

BSEP PLANNING & OVERSIGHT COMMITTEE MINUTES

January 14, 2014

BUSD Offices –Technology Room 126
2020 Bonar Street, Berkeley, CA 94702

P&O Committee Members Present:

Moshe Cohen, <i>Pre-K</i>	Kim Sanders, <i>Longfellow</i>
Sergio Duran, <i>Arts Magnet</i>	Elisabeth Hensley, <i>King (co-Chair)</i>
Tim Frederick, <i>Cragmont</i>	Bruce Simon, <i>King</i>
Boyd Power, <i>Emerson (Alt)</i>	Dawn Paxson, <i>Emerson/Willard</i>
Darryl Bartlow, <i>John Muir (Alt)</i>	Aaron Glimme, <i>Berkeley High</i>
Chris Martin, <i>LeConte (co-Chair)</i>	Larry Gordon, <i>Berkeley High</i>
Elisa Stewart, <i>Oxford (Sub)</i>	Catherine Lazio, <i>Berkeley High</i>
Juliet Bashore, <i>Rosa Parks (co-Rep)</i>	Ramal Lamar, <i>B-Tech</i>
Dan Smuts, <i>Rosa Parks (co-Rep)</i>	

P&O Committee Members Absent:

Lily Howell, <i>Pre-K (Alt)</i>	Keira Armstrong, <i>Washington</i>
Shauna Rabinowitz, <i>Jefferson</i>	Ellen Weis, <i>Longfellow</i>
Danielle Perez, <i>John Muir</i>	Margaret Phillips, <i>Willard</i>
Yusef Auletta, <i>LeConte (Alt)</i>	John Lavine, <i>Berkeley High</i>
Catherine Huchting, <i>Malcolm X</i>	Austin Lloyd, <i>BHS (Alt)</i>
Lea Baechler-Brabo, <i>Oxford</i>	Orlando Williams, <i>BHS (Alt)</i>
Patrick Hamill, <i>Thousand Oaks</i>	Representative, <i>Independent Study</i>
Radha Seshagiri, <i>Thousand Oaks (Alt)</i>	

Visitors, School Board Directors, Union Reps, and Guests:

Mark Coplan, *BUSD Public Information Officer*
Donald Evans, *BUSD Superintendent*
Jay Nitschke, *Director of Technology*
Becca Todd, *BUSD District Library Coordinator*

BSEP Staff:

Natasha Beery, *BSEP Director*
Elizabeth Karam, *Senior Budget Analyst-BSEP*
Valerie Tay, *BSEP Program Specialist*
Linda Race, *BSEP Staff Support*

1. Call to Order, Introductions & Site Reports

At 7:16 p.m. Co-chair Chris Martin called the meeting to order by welcoming attendees, and by asking P&O members to report on School Governance Council activity at their sites.

2. Establish the Quorum

The quorum was approved with 14 voting members initially present. (13 voting members were required for a quorum.)

3. Chairperson's Comments

Chris Martin and Elisabeth Hensley

Martin noted that this is the part of the year that the P&O Committee will be looking at the ongoing budgets, and that it would be particularly interesting because of the changes to the State funding. He also reminded the committee members to raise their hands to speak.

4. BSEP Director's Comments

Natasha Beery, BSEP Director

Beery noted that the Parent Outreach and Public Information Subcommittees would meet on Thursday, January 23, 2013 at the District Office at 7pm, the Technology and Library Subcommittee will meet on Thursday, January 30 at the District Office at 7pm, and the Music and VAPA Subcommittee would meet Tuesday, February 4, 2013 at Willard Middle School. Multiple reminders will be sent out prior to the meetings, and Beery welcomed the participation of the members of the committee and the public.

Beery stated that she, along with Debbie D'Angelo and Charity DaMarto, will be attending Budget Games for Civic Engagement in San Jose facilitated by Every Voice Engaged (<http://everyvoiceengaged.org/>). Beatriz Leyva-Cutler, BUSD School Board Member, suggested that this might be useful to the BSEP Measure planning and the upcoming LCAP meetings.

