



Budget, Enrollment, Reductions

Board of Education Meeting
November 28, 2018



Outcomes for our meeting

- Understand the current financial state of the district
- Discuss the impact on our goals
- Learn more about possible budget reductions as recommended by staff

By 2022, we will be a District with



80% of 3rd graders read at grade level!
80% of English Language Learners reclassify after 5 years!
80% of African-American 6th graders are proficient in Math!
80% of our graduates are college and

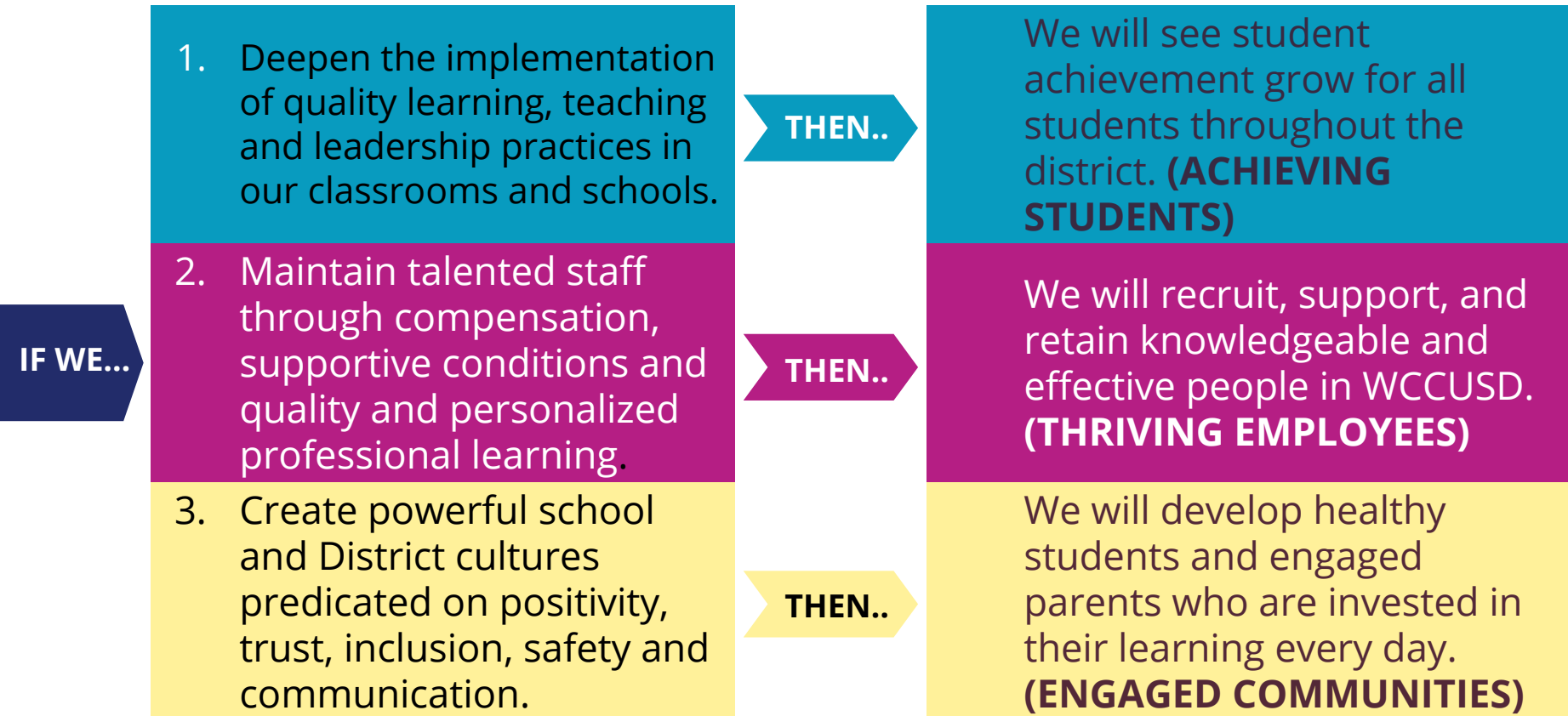


Where 80% of our employees stay with us for at least five years!



