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Enactment Date	1-26-2022 CJH



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

Board Cover Memorandum

To Board of Education

From Kyla Johnson-Trammell, Superintendent
Lisa Grant-Dawson, Chief Business Officer

Meeting Date January 26, 2022

Subject 2022-23 Recommended Budget Adjustments

Ask of the Board Approval by the Board of Education of Resolution No. 2122-0028 - Proposed Adjustments for 2022-23 Budget

Background The District is and will continue to be in the process of budget development through the Spring, but is seeking to meet its objective of providing methods to review options to re-organize and improve spending efficiencies in the midst of continued projections of declining enrollment and coinciding lower revenue. The District is also fortunate and challenged in doing so with one time COVID and recent additional concentration resources that are unable to address the rapid rate of increase in expenditures over revenue.

Additionally, the District seeks to provide competitive compensation for its employees; however, this cannot be achieved without significant budget adjustments. The District has provided insight and analysis that, although past and even current recommended budget adjustments solve OUSD's short term needs, an intense look at the District's infrastructure, how it serves its students, and how it invests resources is critical to the District's fiscal sustainability; thus, the crux of the District and County's concerns.

The Alameda County Office of Education, in approving the District's 2021-22 budget, required "the District to provide its Board-approved, budget-Balancing solutions [for 2022-23] on or before January 31, 2022."

On November 3, 2021, staff gave a presentation to the Board summarizing key elements of the District's Budget Development process and timelines, which included elements from the current and pending 2022-23 Budget Development Process. On December 15, 2021, staff presented the District's

First Interim budget, which included a discussion of the District's budget and its challenges.

On January 12, 2022, staff gave an initial presentation of the proposed budget adjustments for 2022-23. That presentation was intended to help the Board and the public understand the District's budget challenges and to offer an initial explanation of the recommended budget adjustments (totaling \$49.3 million).

The Budget and Finance Committee also reviewed this list of recommended reductions on January 13, 2022

The Board also held a special meeting on January 19, 2022 to further discuss these recommendations.

Discussion

The District has met with and evaluated budgets and adjustments for the Central Office and other programs and hosted budget development for school sites. On January 12, the original budget adjustment recommendations totaled \$49.3 million. Upon further refinement and verification, the budget adjustments recommendations now total \$40.1 million, with a portion of that previously approved by the Board.

Final action by the Board is necessary at its regular meeting on January 26, 2022, to ensure timely submission to the Alameda County Office of Education on January 31, 2022. Due to the intense timeline in meeting with all school sites in mid-January, the final recommendations for adjustments presented by school sites will be provided at the January 31, 2022 Special Board Meeting

Fiscal Impact

Estimated General Fund savings of \$32.8 million

Attachment(s)

- Resolution No. 2122-0028 - Proposed Adjustments for 2022-23 Budget
- 2022-23 Recommended Budget Adjustments Presentation

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

Resolution No. 2122-0028

Proposed Adjustments for 2022-23 Budget

WHEREAS, the Governing Board (“Board”) recognizes that, in order to improve opportunities and outcomes for all students in the Oakland Unified School District (“District”) and close equity gaps for the District’s historically underserved and most vulnerable students, the District must ensure that it remains fiscally solvent in the next three (3) school years, as well as years to come;

WHEREAS, the Board desires to minimize the impact of any budget reductions on the level of service, quality of staff, and education programs for District students;

WHEREAS, the District’s first interim budget report did not include any new ongoing compensation increases for the District’s bargaining units;

WHEREAS, the Alameda County Office of Education, in approving the District’s 2021-22 budget, required “the District to provide its Board-approved, budget-Balancing solutions [for 2022-23] on or before January 31, 2022”;

WHEREAS, on November 3, 2021, the Board adopted Resolution No. 2122-0020 - Reaffirming Certain Board Actions and Intentions Regarding the Budget for 2021-22 and Beyond and Making Certain Requests of the Alameda County Superintendent (“November 3 Resolution”);

WHEREAS, in the November 3 Resolution, the Board “declare[d] that is fully aware of the need to and agree[d] to adopt its 2022-23 budget such that all positions funded with just one-time funds for 2021-22 shall not carryover to 2022-23 unless (i) new one-time funds are identified or (ii) the positions shift to being funded with ongoing revenue and the budget includes offsetting reductions elsewhere in the budget”;

WHEREAS, in the November 3 Resolution, the Board made similar declarations with respect to its multiyear budget for 2023-24 and 2024-25; and

WHEREAS, in the November 3 Resolution, the Board also “declare[d]—in the strongest terms possible—its intent to make the necessary expenditure reductions or ongoing budget-balancing solutions by the end of January 2022.”

NOW, THEREFORE, BE IT RESOLVED, the Board hereby adopts the proposed budget adjustments found in Attachment A;

BE IT FURTHER RESOLVED, with respect to the delineated shifts from base funding to supplemental and concentration funding, the Board empowers the Superintendent to replace these shifts with other shifts based on conversations with the Alameda County Office of Education with respect to what is appropriately funded with supplemental and concentration funding;

BE IT FURTHER RESOLVED, unless otherwise stated herein, the Board directs the Superintendent to initiate all steps necessary to implement the budget adjustments found in Attachment A, as well as previously approve budget related items (e.g., Cohort 3 in-lieu reductions, commitment of funds to pay the debt service on the outstanding statement loans), including (without limitation) (i) providing statutory notices relating to layoff or reassignment, (ii) incorporating the budget adjustments into the proposed Fiscal Year 2022-2023 District Budget and the related multi-year budget projections for the subsequent two (2) fiscal years, and (iii) incorporating the adjustments in the 2022-23 Local Control and Accountability Plan;

BE IT FURTHER RESOLVED, the Board acknowledges that the associated impacts to funding and positions are estimates and subject to change and empowers the Superintendent to refine the impacts to funding and positions, if necessary, and to include such refined information in the (i) statutory notices relating to layoff or reassignment, (ii) the proposed Fiscal Year 2022-2023 District Budget and the related multi-year budget projections for the subsequent two (2) fiscal years, and (iii) the 2022-23 Local Control and Accountability Plan;

BE IT FURTHER RESOLVED, if new one-time funds for 2022-23 are identified at or after the closing of the books, the Board directs the Superintendent to first alert the Board and then to bring to the Board recommendations, that are feasible and consistent with Board Policies, regarding the use of such one-time funds; and

BE IT FURTHER RESOLVED, if new ongoing funds for 2022-23 are identified before the final budget is presented to the Board, the Board directs the Superintendent to first alert the Board and then to bring to the Board recommendations, that are feasible and consistent with Board Policies, regarding the use of such ongoing funds.

PASSED AND ADOPTED on _____, 2022, by the Governing Board of the Oakland Unified School District by the following vote:

PREFERENTIAL AYE:

PREFERENTIAL NOE:

PREFERENTIAL ABSTENTION:

PREFERENTIAL RECUSE:

AYES:

NOES:

ABSTAINED:

RECUSED:

ABSENT:

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 _____, 2022.