Beery stated that her office was working with the Evaluation and Assessment Office to provide support to sites for their surveys, including some standard district-wide questions.

Beery mentioned that instead of having updates on the LCAP at this meeting by Superintendent Donald Evans and Javetta Cleveland, Deputy Superintendent, Beery will give a brief report on LCAP later in the meeting, and the Superintendent and Deputy will return at a later date (February 11) to provide a full picture, after State regulations are released January 31.

5. Approval of Minutes: November 19, 2013

MOTION CARRIED (Simon/Paxson): To approve the meeting minutes of the December 10, 2013 P&O Committee Meeting.

The motion was approved with a showing of 12 hands, with no objections, and 2 abstentions. The spelling of attendees' names Sergio Duran, Charity DaMarto, Dawn Paxson are to be corrected as noted here. (Corrected to 12-10-13 minutes revised 1/26/14.)

6. Public Comment

Duran asked if there was room to discuss Public Information and Translation under Item 7 of the 12-10-13 meeting minutes. He noted that some schools need translation assistance for their PTA websites and school surveys, and wondered if the translation budget included providing these services. Duran was encouraged to put his concerns forward at the upcoming Parent Outreach and Public Information subcommittee meeting on 1-23-14.

7. Subcommittee Report: Library

Becca Todd, District Library Coordinator, updated the P&O Committee on the December Library Subcommittee meeting. She invited the P&O Committee members to attend the next meeting, date to be determined [There will be a joint Library/Technology Subcommittee meeting on January 30.] The subcommittee discussed the new staff this year, one of whom is the new Teacher on Special Assignment at the elementary schools.

Todd noted that author visits are commencing and two library staff, Jessica Lee of Willard and Mary Ann Scheuer of Emerson, are presenting at conferences and participating on national committees.

8. Review of Annual Plan, and First Interim Fiscal Report for 2013-14

Natasha Beery, BSEP Director provided the following handouts:

- *BSEP Annual Report 2012-13 and First Interim 2013-14 Issues and Trends*
- *Berkeley Public Schools Educational Excellence Act of 2006 (BSEP/Measure A) Annual Report FY 2012/13*
- *BSEP First Interim Report FY 2013-14 dated January 14, 2014*

Beery noted that the Annual Plan is included in the BSEP Annual Plan FY 2013-14 (purple covered binder).

Beery first presented the handout *BSEP Annual Report 2012-13 and First Interim 2013-14 Issues and Trends*. She put this document together as additional information for the Board to have in reference to the Annual Report. The Annual Report for last year is on the Board agenda tomorrow night 1-15-14 on consent, although it might be pulled and discussed at a later date. The first four items were identified as issues:

- Item 1. GF Relief of Directly Charged Increases: Both the salary increase and a bonus last year affected the BSEP budget in the form of increased costs in transfers from CSR and VAPA. The average teacher cost went up and BSEP had to absorb those costs. However, the General Fund did take on the additional 2.5% raise and 2.5% bonus for all directly-charged personnel.
- Item 2. Increased Cost of Transfers to GF: The increase in the average teacher cost meant an increase of about \$465K for CSR and about \$21K to Music/VAPA.
- Item 3. Music/VAPA Fund: The P&O Committee continues to express concerns about the sustainability of the Music/VAPA budget. It is not only taking a hit due to increased enrollment, and an enrollment bubble of 4th and 5th grades affecting the VAPA funds but also the increased salaries affecting the VAPA transfer to the General Fund.
- Item 4. ULSS/RtI Cost Transfer: There was some mitigation to BSEP budgets and that was in “Page 2” of the CSR budgets. The CSR pays first to bring the class size ratios down and after that has been achieved, on “Page Two” of the planning document, funds are planned for Expanded Course Offerings at the middle schools, and Program Support. It was decided to transfer part of the expense of ULSS/RtI interventions from Program Support, because it helped the District demonstrate the Maintenance of Effort (MOE) in Special Education expenditures.

