

Financial Stabilization Implementation Plan: *Protecting Equity, Maintaining Local Control, and Prioritizing Students*

3rd Progress Report to the Board of Education and Community

February 11, 2026



Your Leadership Team

Leading Oakland's Fiscal Stabilization and Operational Excellence

Board of Education

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- **Valarie Bachelor** • Vice President, D6
- **Rachel Latta** • D1
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- **Tara Gard** • Chief Talent Officer
- **Jenine Lindsey** • General Counsel
- **Dr. V. Lynette McElhaney** • Chief of Staff
- **Ryan Nguyen** • Chief Financial Officer
- **Curtiss Sarikey** • Chief Partnership Officer
- **Preston Thomas** • Chief Systems & Services Officer

Dr. Denise G. Saddler
Superintendent



Agenda

1. The Challenge
2. Our Response
3. Implementation Results
4. Timeline
5. Board Ask

01 The Challenge - RECAP



The Challenge: Revenue



REVENUES ARE DOWN

- Declining enrollment (34,000 students vs. 37,000+ historically)
- Federal COVID relief funds expired
- One-time grants sunsetting
- Federal uncertainties

The Challenge: Costs



COSTS ARE RISING

- Health insurance premiums increasing 8-10% annually
- Aging facilities requiring emergency repairs
- Education costs growing faster than enrollment
- Pension contributions (CalSTRS/CalPERS) mandated increases



The Challenge

⚠ THE RESULT: STRUCTURAL DEFICIT

- **\$100M+ gap between ongoing revenues and ongoing expenses**
- This isn't a one-year problem we can "wait out"—it's a structural mismatch requiring comprehensive action.

02 Our Response (Solutions)



The Board's Mandate

Resolution No 2526-0177A - Dec. 10, 2025 " [Board Resolution](#)

It is the Board's duty to approve a fiscally responsible budget preserves local control.

Financial Goals

- ◆ **2025-26.** Ensure the Board-required 3% Reserve for Economic Uncertainty is maintained beginning 2025-26 (~\$27M total)
- ◆ **2026-27+.** Address projected Unrestricted General Fund deficits over \$70M in each of 2026-27 and 2027-28

Operational Goals

- ◆ No school closures
- ◆ Prioritize reductions in Central, furthest from students
- ◆ Enhance efforts to improve student attendance and enrollment
- ◆ Reduce reliance on one-time funds
- ◆ Improve fiscal controls, monitoring, and transparency

* The [Board Resolution](#) (as amended November 19, 2025 contained other directives regarding the Board's intent and methods to be considered in building budget scenarios.



A Strategic, Four-Phase Approach

Proactive and Systematic Stewardship

✓ **Phase 1: Immediate Stabilization (Winter 2025 - Spring 2026)**

Board-initiated third-party verification • Restored reserves • Qualified First Interim

► **Phase 2: Workforce Realignment (February/March 2026)**

Strategic staffing adjustments protecting student-facing services while right-sizing to enrollment reality;
Implementing immediate reductions while protecting key programs, maintaining neighborhood schools, and
sustaining educational quality

► **Phase 3: Budget Adoption for FY 26-27 (April-June 2026)**

Continued refinement of assumptions, may revise, adopting a balanced budget by June 30

→ **Phase 4: Long-Term Sustainability and Growth (FY 27/28 - FY 30/31)**

Implementing fiscal expert recommendations • Building operational excellence • Positioning Oakland for
enrollment growth and academic achievement gains

The March 15 RIF deadline requires immediate action.