Where 80% of families and students report high levels of satisfaction!

What we believe: Our Theory of Action





Nine Areas of focus in 2018-2019 in support of 3 BIG GOALS

Achieving Students

1. Proven Leaders

Develop leaders to foster and cultivate a shared vision, a positive school culture, and a cohesive instructional program

2. Effective Teachers

Support teachers to know their craft and plan and deliver engaging, personalized, and innovative instruction to all students.

3. Impactful Student Programs

Provide opportunities beyond the core classroom that inspire and motivate students to reach their full potential.

Thriving Employees

4. Competitive Compensation

Offer competitive compensation to attract and retain quality educators.

5. Supportive Conditions

Develop school environments where teachers and staff feel valued and empowered and all basic needs are met.

6. Increased Capacity

Support staff in its growth and development through quality professional learning based on individual needs.

Engaged Communities

7. Safe and Welcoming Schools

Provide school environments where students, families, and staff feel safe and welcome.

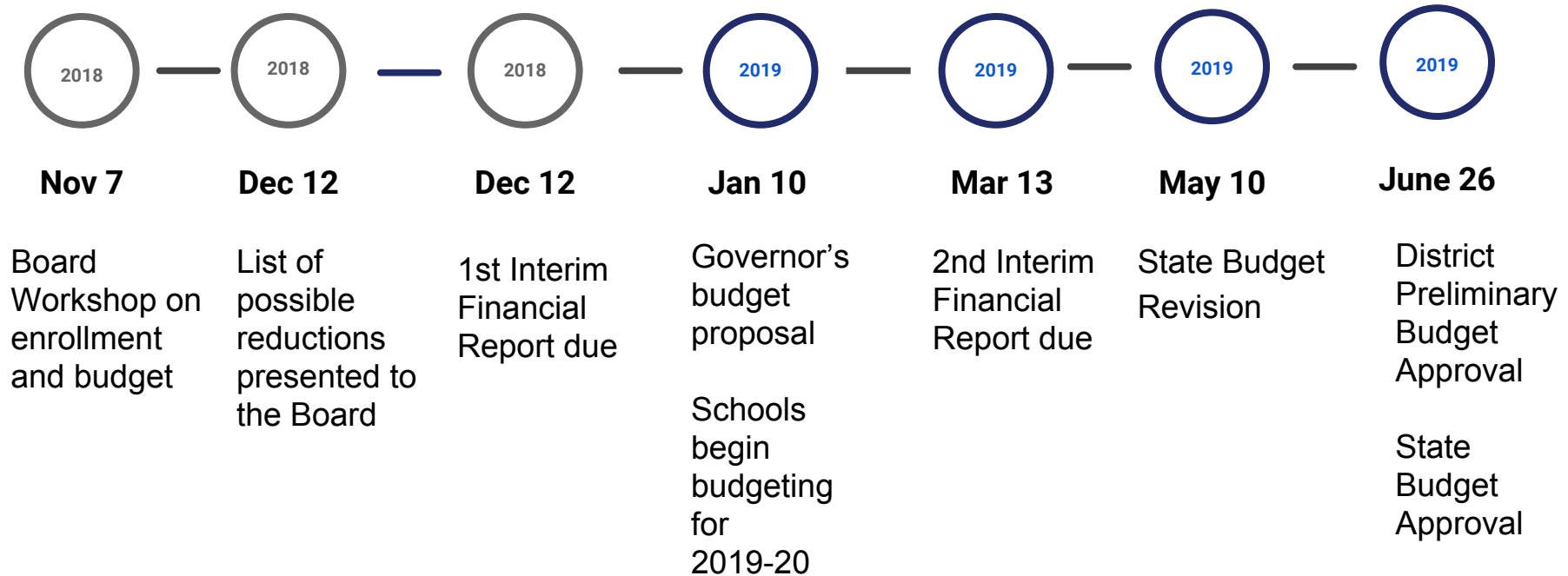
8. Positive School Climates

Strengthen school culture through a tiered system of positive and restorative supports.

