Administrative Regulations for Allocation of Measure G1 Funds

The Purpose of Measure G1

Oakland Unified School District's District-wide Teacher Retention and Middle School Improvement Act is established to pay for compensation for teachers and educational staff, as well as enriching middle school curriculum that better prepares students for high school and beyond.

The Goals of Measure G1

- *Attract and retain school-site educators.*
- *Increase access to courses in arts, music, and world languages in grades 6-8.*
- *Improve student retention during the transition from elementary to middle school.*
- *Create a more positive and safe middle-school learning environment.*

Role of Oversight Commission

The Commission shall advise and report to the Board of Education and shall be responsible for oversight, which includes (a) oversight of proper allocation and use of all parcel tax monies, (b) reviewing annual independent audit reports, and (c) submitting recommendations to the Board of Education for any new or modified policies and administrative regulations to ensure the Oakland Unified School District's compliance with the requirements and intent of this Measure.

Use of Measure G1 Funds by OUSD Middle Schools

Measure G1 – Allowable and Unallowable Expenses:

Important note: G1 funds should be used to supplement, not supplant additional services, staff, programs or materials the site would not otherwise have within the following goal areas:

Goals	Examples of Allowable Expenses
Increase access to courses in arts, music, and world languages in grades 6-8	Staff (art, music, world language) Instruments Art supplies Language software and teaching aids Professional development
Improve student retention during the transition from elementary to middle school.	Staffing and other resources that will not supplant pre-existing services
Create a more positive and safe middle-school learning environment.	Staffing and other resources that will not supplant pre-existing services

Examples of Unallowable Expenses:

- Core Classroom teachers (except art, music, or world language class)
- Clerical Positions
- Copier Contract
- Medical Supplies
- Meals

NOTE: Pre-existing services, programs, staff or materials that meet the Measure G1 goals above, but have been previously funded using discretionary funds are NOT allowable G1 expenses.

No Measure G1 funds can be used until a site's proposal has been recommended by the Measure G1 Commission for approval, and has been approved by the School Board. Likewise, no staff can be hired using Measure G1 funds until a site's proposal has been recommended by the Measure G1 Commission for approval, and has been approved by the School Board.

Sites must complete a diagnostic self-assessment of the school's curricular and safety needs, including an assessment of community demand for arts, music, and language education. Both school staff, and school community, must be engaged in the self-assessment process. These engagements must be documented and submitted with site proposals to the Commission as part of the approval process. Use of G1 funds should prioritize gaps in the categories identified as a result of the self-assessment process.

The following types of data must be provided as evidence along with the proposal for services and programs:

Art - Self assessment
Music - Self assessment
World Language - Self assessment
Elementary to Middle School retention - Enrollment data and analysis
Safe and Positive School Culture - School Performance Framework data: URF, Suspensions, California Healthy Kids Survey (CHKS) data

Transition to 100% Funding Allocation in 2019-20

For the 2017-18 and 2018-19 school year, sites received 50% allocations of Measure G1 funding due to the parcel tax collection calendar. Due to the 50% allocation of Measure G1 funds, in the 2018-19 school year, sites may fund a portion of a Measure G1 approved staff position using Measure G1 funds and the remainder of the position using other site funds. In these instances, in the 2019-20 school year when the site will first receive 100% of the Measure G1 allocation, the site may request to the Measure G1 Commission and Board of Education that 100% of the position be funded using Measure G1 funds.

Unexpected Variance and Adjustments

If there is an unexpected variance in the estimated cost of a Measure G1 expenditure articulated in the proposed and approved plan, the site has the discretion to increase or reduce allocations of funds to expenditures by up to 15% above or below the allocation, provided those expenditures already exist in their approved plan, and that such a change does not exceed the total site allocation of funds. If such action is taken, sites must report these changes to the Measure G1 Commission by the following Measure G1 Commission convening. Sites may not adjust expenditures by more than 15%, nor change the purpose of an expenditure, without submitting ~~a revised~~ an amended plan and community and staff engagement documentation reflecting Measure G1 discussions, to the Measure G1 Commission for approval.
Decisions to eliminate funding for existing services, staff, programs or materials in order to use Measure G1 funds are not allowable.

Measure G1 Funding Information

Measure G1 has two primary components: (1) pay raises for "school site educators" and (2) Middle School Grants designed to achieve the goals outlined above with clear accountability measures.