School board members Josh Daniels and Julie Sinai will be coming to P&O meetings, and Beery acknowledged the attendance of Superintendent Evans at tonight’s meeting.

Beery confirmed that the ULSS cost transfers was for elementary FTE for the 4th and 5th grades.

Ramal Lamar, a B-Tech Rep and teacher, stated that B-Tech deals with the issue of suspensions/expulsions and requested help to become more knowledgeable. He had the sense that this will be affecting their site, and he would like to have information to bring back to the school, both site-specific and district-wide. Beery responded that the District has key areas that are monitored, such as dropout, suspension and truancy, and she can bring data to him at the next meeting.

Liz Karam presented the overview of *BSEP First Interim Report FY 2013-14 dated January 14, 2014*. BSEP was 21% of the district’s budget. She reminded the Committee

that January is the first reading of the budget, and May is the time of a budget revision called the “May Revise.” Last year, the District started out with a COLA of 1.65% which dropped to 1.565% by the time the May budget was implemented. The board did agree to increase the COLA.

Last spring, during initial budget discussions, it was not known when the increased raise and bonus were to be paid. Originally, it was set aside for 2013-14, but the auditors wanted it paid in the 2012-13 obligation. This meant there was less carryover in 2013-14.

Karam pointed out that when the budget is first adopted, all the positions may not yet be calculated in the budget tool known as “Position Control.” Once those positions become a part of the documentation, then the budgets are revised based on the actual positions and the cost of the people that fill those positions. The District saw some savings this year because State Unemployment Insurance dropped significantly, and there was no longer a PERS reduction (retirement % for non-teachers given to state). Other changes include classified staff health benefits, or cash in lieu of health benefits. Once the books are closed in September, the site budget carryovers are posted, then meetings with principals are held, and budgeting the carryover posted in September begins. There is a 3% reserve maintained in a separate resource in order to meet the state requirement for a reserve. As we approach the end of the current measure, we will probably spend that reserve, as the General Fund may be able to pick up that 3% obligation for the District.

Karam and Beery reviewed the status of each BSEP Program plan for 2013-14:

• Class Size Reduction (CSR), Expanded Course Offerings, Middle school Counseling, Program Support 0841:

Karam stated that the District received more money from the county in tax revenue, approximately \$206,000 more than expected. This may be the result of increased money collected from delinquent taxes or non-profits. Over the years, however, the County reconciles with the District, and if there were changes, or money BUSD should not have gotten, sometimes the District must return some of that revenue. There will be meetings with the City of Berkeley to find out more. Since CSR is 66% of funds, it saw the biggest increase in revenue. The increased expense in the Class Size budget was because we have another 140 students, and so the Teacher Template calculated that additional teachers were needed for those additional students. There was an increase of about 1.2 FTE to the BSEP share. The fund balance is now \$306,000, and that would not appear to be sustainable for the balance of the measure.

Beery noted that there had been a beginning fund balance of about \$900,000, so there are a number of questions that this Committee and the District will be grappling with as we look at this particular resource in light of the current draw-down on this resource, and also due to the fact that there has been a shift at the state level to reward districts for reducing class size ratios at K-3 to 1:24 instead of providing a greater reward for 1:20. Using BSEP funds, we were one of the few districts in the State to get our class size down to 1:20 in K-3, therefore qualifying for the full reimbursement from the state of \$2.6 Million for CSR. Going forward, however, if we want to maintain 1:20, the State would only give us \$1.9 Million and the difference of about \$700,000 would probably need to come out of the General Fund. Beery confirmed that according to the BSEP Measure, there is not an obligation to fund the 20:1 ratio from BSEP, because the Measure states “as long as state funds are available,” so there’s room for discussion.