9. Socio-Emotional Services

Support the whole child through effective social and emotional supports as part of a Full Service Community Schools approach.

Budget Timeline



Our Big Commitment

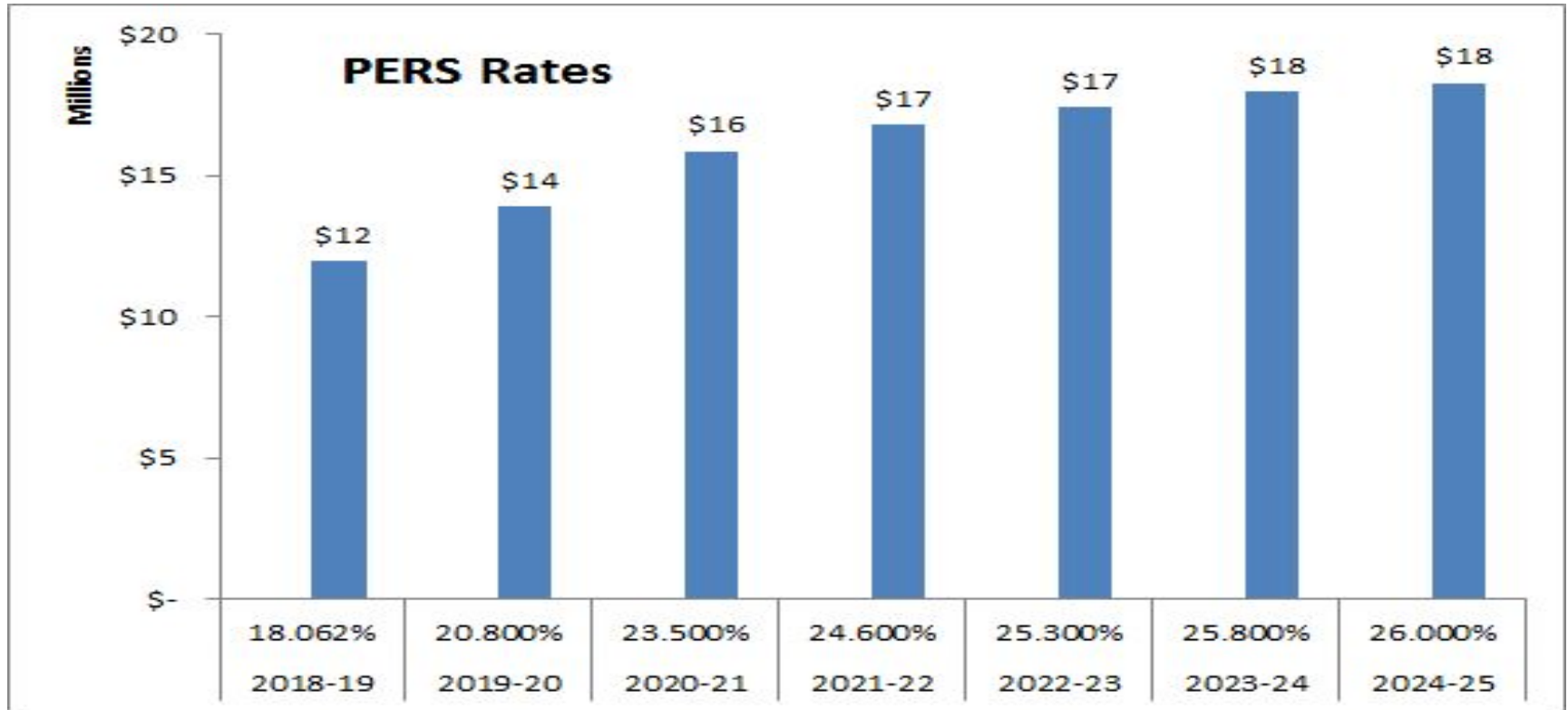
In June 2018, our Board made a conscious decision to radically increase our employee compensation rates, understanding that to do this, we would need to reduce \$14 million dollars over the next two years to fund this decision.



