

Oakland Unified School District

Board of Education
1000 Broadway, Suite 680
Oakland, CA 94607-4099
(510) 879-8199 Voice
(510) 879-2299 eFax
(510) 879-2300 eTTY/TDD
boe@ousd.org E-Mail



ACCESSIBILITY OF AGENDA AND AGENDA MATERIALS

Agenda and agenda materials are accessible at <http://www.ousd.org> or from any computer terminal in the Offices of the Board of Education and Superintendent, 1000 Broadway, Suite 680, Oakland, CA 94607-4099

AMERICANS WITH DISABILITIES ACT COMPLIANCE AND LANGUAGE SERVICES

Individuals requiring interpretation or translation services or a reasonable accommodation to participate in meetings should notify the Office of the Board of Education seventy-two (72) hours prior to the meeting at either (510)879-8199(VM); or boe@ousd.org (E-Mail); or (510) 879-2300 (eTTY/TDD); or (510) 879-2299 (eFax).

Meeting Minutes Long - Final

Wednesday, April 19, 2017

6:00 PM

**KDOL TV Studio, B-237, Met West High School Entrance, 314 East 10th Street,
Oakland, CA 94606-2291**

Budget and Finance Committee

Aimee Eng, Chair
Jody London
Shanthi Gonzales

LEY CUMPLIMIENTO PARA AMERICANOS CON DISCAPACIDADES Y SERVICIO DE IDIOMAS

Personas que requieran servicios de traducción o interpretación o facilidades razonables para participar en juntas deberán notificar a la Oficina de la Mesa Directiva de Educación setenta y dos (72) horas antes de la junta ya sea al [\(510\)879-8199](tel:(510)879-8199)(VM); o boe@ousd.org (E-Mail); o [\(510\) 879-2300](tel:(510)879-2300) (eTTY/TDD); o [\(510\) 879-2299](tel:(510)879-2299) (eFax).

美國殘障人士法案條例遵守及語言服務

個別人士需要傳譯及翻譯服務或有合理安排去參與會議的應該在舉行會議之前的七十二 (72) 小時通知教育委員會。請致電[\(510\)879-8199](tel:(510)879-8199) (留言) ; 或 boe@ousd.org (電郵) ; 或[\(510\) 879-2300](tel:(510)879-2300) (電子文字電話/聽障專用電信設備 (eTTY/TDD)) ; 或[\(510\) 879-2299](tel:(510)879-2299) (電子圖文傳真 (eFax)) 。

TUẦN HÀNH ĐẠO LUẬT NGƯỜI MỸ KHUYẾT TẬT VÀ DỊCH THUẬT

Những người nào cần thông ngôn hay phiên dịch hay một sắp xếp hợp lý nào để tham gia các buổi họp phải thông báo Văn phòng của Hội đồng Giáo dục bảy mươi hai (72) tiếng đồng hồ trước buổi họp, số điện thoại [\(510\)879-8199](tel:(510)879-8199) (VM); hay là boe@ousd.org (E-Mail); hay là [\(510\) 879-2300](tel:(510)879-2300) (eTTY/TDD); hay là số [\(510\) 879-2299](tel:(510)879-2299) (eFax).

សេវាបកប្រែភាសា និងការអនុលោមតាមច្បាប់ជនជាតិអាមេរិកាំងពិការ

អ្នកណាដែលត្រូវការសេវាបកប្រែភាសាដោយផ្ទាល់មាត់ ឬជាលាយលក្ខណ៍អក្សរ ឬត្រូវការការជួយសម្រេចសម្រួលយ៉ាងសមរម្យមួយ ដើម្បីចូលរួមក្នុងកិច្ចប្រជុំសាធារណៈ ត្រូវផ្តល់ដំណឹងទៅកាន់ទីការិយាល័យនៃក្រុមប្រឹក្សាអប់រំ ឱ្យបានចិតសិចពី (72) ម៉ោងមុនកិច្ចប្រជុំ តាមរយៈទូរស័ព្ទលេខ [\(510\) 879-8199](tel:(510)879-8199) ឬតាមរយៈអ៊ីមែល boe@ousd.org ឬទូរស័ព្ទ eTTY/TDD លេខ [\(510\) 879-2300](tel:(510)879-2300) ឬទូរសារលេខ [\(510\) 879-2299](tel:(510)879-2299)។