Legislative File	
File ID Number:	22-0079
Introduction Date:	1/12/2022
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OAKLAND UNIFIED SCHOOL DISTRICT

Gary Yee
President, Board of Education

Kyla Johnston-Trammell
Superintendent and Secretary, Board of Education

ATTACHMENT A

CENTRAL OFFICE ADJUSTMENTS (STAFF)

<u>Site/Department</u>	<u>Impacted Fund</u>	<u>Est. Change in Expenditures (UNRESTRICTED)</u>	<u>Est. Change in Expenditures (RESTRICTED)</u>	<u>Est. Change in FTE in Associated Fund</u>	<u>Details*</u>
901 Chief of Staff	Fund 01		\$ (119,324)	(1.00)	Mgr Publications (1.0)
905 Office Of Sr. Business Officer	Fund 01	\$ (418,566)		(3.80)	Financial Accountant I (1.0); Financial Accountant II (1.0); Financial Accountant III [in Site 987 - Risk Management] (1.0); Receptionist (0.8)
907 Student Assignment	Fund 01	\$ (195,899)		(2.00)	Student Assignment Counselor (2.0)
909 Academics & Instruction	Fund 01		\$ (133,256)	(1.40)	Classroom TSA 11 Months (0.5); Teacher Structured Eng Immersn (0.4); Teacher Structured Eng Immersn (0.5)
913 Chief Of Operations	Fund 01	\$ (90,870)		(0.50)	Sr Exec Asst Superintendent (0.5)
922 Comm. Schools & Student Servic	Fund 01	\$ (1,857,671)		(14.00)	Classroom TSA 11 Months (2.0); Liaison, Network Attendance (5.0); Pos Behav Supp Sys Coach (3.0); Program Mgr Behavioral Health (3.0); Coord Attendance Discipline (1.0)
928 OPSR Counseling	Fund 01	\$ (315,654)		(3.00)	Counselor (3.0)
929 Office of Equity	Fund 01	\$ (43,690)		(0.20)	Executive Director, Equity (0.2)
942 Labor Relations	Fund 01	\$ (138,223)		(1.00)	Labor Relations Analyst III (1.0)
944 Human Resource Services	Fund 01	\$ (348,942)		(2.00)	Director HR Operations (1.0); Manager Substitute Services (1.0)
944 Human Resource Services	Fund 01		\$ (481,139)	(3.00)	Coordinator, Residency (1.0); Prog Specialist TSA 12 Months (2.0)
946 Legal Counsel	Fund 01	\$ (266,326)		(1.00)	Assistant General Counsel (1.0)
948 Research Assessment & Data	Fund 01	\$ (384,828)		(2.00)	Coord State/Local Assessment (1.0); Director State/Loc Assessments (1.0)
954 Eng Lang Lrn/multilingual Ach	Fund 01		\$ (235,044)	(2.00)	Classroom TSA 11 Months (2.0)
975 Special Education	Fund 01		\$ (251,579)	(2.00)	Prog Specialist TSA 11 Months (1.0); Teacher Adapted PE (1.0)
986 Technology Services	Fund 01	\$ (93,032)		(1.00)	Specialist School Technology (1.0)
989 Custodial Services	Fund 01	\$ (49,204)		(0.20)	Exec Dir Custodial Svcs Grnds (0.2)
991 Food Services	Fund 13		\$ (332,696)	(2.00)	Coordinator, Nutrition Svcs (1.0); Director Nutrition Services (1.0)
TOTALS		\$ (4,202,905)	\$ (1,553,038)	(42.10)	<i>*The position reduction(s) are to the identified Fund. Each adjustment does not preclude funding the positions with other available funds.</i>

CENTRAL OFFICE ADJUSTMENTS (NON-LABOR)

<u>Site/Department</u>	<u>Impacted Fund</u>	<u>Est. Change in Expenditures (UNRESTRICTED)</u>	<u>Est. Change in Expenditures (RESTRICTED)</u>	<u>Est. Change in FTE in Associated Fund</u>	<u>Details</u>
600 General Fund - Unrestricted	Fund 01	\$ (3,822,159)		N/A	Reductions to investments in supplies, professional development, services, consultants, technology, subscriptions in central supply budgets
903 Office Of Chief Academic Offic	Fund 01	\$ (104,671)		N/A	
905 Office Of Sr. Business Officer	Fund 01	\$ (121,451)		N/A	
910 Early Childhood Development	Fund 01	\$ (4,705)		N/A	
912 Linked Learning	Fund 01	\$ (45,000)		N/A	
918 Facilities Planning	Fund 01	\$ (10,000)		N/A	
933 Oakland Athletic League (oal)	Fund 01	\$ (80,000)		N/A	
989 Custodial Services	Fund 01	\$ (168,000)		N/A	
903 Office Of Chief Academic Offic	Fund 01		\$ (653,016)	N/A	
905 Office Of Sr. Business Officer	Fund 01		\$ (4,580)	N/A	
909 Academic Innovation	Fund 01		\$ (689,583)	N/A	
910 Early Childhood Development	Fund 01		\$ (143,588)	N/A	
912 Linked Learning	Fund 01		\$ (350,000)	N/A	
913 Chief Of Operations	Fund 01		\$ (180,000)	N/A	
922 Comm. Schools & Student Servic	Fund 01		\$ (200,000)	N/A	
TOTALS		\$ (4,355,986)	\$ (2,220,767)		

ATTACHMENT A

SITE REDUCTIONS (STAFF)

Adjustment	<u>Est. Change in FTE in Associated Fund</u>	<u>Est. Change in Expenditures (UNRESTRICTED)</u>	Details
Reduction of Base-funded Assistant Principal positions	(4.00)	\$ (580,000)	Based on shifts in enrollment at school sites, 23 Base APs earned based on enrollment (down from 26 in 21-22), while 17 APs awarded based on the Concentration AP formula (up from 13 in 21-22)
Reduction in Teaching positions	(28.30)	\$ (2,940,000)	Based on enrollment decline, positions including base teachers and prep teachers
Elimination of co-principals	(2.00)	\$ (443,000)	Skyline and Fremont to eliminate co-principal positions. Skyline traded a principal position for an assistant principal position and Fremont will transition to regular administrative structure in the upcoming year.
TOTAL	(34.30)	\$ (4,913,000)	

SHIFTS FROM BASE TO SUPPLEMENTAL AND CONCENTRATION FUNDING (STAFF)

Adjustment	<u>Est. Impacted FTE</u>	<u>Est. Shift in Expenditures</u>	Details
Shift 39 positions identified in LCAP as S&C to S&C	(39.00)	\$ (3,950,000)	Move positions in the LCAP for A-G teachers, ELD Electives and newcomer teachers to S&C.
Shift 4.8 Alt Ed positions into Concentration	(4.80)	\$ (458,000)	Some Alt Ed Base Teachers not currently coded correctly into S&C.
Shift 15 Case Managers & CSMs correctly into Supplemental	(15.00)	\$ (1,770,000)	Some Case Managers and CSM's not currently coded to S&C.
Shift additional cost of investment in 11-month teachers at certain schools	(13.70)	\$ (1,440,000)	11-month teaching positions were used (instead of normal 10-month positions) as a retention strategy at Board Priority schools (Elevation Network), including McClymonds, Castlemont, Fremont. Shift cost of additional month (9%) into S&C.
Shift cost of negotiated reductions of class size	(27.50)	\$ (2,860,000)	Per agreement, schools with more than 90% unduplicated pupil percentage receive additional teachers for smaller class sizes. Shift cost of additional teachers into S&C
Shift cost of class size reduction at some elementary	(27.00)	\$ (2,810,000)	Shift to S&C cost of investment in class size reduction at schools with 1 or 2 cohorts K-3 that cannot fill projected 802 empty seats of increased class size in grades 4-5.
Shift certain clerical positions into Supplemental Funding	(22.70)	\$ (2,630,000)	Audit of work identified appropriate for funding in Supplemental as work is beyond base programming.
TOTAL	(149.70)	\$ (15,918,000)	

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

Resolution No. 2122-0028

Proposed Adjustments for 2022-23 Budget

WHEREAS, the Governing Board (“Board”) recognizes that, in order to improve opportunities and outcomes for all students in the Oakland Unified School District (“District”) and close equity gaps for the District’s historically underserved and most vulnerable students, the District must ensure that it remains fiscally solvent in the next three (3) school years, as well as years to come;

WHEREAS, the Board desires to minimize the impact of any budget reductions on the level of service, quality of staff, and education programs for District students;

WHEREAS, the District’s first interim budget report did not include any new ongoing compensation increases for the District’s bargaining units;

WHEREAS, the Alameda County Office of Education, in approving the District’s 2021-22 budget, required “the District to provide its Board-approved, budget-Balancing solutions [for 2022-23] on or before January 31, 2022”;

WHEREAS, on November 3, 2021, the Board adopted Resolution No. 2122-0020 - Reaffirming Certain Board Actions and Intentions Regarding the Budget for 2021-22 and Beyond and Making Certain Requests of the Alameda County Superintendent (“November 3 Resolution”);

WHEREAS, in the November 3 Resolution, the Board “declare[d] that is fully aware of the need to and agree[d] to adopt its 2022-23 budget such that all positions funded with just one-time funds for 2021-22 shall not carryover to 2022-23 unless (i) new one-time funds are identified or (ii) the positions shift to being funded with ongoing revenue and the budget includes offsetting reductions elsewhere in the budget”;

WHEREAS, in the November 3 Resolution, the Board made similar declarations with respect to its multiyear budget for 2023-24 and 2024-25; and

WHEREAS, in the November 3 Resolution, the Board also “declare[d]—in the strongest terms possible—its intent to make the necessary expenditure reductions or ongoing budget-balancing solutions by the end of January 2022.”