For the 2017-18 school year, OUSD middle schools and district charter schools will not receive funds for #1 above: pay raises for school site educators. For the 2017-18 school year, OUSD middle schools and district charter schools will receive 50% of the total estimated yearly allocation for #2 above: middle school grants. This will be calculated in the following way:

1. Estimated number of parcels (based on previous Measure N calculations)
2. Dollar amount per parcel
3. Total estimated parcel revenue based on number of parcels multiplied by dollar amount per parcel
4. Subtraction of County collection fee
5. Subtraction of 1% administrative cost for District oversight to determine net estimated parcel tax revenue
6. Determine the percent of students enrolled in OUSD middle schools and percent enrolled in charter (adjusted by LCFF and residency percentage)
7. Allocate net revenue from step 5 to charter and district middle schools according to enrollment percentages in step 6.
8. Set aside 65% of totals in step 7 for school site educator pay raises.

9. Of 35% remaining for Middle School Grants, 50% will be allocated to OUSD middle schools and district charter schools based on projected 6-8 enrollment (adjusted by LCFF and Oakland residency). The remaining available funds (based on actual funds received) will be allocated the following school year. All charter schools that opt to use Measure G1 funds during 2017-18 are responsible for financing their Middle School Grants until the parcel tax funds are distributed. OUSD will not be responsible in any way for funding Middle School Grants for district school charter schools.

Once a reportable enrollment count occurs in the fall of 2017, and total tax revenues are collected in spring of 2018, a final calculation will be made to reconcile any discrepancies in the allocation to OUSD middle schools. The remaining balance of funds (approximately 50% of the total allocation, plus or minus any reconciliation) will be allocated for the 2018-19 school year. 2018-19 allocations will require each site to submit a proposal to the Measure G1 Commission for recommended approval by the Board of Education.

Thereafter, Measure G1 sites will receive 100% of their allocation (contingent on Commission recommendation and approval from the Board of Education). This will be based on the calculation at the end of the prior fiscal year when both payments of annual parcel tax revenues will have been received by the District (see payment distribution below). The G1 revenues will be allocated as follows:

Step One: District Receives PARCEL TAX REVENUES

Step Two: (Subtract 1% Administrative Fee for District Administration)

Step Three: Divide remaining Parcel Tax Revenues Proportionally:

a. TOTAL District Revenues:
Proportionate # of Oakland Middle School Students adjusted by
Local Control Funding Formula & residency

b. TOTAL Charter Revenues:
Proportionate # of Oakland Middle School Students adjusted by
Local Control Funding Formula & residency

Step Four: Divide Total District Revenues and Total Charter Revenues as Follows:

a. Divide Total District Revenues:
- 65% - School Site Educator raises *(all get same percentage)*
- 35% - Middle School Grants *(based on LCFF enrollment of Oakland students) students)*

b. Divide Total Charter Revenues:
* 65% - School Site Educator raises *(all get same percentage)*
* 35% - Middle School Grants *(based on LCFF enrollment of Oakland*

*** Key Definitions:**

- **Eligible students= students who are residents of the city of Oakland**
- **Projected LCFF Enrollment = CALPADS enrollment data from the prior year weighted by Unduplicated Pupil Percentage from the Local Control Funding Formula (LCFF)**
- **Confirmed LCFF Enrollment by School Type**
  - OUSD Middle Schools - **20 Day Count**
  - OUSD Alternative Education Middle School - **Highest Reported Attendance from previous year**
  - Charter schools - **First Attendance Report** that is submitted to the Office of Charter Schools during September

For Budget Planning purposes, sites should use the CALPADS counts of the prior year to do budget planning.

- Prior to **CALPADS** data release, school planning for budgeting should be based on the prior year "Confirmed Enrollment" or previous year's CALPADS data. District or charters can use their local context and projections in order to identify the enrollment that will be used for instructional program development to do long term planning.

Calculation and Distribution of Measure G1 Funds to Site
All district and charter schools will be required to present a proposal to the Measure G1 Commission articulating their plan for use of the Measure G1 allocation for the following fiscal year. Disbursement of Measure G1 funds will require prior approval of said plan by the Measure G1 Commission and the Oakland School Board of Education. A draft template proposal is attached. Each proposal must contain accountability measures aligned to the Measure G1 goals. For each subsequent funding year, schools must report to the Measure G1 Commission the school's measurement of success in achieving its Measure G1 goals based on its accountability standards.

If a site proposal is not approved by the Measure G1 Commission, the site will have an opportunity to revise and resubmit their proposal to the Commission based on a timeline determined by the Commission. Until a site's proposal has been approved, no funds can be utilized by the site and no onboarding of staff using Measure G1 funds can occur.

Payment Distribution for 2019-20 and all years thereafter for the duration of the parcel tax will be based on CALPADS enrollment data for the previous fiscal year.

