



**OAKLAND UNIFIED
SCHOOL DISTRICT**

Community Schools, Thriving Students

Oakland Unified School District

2020-21 First Interim Financial Report



Presented by Lisa Grant-Dawson, Chief Business Officer

Governing Board Meeting, December 9, 2020

Version 3

www.ousd.org



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Annual Financial Reporting Cycle

- Adopted Budget - July 1 - June 30/Report - June 30
- Unaudited Actuals - July 1 - June 30/Report: September 15
 - **Audit complete by December 15**
- **First Interim - July 1 - October 30/Report: December 15**
 - **45 Day Revise of Adopted Budget**
 - **Negotiated Agreements/Salary Changes**
 - **Annual Fall Revisions**
 - **CARES Allocation & Spending**
- Second Interim - July 1 - January 31/Report: March 15
- Third Interim - July 1 - April 15/Report: June 1

First Interim Summary

2020-21 First Interim Fund Balance Summary

	Unrestricted	Restricted	Total Fund
A. Revenues			
5) Total Revenues	\$ 393,560,323	\$ 261,699,268	\$ 655,259,591
B. Expenditures			
9) Total Expenditures	\$ 316,309,301	\$ 351,020,514	\$ 667,329,815
C. Excess (Deficiency) of Revenues Over Expenditures	\$ 77,251,022	\$ (89,321,246)	\$ (12,070,224)
D. Other Financing Sources/Uses			
4) Total, Other Financing Sources/Uses	\$ (78,125,301)	\$ 76,789,368	\$ (1,335,933)
E. Net Increase (Decrease) in Fund Balance (C +D4)	\$ (874,279)	\$ (12,531,878)	\$ (13,406,157)
F. Fund Balance, Reserves			
1) Beginning Fund Balance			
a) Adjusted Beginning Balance (F1c + F1d)	\$ 33,043,817	\$ 34,533,781	\$ 67,577,598
2) Ending Balance, June 30 (E + F1e)	\$ 32,169,538	\$ 22,001,903	\$ 54,171,441

Net Changes in First Interim

- Revenues - Primary Drivers of Change
 - UnRestricted - \$33M higher in LCFF revenue than Adopted Budget due to changes in Governor's proposed budget eliminating the deficit factor included in the adopted budget.
 - Included in August 2020 45-Day Revised Budget
 - Revised attendance projection to match 2019-20 ADA for 2020-21
 - Restricted - \$54.8M higher than Adopted Budget
 - Coronavirus Relief Funds - \$39M
 - Title I – Resource 3010 - \$3.2
 - Special Ed - Resource 6500– \$2.3
 - Strong Workforce Program – Resource 6338 – \$2.1M
 - After School Learning & Safety – Resource 6010 - \$1.7M

Net Changes in First Interim

- UnRestricted Expenditures - Primary Drivers of Change
 - Certificated Salaries - \$8.6M higher than Adopted Budget
 - \$4.3M - Negotiated Agreements with UAOS and Management/Confidential
 - \$4.5M - Additional Budget Reduction in Non Position Salary Place Holders Reversed due to reversal of negative COLA
 - Classified Salaries - \$5.4M higher than Adopted Budget
 - \$1.2M - Negotiated Agreements with UAOS and Management/Confidential and COVID Side Letter with OEA as approved and updated by the Board in August and September
 - \$M - Additional Budget Reduction in Non Position Salary Place Holders Reversed due to reversal of negative COLA

Net Changes in First Interim

- Unrestricted Expenditures - Primary Drivers of Change
 - Books and Supplies - \$2.3M higher than Adopted Budget
 - Services and Operating Expenditures - \$9M higher than Adopted Budget
 - Adjustments to adopted budget reversing place holder reductions
 - Also includes budget adjustments for Fall Adjustments
 - CBEDS Enrollment net 500 student drop
 - Adjustments to allocations to discretionary, supplemental, and concentration budgets