*These actions precede a proposed strategic redesign of OUSD - with community and stakeholder
engagement for Oakland's educational future.*

3) Implementation: Reductions to Date



Implementation Plan Overview 2026-27

Summarized Actions for 26-27	Target	Status
Central Office Reductions	\$21,000,000	On Track
School Site Budget Reduction between 7.5-10%	\$32,000,000	Pending
Central Office Reductions 15-20% reduction above 21M	\$11,000,000	On Track
Reduce school site access to unutilized spaces	\$1,600,000	On Track
After budget development second tier contract review	TBD	On Track
Decreased RRMA expenditures	\$1,000,000	On Track
Increased attendance by 2%	\$10,000,000	Under Review
TK Hub Launch for 2-3 Hubs	\$1,500,000	On Track
Centralized Procurement of Materials and Services	TBD	On Track
Fleet Management System (Future Savings)	TBD	On Track
Shift Attendance Specialist & Noon Supervisors to S&C	\$3,860,000	Completed
Shift costs of small schools into S&C	\$8,500,000	Completed
10% reduction of contribution to Special Education	\$12,000,000	Under Review
Feasibility Study for NPS in OUSD Properties	TBD	On Track
Grand Total	\$102,460,000	

A) Central Office Reductions

Summarized Actions for 26-27	Target	Status
<u>Central Office Reductions (Click Link To View)</u>	\$21,000,000	On Track

To stabilize our District's finances while protecting classroom resources, SLT conducted a thorough review of central office and operational departments.

This comprehensive analysis identified opportunities to eliminate duplication, consolidate administrative functions, and operate more efficiently.

We prioritized voluntary separations through early retirement incentives to minimize involuntary layoffs and honor staff contributions.

Result: Reduction of approximately 201 FTE central office funded positions —including voluntary early retirements— redirecting resources toward direct student services and reducing General Fund impacts.

CENTRAL OFFICE POSITION REDUCTIONS: BUDGET BALANCING SOLUTIONS 2026/27

As part of the District's central office restructuring and cost containment strategy, the positions listed below are recommended for elimination or reduction beginning in the 2026–27 academic year.

For clarity, the columns are defined as follows:

Department: The central office division in which the position is funded

Position Title: The job classification proposed for elimination or FTE reduction

FTE: The full-time equivalent amount associated with the proposed reduction or elimination

Union: The applicable bargaining unit or employee group representing the position

Department	Position Title	Sum of FTE	Union
400 - Adult Education	Teacher Adult Education	(1.80)	OEA
901 - Chief of Staff	Chief Partnerships Officer	(1.00)	Confidential
901 - Chief of Staff	Sr Exec Asst Superintendent	(1.00)	Confidential
905 - Office Of Sr. Business Officer	Chief Business Officer	(1.00)	Confidential
905 - Office Of Sr. Business Officer	Director Program Accounting	(1.00)	UAOS
905 - Office Of Sr. Business Officer	Financial Accountant III	(1.00)	UAOS
905 - Office Of Sr. Business Officer	Receptionist	(1.00)	SEIU
905 - Office Of Sr. Business Officer	Sr Exec Asst Superintendent	(1.00)	Confidential
905 - Office Of Sr. Business Officer	Sr Financial Analyst	(3.00)	Confidential
907 - Student Assignment	Dir Program Improvement	(1.00)	UAOS
907 - Student Assignment	Mgr Publications	(1.00)	UAOS
907 - Student Assignment	Regional Fam Engage Liaison	(1.00)	SEIU
909 - Academics and Instruction	Coord, Literacy	(1.00)	UAOS
909 - Academics and Instruction	Coord, STEM	(4.00)	UAOS
909 - Academics and Instruction	Director, Visual & Perf Arts	(1.00)	UAOS
909 - Academics and Instruction	Specialist School Technology	(1.00)	SEIU
909 - Academics and Instruction	TSA 11Mon 12Pay	(2.60)	OEA
909 - Academics and Instruction	TSA Classroom 11Mos	(0.20)	OEA
910 - Early Childhood Development	Case Manager 20	(0.50)	SEIU
910 - Early Childhood Development	Culture Keeper	(2.00)	SEIU
910 - Early Childhood Development	Instruction Aide CDC Bilingual	(0.80)	SEIU
910 - Early Childhood Development	Instructional Aide CDC	(2.40)	SEIU
910 - Early Childhood Development	Occupational Therapist	(2.00)	SEIU
910 - Early Childhood Development	Teacher CDC	(4.50)	OEA
910 - Early Childhood Development	Teacher STIP	(2.00)	OEA
912 - Linked Learning	Coord, Literacy	(1.00)	UAOS
912 - Linked Learning	Coordinatr Career/College Path	(1.50)	UAOS
912 - Linked Learning	Director, College Car Pathway	(1.00)	Confidential
912 - Linked Learning	Teacher	(4.65)	OEA
913 - Chief of Operations	Coordinator Classified	(1.00)	Confidential
913 - Chief of Operations	Sr Dir Strategic Projects	(1.00)	Confidential
913 - Chief of Operations	Sr Exec Asst Superintendent	(1.00)	Confidential
918 - Facilities Planning	Project Manager Facilities Pln	(1.00)	UAOS
918 - Facilities Planning	Spec Fac Contracts & Bids	(1.00)	UAOS