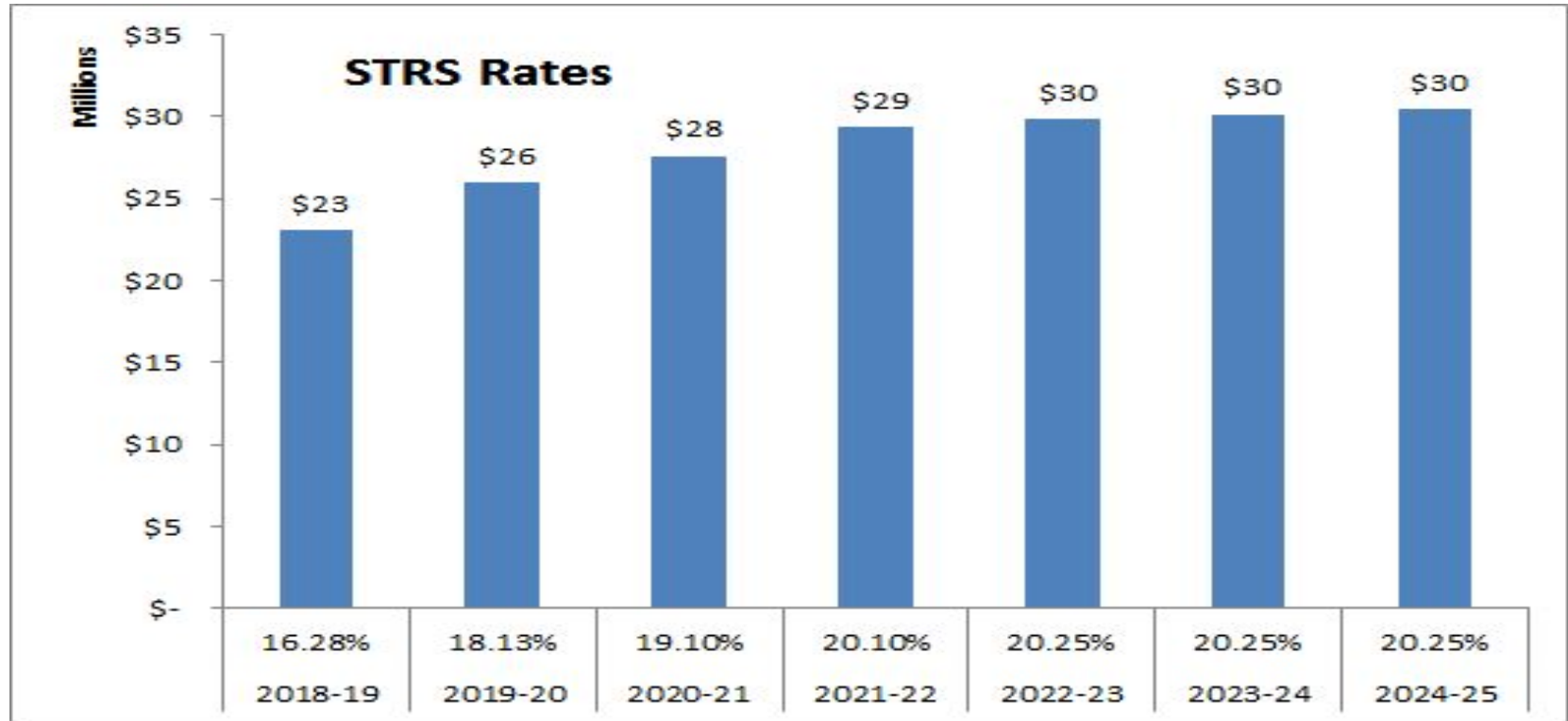
Increase in Salaries

Percentage increase and financial impact				
	2017/18	2018/19	2019/20	2020/21
UTR	1% Health Cap	3.0% +1.55% (additional time)	3.00%	2.00%
Teamsters	1% Health Cap	3.00%	3.00%	2.00%
WCCAA	1% Health Cap	3.00%	3.00%	2.00%
SSA	1% Health Cap	3.00%	3.00%	2.00%
	\$542,790	\$11,354,185	\$9,751,423	\$7,193,492

Increased Contributions: CalPERS



Increased Contributions: CalSTRS



Budget - Anticipated Adjustments

- Set of new costs to increase student achievement:
 - Class Size Reduction
 - Teacher Professional Development
- End of ROP funding from the state
- Compensation increases to recruit and retain teachers
- Less Parcel Tax dollars available as charters grow
- Continued growth of Special Education students
- Free and Reduced Lunch numbers have declined
- Declining enrollment
- Insurance premium increases



Current Multi-Year Projection

Unrestricted General Fund (without reductions)			
	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>
Revenues	\$293,201,881	\$297,628,444	\$304,767,314
Expenses	\$298,808,608	\$311,031,362	\$322,199,419
Excess/(Deficit) Spending	-\$5,606,727	-\$13,402,918	-\$17,432,105
Beginning Fund Balance	\$9,231,171	\$3,624,444	-\$9,778,474
Change to Fund Balance	-\$5,586,727	-\$13,402,918	-\$17,432,105
Ending Fund Balance	\$3,624,444	-\$9,778,474	-\$27,210,580
Components of Fund Balance:			
Assigned Reserve (Middle College Audit)	\$424,715	\$0	\$0
Stores & Revolving Cash	\$300,000	\$300,000	\$300,000
Uncommitted Fund Balance	\$2,899,729	-\$10,078,474	-\$27,510,580

Current Multi-Year Projection

Unrestricted General Fund (with reductions)			
	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>
