Resource 3310 IDEA - \$-1.7M
- Resource 3312 IDEA Early Intervention - \$.6M
- Resource 7425 Expanded Learning - \$4.5M

### 5. **\$3.4M Decrease** - Benefits

- Coinciding benefit adjustments to position and salary budgets by resource
- Resource 7690 STRS On Behalf Pension Adjustment lower by \$10M to align the budget to the accurate projection.
- Books and Supplies - \$10.8M higher than Adopted Budget
- Resource 3010 Title I - Carryover Allocated \$5.5M
- Resource 3212 ESSER II - Object 4399 transfer to planned object codes -\$12.1M

# Material Changes in Restricted General Fund Projections since Budget Adoption (Cont.)

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## Expenditures (Restricted)

7. **\$10.8M Increase** - Books and Supplies
  - Resource 3213 ESSER III - Allocated to planned object codes \$2M
  - Resource 6387 CTE Incentive Grant – Allocated to \$1M
  - Resource 6388 K12 Strong Workforce Grant Allocation \$4M
  - Resource 7425 Expanded Learning Opportunities Object 4399 adjustment to planned object codes -\$14M
  - Resource 7812 Early Literacy Support - \$3.3M
  - Resource 9225 Kaiser Carryover - \$1.4
  - Resource 9332 Measure G1 Carryover - \$1.3M
  - Resource 9333 Measure N Carryover - \$4.5
  - Resource 9334 Measure G - \$1M
  
8. **\$23.8M Increase** - Services and Operating Expenditures
  - Resource 3212 ESSER II - \$5M
  - Resource 3213 ESSER III - \$6.8M
  - Resource 6010 Afterschool Learning & Safety - \$1.6M
  - Resource 6537 Special Ed Learning Recovery - \$2.9M
  - Resource 7425 Expanded Learning Opportunity Grant - \$1.8
  - Resource 8150 Ongoing Major Maintenance – Reduce allocation -\$2.5M

# First Interim Summary - Restricted General Fund Adopted v Revised

## 2021-22 Restricted First Interim Fund Balance Summary

	Adopted Budget	Revised Budget	Total Fund
<b>A. Revenues</b>			
5) Total Revenues	\$ 193,077,104	\$ 322,643,080	\$ 129,565,976
<b>B. Expenditures</b>			
9) Total Expenditures	\$ 372,182,002	\$ 426,350,307	\$ 54,168,305
<b>C. Excess (Deficiency) of Revenues Over Expenditures</b>	\$ (179,104,898)	\$ (103,707,227)	\$ 75,397,671
<b>D. Other Financing Sources/Uses</b>			
4) Total, Other Financing Sources/Uses	\$ 90,934,872	\$ 83,694,346	\$ (7,240,526)
<b>E. Net Increase (Decrease) in Fund Balance (C +D4)</b>	\$ (88,170,026)	\$ (20,012,881)	\$ 68,157,145
<b>F. Fund Balance, Reserves</b>			
1) Beginning Fund Balance			
a) Adjusted Beginning Balance (F1c + F1d)	\$ 239,881,086	\$ 52,900,200	\$ (186,980,886)
b) Restricted		\$ -	
<b>2) Ending Balance, June 30 (E + F1e)</b>	\$ 151,711,060	\$ 32,887,319	\$ (118,823,741)

