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Board Cover Memorandum

To Superintendent Denise Saddler

From Jennifer Brouhard, Board President
Valarie Bachelor, Board Vice President

Meeting Date November 19, 2025

Subject Board Resolution 25-2531, Resolution Directing the Preparation of Budget Scenarios to address the District's Projected Fiscal Years 2026-27 and 2027-28 Structural Deficit

The Board appreciates the work that district leadership has done to put into practice the direction outlined in Board Resolution 25-2531, *Resolution Directing the Preparation of Budget Scenarios to Address the District's Projected Fiscal Years 2026–27 and 2027–28 Structural Deficit*. All of us — the Board, district leadership, district and site staff, and our students — share a common goal: a district where every student graduates college, career, and community ready, and where all OUSD employees can continue to build long-term careers in the district. We want a sustainable budget that supports high-quality education and fair wages for employees.

While the district focused its scenarios primarily on central services and network restructuring, several additional components of the resolution were not addressed. We recognize the enormity of the resolution's scope and the short timeline provided to address all five components. The proposed Central Office adjustments, while important, fall significantly short of the projected \$100 million deficit for 2026–27 and 2027–28, offering only \$16 million to \$21 million in adjustments. We understood from the beginning that Central Office reductions alone would not reach the \$100 million target.

To meet the remaining \$80 million in necessary adjustments, we need a clear plan and timeline to address the remaining components of the resolution. While some of these may be ready by the December 3 special meeting, others — such as daily attendance improvement strategies, plans to curb outsourced contracts and services, and the inventory and evaluation of academic programs — are more complex. We recognize that some of those plans may not be ready by December 3. Therefore, we request that the district present updates on December 3, with final plans submitted at the proposed January special meeting.

This timeline will allow both the district and the Board sufficient time to review recommendations before the February 11th meeting, when we must begin considering any proposed March 15th layoffs.

Requests for Clarification

In reviewing the scenarios presented, the Board has several concerns and requests for further information:

1. Scenarios that dip below the 3% reserve requirement (slide 40)

The scenarios suggest going below the 3% reserve for RRMA, which risks the district's eligibility for Proposition 2 and other state facilities grants, and would likely result in audit findings. We request more information about the district's rationale, the legal risks associated with this recommendation, and the calculations behind this proposal.

2. Technology ratio proposal — shifting student computers to Supplemental and Concentration (slide 34)

The proposal references a four-student-to-one-device ratio. We request clarification: Is this ratio intended as a replacement cycle guideline or a guideline for the actual number of devices available in classrooms? Can staff bring forth a proposal that takes into account equity considerations for this ratio such as the number of students on free or reduced lunch, ELL, newcomers, and Black Thriving Schools?

3. Child Nutrition Services driver shift to Fund 13 (slide 44)

The scenario shifts all Child Nutrition Services drivers from the General Fund to Fund 13, yielding approximately \$300,000. The slide also notes that the program is currently operating close to break-even. How would this affect the staffing and programs currently paid out of the Nutrition Services fund this year and the following years?

4. Secondary network restructuring (slide 60)

Draft Scenarios 1 and 2 restructure middle and high schools within a single combined network. We request that staff develop an additional scenario that restructures the middle school network and the high school network independently. The needs of middle schools are distinct, and there is concern that these needs may be overshadowed by the more complex requirements of high schools.

5. Other Available Revenue

We request that all available revenues and ending fund balances from previous years be incorporated into the budget for 25-26, 26-27, 27-28, including but not limited to the Proposition 98 repayment settlement; carryover funds from Measures G, G1, and H/N; the Community Redevelopment Fund Grant; and the Student Support and Professional Development Discretionary Block Grant funds; all taxes and fees. Including these revenue sources will provide a more comprehensive picture of our fiscal landscape and help ensure that all potential resources are considered as we work toward achieving long-term financial health.

The question we must answer together is this:

How do we develop a sustainable budget and ensure that all OUSD students graduate college, career, and community ready?

We appreciate the continued collaboration and communication with district leadership as we work through this budget crisis. The Board is committed to partnering closely to develop solutions that protect students, support staff, and maintain local control of our district.

Budget scenarios timeline:

December 3	Special board meeting on the budget. Update on the clarification items in the memo dated November 18. Plans or updates for (1c) Central Office Restructuring and Networks; (1d) outsourcing of jobs and contracts, and services; (2) increasing daily attendance; and (3) leveraging other agencies and resources. The superintendent will provide information on cost savings from the recommendations from the Outsourcing Task Force.
January 13	Board meeting budget discussion. Plans for (5) programs and services based on the recommendations from the December 4 Teaching and Learning Committee. Plans for items 1c, 1d, 2, and 3 mentioned above.
February 11	Board meeting discussion of and vote on planned layoffs.
March 15	Layoff notices go out.