Revenues	\$293,201,881	\$297,628,444	\$304,767,314
Expenses	\$298,808,608	\$298,610,904	\$305,606,604
Excess/(Deficit) Spending	-\$5,606,727	-\$982,460	-\$839,290
Beginning Fund Balance	\$9,231,171	\$3,624,444	\$2,641,984
Change to Fund Balance	-\$5,606,727	-\$982,460	-\$839,290
Ending Fund Balance	\$3,624,444	\$2,641,984	\$1,802,693
Components of Fund Balance:			
Assigned Reserve (Middle College Audit)	\$424,715	\$0	\$0
Stores & Revolving Cash	\$300,000	\$300,000	\$300,000
Uncommitted Fund Balance	\$2,899,729	\$2,341,984	\$1,502,693





Our Priorities & Commitments

- Smaller Class Sizes
- Teacher Recruitment & Retention: competitive compensation and training
- Safer Campuses - Assistant Principals

Budget Gap to Close

- **Bottom Line:** Our current target is \$12M in reductions to take effect in the 2019-2020 school year and \$4M in 2020-2021.



Recommended Reductions: Technology

Item	Proposed reduction	Amount	Impact on goal
Voicemail to email service	This is a nice-to-have, non-essential service. Without it, staff can call into their VOIP phones to retrieve voicemails.	-\$67,000	No impact on core program
Adobe software	Based on usage data, the full Adobe suite is not utilized. By moving away from a district-wide license to a smaller contract based on need, we will save money.	-45,000	No impact on core program
Anti-virus software	Not needed for 14,000 student Chromebooks; native to Chromebook.	-30,000	No impact on core program
Student laptop theft recovery software	Not needed for 14,000 student Chromebooks because yields low ROI at \$37/device. Total device cost is <\$300. These funds would come from the \$7M tech reserve, and not the IT dept budget.	-500,000	No impact on core program