Although the bulk of the funds go towards reducing class sizes, the other piece of the CSR funds is what we call “Page 2”, and that is funding for program support, expanded

course offerings, and middle school counselors. A number of those items will be discussed within the context of the state plan - LCAP (Local Control Accountability Plan) - so questions will arise as to whether some of the things that were paid for through BSEP might instead be folded into the general fund. One question not yet clear is whether anything moved out of BSEP into district funding will be counted as supplemental/new programming or considered "supplanting". In the LCAP, supplemental revenues we are receiving need to target students such as those who are identified ELL, free and reduced lunch, and foster youth.

In responding to a question about deadlines, dates, and when LCAP is due compared to when the BSEP budget is due, Beery stated that it would be a "bit of a nightmare of a year" in terms of trying to align those competing schedules. She is constantly updating the master calendar. The District will have to plan simultaneously as State guidelines are being developed, and a lot of scenarios may have to be done. As pieces fall into place from one side, the district can hopefully make adjustments simultaneously and rationally, but it is going to be a struggle.

It was clarified that BSEP pays for about 1/3 of the District's teacher's salaries, as well as indirect costs and amounts for the impacts of direct support on facilities. The past two years we've been drawing down \$400,000 and now \$600,000. When the last BSEP was planned, there may have been some assumptions made about enrollment growth and salary increases that dictated a ramp in expenditures. A question was raised as to whether this is the way forecasting happens, in that the farther out you plan the more incorrect it is. Beery stated that next year will be year 8, and we are getting to the place where reality has become more of a force than hypotheticals. Hensley stated that it is a good reminder that when enrollment increases, funding availability does not, so when the district grows, the cost of CSR increases and there is no additional revenue to address that. Karam added that no one foresaw how much growth there would be in enrollment. Beery said that a demographic study being done currently, for use in facilities planning in particular, goes out to 2020. The information we have now for the next few years is more or less correct and is still projecting growth. We do get ADA funds tied to enrollment, but BSEP is a tax that is not tied to enrollment.

Lazio noted that the CSR ending fund balance was close to \$1 Million last April, and \$300,000 is quite a variance. It would be helpful to have mechanisms to keep the P&O Committee more informed along the way and at some point get a multi-year projection for class size reduction. In terms of the uncertainty of the absorption of raises and other things that the General Fund might be considering, it would be a shame to run out of money and begin to contract in large sizes and contract some of the services that we've been providing for the last ten years, right as the voters go back to the ballot box to renew the measure. This was the biggest concern she had with this program and as well as the music program. Beery stated with this budget, the two things that affect this most strongly are enrollment and salary increases which we project more or less well. With those three-year projections, we didn't know the salary increase and bonus that would be negotiated. There was a 3% hypothetical that ended up being closer to 6%, a higher amount negotiated, and it hit sooner. Instead of it hitting in 2013-14, we're seeing the effect of it this in the ending fund balances in 2012-13. The committee discussed the information regarding the ending fund balances for FY 2013-14 of the First Interim and in the BSEP CSR Multi Year Projections Based on CSR Recommendations for FY 2013-14 (Appendix A on page 3.1C of the BSEP Annual Plan FY 2013-14/Purple cover binder.) Hensley said that the committee discussed and knew about the increases possibly

affecting the ending fund balance and recognized that the decisions to have the increases hit in 2012-13 vs. 2013-14 happened over the summer. Karam and Beery confirmed that the Class Size budget was one of the first budgets planned, which means it could be more vulnerable to changes that occur later in the year, but due to the number of FTE in the CSR budget, it has to be planned in order to ensure that Human Resources can meet personnel notification deadlines.

• School Site Discretionary Programs 0852:

Karam stated that this budget is where you see the big changes from the unaudited actuals to 1st interim budget in the fund balance. The reason this is so is that any funds that are unspent at a site are allowed to carry over to the following year. Once the books are closed, the carry over is determined, then added to the budgets. At the first interim, if there are carryover priorities, Karam will budget the carryover priorities, or if the SGCs meet and change what they want to do with the money, she can also post that and then the money is available to be expended during the year. Actually, the amount that was posted was \$513,000 unspent from the prior year, so that, in combination with indirect costs means a total of \$548,220 was posted (last column, 2-1, Total Expenditures as of 10/31/13).