NOW, THEREFORE, BE IT RESOLVED, the Board hereby adopts the proposed budget adjustments found in Attachment A;

BE IT FURTHER RESOLVED, with respect to the delineated shifts from base funding to supplemental and concentration funding, the Board empowers the Superintendent to replace these shifts with other shifts based on conversations with the Alameda County Office of Education with respect to what is appropriately funded with supplemental and concentration funding;

BE IT FURTHER RESOLVED, unless otherwise stated herein, the Board directs the Superintendent to initiate all steps necessary to implement the budget adjustments found in Attachment A, as well as previously approve budget related items (e.g., Cohort 3 in-lieu reductions, commitment of funds to pay the debt service on the outstanding statement loans), including (without limitation) (i) providing statutory notices relating to layoff or reassignment, (ii) incorporating the budget adjustments into the proposed Fiscal Year 2022-2023 District Budget and the related multi-year budget projections for the subsequent two (2) fiscal years, and (iii) incorporating the adjustments in the 2022-23 Local Control and Accountability Plan;

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BE IT FURTHER RESOLVED, the Board directs the Superintendent to provide the Board with additional details regarding the \$3.8 million in reductions in non-labor costs (Site 600) listed in the "Central Office Adjustments (Non-Labor)" table in Attachment A by March 2022.

PASSED AND ADOPTED on _____, 2022, by the Governing Board of the Oakland Unified School District by the following vote:

PREFERENTIAL AYE:

PREFERENTIAL NOE:

PREFERENTIAL ABSTENTION:

PREFERENTIAL RECUSE:

AYES:

NOES:

ABSTAINED:

RECUSED:

ABSENT:

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 _____, 2022.

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OAKLAND UNIFIED SCHOOL DISTRICT

Gary Yee
President, Board of Education

Kyla Johnston-Trammell
Superintendent and Secretary, Board of Education

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ATTACHMENT A

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TOTAL	(149.70)	\$ (15,918,000)	

**Adopted Resolution As Amended
(Final - Clear - Copy)**

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

Resolution No. 2122-0028

Proposed Adjustments for 2022-23 Budget

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WHEREAS, the Alameda County Office of Education, in approving the District’s 2021-22 budget, required “the District to provide its Board-approved, budget-Balancing solutions [for 2022-23] on or before January 31, 2022”;

WHEREAS, on November 3, 2021, the Board adopted Resolution No. 2122-0020 - Reaffirming Certain Board Actions and Intentions Regarding the Budget for 2021-22 and Beyond and Making Certain Requests of the Alameda County Superintendent (“November 3 Resolution”);

WHEREAS, in the November 3 Resolution, the Board “declare[d] that is fully aware of the need to and agree[d] to adopt its 2022-23 budget such that all positions funded with just one-time funds for 2021-22 shall not carryover to 2022-23 unless (i) new one-time funds are identified or (ii) the positions shift to being funded with ongoing revenue and the budget includes offsetting reductions elsewhere in the budget”;

WHEREAS, in the November 3 Resolution, the Board made similar declarations with respect to its multiyear budget for 2023-24 and 2024-25; and

WHEREAS, in the November 3 Resolution, the Board also “declare[d]—in the strongest terms possible—its intent to make the necessary expenditure reductions or ongoing budget-balancing solutions by the end of January 2022.”

NOW, THEREFORE, BE IT RESOLVED, the Board hereby adopts the proposed budget adjustments found in Attachment A;

BE IT FURTHER RESOLVED, with respect to the delineated shifts from base funding to supplemental and concentration funding, the Board empowers the Superintendent to replace these shifts with other shifts based on conversations with the Alameda County Office of Education with respect to what is appropriately funded with supplemental and concentration funding;

BE IT FURTHER RESOLVED, unless otherwise stated herein, the Board directs the Superintendent to initiate all steps necessary to implement the budget adjustments found in Attachment A, as well as previously approve budget related items (e.g., Cohort 3 in-lieu reductions, commitment of funds to pay the debt service on the outstanding statement loans), including (without limitation) (i) providing statutory notices relating to layoff or reassignment, (ii) incorporating the budget adjustments into the proposed Fiscal Year 2022-2023 District Budget and the related multi-year budget projections for the subsequent two (2) fiscal years, and (iii) incorporating the adjustments in the 2022-23 Local Control and Accountability Plan;

BE IT FURTHER RESOLVED, the Board acknowledges that the associated impacts to funding and positions are estimates and subject to change and empowers the Superintendent to refine the impacts to funding and positions, if necessary, and to include such refined information in the (i) statutory notices relating to layoff or reassignment, (ii) the proposed Fiscal Year 2022-2023 District Budget and the related multi-year budget projections for the subsequent two (2) fiscal years, and (iii) the 2022-23 Local Control and Accountability Plan;

BE IT FURTHER RESOLVED, if new one-time funds for 2022-23 are identified at or after the closing of the books, the Board directs the Superintendent to first alert the Board and then to bring to the Board recommendations, that are feasible and consistent with Board Policies, regarding the use of such one-time funds;

BE IT FURTHER RESOLVED, if new ongoing funds for 2022-23 are identified before the final budget is presented to the Board, the Board directs the Superintendent to first alert the Board and then to bring to the Board recommendations, that are feasible and consistent with Board Policies, regarding the use of such ongoing funds; and

BE IT FURTHER RESOLVED, the Board directs the Superintendent to provide the Board with additional details regarding the \$3.8 million in reductions in non-labor costs (Site 600) listed in the "Central Office Adjustments (Non-Labor)" table in Attachment A by March 2022.

PASSED AND ADOPTED on January 26, 2022, by the Governing Board of the Oakland Unified School District by the following vote:

PREFERENTIAL AYE: None

PREFERENTIAL NOE: None

PREFERENTIAL ABSTENTION: None

PREFERENTIAL RECUSE: None

AYES: Aimee Eng, Shanthi Gonzales, Clifford Thompson, Vice President Benjamin "Sam" Davis, President Gary Yee

NOES: Mike Hutchinson

ABSTAINED: VanCedric Williams

RECUSED: None

ABSENT: Samantha Pal (Student Director), Natalie Gallegos Chavez (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 _____
January 26, 2022.