Recommended Reductions: Business Services

Item	Proposed Reduction	Amount	Impact on our Goal
Staffing Reorganization	Elimination of a hard to fill accounting position and the reclassification of three positions. Change will address current and future workload needs and improve service outcomes.	\$94,631	Minimal impact to core program



Recommended Reductions: Community Engagement

Item	Proposed reduction	Amount	Impact on goal
School Community Outreach Workers (SCOWs) (3110)	Reduce secondary SCOWs to 1.0 FTE. Some schools receive 1.5 or 2.0 SCOW FTE.	-\$400,000	It is often hard to fill .5 positions and this reduction would still allow schools to have SCOW representation
Parent University and Volunteer Support (3120)	Smaller budget for operations as we reevaluate best practices	-\$140,000	This would mean no more large central Parent University gatherings
Full Service Community Schools (4240)	"True up the budget."	-\$76,000	We have not spent this out annually
PD for teachers and staff to support foster and homeless youth (4271)	No reduction in services.	-\$10,000	No reduction on services. We will be receiving additional county services to help with this work.

Recommended Reductions: Human Resources

Item	Proposed Reduction	Amount	Impact on our goal
Contract Reduction	Reduce service contract for Teach For America	-\$50,000	This is working toward district retention goals of thriving employees
Improvement of Employee Assistance and Well Being Plan	Improve Xmod in worker compensation	-\$30,000	Return workers to the work force in a more expedient manner, prevent injuries, lower insurance factor cost. This also assists in meeting our goal of thriving employees
Position Control Balancing for 2018-19	Elimination of positions which were not filled for the beginning of the year	-\$980,704	Eliminating overstaffed positions at sites, work with managers to reduce position not needed to meet goals of Roadmap
Recruitment of Special Education Teachers	Recruit and retain teachers exclusively from job fairs and applications. This will make for less dependence on hiring and paying for out of country visas.	\$50,000	This is working toward district retention goals of thriving employees



Recommended Reductions: Human Resources

Item	Proposed Reduction	Amount	Impact on our goal
Prep Teachers	Reduction of teaching positions (possibly 5)	-\$500,000	Review Prep time and effectively allocate this resource through scheduling and management. Assign FTE to schools and allow them to make choices about what type of services/enrichment would best fit the needs of the school.
Grad Tutor Program (1280)	This would eliminate 44.00 current LCAP Grad Tutor positions.	-\$3,015,093	Dependent site usage this could negatively impact student performance
Teacher Recruitment and Retention, new teacher support (2315)	Reduction in one position, reduce new teacher institute by 1 day	-\$250,000	This will cut down on time in training for new teachers. Streamline and provide some trainings electronically to minimize impact on goal of providing supportive conditions for staff



Recommended Reductions: Educational Services

Item	Proposed reduction	Amount	Impact
Education Services	Reduce Operating Expenditures in 9 General Fund Budgets (supplies, contracts, positions)	-\$750,000	Non-renewal of contracts with none to minimal impact on student outcomes. Evaluate positions essential for curriculum development and assessment implementation. Focus purchases on literacy needs.
General/Educational Services	Contracts - Athletics Travel	-\$100,000	Savings of money due to lease of vans
Secondary Library Tech	Reduce Library Tech to .5 and give new FTE of .5 to K-8 schools.	-\$300,000	Allow sites to use their FTE to meet needs.
Assessment systems (1150)	Reduction in contracted services for licenses	-\$60,000	Purchase only standard systems for sites
College and Career (1120)/Career Pathways (1121)	Program reductions, retirements, administrative reductions	-\$400,000	Alignment of services for efficient use. Move out positions not providing direct CC services.
Fabrication (FAB) Lab and Mobile/Hybrid Lab (1160)	No reduction of services	-\$129,000	Use Chevron grant to fund the rest of this work
Dual Immersion(1102)	Start up costs	-\$237,000	Current adoption/site resources will be used
EL Assessment & Reclassification(1270)/English Learner Master Plan (4170)	Administrative, positions, contracts and materials.	-\$664,733	Use additional T3 dollars to supplement the ELL work currently in place