Net Changes in First Interim

- Restricted Expenditures - Primary Drivers of Change
 - Certificated Salaries - \$11.3M higher than Adopted Budget
 - \$10M - Coronavirus Funding Allocations
 - \$.75M - Negotiated Agreements with UAOS and Management/Confidential and COVID Side Letter with OEA as approved and updated by the Board in August and September
 - Classified Salaries - \$10.8M higher than Adopted Budget
 - \$.7M Negotiated Agreements with UAOS and Management/Confidential and COVID Side Letter with OEA as approved and updated by the Board in August and September
 - \$6.2M – Coronavirus Funding Allocations
 - \$1.5M – Special Education
 - \$.5M – Measure N

Net Changes in First Interim

- Restricted Expenditures - Primary Drivers of Change
 - Books and Supplies - \$44M higher than Adopted Budget
 - \$4M – Title I Carryover
 - \$25M – Coronavirus Relief Funds
 - \$1.5 – Strong Workforce Program
 - \$1.5 - Kaiser
 - Services and Operating Expenditures - \$2.4M below projection
 - Adjustments made to the ESSER (\$14.5M) portion which was included in the adopted budget and re-allocated since the adopted budget.
 - Other programs adjusted based on revenue projections since adopted budget.

CRF Spending Report

Data as of October 31, 2020

CARES (as submitted Nov 18, 2020)

Total CRF Allocation	\$33,220,006
Total of Previous CRF Expended (Mar 1- Sept 30, 2020)	\$440,808
Total of Current CRF Obligation (Oct 1-31)	\$8,549,890
Total Current CRF Expended (Oct 1-31)	\$5,304,872
Future CRF Expenditures (Nov 1 – Dec 30)	\$18,924,436
Projected Unexpended CRF	\$0

Ancillary Funds

- All Funds are performing within their funding streams and have positive Fund Balances.

<i>Fund/SACS Form</i>	<i>First Interim Ending Balance</i>
Fund 11 - Adult Education	\$ 1,292,772
Fund 12 - Child Development	\$ 2,245,955
Fund 13 - Student Nutrition	\$ -
Fund 14 - Deferred Maintenance	\$ 2,975,644
Fund 21 - Building Fund	\$ 34,070,580
Fund 25 - Capital Facilities Fund	\$ 4,726,901
Fund 35 - County Schools Facility Fund	\$ 8,735,886
Fund 40 - Special Reserve Fund for Capital Outlay	\$ 669,853
Fund 51 - Bond Interest and Redemption Fund	\$ 97,801,440
Fund 67 - Self Insurance Fund	\$ 2,634
Total Ancillary Funds	\$ 152,521,665

Other Items of Note

- Cash Flow – Form CASH
 - The District is still projecting to have a cash deficit at the end of June
 - The District has applied and is eligible for a TRANS through the California School Finance Authority
 - Total Deferrals \$84.7M
 - Projected Cash Deficit by June \$14M
- Multi-Year Projection – Form MYPI
 - Strategic reductions must be made for the District to resume its positive status and remain solvent.
 - Projected Unrestricted Reduction \$16M
 - Projected Restricted Reduction by 2022-23 \$20M

Other Items of Note

- AB 1840 Dollars as cited in the Budget Trailer Bill will be included in Second Interim - \$16M
 - Not included in the Adopted Budget because the revenue was **known** but not **measurable**
 - Measurable means the conditions to receive the funds are met.
 - The 2019-20 Audit is in progress and currently scheduled for completion mid January 2021
 - Estimated Board review date Second Board meeting in February/First Board meeting in March.

Conditions Required for Disbursement of Funds

The Budget Act of 2020 (Assembly Bill 89, Chapter 7/2020) amended items of appropriation from the original Budget Act of 2020 (Senate Bill 74, Chapter 6/2020), appropriated \$16,009,000 to the district (AB 1840 funds), and provides that the disbursement of these funds is contingent on the district's completion of the following:

1. The required annual audit for the preceding year, and
2. Affirmative board action to update or develop short-term and long-term financial plans based on best practices and reasonable and accurate assumptions.