الامتنال لفانون الأمريكيين ذوي الإعاقات (ADA) وتوفير الخدمات اللغوية

من يحتاج إلى خدمات الترجمة المكتوبة أو خدمات الترجمة الفورية أو الترتيبات التيسيرية المعقولة لكي يساهم في الاجتماعات فالمرجو منه إبلاغ مكتب إدارة التعليم إثنين وسبعين (72) ساعة قبل الاجتماع بوسيلة من الوسائل التالية:

الهاتف الصوتي:	الهاتف للصم والبكم:	الفاكس الإلكتروني:	البريد الإلكتروني:
510.879.8199	510.879.2300	510.879.2299	boe@ousd.org

A. Call to Order

Chairperson Eng called the meeting to order at 6:10 P.M.

B. Roll Call

Present 3 - Shanthi Gonzales
Jody London
Aimee Eng

C. Speaker Request Cards/Modification(s) To Agenda

None

D. Adoption of Committee Minutes

 [17-0807](#) **Minutes - Budget and Finance Committee - Regular Meeting - March 29, 2017**

Ratification by the Budget and Finance Committee of its Regular Meeting Minutes of March 29, 2017 prepared by Staff shortly after said Meeting.

Attachments: [17-0807 Minutes - Budget and Finance Committee - Regular Meeting - March 29, 2017](#)

Postponed to a Date Certain

E. Adoption of the Committee General Consent Report

None

F. Unfinished Business

 [17-0404](#) **Budget and Finance Committee - Charge**

Statement of Committee ad hoc Charge, pending formal definition of Charge by the Board of Education, by Aimee Eng, Chairperson.

Attachments: [17-0404 Budget and Finance Committee - Charge](#)
[17-0404 Budget and Finance Committee - Charge - Updated](#)

Not discuss

Postponed

G. New Business

17-0802 **Key Updates - 2016-2017 and 2017-2018 Budgets - Current Budget Development Process**

Presentation to the Budget and Finance Committee of Key Updates on the 2016-2017 and 2017-2018 Budgets by Interim Superintendent of Schools, or designee, including but not limited to:

- **Updates on 2016-2017** - follow-up on the expanded spending limitation protocol; provide detailed breakdown on realized savings and updated target number (showing how we got there), strategies for additional savings for year-end and confidence level we will meet them
- Impact on spending limitations protocol on central and school sites: Present any data that quantify the cuts at school sites and central; How much was unencumbered from central and school sites? What types of activities were we not able to fund?; Review of priorities/criteria which guided decisions
- **Updates to 2017-2018 budget development.** Clearer understanding of the timeline to identify if additional reductions will need to be identified for next year; If so, when and how will those decisions be made? Which programs within Central/Central Support/Schools rely on the largest amounts of unrestricted fund dollars?

Troy Christmas, on behalf of Vernon Hal, Senior Business Officer, made the presentation and spoke on:

- *The district overall expenditure budget side is around \$780 million to \$800 million; of that \$780 million, roughly \$550 million is in the General Fund.*
- *Of the money in General Fund there's roughly \$400 million in revenue and of the \$400 million in revenue there's roughly \$330 million that the District gets to spend*
- *Challenge is to make sure to balance revenue and expense for the remaining \$330 million, so the District doesn't have to dip into the reserves for economic uncertainty*
- *It's been identified that roughly \$8 to 11 million that's needed to manage; to ensure that the 2% reserve is maintain and have revenues match expenses*
- *Every year there is essentially encumbrances that don't get spent and there are expenditures that are not budgeted that do show up*
- *In the 2016-2017 School Year because its cutting so close that we need to make sure that the revenues and expenses balance out*

Director Gonzales spoke about staff expecting to be reimburse for what they bought for the classroom and what does that mean?

Mr. Christmas responded, they are items that do not have a budget line item because it is not budgeted for staff to go out and buy markers, but they happen and we end up paying for them.

Director Gonzales wanted to flag that because it's a problem that we don't budget for teachers to buy markers and get reimburse.

Interim Superintendent, Devin Dillon stated, some schools do build in reimbursement for their teachers to buy supplies or have open PO's at certain vendors.