922 - Comm. Schools & Student Svcs	Case Manager 20	(2.00)	SEIU
922 - Comm. Schools & Student Svcs	Coord, Education at The Center	(1.00)	UAOS
922 - Comm. Schools & Student Svcs	Counselor	(1.00)	OEA
922 - Comm. Schools & Student Svcs	Manager Community Partnership	(1.00)	UAOS
922 - Comm. Schools & Student Svcs	PM Sch Gard & Live Schyard	(1.00)	UAOS
922 - Comm. Schools & Student Svcs	Principal, High School Small	(1.00)	UAOS
922 - Comm. Schools & Student Svcs	Prog Mgr Community Schools11	(1.00)	UAOS
922 - Comm. Schools & Student Svcs	Prog Mgr Restorative Justice	(1.00)	UAOS
922 - Comm. Schools & Student Svcs	Program Mgr Behavioral Health	(1.00)	UAOS
922 - Comm. Schools & Student Svcs	Restorative Justic Facilitator	(1.00)	SEIU
922 - Comm. Schools & Student Svcs	Social Worker	(0.20)	OEA
922 - Comm. Schools & Student Svcs	Specialist Behavior	(3.00)	SEIU
922 - Comm. Schools & Student Svcs	Specialist Wellness	(1.00)	SEIU
922 - Comm. Schools & Student Svcs	TSA 10Pay	(2.00)	OEA
923 - Elementary Network 4	Counselor	(1.00)	OEA
923 - Elementary Network 4	Executive Office Assistant	(0.50)	Confidential
923 - Elementary Network 4	Network Superintendent PreK-5	(1.00)	Confidential
923 - Elementary Network 4	Partner Multi-Tiered Systems	(1.00)	UAOS
923 - Elementary Network 4	Partner Network	(1.00)	Confidential
928 - Opsr Counseling	Administrative Assist III Bil	(0.25)	SEIU
928 - Opsr Counseling	Counselor	(5.90)	OEA
928 - Opsr Counseling	District Registrar	(1.00)	SEIU
928 - Opsr Counseling	Spec College/Career Readiness	(1.00)	SEIU
928 - Opsr Counseling	TSA Program Specialist 12Mos	(1.25)	OEA
929 - Office Of Equity	Program Assistant III	(1.00)	SEIU
929 - Office Of Equity	Spec District Family Engage	(4.00)	SEIU
929 - Office Of Equity	Spec Target Stud Grp Intervent	(4.00)	SEIU
929 - Office Of Equity	Specialist Translator-Chinese	(1.00)	SEIU
929 - Office Of Equity	Specialist, Operations	(1.00)	SEIU
933 - Oakland Athletic League (oal)	Director, Comprehensive Com HS	(1.00)	UAOS
941 - Office Of The Superintendent	Sr Exec Asst Superintendent	(1.00)	Confidential
943 - Marcus A Foster Leadership Ctr	Receptionist Bilingual	(1.00)	SEIU
944 - Talent	Assistant Recruitment	(3.00)	Confidential
944 - Talent	Assistant Staffing Support	(2.00)	Confidential
944 - Talent	Coord Employee Divers & Inclus	(2.00)	Confidential
944 - Talent	Coord, Certificated	(1.00)	UAOS
944 - Talent	Manager Substitute Services	(1.00)	Confidential
944 - Talent	Spec Educator Effectiveness	(1.00)	Confidential
944 - Talent	Teacher Replacement	(3.00)	OEA
944 - Talent	Teacher Replacement 11Mos	(1.00)	OEA
944 - Talent	Teacher STIP	(20.00)	OEA
944 - Talent	TSA Program Specialist 12Mos	(1.00)	OEA
946 - Legal	Legal Asst/Law Clerk III	(1.00)	Confidential