Legislative File	
File ID Number:	22-0079
Introduction Date:	1/12/2022
Enactment Number:	22-0143
Enactment Date:	1-26-2022 CJH

OAKLAND UNIFIED SCHOOL DISTRICT



1-27-2022

Gary Yee
President, Board of Education



1-27-2022

Kyla Johnston-Trammell
Superintendent and Secretary, Board of Education

ATTACHMENT A

CENTRAL OFFICE ADJUSTMENTS (STAFF)

<u>Site/Department</u>	<u>Impacted Fund</u>	<u>Est. Change in Expenditures (UNRESTRICTED)</u>	<u>Est. Change in Expenditures (RESTRICTED)</u>	<u>Est. Change in FTE in Associated Fund</u>	<u>Details*</u>
901 Chief of Staff	Fund 01		\$ (119,324)	(1.00)	Mgr Publications (1.0)
905 Office Of Sr. Business Officer	Fund 01	\$ (418,566)		(3.80)	Financial Accountant I (1.0); Financial Accountant II (1.0); Financial Accountant III [in Site 987 - Risk Management] (1.0); Receptionist (0.8)
907 Student Assignment	Fund 01	\$ (195,899)		(2.00)	Student Assignment Counselor (2.0)
909 Academics & Instruction	Fund 01		\$ (133,256)	(1.40)	Classroom TSA 11 Months (0.5); Teacher Structured Eng Immersn (0.4); Teacher Structured Eng Immersn (0.5)
913 Chief Of Operations	Fund 01	\$ (90,870)		(0.50)	Sr Exec Asst Superintendent (0.5)
922 Comm. Schools & Student Servic	Fund 01	\$ (1,857,671)		(14.00)	Classroom TSA 11 Months (2.0); Liaison, Network Attendance (5.0); Pos Behav Supp Sys Coach (3.0); Program Mgr Behavioral Health (3.0); Coord Attendance Discipline (1.0)
928 OPSR Counseling	Fund 01	\$ (315,654)		(3.00)	Counselor (3.0)
929 Office of Equity	Fund 01	\$ (43,690)		(0.20)	Executive Director, Equity (0.2)
942 Labor Relations	Fund 01	\$ (138,223)		(1.00)	Labor Relations Analyst III (1.0)
944 Human Resource Services	Fund 01	\$ (348,942)		(2.00)	Director HR Operations (1.0); Manager Substitute Services (1.0)
944 Human Resource Services	Fund 01		\$ (481,139)	(3.00)	Coordinator, Residency (1.0); Prog Specialist TSA 12 Months (2.0)
946 Legal Counsel	Fund 01	\$ (266,326)		(1.00)	Assistant General Counsel (1.0)
948 Research Assessment & Data	Fund 01	\$ (384,828)		(2.00)	Coord State/Local Assessment (1.0); Director State/Loc Assessments (1.0)
954 Eng Lang Lrn/multilingual Ach	Fund 01		\$ (235,044)	(2.00)	Classroom TSA 11 Months (2.0)
975 Special Education	Fund 01		\$ (251,579)	(2.00)	Prog Specialist TSA 11 Months (1.0); Teacher Adapted PE (1.0)
986 Technology Services	Fund 01	\$ (93,032)		(1.00)	Specialist School Technology (1.0)
989 Custodial Services	Fund 01	\$ (49,204)		(0.20)	Exec Dir Custodial Svcs Grnds (0.2)
991 Food Services	Fund 13		\$ (332,696)	(2.00)	Coordinator, Nutrition Svcs (1.0); Director Nutrition Services (1.0)
TOTALS		\$ (4,202,905)	\$ (1,553,038)	(42.10)	<i>*The position reduction(s) are to the identified Fund. Each adjustment does not preclude funding the positions with other available funds.</i>

CENTRAL OFFICE ADJUSTMENTS (NON-LABOR)

<u>Site/Department</u>	<u>Impacted Fund</u>	<u>Est. Change in Expenditures (UNRESTRICTED)</u>	<u>Est. Change in Expenditures (RESTRICTED)</u>	<u>Est. Change in FTE in Associated Fund</u>	<u>Details</u>
600 General Fund - Unrestricted	Fund 01	\$ (3,822,159)		N/A	Reductions to investments in supplies, professional development, services, consultants, technology, subscriptions in central supply budgets
903 Office Of Chief Academic Offic	Fund 01	\$ (104,671)		N/A	
905 Office Of Sr. Business Officer	Fund 01	\$ (121,451)		N/A	
910 Early Childhood Development	Fund 01	\$ (4,705)		N/A	
912 Linked Learning	Fund 01	\$ (45,000)		N/A	
918 Facilities Planning	Fund 01	\$ (10,000)		N/A	
933 Oakland Athletic League (oal)	Fund 01	\$ (80,000)		N/A	
989 Custodial Services	Fund 01	\$ (168,000)		N/A	
903 Office Of Chief Academic Offic	Fund 01		\$ (653,016)	N/A	
905 Office Of Sr. Business Officer	Fund 01		\$ (4,580)	N/A	
909 Academic Innovation	Fund 01		\$ (689,583)	N/A	
910 Early Childhood Development	Fund 01		\$ (143,588)	N/A	
912 Linked Learning	Fund 01		\$ (350,000)	N/A	
913 Chief Of Operations	Fund 01		\$ (180,000)	N/A	
922 Comm. Schools & Student Servic	Fund 01		\$ (200,000)	N/A	
TOTALS		\$ (4,355,986)	\$ (2,220,767)		

ATTACHMENT A

SITE REDUCTIONS (STAFF)			
Adjustment	<u>Est. Change in FTE in Associated Fund</u>	<u>Est. Change in Expenditures (UNRESTRICTED)</u>	Details
Reduction of Base-funded Assistant Principal positions	(4.00)	\$ (580,000)	Based on shifts in enrollment at school sites, 23 Base APs earned based on enrollment (down from 26 in 21-22), while 17 APs awarded based on the Concentration AP formula (up from 13 in 21-22)
Reduction in Teaching positions	(28.30)	\$ (2,940,000)	Based on enrollment decline, positions including base teachers and prep teachers
Elimination of co-principals	(2.00)	\$ (443,000)	Skyline and Fremont to eliminate co-principal positions. Skyline traded a principal position for an assistant principal position and Fremont will transition to regular administrative structure in the upcoming year.
TOTAL	(34.30)	\$ (4,913,000)	

SHIFTS FROM BASE TO SUPPLEMENTAL AND CONCENTRATION FUNDING (STAFF)			
Adjustment	<u>Est. Impacted FTE</u>	<u>Est. Shift in Expenditures</u>	Details
Shift 39 positions identified in LCAP as S&C to S&C	(39.00)	\$ (3,950,000)	Move positions in the LCAP for A-G teachers, ELD Electives and newcomer teachers to S&C.
Shift 4.8 Alt Ed positions into Concentration	(4.80)	\$ (458,000)	Some Alt Ed Base Teachers not currently coded correctly into S&C.
Shift 15 Case Managers & CSMs correctly into Supplemental	(15.00)	\$ (1,770,000)	Some Case Managers and CSM's not currently coded to S&C.
Shift additional cost of investment in 11-month teachers at certain schools	(13.70)	\$ (1,440,000)	11-month teaching positions were used (instead of normal 10-month positions) as a retention strategy at Board Priority schools (Elevation Network), including McClymonds, Castlemont, Fremont. Shift cost of additional month (9%) into S&C.
Shift cost of negotiated reductions of class size	(27.50)	\$ (2,860,000)	Per agreement, schools with more than 90% unduplicated pupil percentage receive additional teachers for smaller class sizes. Shift cost of additional teachers into S&C
Shift cost of class size reduction at some elementary	(27.00)	\$ (2,810,000)	Shift to S&C cost of investment in class size reduction at schools with 1 or 2 cohorts K-3 that cannot fill projected 802 empty seats of increased class size in grades 4-5.
Shift certain clerical positions into Supplemental Funding	(22.70)	\$ (2,630,000)	Audit of work identified appropriate for funding in Supplemental as work is beyond base programming.
TOTAL	(149.70)	\$ (15,918,000)	



OAKLAND UNIFIED
SCHOOL DISTRICT
Community Schools, Thriving Students

2022-23 Recommended Budget Adjustments



iam OUSD

January 26, 2021

Overview

- **Understanding the Budget Challenge**
- **Explain Recommended Budget Adjustments**
- **Next Steps and Timeline**



All our adjustments seek to preserve efforts to achieve our Mission and Vision in alignment with our Strategic Plan

OUR VISION

All OUSD students will find joy in their academic experience while graduating with the skills to ensure they are caring, competent, fully-informed, critical thinkers who are prepared for **college, career, and community success**.

OUR MISSION

OUSD will build a Full Service Community District focused on high academic achievement while serving the whole child, eliminating inequity, and providing each child with excellent teachers, every day.