The required annual audit for the preceding year is normally filed no later than December 15. However, due to the pandemic, Education Code 41020.9 was added effective June 29, 2020 to extend the normal deadline for LEA annual audits from December 15, 2020 to March 31, 2021.

School Site Committees Summit (SSC & SELLS)

Cumbre de Comités Escolares (SSC & SELLS)

NOVEMBER 19, 2020



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LCP Parent Engagement Opportunities

November 19, 2020

Districtwide School Site Council Summit: presentation and opportunity for feedback from representatives of SSCs across the district at annual summit

October 21, 2020

LCAP Parent & Student Advisory Committee (PSAC) General Meeting

Update on Learning Continuity & Attendance Plan and budget

September 16, 2020

LCAP Parent & Student Advisory Committee (PSAC) Special Meeting

Presentation and Feedback on the Learning Continuity & Attendance Plan and planned 20-21 District investments

2020-21 Budget Overview

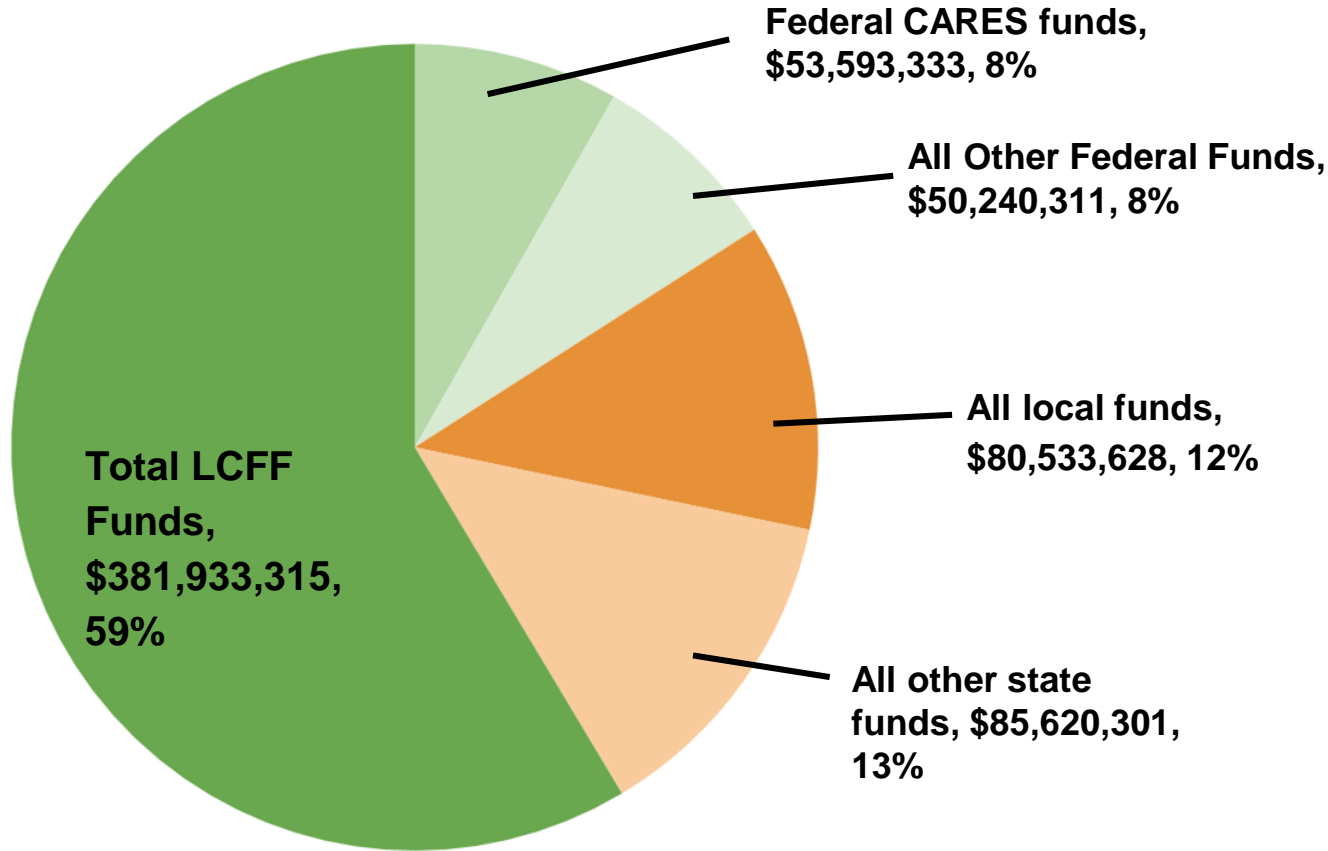
Lisa Grant-Dawson, Chief Business Officer