For all the other resources, the expenditure budget doesn't change. The categories that the money is being spent on may change, but the total expenditures for planning don't change. Beery added that the issues going forward are that there are not huge fund balances overall, and the SGCs and BHS Site Committee will try to come up with plans, while not knowing if the District is going to relieve the sites of certain expenditures. Beery hoped that there will be some hints early on, but this could be one of the tougher budgets to work with this year. Karam stated that this was another one where there will be a big squeeze because the enrollment goes up, the per student allotment goes down and then from school to school, enrollment changes so you don't necessarily have a consistent amount of money every year. Beery stated that in the current year we gave \$233 per pupil, which is what we gave the prior year, and BHS had less money than the prior year because enrollment went down, so even if it's only 10 or 15 or 20 kids, that could be thousands of dollars, and if you have a really tight budget and you're committed to programs and personnel that you want to keep in place, then it really becomes particularly difficult if you want to consider something new. This year were going to have to be looking at lower per student allocation than prior years, and then depending on whether your school's enrollment has gone up or down you may have a little more than last year but most people are going to have a little less.

• Music, Visual and Performing Arts 0853

Karam stated that each of the reports has footnotes to explain more about what the variances are. Music/VAPA got a little bit more money, their share of the \$206,000 overall increase. The only real change to the budget was a plan to have Instructional Specialists tutor students, and the decision was made to use contracts rather than hourly salaries.

At the end of last year, the deficit spending was \$103,144 and this year it is projected to be \$183,121 with a fund balance of only \$89,000. The same level of deficit spending isn't sustainable next year. This is a budget where there really isn't a lot of difference between the budget and the actuals. It's a pretty tight budget; it's mostly staffing. There is not going to be a whole lot of money to bolster that fund balance. Beery stated that

Budget Manager, Suzanne McCulloch has advocated for General Fund relief for this budget, as a substantial contribution comes from this budget to the General Fund for the District's contractually-obligated release time. The BSEP budgets pay for the release time music teachers, whereas the Gen Fund pays for release time teachers for other subjects such as arts and science. If one wishes to maintain a program with similar quality and scope with current fund balance and with the projected enrollment, it is simply not sustainable. What is going to have to come before the Board and brought to their attention is that there is going to be a decision here. Either there would have to be much bigger music classes and offer fewer instruments, or there is the General Fund relief option. The only other tiny relief valve within the BSEP measure allows for a small amount of shifting between Library, Music and Parent Outreach budgets, but it's not enough to make a big difference. There's a little bit of Professional Development, Conference Mileage, and Instructional Contracts but not enough to alleviate the budget. This is one budget that is going to require a lot of attention from the P&O.

Frederick noted that the Committee discussed this last year, and asked to clarify that if BSEP didn't exist, there would still be obligatory release time that would still need to be paid for, and that is the heart of the argument that it shouldn't be BSEP's responsibility to pay for the contractually-negotiated release time. Beery said that years ago, when the General Fund was really depleted, even though the need was for contractually-negotiated release time, an agreement was made that the BSEP fund would pick it up. It seems there were those who agreed to this arrangement, thinking maybe it was a temporary measure, but it hasn't been. Hensley wondered what the cost of release time teachers has been over the life of the measure, how much support to the General Fund that represented. Lazio asked why the General Fund did not relieve the Music/VAPA fund of the increases in salary and bonuses, is that because they are not directly charged? Is it an accounting issue? Beery stated that the General Fund relieved the directly-charged but not the transfer, as there had apparently not been explicit direction from the Board to do so. So the increase in salary cost was absorbed by BSEP as the transfer calculation was based on the higher salary amount that was paid over the past year.