The Challenges in Context-Comparing to the 50 Largest

Our circumstances become clearer when compared to California's 50 largest school districts:

- OUSD operates the most schools per student; and
- OUSD has the 3rd most teachers per student;
- Yet, OUSD has the lowest average teacher salary and years of teaching experience and;
- OUSD Spends more on teacher salaries than 85% of districts (per ADA); but
- OUSD has fewer Central office Classified Staff than 80% of districts (FTE per ADA).

Our financial challenges persist despite the reality that:

- OUSD is 4th in total revenue (per ADA); and
- OUSD is 2nd in Local Restricted Revenue, e.g. parcel taxes, grants and philanthropy (per ADA)

Our Mission and Vision are in Jeopardy

Unless we address these structural issues, we will continue to undermine our full service community schools model, including:

Continued erosion basic infrastructure:	Continued erosion of community school services and central supports:
<ul style="list-style-type: none">• Facilities maintenance• Site cleanliness standards• Technology for teachers and students• Professional development• Textbook and curriculum renewal	<ul style="list-style-type: none">• Counseling supports• Teacher coaching and support• Restorative justice, case management for vulnerable students• Targeted support for African American Students• Parent and Community Engagement• Language supports• Library services and health services

Understanding the Budget

2021-22 Total District Funds by projected expenditures*

Restricted Funds

General Fund
\$746.0M

Adult Ed
\$3.5M

Child Development
\$18.7M

Student Nutrition
\$22.7M

Facilities
\$215.4M

Self-Insurance
\$24.9M

Unrestricted
\$319M

Net transfers (\$83.7M)

Restricted
\$426.4M

Local Control Funding
Formula (LCFF)

General Fund Base
(0000)

- Basic Staffing
- Talent, Finance, Custodial, etc.

\$200M

Supplemental & Concentration (S&C)
(0002 - 0005)

- English Language Learners, Low Income & Foster Youth
- Teacher Retention, Academic Support, Climate & Culture

\$80M

Other Unrestricted
(Various)

State Lottery
Home & Hospital

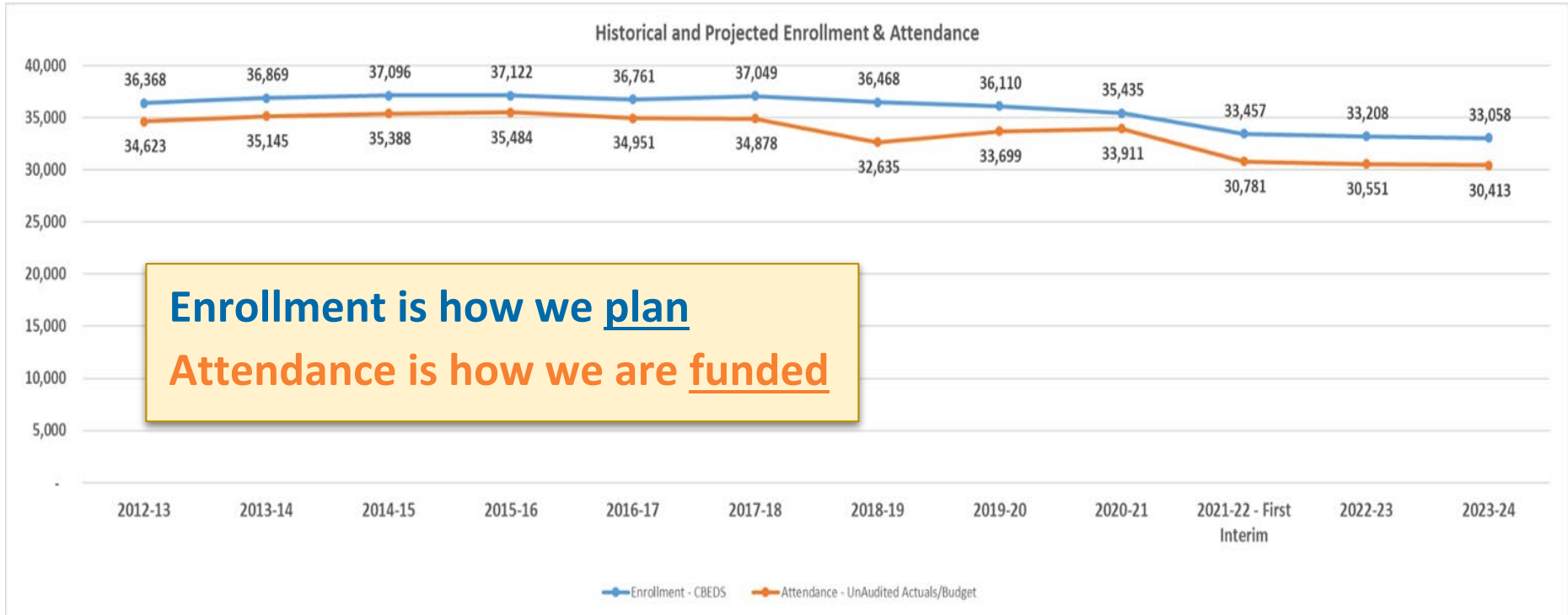
\$39M

General Fund Restricted
(Various)

- Federal (Titles I - V)
- Local (Parcel Tax Measures G, G1, N)
- Grants (Salesforce, Kaiser)
- Special Education
- COVID (ESSERs)

* Projected 2021-22 Expenditures as of [First Interim Report](#) (10-31-21)


LCFF Funding is Shaped by Attendance Levels



Note: Due to declining enrollment, the District will be funded using prior year ADA; thus, 2021-22 ADA will be used for the 2022-23 ADA projection which is expected to be better than actual 2022-23 ADA.

With Attendance declining, Multi-Year Projections (MYP) show deficits in next two years

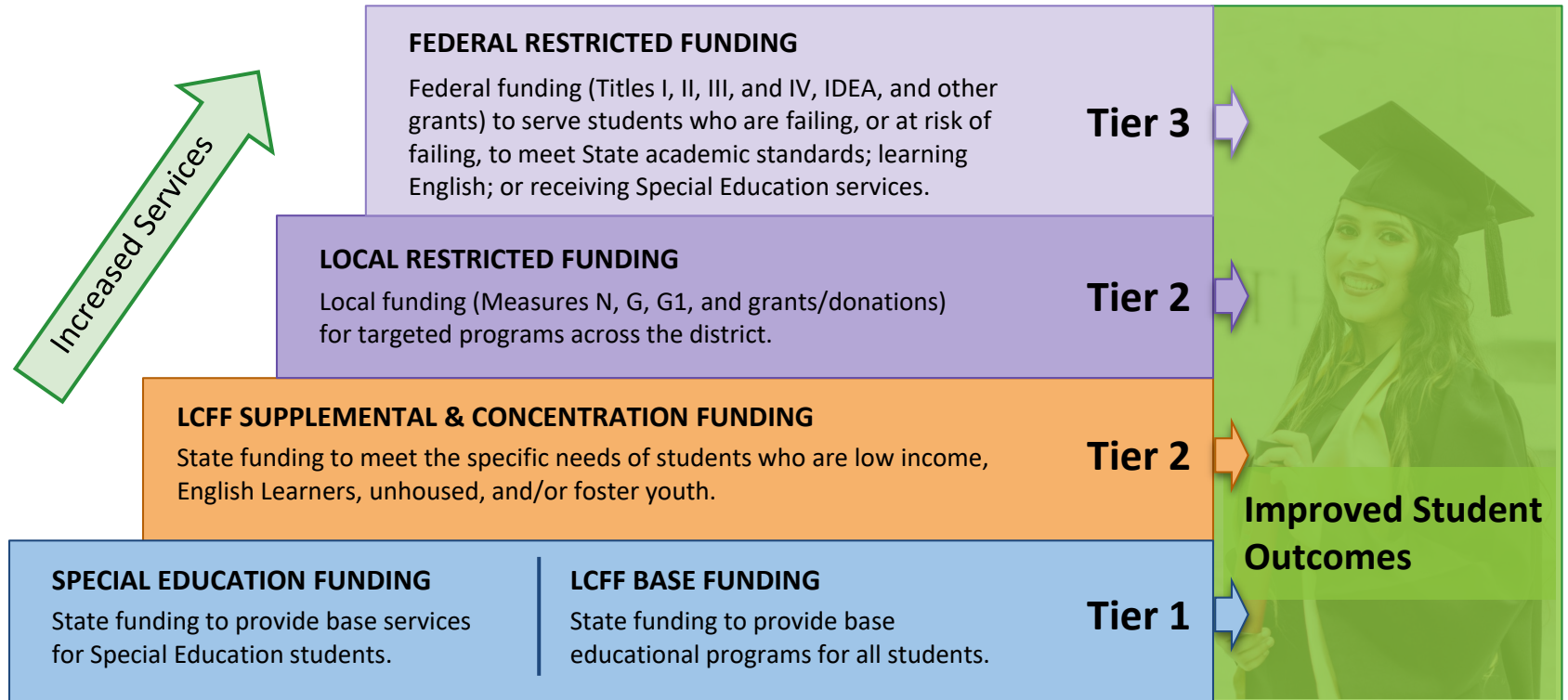
The District's 2022-23 and 2023-24 Fiscal Years are currently reflecting a Unrestricted General Fund **deficits of \$12.3M and \$7.1M**, respectively.