**BOARD OF EDUCATION
OF THE
OAKLAND UNIFIED SCHOOL DISTRICT**

**Resolution No. 2526-0177A
Directing the Preparation of Budget Scenarios to Address OUSD's Structural
Deficit**

WHEREAS, it is the joint responsibility of the Board and District to center students with the most needs and the staff who work directly with them so that all OUSD students can graduate college, career, and community-ready, and so that families can confidently send their children to OUSD schools knowing they will be prepared for life after graduation; and

WHEREAS, the Board of Education recognizes that the Oakland Unified School District ("OUSD" or "District") faces a structural deficit, in which projected ongoing expenditures exceed projected ongoing revenues. In a letter dated September 15, 2025, the Alameda County Office of Education stated that ongoing minimum budget adjustments of \$78 million will need to be made in 2026-27, and \$73 million will need to be made in 2027-28; and

WHEREAS, the Board recognizes that OUSD's fiscal instability has led to cycles of reductions, layoffs, and school closures, has decreased focus on student achievement and well-being, and has contributed to declining enrollment and staff turnover; and

WHEREAS, the budget adjustments directly from the general funds are necessary; and

WHEREAS, the Board wishes to clearly articulate its priorities in how we make budget reductions, including but not limited to a vision for the future of our school District, which:

1. Focuses on student academic and emotional growth and well-being; and
2. Prioritizes equitable decision making so that we maximize resources based on student need; and
3. Restructures central office to ensure core functions are enabled but to focus maximum resources in schools; and
4. Focuses programs that are working well in communities with the greatest need to maximize impact in those schools; and
5. Invests in school site staff who work directly with students instead of outsourcing positions to private entities; and
6. Allows the District to be nimble, making strategic expansion and contractions of staffing and programs based on student and community needs; and
7. Treats school closures as a strategic way to maximize programmatic impact that must be community-led, data-driven, and with an equity lens, not a foundational budget balancing tool.

WHEREAS, the Board must also prioritize staff retention and compensation to provide continuity in schools and ensure that students and families feel a sense of belonging; and

WHEREAS, it is the responsibility of the Board to approve a budget that keeps the District solvent and maintains local control of its finances; and

WHEREAS, the Board has a duty to monitor expenditures to ensure fiscal responsibility and maintain solvency; and

WHEREAS, to maintain a solvent District, the Board must direct staff to identify positions and financial practices that (1) have the least impact on students in schools, (2) are funded by one-time funds or grants with end dates, or (3) are no longer necessary or affordable; and

WHEREAS, students identified as focal groups in the OUSD Local Control and Accountability Plan (LCAP)—including Black students, Latinx students, newcomer students, foster students, unhoused or housing-insecure students, and disabled students must be prioritized in the District budget,

NOW, THEREFORE, BE IT RESOLVED, that the Board directs the Superintendent to prepare at least two budget scenarios for community input and Board review that total \$100 million in budget adjustments (“Budget Scenarios”). The Budget Scenarios will include both the costs and the impact on students. The budget scenarios will not include school closures or mergers.

BE IT FURTHER RESOLVED that the Budget Scenarios will be presented to the Board at the first Board study session in November 2025.

BE IT FURTHER RESOLVED, the Board directs staff as follows:

1. Central Services and Network Restructuring

a) Identify and cut positions and financial practices that (1) do not directly impact students in schools, (2) are funded by one-time funds or grants with end dates, or (3) are no longer necessary or affordable.

b) Provide options for consolidating the elementary network to one or two networks, noting that larger districts with more schools and students operate with one or two elementary networks.

c) Provide options for restructuring the middle school and high school networks to ensure cost savings and efficiency. The Board directs staff to explore further the option of restructuring the middle school network as one body and restructuring the high school network as one body, therefore, keeping the two networks separate.

d) Budget reductions must include substantial restructuring of the central office, including significantly reducing our administrative overhead and positions, reducing spending on outside services and contracts, and centralizing budget decisions for academic alignment and efficiency.

The Board directs staff to prepare a plan to curb outsourcing services and contracts for jobs that are in the bargaining units. This plan should include recruitment and hiring strategies. The Board directs the superintendent to provide information on cost savings from the recommendations of the Ad Hoc. Outsourcing Task Force to the December 3 meeting.

The Board understands that this is a complex solution that requires investigation and analysis; therefore, if the plan is not ready by the December 3 special meeting, staff is directed to update the Board on the progress of these plans and set a date certain for the final plan to be brought to the Board.

2. Improving Student Enrollment and Attendance

a) The Superintendent will ensure we are continuing work to increase our District's enrollment. The Superintendent will provide a comprehensive plan for improving daily attendance at each site, including monitoring and support for schools struggling to improve attendance. A 1% increase in attendance would yield approximately \$5.25 million.

