OAKLAND UNIFIED SCHOOL DISTRICT

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Community Schools, Thriving Students

Budget and Finance Committee
OUSD Budget Development Demystified

Key Process Steps and Opportunities for Improvement

Presented by Troy Christmas

Presented to Board Budget & Finance Committee

March 1, 2017

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Budget Development – 2 Questions on 3 Levels

1. How much money is there?

2. How to invest funds for maximum impact?

Districtwide	
Schools	School Support /Central

Board Principles to guide budget development

Board Policy 3150

1. The allocation and expenditure of OUSD financial resources shall be aligned to the achievement of continuous improvement in school quality and student outcomes.

2. The allocation of OUSD financial resources to schools shall be maximized.

3. The distribution of OUSD financial resources to schools shall account for varying student needs and neighborhood conditions.

4. School governance teams shall be empowered to budget and expend OUSD financial resources.

5. The general public shall have timely access to accurate, comprehensive, and easily comprehensible OUSD financial management information at the school, department, and district-wide levels.

Goal: Adopt a budget and LCAP that reflects available resources and District priorities

The Budget Development Process is a year-long process that relies on timely data, input and decisions from multiple stakeholders.

Sept/Oct

- Board/Supt Priorities
- Enrollment Projections
- Prioritization Prep
- Review PSAC Rec's

November

- Budget Prioritization
- SSCs review student data
- PSAC aligns priorities with Board priorities

December

- Budget Handbook updated
- Budget Tools updated
- SSCs prioritize needs

January

- Funding allocated
- Site appeals completed
- Sites create preliminary staffing plans
- Budget tools and training provided to sites

February

- Budget "lock-in" sessions
- SSC engagements
- Sites reflect priorities in budget tool
- **Layoff/Reassignment deadlines for HR**

March

- Budget "lock-in" sessions completed
- 1st draft of SPSA review by network leaders

April

- SSCs approve SPSAs
- Draft budget uploaded to financial system
- Response to PSAC re priorities

May

- **Draft of LCAP due**
- May revision incorporated
- Draft of Budget presented

June

- **Budget Adoption**
- **LCAP Adoption**

Bold = Deadline

How much money is available? – Districtwide Projections & Reality

Timely access to data from the State, internal departments and labor negotiations impact the foundation of creating a budget.

Revenue

- Enrollment projections
- LCFF unduplicated count
- Attendance
- Newcomer projections
- Governor's budget proposal
- Governor's Revised budget
- Federal Funds (Title I)
- Parcel Tax Revenue projections

Costs

- Salary and benefits increases (projected)
- Retirement contribution changes
- Insights from closing of the books (e.g. overspending projected to continue)
- Other changes in the law

Nov

How will we invest? – Districtwide Budget Prioritization

With input from key data sources and stakeholders, District leaders meet over several days to collaboratively make prioritization decisions that impact the entire District

Data

- Student performance data
- Performance of specific initiatives
- Local Control Accountability Plan
- Strategic Plan
- School Performance Framework results

Input

- Board Priorities
- Superintendent Priorities
- PSAC
- Network Leaders

Decisions

- School portfolio changes
- Department restructuring
- School funding allocation formulas
- Staffing allocation formulas
- Proportion of funding to schools, school support, central

Nov | 1 | 2 | 3

How much money and other resources are available? – Schools

Schools receive multiple "types" of funding and resources based primarily on enrollment and student need.

Money

- Base allocation
- Supplemental & Concentration funds
- SPF-based allocation
- Appeals results
- Measure N & G parcel tax funds
- Title I Federal funds
- Grants

Supports

- Counselor ratio
- Nurse ratio
- Custodial Services
- School Security Officers
- Other base services provided based on need or enrollment

Jan   1   2   3

How will we invest? – Schools

Once funding is known and after fall school-level prioritization, schools can begin their budget development, including staffing and other spending changes.

Data

- Student performance data
- Performance of specific initiatives
- Local Control Accountability Plan
- SPSA Plan
- School Performance Framework results

Input

- Network Leaders
- Principals
- SSC
- Accountability Partners
- Budget Staff

Decisions

Locked-in school budget with all staffing and non-staffing spending

| Feb | Mar | | 1 | 2 | 3 | 4 | 5 |

How will we invest? – Central & School Support

Once funding from all sources is known, Central departments allocate spending to best support schools and other District functions aligned to Board Policy 3150

Data

- Strategic Plan
- LCAP
- Performance of initiatives
- Operational priorities
- Restricted funding sources
- Labor and other contracts

Input

- Division Leaders
- Superintendent
- Cross-departmental alignment
- Budget Staff

Decisions

Locked-in department budget with all staffing and non-staffing spending

Feb   Mar   1

Preparation for Following Year Requires Finalized Site Budgets

Talent and Budget use finalized site budget to conduct hiring, reassignments, classified bumping, LCAP update, LCAP preparation and the final adopted budget.

Staffing

Budget Prep

LCAP Preparation

- Fully Staffed Schools & Departments
- Completed LCAP
- Completed SPSA
- Adopted Budget
- Supplemental & Concentration funds appropriately allocated

Apr   Jun   1   5

Current Learnings from 2017-2018 Budget Development Process

Due to dependencies at multiple levels, delays in data and decision-making have a very negative effect on the overall experience. Parallel engagement is an opportunity.

Key Challenges

- Spending needs must largely be determined by November, which provides limited opportunity for in-year engagement.

- Delays in key data or decisions have cascading impact on other steps in the process

- All staff have other responsibilities that are best met if each process operates in the time window allotted

Opportunities

- Start the process earlier (July)

- Development of multi-year financial planning that reduces time challenge for all stakeholders

- Board review of prioritization results in December

- Content training and shared responsibilities checklist

- Transition to ESCAPE financial system should improve efficiency at multiple steps in the process

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Resources for further learning

1. 2017-18 Budget Development Handbook - http://www.ousd.org/Page/15885

2. Fiscal Transparency Website - http://www.ousd.org/fiscaltransparency

3. Governor's Finance Officers Association Framework for Smarter School Spending - http://smarterschoolspending.org/

4. Board Policy 3150 - http://www.ousd.org/domain/68

Glossary

- PSAC - Parent, Student, Advisory Committee (recommends LCAP activities)

- School Site Council – Elected school site advisory group

- LCAP - State's Local Control and Accountability Plan

- SPF - School Performance Framework (Framework for assessing school on multiple measures)

- EEIP – Educational Enhancement Intervention Program

- SPSA – Single Plan for Student Achievement

QUESTIONS

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