Chair Eng asked Mr. Christmas to clarify the number that is being showed are achievable in each of the strategy. There were some communication that was sent out what was disencumbered from Central and school sites laid out some of the strategies, but this is real time as to being achievable.

Mr. Christmas respond by saying:

Real time is exactly that, so the beginning being prepared was March 17th and its now April 18th and things are changed every day.

Mr. Christmas spoke on the progress of the Spending Limitation Protocol to ensure a

balanced budget for 2016-2017.

Member Gonzales asked Mr. Christmas to explain, how in March the District ran out of money after the Board passed the budget that runs through the end of June. The Board's been told that Special Education and other program needs more money that was budgeted and that doesn't add up to the \$10 million that the District is trying to find.

Mr. Christmas replied by saying, in a normal year there's encumbered expenses that don't get spent and those would be savings. Every year there's substitute cost that come in that end up have to be paid. Normally they balanced, so because they balanced not every penny is being tracked. This year they have to balanced, so this \$8 million of substitute cost is not waiting to figure out whether it balanced out from the un-encumbrance money not getting spent. We're going to make sure it balanced, so we don't know ahead of time whether that is going to fully come in and we don't know ahead of time whether people are going to leave, or the full cost of the salary that was budgeted is actually going to hit. Now is managing it to make sure that we are covered if all was to be hits.

Member Gonzales also asked, what happened to the \$10 million that the District is trying to find and the money that was budgeted for the 2016-2017 school year?

Mr. Christmas shared, there is no \$8 million; there is just a projection of what is going to happened from one side and the other and will not know until the books are closed.

Mr. Christmas also shared, there is a reduction in the number of students. The State give the district a choice, the District can be budgeted base on the number of students the District have current year or can be based on last year. Obviously, the number of students we have is less, so we want to be based on last year, but the budget was built more than last year. Yes, we got more money than the students that we budgeted for, but we got less money than the district budgeted for.

Member, Gonzales requested on the financial transparency website to put a slide or something that have a breakdown of numbers regarding the reserved, Special Education and other programs.

Mr. Christmas shared the current progress and the Wins:

- Changed in target from \$8-11 million to approximately \$5.6 million*
- Further estimated saving from identified sources approximately \$1.6 million*
- Continue Spending Limitation Protocol for remainder of the year*
- Work to continue to disencumber centrally of purchases orders at school sites of funds in POs where goods and services have not been rendered*
- Stop or minimize overtime and use of Subs*
- Continuations of moving current expenditures into restricted resources, where allowable*

Public Speaker(s):

Carol Delten

Eyana Spencer

Mr. Christmas also presented the 2017-2018 budget development update and spoke about:

- Review Preliminary Projected Revenue vs. Expense*
- If necessary, where could reductions come from?*
- Next Steps*
- Best Available 2017-18 Revenue & Expense Estimates*
- \$404M Unrestricted General Fund Revenue*
(\$7M less than 2016-17 at 2nd Interim)

- \$321M Available to budget after contributions, transfers (\$9M less than 2016-17 at 2nd Interim)
- \$338M (Projected expenses) -10M (Offset for unspent projected expenses) =\$328M Net projected expenses
- \$321M - \$328M = \$7M Currently Projected Shortfall

After the presentation, member Gonzales asked, how many million(s) extra if the Board wanted to bump up the reserved fund by 1%?

The two percent reserved are calculated based on the general fund expenditures and that are restricted expenditures an unrestricted expenditures and it is around \$545 million, and take 1% of that is \$5.4 million and at 2% it is \$10 million something and 3% is another \$5 million, said Mr. Christmas.

Mr. Christmas also spoke about:

Possible Reduction Options:

Under analysis and discussion to avoid direct schools impact

- Reduce contribution and transfers out (currently projected at \$76M)
- Reduce Strategic Investments
- Eliminate current vacancies projected in expenses
- Reduce central department spending

Member, Gonzales wanted to know if the Financial Transparency Dash Board could compare from year to year to see what department was there and what was not.

Mr. Christmas said, currently it cannot, but will work on it.

Member, London wanted to know why the District has \$7 million less in the unrestricted general fund revenue, why \$9 million less available for the budget and it seems risky to budget for the unspent projected expenses.

