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Board Cover Memorandum

To Board of Education

From Ad Hoc Task Force to Reduce Outsourcing

Meeting Date June 3rd, 2026

Subject Update to the Board of Education

Ask of the Board of Education

Review the update on current activities of the Ad Hoc Task Force to Reduce Outsourcing.

Background

Per the workplan, the Task Force prepares an update prior to all interim financial reports. This presentation serves as the update prior to the Third Interim financial statement.

Discussion

Below is the list of recommendations made by the Task Force and updates on implementation.

Recommendation #1: **Amend and strengthen** existing contract approval process, including: identifying positions with ability to initiate contracts, training of designees and those with authority, to end supplanting of in-house bargaining unit work, including documenting sufficient notice to the relevant bargaining unit after exhaustive efforts to hire in-house have been made and establish a Meet and Confer with impacted bargaining unit, yielding a MOU. Hiring in-house employees should always be the standard practice.

- a) For example, Early Literacy Reading Tutors.

- While agreeing upon the issue regarding the hiring process for staff and contract employees, still need to have a continued conversation regarding it.
- Discussion is needed regarding closing the gap in the payscale regarding staff vs. contractor pay
- Recent communications between members of the OUSD Outsourcing Task Force and an organization of WCCUSD parents and staff suggest that district pay and working conditions for several positions are comparable to typical agency offers. How can this be lifted up?
- Job-alike supports for recruiting and supporting onboarding (extended hours to interested employee). SEIU and OEA have support for reducing outsourcing as an explicit goal in their new contracts.

Recommendation #2: **A foundational document** for hiring an employee is having a written position job description for the role available. (For example: staff has stated that OUSD does not have a job description for an Artist-in-Residence, which means that sites end up contracting out this work).

- a) If departments identify a needed position, a job description must be developed in partnership with the relevant bargaining unit and become usable for posting openings.

We note: When such job descriptions are not available, bargaining units may prefer that OUSD rely on the collective bargaining agreement.

- Review of JDs, yes, a JD is needed for new positions
- Depts must take steps to initiate classification review
- The District may not agree to pursue the need to a JD - due to cost
- Perhaps a given number of contracted out positions triggers a review regarding bringing work in-house

Recommendation #3: **Create a database of employees** who would be interested in working additional hours and/or a posting board for these opportunities that employees can access.

- a) This shall not impinge upon the expansion of full time, represented positions

- Database or notification system to alert staff when additional hours are available beyond current part-time position
- Extra hours may look different for different unions.
- Additional internal coordination of job opportunities outside of current employment platforms
- Network of subject matter experts for help district reach out (advisory groups, liaison partners) and provide feedback

Recommendation #4: **Student stipends** are a valuable tool for supporting students in spending their time in work that is adjacent to their field of study and may provide a foundation for future career development.

- a) As currently structured, some student stipends are processed through the district but the majority are not; bring as many as possible in-house.

- The process of student as well as adult stipends are processed in different entities. Unsure of why that is. Continuing to learn and conduct research into reason for separation
- Need for clarity in the contract and the Board cover sheet as to how much is being paid out through the agency, and how much is being retained by the agency.

Recommendation #5: Renewed contracts should go through the same **legal and fiscal review as new contracts**, and have a process for stakeholder inclusive quality control and a long term plan for in-housing.

- Deeper review is needed of all contracts. Ask for more time to conduct review. Need for capacity.

Recommendation#6: When purchasing products that require specialized maintenance, **consider how to best have district staff trained**, in consultation with appropriate labor bargaining unit(s), in those tasks so that outside contracting for maintenance of district property is minimized.

a) For example: security camera installation and maintenance.

- Cross training opportunity for staff. Need to be careful that work is still within their JD. Still present it as a voluntary opportunity. Example given - Security cameras at schools. Maintenance is outsourced. Create an opportunity for it to be done in house.
- Also offer training for things that we know are going to be needed in the future. Especially as we know maintenance of devices, other items are going to be obsolete within the next few years. (Predicting our needs and partnering with unions to be proactive in changes)
- Prop 28 funding regarding A/V funding is going to be a big project coming up

Recommendation#7: Vendors with multiple contracts with various school sites and departments **should be combined into master contracts**. If the total annual cost is greater than the statutory limit (\$114,800 for FY 2025-2026), these contracts should go through Procurement. Build on, strengthen, amend and enforce as needed policies already in existence: <https://www.ousd.org/procurement>

- Develop a preferred vendor system to take advantage of bulk purchasing/contracting power for goods and services. OUSD has started this process with the consolidation of printer contracts, and district staff has stated that there are other areas where this principle could be applied.
 - This could mean having 2 to 3 vendors as options and a multi-year duration.
- This process will take additional staff capacity and training and will need a realistic timeline for implementation, acknowledging this is a significant change from current practice.
- Master contracts - End of year review of all contacts to identify vendors with multiple contracts across the district. Understand that this shift will be complicated. Would like to start the new school year with a clear process about contracts and spending. Sub-contracting may be the area that is outsourced. Sub-contracting doesn't go to the Board.

Recommendation #8: **Establish a review process** for any policy or operational changes enacted to document extent of implementation, quality, and fulfillment of purpose.

- All documents, processes, will be reviewed by Business and Operations Team in the summer.

Updates on New Administrative Regulations: Concerns included:

- 1) Before a contract is initiated, the person initiating the contract to make a good faith determination that the work cannot be done in house, with a one-sentence summary of the

effort made in the Board cover memo.

2) The initiator of the contract must verify that funds were available within the budget line to cover the contracted amount.

Other: Through collaboration with the WCCUSD Outsourcing Group, members of the Task Force received an analysis based on public documents that, similar to other districts in California, the OUSD's total spend on contracting out has risen every year for the last four years, and has also consistently risen from the June Budget through the Unaudited Actuals. It seems a specific variance report at each budget reporting period, if not more often, is warranted. This issue is additional to OUSD spending more than other districts on Contracting on a per student basis.

Fiscal Impact

None for this information only item

Attachment