946 - Legal	Sr Exec Asst Superintendent	(1.00)	Confidential
947 - Charter Office	Special Charter School Policy	(1.00)	Confidential
948 - Research Assessment & Data	Data Analyst II	(1.00)	UAOS
950 - Strategic Resource Planning	Anlyt SRP Financial Operations	(0.20)	UAOS
950 - Strategic Resource Planning	Business Mgr Central Office	(0.50)	UAOS
950 - Strategic Resource Planning	Coord Local Cntrl Accnt PLA	(0.20)	UAOS
950 - Strategic Resource Planning	Dir, Strategic Resource Plan	(1.00)	UAOS
950 - Strategic Resource Planning	Specialist Strat Resource Plan	(1.10)	SEIU
954 - Eng Lang Lmr/multilingual Ach	Coord, Multilingual Pathway	(0.60)	UAOS
954 - Eng Lang Lmr/multilingual Ach	Counselor	(1.00)	OEA
954 - Eng Lang Lmr/multilingual Ach	Prog Mgr Newcomer & Refuge	(1.20)	UAOS
954 - Eng Lang Lmr/multilingual Ach	Social Worker	(5.63)	OEA
954 - Eng Lang Lmr/multilingual Ach	Spec Refugee/Asylee Prog	(2.00)	SEIU
954 - Eng Lang Lmr/multilingual Ach	TSA 10Pay	(3.00)	OEA
954 - Eng Lang Lmr/multilingual Ach	TSA 11Mon 12Pay	(1.20)	OEA
956 - Continuous School Improvement	Dir Continuous Sch Improvement	(2.00)	Confidential
958 - Communications	Mgr Internal & Web Communicatn	(1.00)	UAOS
958 - Communications	Mgr Publications	(1.00)	UAOS
962 - Pre-k-5 Network 2	Counselor	(1.00)	OEA
962 - Pre-k-5 Network 2	Network Superintendent PreK-5	(1.00)	UAOS
962 - Pre-k-5 Network 2	Partner Multi-Tiered Systems	(1.00)	UAOS
962 - Pre-k-5 Network 2	Partner Network	(1.00)	UAOS
964 - High School Network	Teacher Home/Hospital	(2.00)	OEA
968 - Health Services (nurses)	Nurse	(4.00)	OEA
976 - Special Ed Local Plan Area	Administrative Assistant I	(1.00)	SEIU
976 - Special Ed Local Plan Area	Coord, Special Education	(2.00)	UAOS
976 - Special Ed Local Plan Area	Prog Mgr PEC Special Projects	(1.00)	UAOS
976 - Special Ed Local Plan Area	Spec District Family Engage	(1.00)	SEIU
976 - Special Ed Local Plan Area	TSA Program Specialist 11Mos	(1.60)	OEA
986 - Technology Services	ED Technology Services	(1.00)	Confidential
986 - Technology Services	Enduser Support Specialist II	(1.00)	SEIU
986 - Technology Services	Info Systems Specialist II	(1.00)	SEIU
986 - Technology Services	Technology Information Officer	(1.00)	Confidential
987 - Risk Management	Coord Disability Management	(1.00)	UAOS
988 - Buildings & Grounds	Coordinator Buildings/Grounds	(1.00)	UAOS
988 - Buildings & Grounds	Gardener	(1.00)	BCTC
988 - Buildings & Grounds	Technician Alarm	(1.00)	BCTC
989 - Custodial Services	Administrative Assistant III	(1.00)	SEIU
989 - Custodial Services	Custodian	(10.00)	AFSCME
989 - Custodial Services	Supervisor Custodian Field	(1.00)	UAOS
991 - Food Services	Coordinator, Nutrition Svcs	(1.00)	UAOS
991 - Food Services	Financial Accountant II	(1.00)	UAOS
991 - Food Services	Food Service Assistant I	(2.20)	AFSCME

