OAKLAND UNIFIED SCHOOL DISTRICT
Community Schools, Thriving Students

2025-26 Budget Balancing Solutions, Attachment C

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Board of Education Study Session, October 23, 2024

2025-26 Budget Balancing Solutions

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I. Conditional Budget Approval and the Way Forward

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I. Conditional Budget Approval and the Way Forward

2024-25 Budget Adoption Conditional Approval Requirements

Budget Conditional Approval		Completion Status	Description
June 2024	2024-24 Budget and LCAP Adopted	X	• Adopted June 26, 2024 • LCAP was approved
Sept 2024	ACOE Conditionally Approves the Budget	X	• Conditional Approval letter dated September 16, 2024. District provided with several required deadlines for compliance and pending review and final disposition of the 2024-25 Budget.
Sept 2024	Task 1 - Sept 30th District Confirms Budget Target for 2025-26?	X	• Target revised from $87M at adoption to $95M
Oct 2024	Task 2 - October 8th Cohesive & Aligned Strategic Plan/Budget Balancing Solutions & Board Study Session Date	X	• Draft Budget Balancing Solutions Submitted and Study Session Date set for October 23, 2024
Oct 2024	Task 3 - Sept 23rd Board Study Session	X	• Present Budget Balancing Solutions and Board to provide Staff with Direction on Budget Scenarios by October 30th

2024-25 Budget Adoption Conditional Approval Requirements

Budget Conditional Approval		Completion Status	Description
Nov 2024	Task 3 - ACOE will conduct a review of all the items and make final Budget determination		• District continues to meet with Trustee and ACOE to provide updates on strategic and cohesive plan • ACOE meets with Trustee and District to review and support cohesive alignment
Nov 2024	Task 4 - Board Take Action on A Budget Balancing Scenario		• By November 30th • Ideal timeline for actions November and December, but not later than February 2025
Dec 2024	Task 5 - Board to take action or set of actions to implement Budget Solutions		• By December 15th
Jan 2024	Continue Set of Actions and Implementation		
Feb 2024	Final Board Actions for Budget Development and Balancing		• The District must meet March 15th as well as finalize site and department budget development for timely adoption of a balanced budget

Annual Budget Balancing Activity Cycle

- The District has annually developed budget balancing solutions
  - Over the last three years have developed a Budget calendar process in communication with the ACOE:
    - October - Budget Balancing Solutions/Options
    - November - January - Engagement and Strategy development
    - February - Board Decisions
    - June - Adopt the Budget
  - For 2025-26, we now have Attachment C which includes the implementation of the prior year Attachment B and 2024-25 adopted Restructuring Plan

Annual Budget Balancing Activity Cycle

- We **MUST** to build a sustainable long term and sustainable plan, not an annual plan
  - This has been the 20+ year conundrum.
  - Every school has a different budget story
  - Every school has different budget solution to speak to the unique needs of the students that come from different communities around Oakland.
    - The Small School Movement, Community School Model, and BP 3150 leaned heavily on supporting schools with site based decision making and “maximizing” allocations over time to meet the individual school needs.
    - After a 20 year trial run, the numbers show that we cannot maintain this level of allocation and autonomy **and** also be a sustainable school district.
  - As a **Unified School District**, we have to simplify our approach so that we can better guarantee a high quality school in every neighborhood that aligns with and delivers on our district’s core values and the Superintendent and Board Goals

II. Continuing the Sustainable Path Forward: The 2024-25 Budget Development

2024-25 Budget Balancing Solutions and 2025-26 Restructure Plan

February 28, 2024

- Board Approved Agenda Item 23-2308D, Resolution 2324-0137
    - $16.5M of 2024-25 Budget Balancing Solutions and 2025-26 Restructuring Plan which includes:
        - A. Restructuring of Schools Aligned to AB1912 Process
        - B. Restructuring of Staff Formula to Schools
        - C. Restructuring of Continuous School Improvement (CSI) Division
        - D. Restructuring of Business/Operations to Centralize Services & Asset Management
        - E. Restructuring of School Site Allocations to Centralize Key School Investments and Revising Accompanying Board Policies to Move from Results-Based Budgeting to a More Centralized Approach with Clear Criteria for Earned Autonomies

2024-25 Budget Balancing Solutions and 2025-26 Restructure Plan

- The Budget Balancing Solutions address Restructure Strategies B - E
- Each strategy is aligned to the Three R's Resolution - Re-envision, Redesign and Restructure OUSD
- Restructuring Strategy A. Restructuring of Schools Aligned to AB1912 Process
  - Follows a parallel, but different process timeline per the legislation and as directed by the Board
  - Though not presented as part of the Budget Solutions, Restructuring the District's footprint is imperative to the District's sustainability.