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

	2021-22 Unrestricted	2022-23 Unrestricted	2023-24 Unrestricted
A. Revenues			
5) Total Revenues	\$ 425,581,067	\$ 402,916,760	\$ 416,729,777
B. Expenditures			
9) Total Expenditures	\$ 324,630,079	\$ 320,712,302	\$ 327,670,786
C. Excess (Deficiency) of Revenues Over Expenditures	\$ 100,950,988	\$ 82,204,459	\$ 89,058,991
D. Other Financing Sources/Uses			
4) Total, Other Financing Sources/Uses	\$ (83,694,346)	\$ (94,578,663)	\$ (96,196,376)
E. Net Increase (Decrease) in Fund Balance (C + D4)	\$ 17,256,642	\$ (12,374,205)	\$ (7,137,385)
F. Fund Balance, Reserves			
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

- The projected deficits largely reflect declines in revenue due to lower projected enrollment and attendance ADA.
- While expenditures are projected to initially decrease slightly, they will not compensate for the large loss in revenue.
- Any future adjustments that impact positions or compensation will impact the deficits in 2022-23 and 2023-24

Reductions in LCFF impact the base funding we rely on to support all students and operations.



Our Current Challenge - Deficits & Ongoing Compensation

Based on current information, the 2022-23 Budget will need to include budget adjustments of **\$40-50M** to address projected **deficits** and the **current need to increase ongoing employee compensation**.

This provides a single year solution

Today's Recommendations address the Current Challenge and lay groundwork for more structural changes ahead

The current recommended budget adjustments seek to:

- Better clarify what is Base vs. what is Supplemental Support and Services or District operational preference
- Interrogate adjustments in alignment with our strategic plan/LCAP and impact to equity and quality outcomes for students; and
- Meet the current challenge of addressing structural deficits and making room for improved staff compensation.

Identifying the Recommended Adjustments

Current Step:

Evaluate adjustment options against goals and priorities



Recap:

Summary & Next Steps from 12/15 Budget Update

- **Takeaways**
 - School site staffing has risen (even before COVID) even though enrollment/attendance has declined
 - Central office staff has been reduced over time
 - School Staff and Budget Allocations need realignment to meet changes in law and to facilitate budget adjustments
- **Staff Recommendation for Budget Adjustments coming in Jan 2022**
 - Will include reductions to central office
 - Will include heavy reliance on reductions to allocations to school sites

ORIGINAL: Summary of Budget Adjustment Recommendations

	Adjustment Summary	Impact on Target
Unrestricted Base Funding (0000)	<ul style="list-style-type: none"> ↓ Properly allocate non-base, supplemental services and support expenditures to S&C (\$15.9M) ↓ Elimination of positions due to enrollment decline (\$3.5M) ↓ Strategic reduction of expenditures to make room for priorities (\$6.9M) 	\$26.3M
Central Office Reorg (Labor & Non-Labor)**	<ul style="list-style-type: none"> ↓ Strategic reduction of expenditures to make room for priorities (\$12.0M) 	\$12.0M
Supplemental and Concentration (0002 - 0005)	<ul style="list-style-type: none"> ↑ Strategic adjustments in Equity Formula (\$1.0M) ↓ Strategic expenditure reductions to make room for priorities (\$1.7M) ↓ Reduction in positions due to enrollment decline (\$1.1M) 	\$1.8M
Restricted Funds (G, G1, N, etc)	<ul style="list-style-type: none"> ↓ Strategic reduction of expenditures to make room for priorities (\$9.2M) 	\$9.2M

↑ Increasing costs

↓ Decreasing costs

* All amounts currently based on estimates that will change

** Includes reductions in base and S&C

\$49.3M

UPDATED: Summary of Budget Adjustment Recommendations

↑ Away from target
↓ Toward target

	Adjustment Summary	Impact on Target
Unrestricted Base Funding (0000)	<ul style="list-style-type: none"> ↓ Properly allocate non-base, supplemental services and support expenditures to S&C (\$15.9M) ↓ Elimination of positions due to enrollment decline (\$3.5M) ↓ Strategic reduction of expenditures to make room for priorities (\$7.0M) 	\$26.4M
Central Office Reorg (Labor & Non-Labor, includes multiple resources)	<ul style="list-style-type: none"> ↓ Strategic reduction of expenditures to make room for priorities (\$12.0M) <ul style="list-style-type: none"> ○ Labor (\$5.4M), Non-Labor (\$6.6M) 	\$12.0M
Supplemental and Concentration (0002 - 0005)	<ul style="list-style-type: none"> ↑ Strategic adjustments in Equity Formula (\$1.1M) ↓ Strategic expenditure reductions to make room for priorities (\$1.7M) ↓ Reduction in positions due to enrollment decline (\$1.1M) 	\$1.7M

Due to completion dates of school budgeting sessions, specific adjustments for the \$9.2M in adjustments in school allocations will come for vote on January 31st

Subtotal	\$40.1M
Adjustments already approved by Board	- \$7.3M
Recommended approval amount still requiring Board approval	\$32.8M

Unrestricted Base - Shifts to S&C

Base

Recommended Adjustment	FTE/\$	Unrestricted Base Details (Shifts to Supplemental & Concentration funding)	Impact
Shift 39 positions identified in LCAP as S&C to S&C	39.0 FTE \$3.95M	Move positions in the LCAP for A-G teachers, ELD Electives and newcomer teachers to S&C.	No impact to programming. Opportunity cost of lost opportunity to make alternative investments
Shift 4.8 Alt Ed positions into Concentration	4.8 FTE \$458K	Some Alt Ed Base Teachers not currently coded correctly into S&C.	
Shift 15 Case Managers & CSMs correctly into Supplemental	15.0 FTE \$1.77M	Some Case Managers and CSM's not currently coded to S&C.	
Shift additional cost of investment in 11-month teachers at certain schools	13.7 FTE \$1.44M	11-month teaching positions were used (instead of normal 10-month positions) as a retention strategy at Board Priority schools (Elevation Network), including McClymonds, Castlemont, Fremont. Shift cost of additional month (9%) into S&C.	
Shift cost of negotiated reductions of class size	27.5 FTE \$2.86M	Per agreement, schools with more than 90% unduplicated pupil percentage receive additional teachers for smaller class sizes. Shift cost of additional teachers into S&C	
Shift cost of class size reduction at some elementary	27.0 FTE \$2.81M	Shift to S&C cost of investment in class size reduction at schools with 1 or 2 cohorts K-3 that cannot fill projected 802 empty seats of increased class size in grades 4-5.	
Shift certain clerical positions into Supplemental Funding	22.7 FTE \$2.63M	Audit of work identified appropriate for funding in Supplemental as work is beyond base programming.	

