| Board Office Use: **Legislative File Info.** | |
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| File ID Number | 25-2351 |
| Introduction Date | 9/24/2025 |
| Enactment Number | 25-1686 |
| Enactment Date | 10/8/2025 cjh |

ADOPTED AS AMENDED

**Board Cover Memorandum**

**To** Board of Education

**From** Jennifer Brouhard, President
Valerie Bachelor, Vice President

**Meeting Date** September 24, 2025

**Subject** Resolution Directing the Preparation of Budget Scenarios to Address District's Projected Fiscal Years 2026-27 and 2027-28 Structural Deficit

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**Board Action** Approval by the Board of Education, upon recommendation by the Budget and Finance Committee, of Resolution No. 2526-0177 - Directing the Preparation of Budget Scenarios to Address District's Projected Fiscal Years 2026-27 and 2027-28 Structural Deficit, authorizing District staff to submit at least three scenarios reflecting the areas of suggested budget adjustments to the General Fund as described in the Resolution

**Background & Discussion**

The Interim Superintendent requested the Board to provide direction to her on where adjustments in the 2026–2027 budget should be made to address expected budget cuts of at least $80 million. The Superintendent requested the Board to provide the direction not later than October 8, 2025.

This Resolution provides the necessary direction so the Superintendent or her designee can prepare at least three budget scenarios reflecting adjustments in the amount of $80 million. The Resolution intends to focus budget adjustments on areas that will have the least impact on students and staff who directly serve them. While recognizing that all OUSD staff ultimately serve students, this Resolution emphasizes protecting site-based staff wherever possible.

The adjustments will need to be made from the General Fund. Another purpose of the Resolution is to begin exploring options for restructuring central office staff, services, and contracts in anticipation of at least two years of potential budget reductions.

In her letter dated September 15, 2025, Alameda County Superintendent of Schools Alysse Castro warned that OUSD will face significant budget reductions in the 2026–27 and 2027–28 fiscal years. This Resolution is a proactive step to ensure fiscal stability and maintain local control of the District's finances.

**Fiscal Impact**

The fiscal impact will be determined when the three scenarios are presented to the Board in November.

**Attachment(s)**

Resolution No. 2526-0177 Directing the Preparation of Budget Scenarios to Address District's Projected Fiscal Years 2026-27 and 2027-28 Structural Deficit

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

## Resolution No. 2526-0177
## 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.

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

**NOW, THEREFORE, 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.
   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.

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. An increase of 1% in attendance would yield approximately $5.25 million.

3. Leveraging Other Agencies and Resources
   a) Provide options for potential cost savings from leveraging other agencies and resources.

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 sunsetting 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.
   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.

**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).

**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 to maintain a balanced budget.

Passed by the following vote:

PREFERENTIAL AYE: None

PREFERENTIAL NOE: None

PREFERENTIAL ABSTENTION: None

PREFERENTIAL RECUSE: None

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

NOES: Mike Hutchinson, Patrice Berry, Clifford Thompson

ABSTAINED: None

RECUSE: None

ABSENT: Maximus Simmons – Student Director, Mariana Smith – Student Director

**CERTIFICATION**

We hereby certify that the foregoing is a full, true and correct copy of a Resolution passed at a Regular Meeting of the Board of Education of the Oakland Unified School District held on October 8, 2025.

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| By: | CJH |

**OAKLAND UNIFIED SCHOOL DISTRICT**

10/9/2025

Jennifer Brouhard
President, Board of Education

10/9/2025

Denise Gail Saddler, Ed.D
Interim Superintendent and Interim Secretary, Board of Education