Recommended Reductions: Educational Services

Item	Proposed reduction	Amount	Impact
Summer Out of School Time Services(1290)	Reduce some summer while we re-evaluate best programs	-\$363,000	Use more T1 dollars to support summer programs
Intervention (Read 180/System 44 or other interventions) (1261)	Administrative, positions, contracts and materials.	-\$400,000	Allow sites to use their FTE to meet needs. Enough current FTE with CSR to cover services.
Professional Development Classified Training Day (2311)	Remove from the budget	-\$122,500	This program was not effective.
Collaboration and PD	Materials, supplies, administrative costs/salaries	-\$150,000	Evaluate initiatives essential for curriculum and assessment implementation. Focus purchases on literacy and curriculum needs.
Implement California Common Core State Standards	Eliminate isolated initiative	-\$19,100	None. Implementation of CCCSS will be imbedded in curriculum development. This is a small carryover item.
Playworks	Zero Out	-\$1,425,086	Allow sites to use their FTE to meet needs. 2018-2019 district support with staff training to build core program.

Recommended Reductions: Student Services

Item	Proposed reduction	Impact	Amount	How we can still make our goal
Student Services	Eliminate Harbor Way site - redirect staff/students to other location		-\$300,000	This is a very expensive program to run for 4-5 students currently. We can find other ways for temporary alternative placements.
Socio-Emotional Well-Being (4220, 4272)	Reduce s3 climate money to \$75,000 per high school from \$125,000		-\$300,000	Some sites would need to find \$25,000 in their own budgets to cover the \$100,000 they pay for certain Y-Team services. Others would not.



Recommended Reductions: Special Education

Item	Proposed reduction	Amount	Impact
More inclusive programs at local and home schools	Transportation reductions	-\$500,000	As a result of more schools moving toward a more inclusive model for Mild-Moderate students, we will be able to decrease transportation costs as students are able to go to their home or local schools
Aides training program/Staff Recruitment	Aides training program/Recruitment	-\$400,000	Move to district staffing and away from contracted Instructional Assistants and SLPs
Special Education Programs	Reduction of self contained special day class	-\$200,000	Change model for service delivery to increase access to general education instruction
Special Education Adaptive Curriculum (6250) and Curriculum training	Reduce PD costs and streamline interventions/curriculum	-\$15,000	Implement current programs while providing training and staff development in a different way.

Recommended Reductions: Superintendent

Item	Proposed reduction	Impact	Amount	How we can still make our goal
Superintendent	Eliminate Pioneer Projects	This would have an impact on continued support for innovative ideas and pilot projects	-\$500,000	Potentially find one time funds or grant funds to do this type of work
Superintendent	Overtime at Board Meetings	End on time at Board meetings and any other after-hours meeting	-\$25,000	This will not impact our goals.
Superintendent	Max contribution to police services at \$150,000 per officer	Impact depends on whether cities could contribute	-\$250,000	We currently pay the full cost of all SROs. In this model, we would ask for a \$25,000 contribution to each officer which we pay a flat fee of \$150,000
LCAP Evaluations & Program Monitoring (5260)	Leave staffing for one person and CORE district	Small reduction here would not impact program	-\$48,500	Focus funding on improving data systems with CORE



What happens next?

With no reductions made by the adoption of the first interim, our budget will not be certified by the county.

It is essential that the Board move to adopt certain reductions as soon as possible.

Memorializing reductions for the county is the only way we are able to make adjustments to the multiyear projection and also have the budget certified by the county.

Staff will bring the Board a list of reductions to take action on during the December 12th, 2018 special session.

Due to the reorganization meeting and charter petition at the next meeting, the first interim will be presented at the December 12th meeting also.

Questions