# Ancillary Funds

2021-22 First Interim Summary of Revenue, Expenditures, and Fund Balance				
<i>Fund/SACS Form</i>	<i>Revenues</i>	<i>Expenditures</i>	<i>2021-22 Beginning Fund Balance</i>	<i>2021-22 First Interim Ending Balance</i>
Fund 11 - Adult Education	\$ 3,001,800	\$ 3,456,460	\$ 1,602,238	\$ 1,147,578
Fund 12 - Child Development	\$ 18,260,554	\$ 18,747,634	\$ 2,825,006	\$ 2,337,926
Fund 13 - Student Nutrition	\$ 22,706,590	\$ 27,225,020	\$ 27,461,891	\$ 22,943,461
Fund 14 - Deferred Maintenance	\$ 5,023,000	\$ 4,925,000	\$ 2,321,680	\$ 2,419,680
Fund 21 - Building Fund	\$ 186,002,148	\$ 106,164,825	\$ 74,351,172	\$ 154,188,495
Fund 25 - Capital Facilities Fund	\$ 2,570,000	\$ 3,000,000	\$ 10,740,713	\$ 10,310,713
Fund 35 - County Schools Facility Fund	\$ 1,590,000	\$ 6,900,001	\$ 10,009,849	\$ 4,699,848
Fund 40 - Special Reserve Fund for Capital Outlay	\$ 7,000	\$ 80,000	\$ 729,271	\$ 656,271
Fund 51 - Bond Interest and Redemption Fund	\$ 85,060,080	\$ 94,293,235	\$ 114,563,540	\$ 105,330,385
Fund 67 - Self Insurance Fund	\$ 17,358,652	\$ 24,919,670	\$ 24,163,485	\$ 16,602,467
<b>Total All Ancillary Funds</b>	<b>\$ 341,579,824</b>	<b>\$ 289,711,845</b>	<b>\$ 268,768,845</b>	<b>\$ 320,636,824</b>

# First Interim - Multi-Year Projections and Cash Flow

# Multi-Year Projections (MYP)

## Key Results - Highlights

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The District's 2022-23 and 2023-24 Fiscal Years are currently reflecting a **deficit** in the Unrestricted General Fund.

2022-23 - \$12.3M

2023-24 - \$ 7.1M

The loss in Average Daily Attendance (ADA) is a significant factor where lower enrollment projections and coinciding ADA, now projected at 92%\* of enrollment are challenging the District to maintain increases in expenditures.

The increase in 2023-24 Revenue is driven by a current higher COLA projection and a projection that loss in ADA will subside.

The District will have to reimagine how to adjust its declining resources and continue to provide quality education to students, compensation to its employees, and manage its expenses and maintain statutory reserves.

\*Historical Enrollment to ADA has been 94%

# Multi-Year Projections (MYP) - Unrestricted Summary - FORM MYPI

## 2021-22 First Interim Budget MYP Fund Balance Summary - Unrestricted

	2021-22 Unrestricted	2022-23 Unrestricted	2023-24 Unrestricted
<b>A. Revenues</b>			
5) Total Revenues	\$ 425,581,067	\$ 402,916,760	\$ 416,729,777
<b>B. Expenditures</b>			
9) Total Expenditures	\$ 324,630,079	\$ 320,712,302	\$ 327,670,786
<b>C. Excess (Deficiency) of Revenues Over Expenditures</b>	\$ 100,950,988	\$ 82,204,459	\$ 89,058,991
<b>D. Other Financing Sources/Uses</b>			
4) Total, Other Financing Sources/Uses	\$ (83,694,346)	\$ (94,578,663)	\$ (96,196,376)
<b>E. Net Increase (Decrease) in Fund Balance (C + D4)</b>	\$ 17,256,642	\$ (12,374,205)	\$ (7,137,385)
<b>F. Fund Balance, Reserves</b>			
1) Beginning Fund Balance			
a) Adjusted Beginning Balance (F1c + F1d)	\$ 60,443,968	\$ 77,700,610	\$ 65,326,405
2) Ending Balance, June 30 (E + F1e)	\$ 77,700,610	\$ 65,326,405	\$ 58,189,020

# Multi-Year Projections (MYP) - Restricted Summary - FORM MYPI

## 2021-22 First Interim MYP Fund Balance Summary - Restricted

	2021-22 Restricted	2022-23 Restricted	2023-24 Restricted
<b>A. Revenues</b>			
5) Total Revenues	\$ 322,643,080	\$ 284,837,041	\$ 259,420,426
<b>B. Expenditures</b>			
9) Total Expenditures	\$ 426,350,307	\$ 404,485,601	\$ 336,136,750
<b>C. Excess (Deficiency) of Revenues Over Expenditures</b>	\$ (103,707,227)	\$ (119,648,560)	\$ (76,716,324)
<b>D. Other Financing Sources/Uses</b>			
4) Total, Other Financing Sources/Uses	\$ 83,694,346	\$ 94,578,663	\$ 96,196,376
<b>E. Net Increase (Decrease) in Fund Balance (C + D4)</b>	\$ (20,012,881)	\$ (25,069,897)	\$ 19,480,052
<b>F. Fund Balance, Reserves</b>			
1) Beginning Fund Balance			
a) Adjusted Beginning Balance (F1c + F1d)	\$ 52,900,200	\$ 32,887,319	\$ 7,817,423
2) Ending Balance, June 30 (E + F1e)	\$ 32,887,319	\$ 7,817,423	\$ 27,297,475