Unrestricted Base - Enrollment Decline

Recommended Adjustment	FTE/\$	Unrestricted Base Details (Eliminations due to enrollment decline)	Impact
Reduction of Base-funded Assistant Principal positions	4.0 FTE \$580K	Based on shifts in enrollment at school sites, 23 Base APs earned based on enrollment (down from 26 in 21-22), while 17 APs awarded based on the Concentration AP formula (up from 13 in 21-22).	Reduction in FTE in Based funded FTE caused by the enrollment decline that is impacting the district. The impact of some of the AP reductions may be offset by the Equity Formula which will increase APs, potentially at other sites. See S&C - Adjustments to the Equity Formula .
Reduction in Teaching positions	28.3 FTE \$2.94M	Based on enrollment decline, positions including base teachers and prep teachers.	Reduction aligns with existing allocation formulas

Unrestricted Base - Strategic Reductions

Base

Recommended Adjustment	FTE/\$	Unrestricted Base Details (Strategic reduction to make room for priorities)	Impact
Reduction in deferred maintenance budget (approved in lieu of Cohort 3)	N/A \$2.0M	Reduce planned investment from General Fund into Deferred Maintenance out of initial \$5M commitment (in lieu of school consolidations)	Deep facilities needs will either not be addressed or be postponed based on a prioritization of urgency. Examples include furnace and window replacements, pool repair, roofing and flooring projects.
Eliminate vacancies (approved in lieu of Cohort 3)	22.6 FTE \$1.5M	Board action in lieu of school consolidations	Planned work will not be implemented, however, the work was not being implemented due to our inability to fill all vacancies.
Elimination of co-principals	2.0 FTE \$443K	End strategy of Co-Principals at Skyline and Fremont.	Skyline and Fremont to eliminate co-principal positions. Skyline traded a principal position for an assistant principal position and Fremont will transition to regular administrative structure in the upcoming year.
Payoff of State Loan with one-time funds	N/A \$2.1M	Funds committed (set aside) to cover ongoing payments for outstanding state loans.	Reduction of ESSER Available dollars for other investments.
Cost Avoidance from recommended FTE reductions	\$950K	Additional reduction generated by avoiding salary increases on reduced positions.	Reduction of positions provide upside and reduces the ongoing compensation expenditures for the District, recognizing that there are also coinciding reduction in services.

Central Office Reductions - Academic*

Recommended Adjustment	FTE/\$	Details (Strategic reduction to make room for priorities)	Impact
Consolidate Behavioral Health and Attendance Office positions.	13 FTE \$1.7M	Merge multiple, singularly focused roles into one role focused on Multi-Tiered Systems of Support.	Reduction in positions to create 5 individualized positions aligned to each network. will be the focus of a new position within the Multi-Tiered Systems of Support strategy. Focus on positive school culture and attendance.
Decrease the staffing in Dept. of English Language Learner & Multilingual Achievement (2 FTE) Decrease Academic Innovation (1.4FTE) Shift in funding Office of Equity (.2FTE)	3.4 FTE \$412K	Instead of 7 specialists assigned to support 5 Networks, there will be 5 specialists assigned, 1 per Network.	Central and site-based staff are collaborating in service of college and career readiness. Increasingly, students are opting to defer or not go to college. It's imperative that we provide continuous and high-quality supports to our students as they venture into their post-graduation lives. Students are significantly more likely to attend and complete college if they have completed financial aid applications, which this initiative has successfully increased.
Decrease Research Assessment Data (RAD) staffing.	2.0 FTE \$385K	Supervision will be the responsibility of the Executive Director.	The assessment team can be structured differently so we can focus on bringing our services closer to school sites.

Central Office Reductions - Operations*

Recommended Adjustment	FTE/\$	Details (Strategic reduction to make room for priorities)	Impact
Shift staffing positions into ESSER Funds based on major shift in workload based on COVID	0.5 FTE \$91K	Shift to more restricted resources given change in workload driving by COVID Supports.	No impact
Reduced training for central operational divisions. (included in non-labor total)	\$26K	CASBO and other organizations offer training on best practices to improve efficiencies and cost savings. There would be a reduction in these trainings for staff.	Less operational training for operations divisions that provide operational support to Custodial, Tech Services, and Nutrition Services
Tech Services: Reduction in software investments as we consolidate around unifying programs (included in non-labor total)	\$503K	Move to single communication platform and only pay for core platforms out of the general fund like i-Ready, Newsela, and other base offerings.	School sites will have less options for software and communications platforms as we consolidate around fewer platforms (eg. Parent Square). Some of the supplemental software programs will be funded by restricted funds.
Custodial Services: Shift in funding of Exec Dir (included in non-labor total)	0.2 FTE \$49K \$168K	Increased efficiency in ordering system to reduce waste at school site and over ordering that can happen at some schools and shift of position to RRMA to match reductions from \$3M in eliminations in 2019-20.	No net impact in current year as ESSER funding is paying for custodial supplies. As we implement new systems for custodial supplies and ordering costs will be redacted in ongoing funds.

Central Office Reductions - Financial Services*

Recommended Adjustment	FTE/\$	Details (Strategic reduction to make room for priorities)	Impact
Reduce Business / Accounting Staffing	2.0 FTE \$264K	Reduce Staffing to support the retention of remaining positions	Less accounting staff and requirement to accelerate efficiencies and re-allocate tasks balanced with new higher level positions (currently recruiting).

Central Office Reductions - Talent*

Recommended Adjustment	FTE/\$	Details (Strategic reduction to make room for priorities)	Impact
Reduce Human Resources Staffing	3.0 FTE \$520K	Reduce Staffing to support the retention of remaining positions	Increased workload of remaining positions. Work will need to be reallocated to remaining positions. The work includes substitute management, compensation and classification, teacher residency work and hr operations.
Shift staffing positions into EE Block Grant Funds based on board approved plan	2.0 FTE \$310K	Shift to more restricted resources given the block grant towards educator effectiveness. We are able to move our teacher positions that provide direct coaching support in the classroom to these funds.	No impact to operations. Opportunity cost of ability to use Educator Effective Grant funds for other purposes.

Central Office Reductions - Other

Recommended Adjustment	FTE/\$	Details (Strategic reduction to make room for priorities)	Impact
Student Welcome Center (enrollment office) reorganization	2.0 FTE \$211K	Eliminate 2 FTE and redistribute responsibilities to remaining staff.	No impact on services to families.
Eliminate - Deputy General Counsel position	1.0 FTE \$266K	Eliminate unfilled position	Limited impact on essential services.
Eliminate - Mgr Publications	1.0 FTE \$119K	Eliminate Vacant Position	
Non-Labor Adjustments	\$6.6M	Reduce additional services and supplies to support the District's reductions in expenditures.	Reductions to investments in supplies, professional development, services, consultants, technology, subscriptions in central supply budgets

Central Office Reductions - Not Previously Listed

Recommended Adjustment	FTE/\$	Details (Strategic reduction to make room for priorities)	Impact
Eliminate - Office of Sr. Business Officer	2.0 FTE \$154K	Eliminate 2 FTE and redistribute responsibilities to remaining staff.	No impact on services to families.
Eliminate - Community Schools & Student Services	1.0 FTE \$199K		Reductions in services
Eliminate - Counseling Services	3.0 FTE \$315K	Eliminate Vacant Position	Reductions in services
Labor Relations	1.0 FTE \$138K	Eliminate Vacant Position	Increased workload of remaining positions as we enter successor contract negotiations with all unions. The impacted work is responsiveness to grievances, the inability to maintain regular meetings with unions, delayed, skelly hearings and responses to union request for information and compliance with the EERA and other regulations.

Central Office Reductions - Not Previously Listed

Recommended Adjustment	FTE/\$	Details (Strategic reduction to make room for priorities)	Impact
Special Education	2.0 FTE \$251K		Adjustment in services
Technology Services	1.0 FTE \$93K		Adjustment in services.
Fund 13 - Student Nutrition	2.0 FTE \$333K	Reorganization of Management Positions	Increased delays on the onboarding of child nutrition staff and less oversight over employee leaves.

Central Office Reductions - Non-Labor

Non-labor reductions across Central Office are summarized below.