Beery stated that the decrease in the fund is primarily driven by enrollment and associated FTE and instrument/materials costs. For example, a school board director had expressed concern over an 18% increase in expenditures for instruments over the past three years, but that increase exactly matched the percentage of increase in enrollment. Glimme said when Music/VAPA proposal comes to the P&O, this concern about the cost of the teacher transfer is called out each year, last year it was \$424,000 and that number has been fairly steady, and it grows a little bit with growth and enrollment but not nearly as much as the direct teacher cost. Beery felt that while an argument might be made about the agreement made 10 years ago to have BSEP take on the cost of release time teachers, perhaps a more pressing issue is in the quality of the program that's being delivered right now that people want to maintain. What would it do to the program if the General Fund does not provide relief and take back all or part of the release time teachers? The answer may be classes of 30-35 kids, and this is at the same time that people are wishing the program could expand into the high school. Lazio asked if we want to present as a committee, a priority list of General Fund absorption, what we would like to see the General Fund take on if the monies are available when all things settle down. Beery stated that the P&O Committee could be asked to do this, but when it comes to the LCAP, the Cabinet has looked at how to involve stakeholder input, and the P&O is

obviously identified as one of the key groups to be engaged with in creating this plan. There is also the Parent Advisory Council, the District English Learners Advisory Council, and Superintendent's Budget Advisory Council and other groups. Each of those will be asked a series of questions, and it could be that a question as to prioritized list of what should be funded by the District, what should be funded by BSEP, and identifying this within the context of the state priorities and with measureable outcomes, particularly for the target groups that are connected to the supplemental funding sources: ELL, free and reduced lunch, foster youth. The LCAP plan has to be connected to serving target groups.

Martin stated that this Music program has been delivered pretty consistently in the same form for quite a long time. If the district wants to maintain the program as it is today or even near, then it has to be made a priority. Otherwise it would have to change pretty dramatically going forward; it would be reducing the students exposed to it or a very different program.

• Public Information, Translation, P&O Committee Support 0854

Karam said this was the first full year with no staffing changes. The only adjustments in this budget were for actual expenses. She reminded the committee that this budget is 2% taken off the top of the net revenue. This budget cannot be transferred to other resources. Beery added that this fund balance was larger because the program was understaffed, but at this rate of drawdown over 4 years, there isn't a huge fund balance. This budget is not tied to enrollment. There was a brief discussion regarding providing translation and interpretation services, and Beery has been working on putting together information on how these services are being handled and provided in various ways around the district and the school sites. The budget can be used for public education and increasing public awareness of BSEP, but not for campaigning for the next measure.

• Professional Development 0855

Karam stated that she tried to revise as many budgets as possible by First Interim. The ones that had priority were ones that had a big change in the staffing plan so the money had to be reallocated, as well as all the site budgets, because they have carryover they needed to spend. Karam did not revise Professional Development because they have made changes since the First Interim that will be seen in the Second Interim. Right now there was a very small fund balance of \$4,314 in the fund balance for the Adopted Budget 2013/14, but it has gone up to \$10,869 because of extra revenue. There were a couple of positions that weren't filled and one position that was funded by BSEP being funded by another source. Beery stated that this budget was one where most of the positions are multi-funded. Neil Smith, Superintendent for Educational Services, works, together with others, to manage streams from categorical sources and looks for ways to provide appropriate professional development from various sources. One of the shifts that has been happening for him in managing this budget was after having a period of huge balances, he was told to spend this budget down and now it is being spent down at an accelerated rate, beyond what would be sustainable if it would continue. Beery was less worried about this budget than some of the other ones because it has a lot of other funding streams and flexibility. Karam added that Literacy Coaches are partially funded by this budget and perhaps this might be something that will be picked up by LCAP. Smith will still have access to some federal funding as well.