# Multi-Year Projections (MYP) - Combined Summary - FORM MYPI



## 2021-22 First Interim MYP Fund Balance Summary - Combined

	2021-22 Combined	2022-23 Combined	2023-24 Combined
<b>A. Revenues</b>			
5) Total Revenues	\$ 748,224,147	\$ 687,753,801	\$ 676,150,203
<b>B. Expenditures</b>			
9) Total Expenditures	\$ 750,980,385	\$ 725,197,903	\$ 663,807,536
<b>C. Excess (Deficiency) of Revenues Over Expenditures</b>	\$ (2,756,238)	\$ (37,444,102)	\$ 12,342,667
<b>D. Other Financing Sources/Uses</b>			
4) Total, Other Financing Sources/Uses	\$ -	\$ -	\$ -
<b>E. Net Increase (Decrease) in Fund Balance (C + D4)</b>	\$ (2,756,238)	\$ (37,444,102)	\$ 12,342,667
<b>F. Fund Balance, Reserves</b>			
1) Beginning Fund Balance			
a) Adjusted Beginning Balance (F1c + F1d)	\$ 113,344,168	\$ 110,587,930	\$ 73,143,828
<b>2) Ending Balance, June 30 (E + F1e)</b>	\$ 110,587,930	\$ 73,143,828	\$ 85,486,495

# Multi-Year Projections (MYP) - Restricted No 1x COVID Summary

## 2021-22 First Interim MYP Fund Balance Summary - Restricted No 1x COVID

	2021-22 Restricted	2022-23 Restricted	2023-24 Restricted
<b>A. Revenues</b>			
5) Total Revenues	\$ 230,904,960	\$ 232,116,066	\$ 234,318,334
<b>B. Expenditures</b>			
9) Total Expenditures	\$ 323,293,718	\$ 321,034,058	\$ 322,529,549
<b>C. Excess (Deficiency) of Revenues Over Expenditures</b>	\$ (92,388,757)	\$ (88,917,992)	\$ (88,211,215)
<b>D. Other Financing Sources/Uses</b>			
4) Total, Other Financing Sources/Uses	\$ 83,694,346	\$ 94,578,663	\$ 96,196,376
<b>E. Net Increase (Decrease) in Fund Balance (C +D4)</b>	\$ (8,694,411)	\$ 5,660,671	\$ 7,985,161
<b>F. Fund Balance, Reserves</b>			
1) Beginning Fund Balance			
a) Adjusted Beginning Balance (F1c + F1d)	\$ 23,410,046	\$ 14,715,635	\$ 20,376,306
2) Ending Balance, June 30 (E + F1e)	\$ 14,715,635	\$ 20,376,306	\$ 28,361,467

# Multi-Year Projections (MYP) - Combined No 1x COVID Summary

## 2021-22 First Interim MYP Fund Balance Summary - Combined No 1x COVID

	2021-22 Combined	2022-23 Combined	2023-24 Combined
<b>A. Revenues</b>			
5) Total Revenues	\$ 656,486,027	\$ 635,032,826	\$ 651,048,111
<b>B. Expenditures</b>			
9) Total Expenditures	\$ 647,923,796	\$ 641,746,360	\$ 650,200,335
<b>C. Excess (Deficiency) of Revenues Over Expenditures</b>			
	\$ 8,562,231	\$ (6,713,533)	\$ 847,776
<b>D. Other Financing Sources/Uses</b>			
4) Total, Other Financing Sources/Uses	\$ -	\$ -	\$ -
<b>E. Net Increase (Decrease) in Fund Balance (C +D4)</b>	\$ 8,562,231	\$ (6,713,533)	\$ 847,776
<b>F. Fund Balance, Reserves</b>			
1) Beginning Fund Balance			
a) Adjusted Beginning Balance (F1c + F1d)	\$ 83,854,014	\$ 92,416,245	\$ 85,702,712
2) Ending Balance, June 30 (E + F1e)	\$ 92,416,245	\$ 85,702,712	\$ 86,550,488