991 - Food Services	Food Service Assistant III	(2.01)	AFSCME
995 - Transportation	Specialist Transportation	(1.00)	SEIU
	Total FTE	(201.49)	

B) Reduce school site access to unutilized spaces

Summarized Actions for 26-27	Target	Status
Reduce school site access to unutilized spaces	\$1,600,000	On Track

- Declining enrollment means empty classrooms and unused facilities across our school sites.
- We are consolidating operations within buildings—closing underutilized spaces to reduce utility, maintenance, custodial, and security costs.
- Site leaders and facilities staff are partnering to identify which areas to close without impacting classroom instruction or student programs.

Result: \$1.6 million in operational savings, concentrating resources where students learn every day.

C) Decrease RRMA Expenditures

Summarized Actions for 26-27	Target	Status
Decreased RRMA expenditures	\$1,000,000	On Track

We are prioritizing Routine Restricted Maintenance Account (RRMA) spending on essential health, safety, and compliance needs only.

By deferring non-critical projects and coordinating maintenance more strategically across sites, we reduce discretionary spending while protecting safe, functional learning environments.

Result: \$1 million in maintenance cost reductions without compromising student or staff safety.

D) TK Hub Launch for 2 – 3 Hubs

Summarized Actions for 26-27	Target	Status
TK Hub Launch for 2 – 3 Hubs	\$1,500,000	On Track

- **Consolidate Transitional Kindergarten** classrooms into 2-3 regional hubs rather than operating small, under-enrolled sections across multiple campuses.
- **Reduce duplicate staffing and operational costs** while maximizing state early learning funding tied to full enrollment.
- **Improve program quality** through shared specialized staff, consistent scheduling, and stronger support systems.

Result: \$1.5 million in savings while strengthening TK programming for our youngest learners.

E) 10% REDUCTION TO SPECIAL EDUCATION

Summarized Actions for 26-27	Target	Status
10% Reduction to Special Education	\$12,000,000	UNDER REVIEW

- Proposed \$12 million savings
- Currently under review to [ensure full compliance](#) with federal and state special education law while maintaining all mandated services for students with disabilities.
- **Analyzing cost drivers** across placements, related services, transportation, and third-party contracts—identifying opportunities to shift toward in-district supports and improved service coordination without reducing legally required services.
- **Joint leadership effort:** Special Education leadership, fiscal services, and labor partners are conducting this review.
- Once the legal and educational analysis is complete, staff will bring back options.