6:15 pm 30 minutes

**What are the sources of
funding in our 2020-21
Learning Continuity &
Attendance Plan (LCP)?**

OUSD FUNDING 2020-21

FINANCIAMIENTO DE OUSD 2020-21

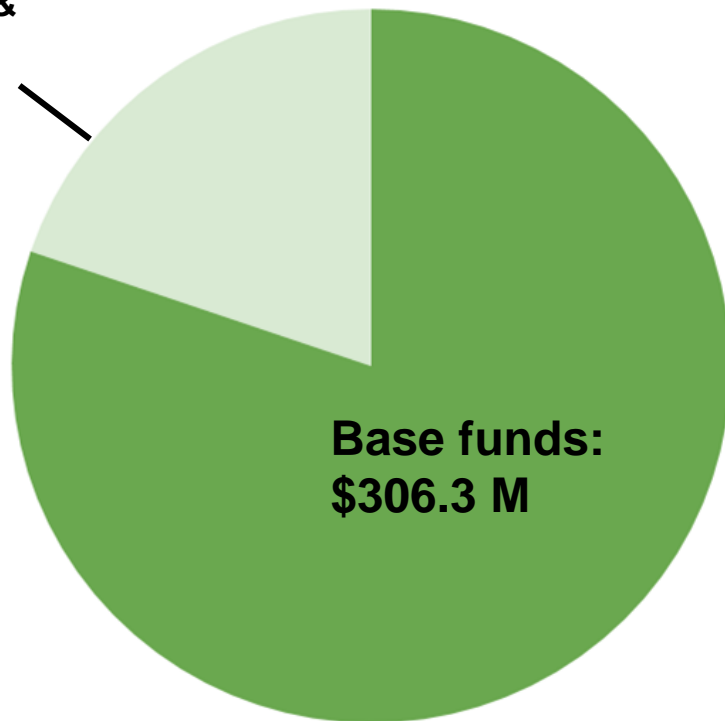


[Draft 2020-21
LCFF Budget
Overview for
Parents](#)

OUSD LCFF FUNDING 2020-21

FINANCIAMIENTO DE OUSD LCFF 2020-21

Supplemental &
Concentration
(S&C)
funds: \$75.6 M



35,261 Students Estudiantes

75.8% English Language Learners, Low Income, or Foster Youth (2019-20)

Aprendices del Lenguaje Inglés, Bajo Ingreso, Niños y Jóvenes de Crianza

Funding Sources included in LCP

Local Control Funding Formula
(LCFF) Supplemental & Concentration
Funds

\$75,638,663

Federal Title & Comprehensive
School Improvement (CSI) Funds

\$25,431,158



Learning Loss Mitigation &
Emergency Relief Funds

\$53,593,333

**Learning Continuity and
Attendance Plan Funds**

\$154,663,154

**See Appendices for
full list of funds
included in LCP*

What are some factors that we must consider as we prepare to develop the Local Control & Accountability Plan (LCAP) and the budget for 2021-22?