# First Interim Cash Flow - Form CASH

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## Beginning Cash July 1, 2021

1. \$104,083,405

## Ending Cash Projection June 30, 2022

1. \$82,477,687

- All TRANS Loans Paid From 2020-21 in August 2021
- No current plans to borrow cash
- We will have to continue to monitor spending and cash flow with one time funds
  - ~25% received initially from each fund and the rest submitted as the District submits expenditure reports

# Introducing...

## The Fiscal Year Staffing Changes Dashboard

As part of our improvement in reporting and in conjunction with items requested as part of the Fiscal Sustainability Plan, with each Interim we are providing a link to a new Dashboard, with thanks to our Talent Team!

FTE Change Detail | FTE Change Bars

FTE Authorized 7/1/21: 5,207.46

FTE Authorized 10/31/21: 5,277.74

FTE Authorized Difference 7/1/21 to 10/31/21: 70.27

Acct Object Code: (All) | Job Class Descr: (All) | Acct Fund Code: (All) | Acct Resource Code: (All) | FTE Auth Diff: (All)

Acct Object Code	Job Class Descr	Acct Fund Code	Acct Resource Code	FTE Auth 7/1/21	FTE Auth 10/31/21	FTE Auth Diff	
1105	Classroom TSA 10 Months	010	0000	0.40	0.40	0.00	
			0002	1.50	1.50	0.00	
			0003	0.00	0.00	0.00	
			6500	0.00	0.00	0.00	
	Classroom TSA 11 Months	010	0000	0.00	0.00	0.00	
			3212	0.00	0.00	0.00	
			9333	0.00	0.00	0.00	
			0002	0.70	0.50	-0.20	■
	Facilitator Manhood Dev Progm	010	0003	0.00	0.20	0.20	■
			7425	2.00	2.00	0.00	
			9225	0.00	0.50	0.50	■
	Social Worker	010	7425	0.00	0.00	0.00	
	State Pre-K 186 Teacher	010	3010	1.00	1.00	0.00	
		120	6105	10.00	10.00	0.00	

**Staffing Changes Dashboard**

# Going Forward - Key Considerations & Reports

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## Considerations

- Enrollment and Attendance at Second Interim
- Board Approved Reductions - January 2022
- Governor's January Budget

# NEXT STEPS

1. Submission of First Interim to the Alameda County Office of Education (ACOE) by December 15th
2. Distribution of First Interim to Auditors, Financial Advisors, Bond Reporting Agencies
3. Continued Budget Development/Planning for 2022-23 with reductions
4. Continue 2020-21 Audit Finalization
  - a. All documents requested submitted to auditors.
  - b. Projected completion of the audit report is January 2022
5. Second Interim Due March 15, 2022

# Projected Changes to Staffing Costs and Potential Impact on MYP (Labor Negotiations)

# Making Room for Competitive Compensation

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- Labor agreements in California districts cannot exceed three years in duration. Typically, this means salary discussions and adjustments are made by districts at most every three years.
- If ongoing revenue is not reserved, expenditures need to be reduced to make room for ongoing compensation increases.

## **This situation is more challenging for districts like OUSD where:**

- ✓ Desired compensation increases exceed Cost of Living Increase Adjustments (COLA) from the State.
- ✓ Revenue is growing slowly or not at all due to declining enrollment/attendance.
- ✓ You employ more staff than districts with similar enrollment/attendance which allows competing districts to make larger percentage compensation increases because they have fewer employees to compensate.