F) Feasibility of Non Public School in OUSD

Summarized Actions for 26-27	Target	Status
Feasibility of NPS (Spring 26)	TBD	On Track

RFP for NPS

The District is developing a Request for Proposals (RFP) to determine the feasibility of operating a Non-Public School on an OUSD campus allowing us to serve disabled students currently placed in costly external programs within our own facilities. **Anticipated release:** Feb/March 2026



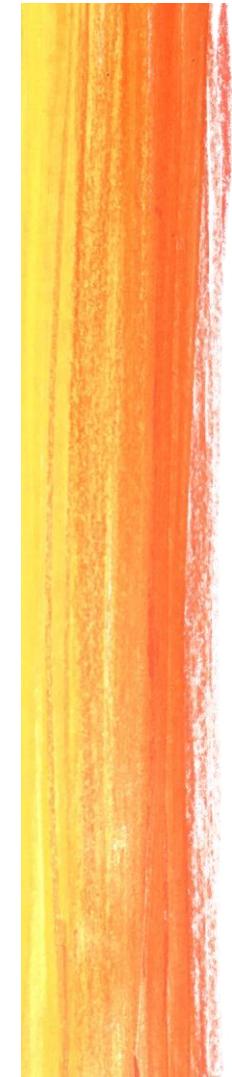
Building Sustainable Educational Excellence for Oakland

What Our Students Deserve

When we achieve fiscal stability, Oakland students gain:

- Teachers who build careers here, not just survive year to year
- Schools focused on learning, not lurching from crisis to crisis
- Programs that exist next year and the year after—predictability matters
- A district that works *for them*

Excellence is their birthright. Sustainability makes it possible.



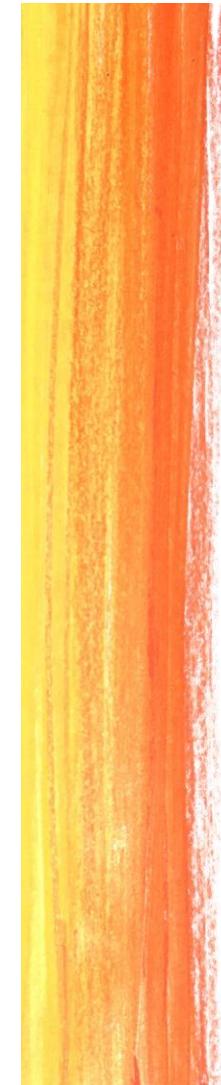
Our Approach

- **Protect students first:** All neighborhood schools remain open, core academic programs protected
- **Shared sacrifice:** Reductions across all divisions and employee groups, leadership takes cuts first
- **Transparency and partnership:** Clear communication, stakeholder engagement, dignified support for affected employees



Our Core Commitments

- **Fiscal sustainability that enables educational excellence**
When finances are stable, schools focus on teaching and learning
- **Competitive compensation grounded in fiscal reality**
Fair pay and sustainable budgets that honor commitments year after year
- **Operational stability that earns family confidence**
Strong financial management demonstrates Oakland is well-governed and worthy of trust
- **Partnership that solves problems together**
Labor, Students, Community, Board, and County working as allies
- **Excellence as the standard, not the exception**
Every Oakland student deserves outstanding education - we accept nothing less

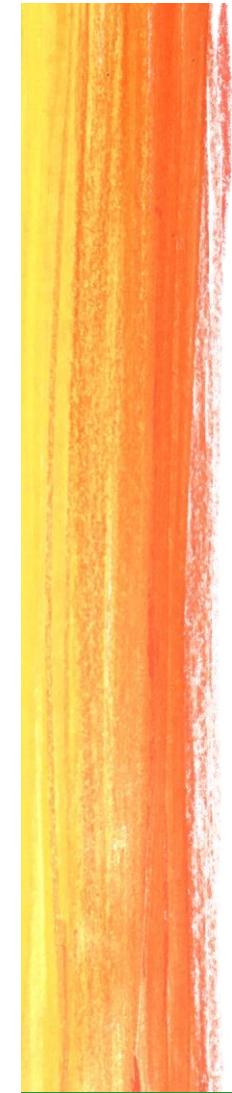


LABOR PARTNERSHIP

Shared Challenge, Shared Solutions

Our Commitment to Our Team

- OUSD aspires to be an employer of choice:
 - Competitive compensation that attracts and retains excellent educators
 - Quality working conditions that support professional success
 - Professional respect and partnership in problem-solving
 - Career development opportunities and pathways for growth
- Dignified treatment during transitions