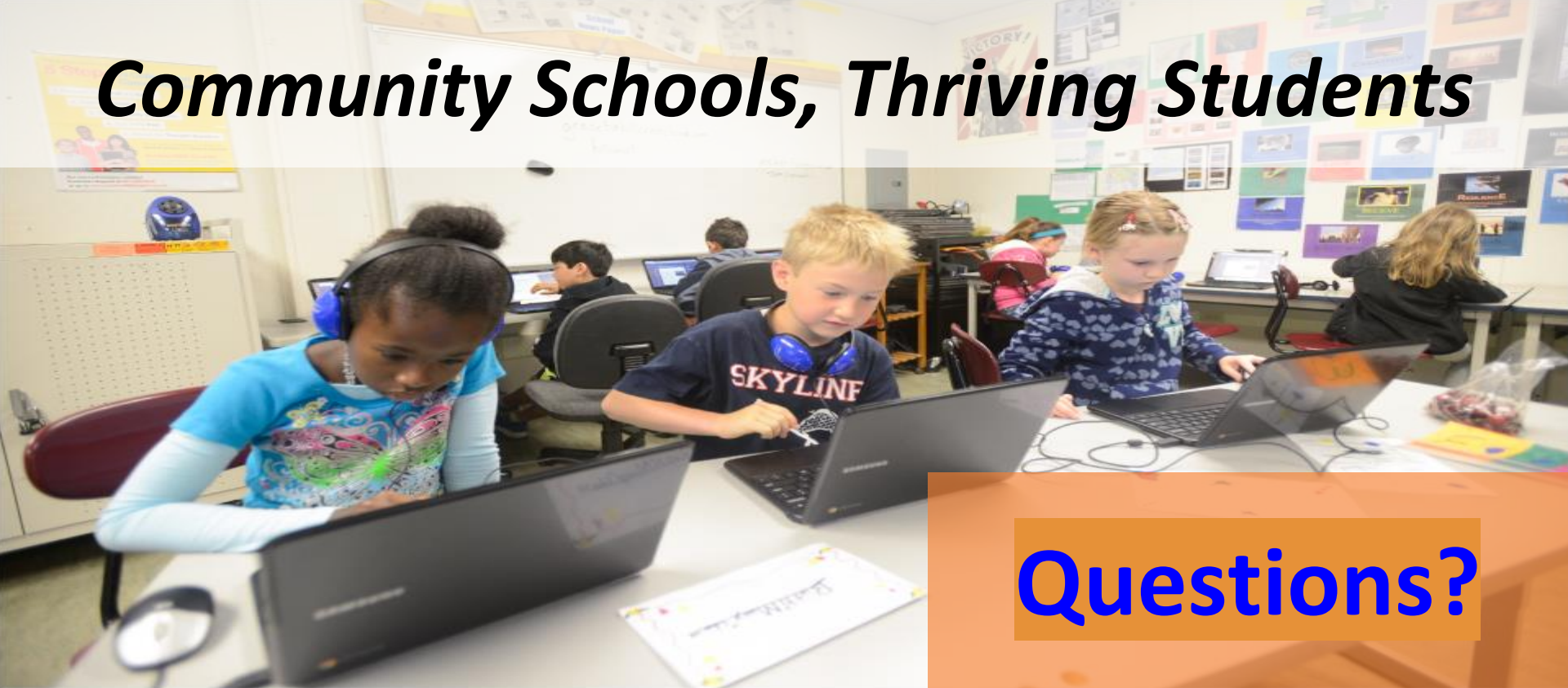
How can members from school site and district committees collaborate with staff and the School Board to develop the 2021-22 LCAP and budget?

Next Steps

- Submission of First Interim to the Alameda County Office of Education (ACOE) by September 15th
- Distribution of First Interim Other to Auditors, Financial Advisors, Bond Reporting Agencies
- Continue Learning Loss Spending Plan Reporting and completion. Learning Loss funding must be spent/encumbered with purchases made and complete by December 30th
- Continue Budget Development/Planning for 2021-22
- Second Interim Due March 15, 2021



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Questions?



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