# Recent History of Compensation Increases

Labor Union	Last Ongoing Increase	Cost of 1% raise
Oakland Education Association	Effective June 30, 2021	\$2.5M
Service Employees International Union	Effective January 1, 2020	\$662K
American Federation of State, County and Municipal Employees	Effective July 1, 2020	\$400K
Building & Construction Trades Council	Effective February 1, 2020	\$93K
Teamsters	Effective February 1, 2020	\$12K
United Administrators of Schools	Effective July 1, 2020	\$566K
Confidential/Unrepresented	Effective July 1, 2020	\$216K

**Total \$4.4M**

# Compensation Challenge

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Based on current information, the 2022-23 Budget will need to include budget adjustments of **\$40-50M** due to the District's ongoing structural deficit and the need to increase employee compensation.

In addition, the District has used one-time funds where necessary to provide one-time compensation increases this year (2021-22).

# Budget Adjustments Required to Provide Negotiated Raises

- All compensation included in tentative labor agreements (“TA”) are **contingent upon a determination by the Alameda County Office of Education that the combined financial impact of all tentative agreements with OUSD labor partners reached in the 2021-2022 school year do not endanger the fiscal well-being of the District.**
- The Board’s ratification of the agreement shall occur within 15 days of receipt of the AB 1200 letter from ACOE with such a determination.
- If Budget Adjustments and Board Approval of TAs occur, the cost of salary increases can be factored into the budget development process for schools and departments for planning purposes.

# Questions/Comments

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# First Interim - Appendix

## I. LCFF Projections - Adopted Budget v First Interim

# Other Items of Note

## LCFF Projection Adopted Budget

Oakland Unified (61259) - OUSD LCFF Calculator May Revise BDV		5/24/2021				v.22.1b							
LOCAL CONTROL FUNDING FORMULA		2020-21						2021-22					
LCFF ENTITLEMENT CALCULATION													
Calculation Factors		COLA & Augmentation		Base Grant Proration		Unduplicated Pupil Percentage		COLA & Augmentation		Base Grant Proration		Unduplicated Pupil Percentage	
		0.00%		0.00%		75.80% 75.80%		5.07%		0.00%		75.54% 75.54%	
		ADA	Base	Grade Span	Supplemental	Concentration	Total	ADA	Base	Grade Span	Supplemental	Concentration	Total
Grades TK-3		12,441.67	\$ 7,702	\$ 801	\$ 1,289	\$ 884	\$ 132,831,832	12,442.17	\$ 8,092	\$ 842	\$ 1,350	\$ 918	\$ 139,368,121
Grades 4-6		8,026.02	7,818		1,185	813	78,785,666	8,013.84	8,214		1,241	844	82,530,931
Grades 7-8		4,505.00	8,050		1,220	837	45,534,648	4,498.33	8,458		1,278	869	47,702,393
Grades 9-12		8,938.97	9,329	243	1,451	995	107,433,933	8,938.43	9,802	255	1,519	1,033	112,706,986
Subtract Necessary Small School ADA and Funding		-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Base, Supplemental, and Concentration Grant</b>			\$ 278,230,067	\$ 12,137,948	\$ 44,019,791	\$ 30,198,273	\$ 364,586,079		\$ 292,169,045	\$ 12,755,607	\$ 46,068,017	\$ 31,315,762	\$ 382,308,431
NSS Allowance			-				-		-				-
<b>TOTAL BASE</b>		<b>33,911.66</b>	<b>\$ 278,230,067</b>	<b>\$ 12,137,948</b>	<b>\$ 44,019,791</b>	<b>\$ 30,198,273</b>	<b>\$ 364,586,079</b>	<b>33,892.77</b>	<b>\$ 292,169,045</b>	<b>\$ 12,755,607</b>	<b>\$ 46,068,017</b>	<b>\$ 31,315,762</b>	<b>\$ 382,308,431</b>
<b>ADD ONS:</b>													
Targeted Instructional Improvement Block Grant							\$10,094,682						\$10,094,682
Home-to-School Transportation							5,724,962						5,724,962
Small School District Bus Replacement Program							-						-
<b>ECONOMIC RECOVERY TARGET PAYMENT</b>							-						-
<b>LCFF ENTITLEMENT</b>							<b>\$ 380,405,723</b>						<b>\$ 398,128,075</b>