Funds will be distributed as follows:
- For OUSD middle schools:
    - OUSD Middle Schools will have their funding loaded into their Budget Development Tool for planning purposes and then loaded into the school budget in the 1st week of July.
    - Funds will be loaded into site budgets on July 1 of each year (contingent on approval by the Commission and Board of Education).
    - Each Measure G1 budgetary transaction (including transfers and purchase requisitions) will be reviewed and approved by the Middle School Network Office based on the current year's Commission and Board of Education approved plan.
- For charter middle schools:
    - Approved expenditures will be subject to reimbursement at two points during the year;
        - mid-year following the mid-year reflection, and
        - end-of-year to capture expenses through June 30.
    - Each Measure G1 budgetary transaction will be reviewed and approved by the Middle School Network Office prior to reimbursement in accordance with the current year's Commission and Board of Education approved plan.
    - Charter schools will request reimbursements via the Reimbursement Request Form during the two reimbursement windows. Supporting documentation will be required for all reimbursement requests.

Measure G1 Carry Over
Middle schools can request to rollover all unexpended Measure G1 budget allocations from one fiscal year to the next fiscal year, for a period not to exceed one consecutive fiscal years.

If funds are to be carried over from one year to the next, sites must complete a "Carryover Justification" form. If a site's total potential carryover is $5,000 or less, the site may complete a Carryover Justification SHORT form. If a sites full potential carryover is more than $5,000, the site will need to complete a Carryover Justification LONG form *and provide community and staff engagement documentation reflecting Measure G1 discussions for the carryover funds,*. If a site plan has not been previously submitted, the site will need to submit a long carry-over form regardless of the amount. Both forms will identify why the funds were not expended (barriers to progress) and identify a clear use of the funds in the next fiscal year that is linked to the Measure G1 outcomes and addresses the root causes or builds on the strategies that the

school is hoping to leverage for change. Either completed Carryover Justification form will be presented to the Measure G1 Commission at the following commission meeting, where the Measure G1 Commission will vote on whether or not to recommend the request for approval by the Board of Education.

Carry Over Disbursement:
All unexpended Measure G1 budget allocations that are carried over from the previous year will be dispersed to the school based on previous year's allocations and must be aligned to the school's Measure G1 strategies or specifically target the root causes. Disbursement of carryover funds will occur in the fall of the target year, once the previous school years full Measure G1 revenue-to-allocation budget has been balanced, and all potential carryover funds have been verified.

In the fall sites will receive notice from the Middle School Network Office of carryover of funds which can be applied to the current school year. At that point, sites may choose to submit a Carryover Justification form. If a site chooses to submit a Carryover Justification form, either short or long, as specified above, and it is approved by Commission and Board of Education, the funds will rollover into the current year's G1 site balance. Any unexpended carryover funds at the end of the One-Year Education Improvement Plan cycle will be added into the Measure G1 "Contingency Fund." If a site chooses not to submit a Carryover Justification form, the unexpended funds will automatically be added to the Measure G1 Contingency Fund.

Measure G1 "Contingency Fund"
All Measure G1 revenue not allocated to schools and administration shall be held in reserve and maintained as a "Contingency Fund" that the Measure G1 Commission can recommend to the Board to support:

- Step-down funding due to the expiration of the Measure G1's 12 year term.
- Negative financial impact to middle schools based on rising or decreasing overall enrollment
- Measure G1 revenue shortfalls.
- Increases in funding based on changing middle school enrollment.

In addition, if recommended by the Measure G1 Commission and approved by the OUSD School Board these funds can be used to support:

- Multi-site innovative programs and pilots that will continue to better student outcomes and can be applied across the system or deepen the learning of Oakland's network of schools.
- Site visits

Administrative Funds:

The Measure G1 Administrative Funds will be used to support the development, implementation, and progress monitoring of Measure G1 strategies to ensure that the students in Oakland meet the goals of the initiative outlined above. The Middle School Network, will present a yearly report to the commission after the completion of the yearly audit explaining how the Administrative 1% were expended.

Audits

The District Middle Schools and Charters who receive funds shall have an annual, independent financial audit of the Measure G1 funds received and expended.

Measure G1 requires OUSD to secure an independent financial auditor to prepare an audit report comprised of independent audits from OUSD and all charter schools receiving Measure G1 funds. Under the statute, the audit report must be reviewed by the Commission and files with the Board prior to December 31st. ~~The audit report should be completed and filed with the Board of Education prior to December 31.~~ *In order to meet this deadline,* ***all schools (OUSD and charter) must complete and submit their*** ~~***reports/responses***~~ ***completed audit to the*** ~~***independent auditor***~~ ***Commission or designee by November 1st****.*

The audit should describe the programs funded by the Measures revenues, schools' success in achieving Measure G1 goals based on their accountability measures, and render an opinion as to whether the funds expended were for allowable uses under the Measure and whether the revenues were used to supplement and not supplant general fund revenues. The cost of the Independent Audit may be paid from the proceeds of the parcel tax.