Unrestricted Adjustments by Object	Sum of Amount
2105 Instraides Salaries - Site 910	\$4,705
4305 Custodial Supplies - Site 989	\$168,000
4310 School Office Supplies - Site 903 & 905	\$145,155
5220 Conference Expense - Site 918	\$10,000
5825 Consultants - Sites 905, 912, 933	\$165,484
5826 Professional/Contracted Srvs - Site 905	\$40,484
8980 Contributions - Site 600	\$3,822,159
Unrestricted Total	\$4,355,986

Restricted Adjustments by Object	Sum of Amount
1120 Teachers Salaries Stipends - Site 913	\$ 180,000.00
4200 Books-other/Textbooks - Site 909	\$266,000
4391 Carryover - Prior Year - Site 909	\$94,463
4391 Carryover and 4399 Unallocated - Site 922	\$200,000
4399 Unallocated - Sites 903, 909, 910, 912	\$1,475,724
5825 Consultants - Site 905	\$4,580
Restricted Total	\$2,220,767

Increases in S&C Funding Allow Shifts from Base



Increase in available ongoing S&C funding: \$12.3M in 2022-23

The increase in Supplemental & Concentration funds make it possible to fund positions that were historically funded through General Purpose Base (0000) but where the expenditures are supplemental to the Base program.

While, when combined with pre-existing funds, this allows for maintaining the positions shifted to Supplemental and Concentration funding, it prevents new investments to expand the supplemental supports at schools. See [slide with details of shifts](#).

S&C - Adjustments to Equity Formula

Recommended Adjustment	FTE/\$	Supplemental & Concentration Details (Adjustments to Equity Formula)	Impact
Creation of Equity APs	Increase 5.0 FTE \$725K	Using a tiering system with UPP percentages instead of enrollment, additional AP's allocated to schools with greater need.	Addition of administrator support at higher need schools that no longer meet the threshold for AP positions based on enrollment alone.
Increase in Case Managers and Community School Managers	Increase 9.0 FTE \$1.0M	Change in Equity Tier results in Increase of 2.5 FTE of case managers and 6.5 FTE of Community School Managers	Addition of case managers, Restorative Justice Facilitators, Community Schools Managers, and other high-impact student-facing positions at secondary schools to provide more student supports and allow these positions to shift to LCFF Supplemental & Concentration funding.
Elimination of clerical positions	Decrease 9.8 FTE \$659K	Net elimination of 9.7 FTE clerical positions linked to enrollment decline, change in tiering for schools and shifts in Equity Formula.	Reduction in clerical capacity at secondary schools as these allocations become student support roles that can be funded in LCFF Supplemental & Concentration.

S&C - Strategic Reductions and Enrollment Decline

Recommended Adjustment	FTE/\$	Supplemental & Concentration Details (Strategic Reductions and Enrollment Decline)	Impact
Reduction in Supplemental Allocation (approved in lieu of Cohort 3)	TBD FTE \$1.5M	In lieu of Cohort 3 school consolidations, Board approved reduction of \$65 per student out of \$850 per student supplemental allocation	School communities will determine what is reduced from reduced allocation
Eliminate vacancies (approved in lieu of Cohort 3)	\$186K	Board action in lieu of school consolidations	Planned work will not be implemented, however, the work was not being implemented due to our inability to fill all vacancies.
Reduction in FTE allocation due to enrollment decline	10.9 FTE \$1.1M	Reduction in LCAP for A-G, ELD and Newcomer based positions due declining enrollment	Reduction aligns with existing allocation formulas

Restricted - Strategic Reductions to support priorities

Recommended Adjustment	FTE/\$	Restricted Details (Strategic Reductions and Enrollment Decline)	Impact
Reduction in Supplemental Allocation from Restricted REsources	TBD FTE \$9.2M	Many restricted funds do not increase or do so slightly each year (e.g., Measure N, G1 and G). If increases are not sufficient to offset increased costs, reductions must be made (absent other funding). Salary increases are such a cost that is often not covered by restricted revenue increases.	Through normal budget process, schools will prioritize expenditures based on same funds but with updated costs. This will feel like a reduction to school sites because the positions they previously purchased will cost more. The amount of funding will mostly remain the same, unless the school has experienced an enrollment decline.

Final Review and Approval Recommendation - January 31, 2022

Honoring Local Decision-making

School Staffing Adjustments

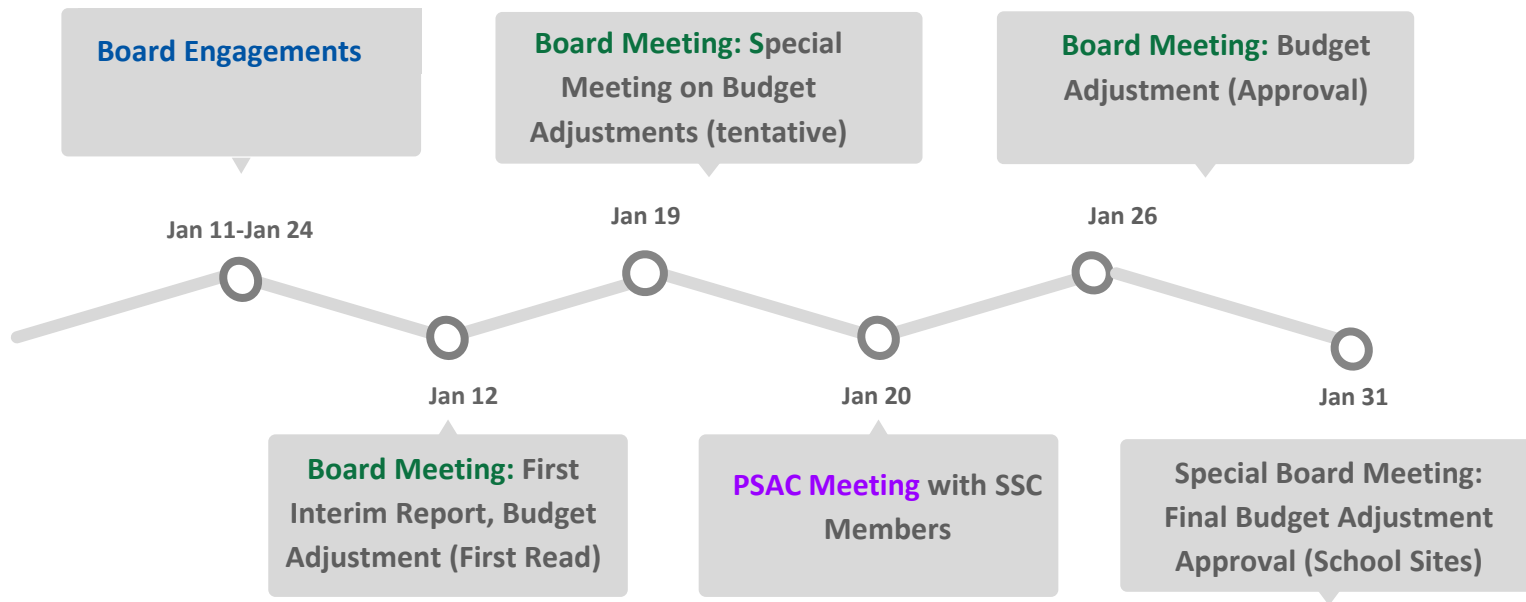
- Result of enrollment decline using existing allocation formulas
- Result of changes to Equity Formula with aggregate result of more staffing than would otherwise be allocated to support neediest students

School Funding Adjustments

- Schools prioritize spending locally to adjust to small reduction in Supplemental allocation (7.6%).
- Schools prioritize spending locally to adjust to higher staffing costs within 2021-22 Restricted allocation levels.

Note that many reductions were based on estimates that cannot be fully known until budget processes mentioned here are completed. Updates will continue.

Timeline



EVERY STUDENT THRIVES!



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

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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%
Total Mandatories & Benefits Certificated	22.55%	24.73%	24.13%
Total Mandatories & Benefits Classified	34.74%	37.93%	38.33%

* 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.