# Other Items of Note

## LCFF Projection Adopted Budget

Oakland Unified (61259) - OUSD LCFF Calculator May Revise BDV							5/24/2021	v.22.1b				
LOCAL CONTROL FUNDING FORMULA							2021-22	2022-23				
LCFF ENTITLEMENT CALCULATION												
	COLA & Augmentation		Base Grant Proration		Unduplicated Pupil Percentage		COLA & Augmentation		Base Grant Proration		Unduplicated Pupil Percentage	
Calculation Factors	5.07%		0.00%		75.54% 75.54%		2.48%		0.00%		75.61% 75.61%	
	ADA	Base	Grade Span	Supplemental	Concentration	Total	ADA	Base	Grade Span	Supplemental	Concentration	Total
Grades TK-3	12,442.17	\$ 8,092	\$ 842	\$ 1,350	\$ 918	\$ 139,368,121	11,914.93	\$ 8,293	\$ 862	\$ 1,384	\$ 943	\$ 136,817,220
Grades 4-6	8,013.84	8,214		1,241	844	82,530,931	8,003.01	8,418		1,273	867	84,499,320
Grades 7-8	4,498.33	8,458		1,278	869	47,702,393	4,357.02	8,668		1,311	893	47,369,616
Grades 9-12	8,938.43	9,802	255	1,519	1,033	112,706,986	8,542.86	10,045	261	1,558	1,062	110,429,315
Subtract Necessary Small School ADA and Funding	-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Base, Supplemental, and Concentration Grant</b>		\$ 292,169,045	\$ 12,755,607	\$ 46,068,017	\$ 31,315,762	\$ 382,308,431		\$ 289,759,503	\$ 12,500,353	\$ 45,707,736	\$ 31,147,879	\$ 379,115,471
NSS Allowance		-	-	-	-	-		-	-	-	-	-
<b>TOTAL BASE</b>	<b>33,892.77</b>	<b>\$ 292,169,045</b>	<b>\$ 12,755,607</b>	<b>\$ 46,068,017</b>	<b>\$ 31,315,762</b>	<b>\$ 382,308,431</b>	<b>32,817.82</b>	<b>\$ 289,759,503</b>	<b>\$ 12,500,353</b>	<b>\$ 45,707,736</b>	<b>\$ 31,147,879</b>	<b>\$ 379,115,471</b>
<b>ADD ONS:</b>												
Targeted Instructional Improvement Block Grant						\$10,094,682						\$10,094,682
Home-to-School Transportation						5,724,962						5,724,962
Small School District Bus Replacement Program						-						-
<b>ECONOMIC RECOVERY TARGET PAYMENT</b>						-						-
<b>LCFF ENTITLEMENT</b>						<b>\$ 398,128,075</b>						<b>\$ 394,935,115</b>