Support for Affected Employees

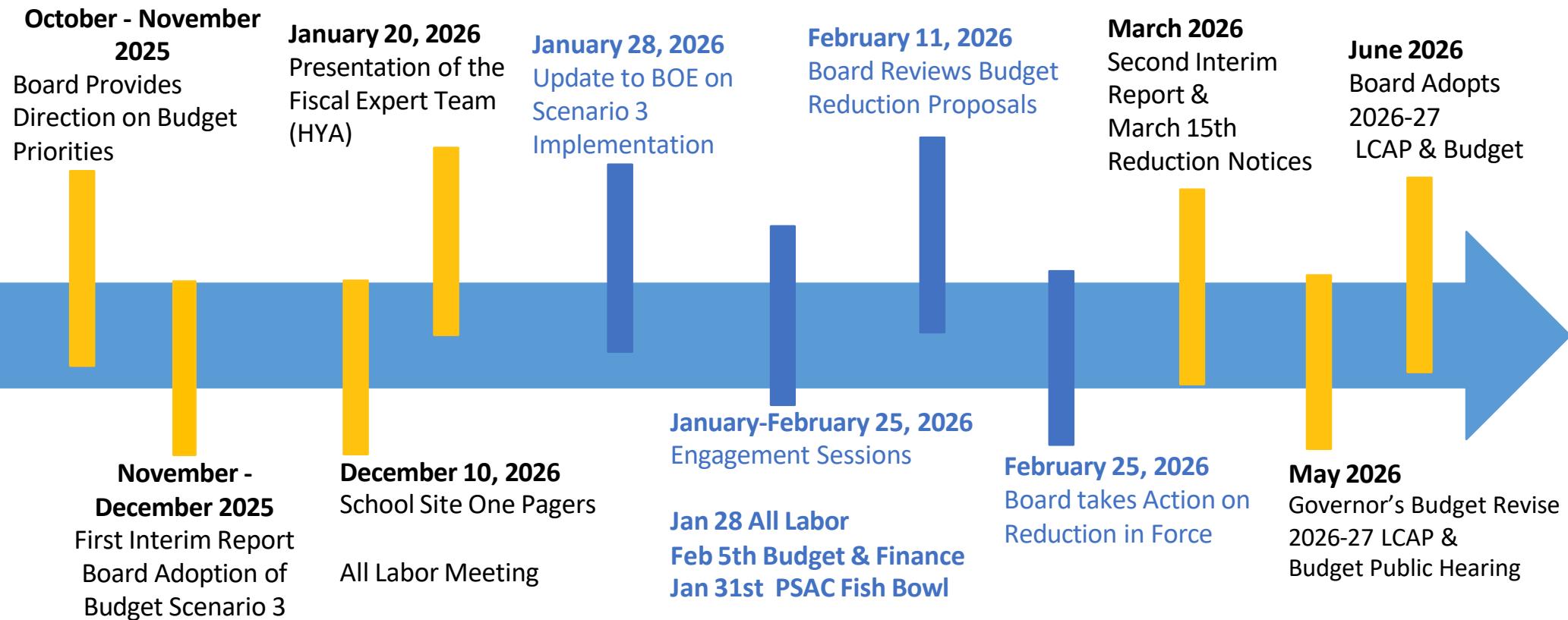
OUSD CARES:

- Comprehensive transition support services
- Career counseling, job search assistance, job fair and connections to other opportunities
- Clear, timely communication about status and resources
- Recognition and appreciation for years of service to Oakland students

06 Next Steps



2025-26 Budget Development and Prioritization Timeline



THANK YOU

Questions?



**OAKLAND UNIFIED
SCHOOL DISTRICT**
Community Schools, Thriving Students