2024-25 Budget Balancing Solutions and 2025-26 Restructure Plan

Updated AB 1912 Timeline and Milestones (con't)

Equity Impact Analysis Metrics & Criteria Development (June - September 2024)	During this period, the development of criteria and agreement on the metrics for the Equity Impact Analysis is carried out.
Approval of Metrics (August 28, 2024) ***Requesting board approval to move to September 25, 2024***	The final set of metrics is recommended, and the process of how feedback is incorporated is described during a regularly scheduled Board meeting.
Scenario Building and Equity Impact Analysis* (October 2024) ***Includes Coinciding Financial Analysis***	Different scenarios are built, considering regional aspects, facilities conditions, travel distances, programmatic considerations, and attendance boundaries.
Staff Report - 1st Read of Recommended School Changes (November 13, 2024)	The first read of the staff report on the recommended school changes is presented.
Staff Report - Adoption of Recommended School Changes (December 11, 2024)	The finalized recommended school changes and accompanying staff report will be brought to the Board for possible action.
Enrollment Window Impacted by Timeline (January 2025)	Enrollment processes will be impacted as a result of the timeline and any decisions made.

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III. A Summary of Budget Balancing Solutions - Attachment C

2025-26 Budget Balancing Solutions Summary

- 28 Options
  - 15 - Re-Envision
    - Unrestricted $41.4M
    - Restricted $3.6M
  - 6 - Redesign
    - Unrestricted $2M
    - Restricted $0
  - 7 - Restructure
    - Unrestricted $18.6M
    - Restricted $0

$95.0M Unrestricted Target
$65.6M Options Total
$29.5M Variance to Target

2025-26 Budget Balancing Solutions Summary

Attachment C Summary - $95M		Ongoing				Grand Total
		Unrestricted		Restricted		
		Personnel	Non-Personnel	Personnel	Non-Personnel	
Re-Envision	School Site	$35.4	$1.0	$76.94	$2.00	**$115**
	Central Office	$2.3	$2.6	$3.86	$2.00	**$11**
	Other	$3.7	$0.0	$0.00	$0.00	**$4**
Redesign	School Site	$2.0	$0.0	$2.8	$0.00	**$5**
	Central Office	$0.0	$0.0	$0.00	$0.00	**$0**
	Other	$0.0	$0.0	$0.00	$0.00	**$0**
Restructure	School Site	$14.6	$0.0	$0.0	$0.00	**$15**
	Central Office	$2.0	$0.0	$0.8	$0.00	**$3**
	Other	$2.0	$0.0	$0.00	$0.00	**$2**
Total	School Site	$52.0	$1.0	$79.74	$2.00	**$135**
	Central Office	$4.3	$2.6	$4.66	$2.00	**$14**
	Other	$5.7	$0.0	$0.00	$0.00	**$6**
	Grand Total	**$62.0**	**$3.6**	**$84.40**	**$4.00**	**$154**
	Unrestricted Target	**$95.0**				
	Variance	**$29.5**				

IV. NEXT STEPS

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1. Board Review and accept the 2025-26 Budget Balancing Solutions (BBS)
2. Staff continue with developing the Budget Solution Strategies and continue engagement.
3. November 7, 2024 Budget and Finance Review BBS
4. November 8, 2024 - ACOE and Trustee review District progress and determine status of the 2024-25 Budget
5. November 13, 2024, staff Returns with recommendations and proposed actions on the BBS
6. December 15, 2024
    - Board take first series of actions to implement the 2025-26 BBS
    - Present and Adopt the First Interim

Questions/Comments

EVERY STUDENT THRIVES!

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