# Other Items of Note

## LCFF Projection First Interim

Oakland Unified (61259) - 2021-22 First Interim		v.22.2b											
LOCAL CONTROL FUNDING FORMULA		2020-21						2021-22					
LCFF ENTITLEMENT CALCULATION													
Calculation Factors		COLA & Augmentation		Base Grant Proration		Unduplicated Pupil Percentage		COLA & Augmentation		Base Grant Proration		Unduplicated Pupil Percentage	
		0.00%		0.00%		75.97% 75.97%		5.07%		0.00%		77.40% 77.40%	
		ADA	Base	Grade Span	Supplemental	Concentration	Total	ADA	Base	Grade Span	Supplemental	Concentration	Total
Grades TK-3		12,441.67	\$ 7,702	\$ 801	\$ 1,292	\$ 892	\$ 132,957,725	12,440.98	\$ 8,093	\$ 842	\$ 1,383	\$ 1,301	\$ 144,552,667
Grades 4-6		8,026.02	7,818		1,188	820	78,860,335	8,024.26	8,215		1,272	1,196	85,721,452
Grades 7-8		4,505.00	8,050		1,223	844	45,577,803	4,503.26	8,458		1,309	1,231	49,530,380
Grades 9-12		8,938.97	9,329	243	1,454	1,004	107,535,755	8,931.07	9,802	255	1,557	1,464	116,801,631
Subtract Necessary Small School ADA and Funding		-	-	-	-	-	-	-	-	-	-	-	-
<b>Total Base, Supplemental, and Concentration Grant</b>			\$ 278,230,067	\$ 12,137,948	\$ 44,118,517	\$ 30,445,086	\$ 364,931,618		\$ 292,235,068	\$ 12,752,728	\$ 47,212,111	\$ 44,406,223	\$ 396,606,130
NSS Allowance			-	-	-	-	-		-	-	-	-	-
<b>TOTAL BASE</b>		33,911.66	\$ 278,230,067	\$ 12,137,948	\$ 44,118,517	\$ 30,445,086	\$ 364,931,618	33,899.57	\$ 292,235,068	\$ 12,752,728	\$ 47,212,111	\$ 44,406,223	\$ 396,606,130
<b>ADD ONS:</b>													
Targeted Instructional Improvement Block Grant							\$ 10,094,682						\$ 10,094,682
Home-to-School Transportation							5,724,962						5,724,962
Small School District Bus Replacement Program							-						-
<b>ECONOMIC RECOVERY TARGET PAYMENT</b>							-						-
<b>LCFF ENTITLEMENT</b>							\$ 380,751,262						\$ 412,425,774

# Other Items of Note

## LCFF Projection First Interim

Oakland Unified (61259) - 2021-22 First Interim							v.22.2b							
LOCAL CONTROL FUNDING FORMULA							2021-22							
LCFF ENTITLEMENT CALCULATION							2022-23							
Calculation Factors	COLA & Augmentation		Base Grant Proration		Unduplicated Pupil Percentage			COLA & Augmentation		Base Grant Proration		Unduplicated Pupil Percentage		
	5.07%		0.00%		77.40%	77.40%			2.48%		0.00%		79.22%	79.22%
	ADA	Base	Grade Span	Supplemental	Concentration	Total	ADA	Base	Grade Span	Supplemental	Concentration	Total		
Grades TK-3	12,440.98	\$ 8,093	\$ 842	\$ 1,383	\$ 1,301	\$ 144,552,667	11,051.93	\$ 8,294	\$ 863	\$ 1,451	\$ 1,442	\$ 133,169,340		
Grades 4-6	8,024.26	8,215		1,272	1,196	85,721,452	7,279.29	8,419		1,334	1,325	80,642,228		
Grades 7-8	4,503.26	8,458		1,309	1,231	49,530,380	4,194.27	8,668		1,373	1,365	47,839,680		
Grades 9-12	8,931.07	9,802	255	1,557	1,464	116,801,631	8,254.70	10,045	261	1,633	1,622	111,944,927		
Subtract Necessary Small School ADA and Funding	-	-	-	-	-	-	-	-	-	-	-	-		
<b>Total Base, Supplemental, and Concentration Grant</b>		\$ 292,235,068	\$ 12,752,728	\$ 47,212,111	\$ 44,406,223	\$ 396,606,130		\$ 272,223,428	\$ 11,692,290	\$ 44,983,606	\$ 44,696,851	\$ 373,596,175		
NSS Allowance		-	-	-	-	-		-	-	-	-	-		
<b>TOTAL BASE</b>	33,899.57	\$ 292,235,068	\$ 12,752,728	\$ 47,212,111	\$ 44,406,223	\$ 396,606,130	30,780.19	\$ 272,223,428	\$ 11,692,290	\$ 44,983,606	\$ 44,696,851	\$ 373,596,175		
<b>ADD ONS:</b>														
Targeted Instructional Improvement Block Grant						\$ 10,094,682						\$ 10,094,682		
Home-to-School Transportation						5,724,962						5,724,962		
Small School District Bus Replacement Program						-						-		
<b>ECONOMIC RECOVERY TARGET PAYMENT</b>						-						-		
<b>LCFF ENTITLEMENT</b>						\$ 412,425,774						\$ 389,415,819		

# EVERY STUDENT THRIVES!



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Phone: 510.555.5555 | Email: [info@ousd.org](mailto:info@ousd.org)