Acting Superintendent, Devin Dillon shared that the history of why budgeting for the unspent projected expenses and that it was in place for very long time in Oakland and there was some logic that said, Oakland doesn't fill positions because of the low salaries that Oakland offers at the same rate as other districts. The District's fill rate has actually increased, which is a good thing, but not to budget in the front end makes no sense, it's not responsible financial management and it needs to change.

Mr. Christmas responded to member London by stating the unrestricted general fund revenue is going to go down because the District have fewer students.

Would like to understand as we head into the budget for next year, how the enrollment projection has been made and a level of confidence in their accuracy, said member London.

Discussed

17-0803 Impact - Spending Limitations Protocol

Presentation to the Budget and Finance Committee, by the Interim Superintendent of Schools or designee regarding the impact on spending limitations protocol, including but not limited to:

- Superintendent or designee shares an overview of the impact of the expanded savings limitations protocol on school sites
- Principals and school communities have been invited to provide testimonies about how

the spending limitations protocol (expanded) is being felt by schools

Several principals shared their experience how the budget freeze/cut effected their school site and shared their recommendations on how to prevent from happening again.

The principals were:

*Ashley Martin, Principal at Hoover Elementary
Carmelita Reyes, Principal at Oakland International High School
Yana Spencer, Principal at Manzanita Community
Matin Abdel-Qawi, Principal at Oakland High School
China Wilson, Teacher of the Deaf and Hard of Hearing, Bret Harte Middle School*

Member Gonzales thanked the principals and teachers for coming out and for sharing the recommendations and how the budget freeze/cut effected their site.

Member London thanked the teachers and principals for coming out and appreciated the solutions oriented conversations and is committed to making it better.

Public Speaker(s):

Kim Davis

Discussed

17-0804 Deep Dive - Programs for Exceptional Children (PEC)

Presentation to the Budget and Finance Committee, by the Superintendent of Schools or designee, Deputy Chief, Programs for Exceptional Children and the Community Advisory Committee (CAC) of a deep dive into Programs for Exceptional Children (PEC), funding and operations, but not limited to:

- 1. Understanding the vision and goals for the program;
- 2. Articulating success and challenges for the program;
- 3. Providing insight and explanation to the structure of the program;
- 4. Providing insight and explanation to various revenue and expenditure line items for the program and factors contributing to the increase in general fund dollars over time; and
- 5. Present preliminary ideas for a multi-year plan which includes short, intermediate, and long-term solutions aimed at balancing quality and effectiveness with resources (i.e., people, time, and money) and efficiency.

Sondra Aguilera, Deputy Chief of Student Services presented the presentation and spoke about:

- *Overview of the Program for Exceptional Children (PEC) goals*
- *Priority 1: Policies and Structures*
- *Priority 2: Programs for Equity*
- *Priority 3: Culturally, Linguistically Responsive, & Inclusive Practices*
- *Priority 4: Community Engagement*
- *Explanation of the program costs*
- *Explain the step that's taken to examine the program*
- *Recommendations and plan to manage the costs*
- *Students in Special Education: 2013-2017*
- *Students by Disability*
- *Special Education Services from 2014-2016*

- *Special Education Teacher profile*
- *Fiscal Year 2014-15 through 2016-17 Funding*
- *2016-17 Budgeted Expense*
- *Contracting with Non Public Agencies and Non-Public Schools*

Member, Gonzales asked, how is the 50% rate how it compares to other district in the Bay Area?

Sondra said, she would check on it.

Member, Gonzales asked Superintendent, if somebody is on a temporary contract, they are being observed and they are participating teacher growth and development, is that correct? When does the countdown start for somebody to get 10 years? Are they eligible with the temporary contract?

Yes, in most cases. Not with a temporary contract, not until the teachers officially step into the extended probation period, said Acting Superintendent Dillon.

Sondra Aguilera, Deputy Chief of Student Services also spoke about:

- *Strategies to Use Resources Efficiently*
- *Why Does the Community Advisory Committee (CAC) Exist?*
- *What Does the CAC Do?*

Member, Gonzales want to know about what is going on with the Sign Language Program, Reading Clinic and having 1100 staff people work in PEC? That seems like a lot, is that normal?

Sondra Aguilera, Deputy Chief of Student Services responded by saying the full staff from the Central and school site is about 1100, and are combing through the 1100 lines of people and verifying their caseloads.