Failure to submit an audit within the prescribed timeline of completion and filing, may jeopardize the ability to be reimbursed for expenses at the mid or end of year, and furthermore could make a site ineligible in the following year's allocation process. ~~Failure to submit all proper documentation to the auditor could result in the freezing or denying of funds until a completed audit, or necessary documents, are submitted.~~ *Failure to submit a completed audit to the commission by March 30 will result in the denial of all reimbursements and staff compensation funds for the current year.*This is true for both charter and district schools.

Defining Key Goals:

- Improve student retention during the transition from elementary to middle school

This goal shall refer to any effort to attract and sustain the enrollment of elementary school students from feeder schools into an Oakland public middle school program so that their families do not opt out and enroll their student into a private school in Oakland or any school outside of Oakland. The goal is to increase enrollment overall in Oakland public middle schools and not to intentionally recruit students away from other Oakland public middle schools.

Examples include, but are not limited to:

a. Parent and student outreach
b. Site-visit field trips
c. Transitional programs (Summer Bridge)
d. Data-based research
e. Cross-school collaboration
f. Partnerships with feeder schools

CHARTER SCHOOL SALARY DEFINITIONS AND PROCESS

I. Definitions

1. "School Site Educators"

With regards to charter schools,'school site educators' refers to any union-represented employees and/or to any school employees who, in a given school year, spends at least 75% of their assignment at the site of the Oakland charter school employer. Part-time or hourly employees who work at an Oakland charter school during the regular work year (*e.g.*, substitute staff, after school staff) qualify as school site educators.

Example 1:
Jen's duties are split between teaching at ABC charter school in Oakland and serving an administrative role in ABC's business office off-site, with roughly 80% of her time spent teaching. Jen qualifies as a School Site Educator.

Example 2:
Bill is a part-time teacher (0.5 FTE) at a charter school in Oakland. Bill qualifies as a School Site Educator because his assignment is fully located at the school site.

Example 3:
Jane is an independent contractor who is hired by an Oakland charter school to provide counseling. Jane does <u>not</u> qualify as a School Site Educator because she is not an employee of the school.

2. "Same Percentage Increase"

The salary increase among each charter school employer shall be the same percentage for all its employees.

Example 4:
Charter School Employer employs 30 school-site educators at Charter School A. All 30 shall receive bonuses at the same percentage increase.

Example 5:
Charter School Employer employs 20 school site educators at Charter School A and 50 school site educators at Charter School B. All 70 school site educators shall receive bonuses at the same percentage increase.

II. Process

1. **Distribution.** G1 salary increases to charter school site educators will commence with the 2018-19 school year. The charter school's Chief Financial Officer, or appropriate charter school administrator, must submit a completed and signed *Measure G1 Certification Form and Roster in late April/early May* annually to receive funds for salary increases*, exact date to be determined*, Additionally, an *Acknowledgement of Receipt* must be completed by the charter school administrator at the time of receipt. Charter school employers must distribute the salary increase to employees at the end of each school year between June 1 and June 30.

   Schools that have not submitted their documentation by the deadline will receive a warning and will be reported at the Measure G1 Commission meeting at the end of May. Failure to submit the Measure G1 Certification Form and Roster will result in a delay in disbursement of funds until Fall closing of prior year's books (usually October), thereby missing the June 30th deadline to distribute the salary increase to employees. Public notice of all sites that have failed to submit documentation by the deadline will also be given to the Board at the first Board meeting in August.

2. **Eligibility**. All employees of an Oakland charter school employer who are employed on the last day of the school year are eligible for the salary increase.

   Example 6:
   Alice qualifies as a site-based educator in an Oakland charter school. She joined the school in January. She would be eligible to receive a G1 salary increase provided she worked for the school on the last workday of school year.

   Example 7:
   Eric qualifies as a site-based educator in an Oakland charter school; however, he quit in February. He would not be eligible to receive the salary increase.

3. **Calculations.** The salary increase shall be distributed at the same percentage for all employees of an Oakland based charter school employer based on their salary and salary driven benefits earned for the school year. "Salary" as used herein refers to an employee's combined scheduled income and any stipends. "Salary driven benefits" as used herein refers to all statutory and policy-driven benefits which may result in additional cost associated with the increase. For example, if the salary increase would qualify as pensionable earnings for an employee, employers may include employer retirement contributions as part of the salary increase calculation and use G1 salary revenue for that purpose.

   Example 8:
   Tara qualifies as a site-based educator in an Oakland charter school. She receives a base salary, as well as a bilingual stipend and a laptop. Her Total Actual Salary consists of her base salary and the bilingual stipend. The value of her laptop is <u>not</u> included.

   Example 9:

Mary was out sick for May and June but was still employed as of the last workday of the school year. Her earnings while on sick leave count towards her Total Actual Salary.

4. **Audit.** Charter school employers must provide supporting documentation to any auditors working on behalf of the G1 Commission.