The Board directs the staff to prepare a comprehensive plan to improve daily attendance at each site and present this plan to the Board at the December 3 special meeting. The Board recognizes that developing new ways of increasing attendance requires much investigation and analysis of the problem, therefore, if the staff is unable to prepare this plan by this date, the staff is directed to update the Board on the progress of this work at the December 3 special meeting and to present the final plan to the Board at a date to be determined on December 3.

3. Leveraging Other Agencies and Resources *a) Provide options for potential cost savings from leveraging other agencies and resources. The Board directs staff to discuss with the Alameda County Office of Education the possibility of contracting services, including but not limited to: credentialing, staff pipelines, payroll, and any other supports that the county can provide to alleviate the general fund.*

4. Strengthen Fiscal Controls

- a) The Superintendent will notify the Board when new expenditures are added*
- b) The Superintendent will notify the Board when a budget area approaches 80% of its budget allocation,*
- c) Include a plan for sunseting those programs and/or positions funded by resources and/or grants that are expiring during the fiscal years included in any budget balancing solutions presented.*

5. Programs & Services

a. Inventory the District's programs and services, assess their usage and impact on student achievement, and identify programs and/or services that could be consolidated or eliminated for 2025-26 and 2026-27. Staff will present to the Teaching and Learning committee, and recommendations from that committee will be brought to the full board. *The Board directs the chair of the Teaching and Learning Committee and staff to report recommendations from the committee to the Board by the December 10 Board meeting.*

b. Base allocation to school sites and prioritization of additional programs, positions, and services will be presented to Teaching and Learning for discussion and recommendation to the full Board for inclusion in the final budget balancing proposal. *The Board directs the chair of the Teaching and Learning Committee and staff to report recommendations from the committee to the Board by the December 10 Board meeting.*

BE IT FURTHER RESOLVED, that to maintain the mandated 3% reserve in 2025-26, the Board directs the Superintendent to consider the impact of instituting a temporary hiring freeze, review vacancies, and propose additional unrestricted-balance savings, returning to the Board with a savings/impact report by November 8, 2025.

BE IT FURTHER RESOLVED, if vacancy savings are less than needed to maintain mandated 3% reserve in 2025-26, the Board directs the Superintendent to identify additional budget balancing options including but not limited to: contract freezes or cancellations, reducing conference and travel fees, or consolidating purchases and department reimbursables (for example, hot spots, cellular plans, software). The Board directs the superintendent to present additional adjustments to the 2025-2026 budget so that the mandated 3% reserve can be attained.

BE FURTHER RESOLVED that the Board directs the superintendent to include in the budget balancing scenarios, revenue that the district will receive from the state, including:

- 1. Proposition 98 monies that were allocated in previous years but were not released to California school districts but are set to be released in the spring of 2026;*
- 2. Community Redevelopment Fund grant;*
- 3. Student Support and Professional Development Discretionary Block grant; and*
- 4. Carryover monies from all measures, taxes, and fees collected by the school district*

BE IT FURTHER RESOLVED, budget balancing scenarios may include the need to amend Board Policy, which should be clearly stated, as options may include ending or limiting open enrollment to strengthen neighborhood schools and ensure all schools have adequate enrollment to support base programming and centralize some decisions that are currently held at sites and departments; and

BE IT FURTHER RESOLVED, the Superintendent or delegate will present the Board with proposed adjustments that will total \$100.7 million.

BE IT FURTHER RESOLVED, the Board directs the Superintendent, or designee, to present to the Board on December 10th 2025, for its consideration and possible adoption, budget scenarios, and recommendations, without restriction, that will result in a balanced budget for Fiscal Years 2025-2026, 2026-2027.

Passed by the following vote:

PREFERENTIAL AYE: None

PREFERENTIAL NOE: None

PREFERENTIAL ABSTENTION: None

PREFERENTIAL RECUSED: None

AYES: Rachel Latta, VanCedric Williams, Vicie President Valarie Bachelor, President
Jennifer Brouhard

NOES: Mike Hutchinson, Clifford Thompson

ABSTAINED: None

RECUSED: None

ABSENT: Patrice Berry, Maximus Simmons (Student Director), Marianna Smith (Student
Director)

CERTIFICATION

We hereby certify that the foregoing is a full, true and correct copy of a Resolution passed at a Special Meeting of the Board of Education of the Oakland Unified School District held on November 19, 2025.

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By:	er

OAKLAND UNIFIED SCHOOL DISTRICT



Jennifer Brouhard
President, Board of Education



Denise G. Saddler, EdD, Interim Superintendent and
Secretary, Board of Education