In terms of the Reading Clinic, it is being discussed to see what it looks like for next year, said Sondra Aguilera.

Why the students are spread throughout the District instead of having the students at one program? Asked Member Gonzales.

That is something that is being addressed this upcoming year, said Sandra Aguilera.

Christine Zimmerman and Lisa Razlor are the Co-Chair of the Community Advisory Committee (CAC), presented, and spoke about:

- *Why Does the Community Advisory Committee (CAC) Exist?*
- *What Does the CAC Do?*
- *CAC Participation*
- *CAC Membership 2016-2017*
- *Topics covered for the 2016-2017 year*
- *Highlights for the 2016-2017 year*

After the presentation, the Board Liaison and CAC members agreed to meet and to have a deeper conversation to be more inform about the district.

Sondra Aguilera, Deputy Chief of Student Services also spoke about the recommendations:

- *Having an investment in the multi-tiered system of Instructions*
- *Inclusive Education practices in Special Education Department*
- *To invest in the appropriate staff that's needed to make sure the case load doesn't go*

over

- Program Quality through Professional Learning
- California Department of Education Oversight to assist with Individualized Education Program (IEP) compliance. Teachers are learning how to write quality IEPs.
- Plan to manage costs

Member, London stated that she is troubled by the fact that there is a large increase in the number of students that the district is serving, but it doesn't appear that the funds are coming from the State and Federal Government to serve those students.

Chairperson Eng requested to schedule something regarding the Equity Pledge update.

Public Speaker(s):

Kim Davis
Ismael Armendiaz
Carol Delton
Inga Wagner

Discussed

[17-0806](#)

Feedback and Recommendations - Budget Development Process and Future Meeting Topics

Acceptance by the Budget and Finance of Committee of General Feedback and Recommendations on the District's Budget Development process and Proposed Future Meeting Topics including but not limited to:

- Reflection on implementation of Board Policy 3150 and issues for further research and study;
- Identification of ongoing questions and key issues related to District's budget development process and/or fiscal management that need to be revisited in future meetings.

Not discuss

Not Discussed and/or Taken Up



[17-0815](#)

Board of Education Request - Alameda County Office of Education - Sponsorship of Fiscal Crisis Management Assistance Team (FCMAT)

Adoption by the Board of Education of Resolution No. 1617-0168 - Request for Alameda County Office of Education Sponsorship of Fiscal Crisis Management Assistance Team (FCMAT).

Attachments: [17-0815 Board of Education Request - Alameda County Office of Education - Sponsorship of Fiscal Crisis Management Assistance Team \(FCMAT\)](#)
[17-0815 FCMAT Fiscal Health Risk Analysis - Key Fiscal Indicators for K-12 Districts](#)

Chairperson, Aimee Eng provided update on the Sponsorship of Fiscal Crisis Management

Assistant Team (FCMAT) and spoke on:

- Have been in communications proactively both with County Superintendent Karen Monroe and FCMAT, to get additional support and a greater understanding of the current Fiscal situation
- Responding to some of the recommendations that the principals had made
- To look back and forward on the District's Fiscal
- Deeper examination on the internal controls and the policy procedurals and protocols that is in place
- The recommendations at this point is to do a study. A study is to talk about the indicators and there are about 20 fiscal indicators for K-12 districts to understand the fiscal health risk analysis
- Recommendations will be going to the full Board on April 26th as a New Business item
- The initial cost of the assessment will be \$30,000 would be the top
- The FCMAT will be on site for 5 days to do a deeper study and analysis

Public Speaker(s)

Carol Delton

Troy Christmas

Marc Tafulla

Discussed

H. Public Comments on All Non-Agenda Items Within the Subject Matter Jurisdiction of the Committee

[17-0805](#)

Public Comments on All Non-Agenda Items Within the Subject Matter Jurisdiction of the Budget and Finance Committee - April 19, 2017

Public Comments on All Non-Agenda Items Within the Subject Matter Jurisdiction of the Budget and Finance Committee - April 19, 2017.

Public Speaker(s):

Carol Delton

Presentation/Acknowledgment Made

I. Superintendent of Schools or Designee's Committee Liaison Report

None

J. Introduction of New Legislative Matter

None

K. Adjournment

Chairperson Eng adjourned the meeting at 9:27 P.M.

Prepared By: _____

Approved By: _____