• **Program Evaluation 0856**

Beery stated that this program was also multi-funded. Karam added that there hasn't been much change in this budget. There was a \$78,843 fund balance last year, and it has been reduced through deficit spending. The only changes are the costs of putting people in unfilled positions. Generally new revenue covers most of the expenditures, but there is not a lot of room for deficit spending based on that fund balance.

Beery, in thinking about moving around money where it is needed, asked the members of the committee involved in the prior measure about whether they recalled the decisions made about providing flexibility for the 9% (overall) Music/Library/Outreach budgets, why the 2% for Public Information P&O Support was untouchable and why CSR was a fixed percentage? Were there discussions about that? Is what we are learning about the current measure that we wished for more flexibility between funds because things evolved at different rates and have different needs and different streams? How could you have flexibility without the different budgets arm-wrestling each other? That's something to think about.

• **Parent Outreach 0857**

Karam noted that this budget was one that took a while to fully staff last year, so there was a fund balance built up. Charity DaMarto, Supervisor of OFEE, was hired at the beginning of October, and the other staff members were hired later, and that was what built up the fund balance. Based on the current staffing model, there is not a lot of extra room for expansion into a broader program, maybe a different or amended one. Beery stated that this budget will be a subject of a subcommittee meeting on January 23, 2014 and the Board will be getting a report on the progress of the pilot project, now in it's second year providing parent liaisons at six schools. Beery suggested that the questions include: Given this pilot experience, what does DaMarto's office believe has worked at the sites they have been in? What has led or not led to success in better outcomes at those sites? What are some possible models going forward?

It is hoped that the LCFF could provide supplemental funds in this area. Another thing to be mindful of is that we are only getting a little bit of money at a time, a couple of million dollars, but that goes away quickly once you start putting all these things on the table. The Parent Outreach area is specifically mentioned as a priority in the LCAP. It is also an area that has some equity concerns, because some sites are paying for something similar out of other funds and some sites not having anything. With the current BSEP resource we have now, there will have to be another proposal that is either a different model or relies on other funding streams. Other funding streams are primarily State funds. BSEP Site Discretionary funds are being used at Cragmont and BHS, and Rosa Parks has their own non-profit.

• **Library Program 0860**

Karam stated the basic change from the adopted budget to the First Interim for this program was that the plan approved increases in FTE: 0.1 FTE increase for six library media techs at the largest elementary schools. The funds for that were in the adopted budget but they were not incorporated until the first interim. The original plan also included a 1.0 FTE elementary teacher librarian, and Becca Todd, District Library Coordinator, decided that a .5 FTE would cover the needs at the moment. The total of 1.1 FTE was incorporated into the budget, which was primarily the reason for the changes. The original draft for the plan included materials for Bilingual and Transitional

Kindergarten; that was inadvertently left out and then re-incorporated. Also, Todd wanted to include a small increase for professional development, which increased the budget by about \$5,000.

• **Technology 0862**

Karam stated the only significant change was 0.1 FTE, which was absorbed by another funding source (footnote b) and no longer funded by BSEP. The resulted savings went into Materials & Supplies or Unallocated Reserve for the future. Based on the plan, the money can go to Materials & Supplies and Equipment.

9. Update on Local Control Funding Formula Process

Natasha Beery, BSEP Director provided the following handout:

• *BSEP Planning and Oversight Committee District Budget Planning calendar 2013-2014 v1.14.14*

Beery developed a calendar that incorporated BSEP and other meetings. The committee will later receive an updated PowerPoint and timeline that will focus just on the LCAP process. On December 3, 2013, there was a kick-off of the LCFF/LCAP process with a Community Forum that was very well attended at LeConte School. Parents, staff and other community members were asked for their thoughts about the eight State Priorities (see note) and where they thought the district should be focusing to achieve better outcomes for students. Linda Race, BSEP Staff Support, gathered and summarized the information. The principals and the Superintendent's Cabinet are being asked the same question. The district is moving into the next phase in January, preparing to go into beginning to create a plan, while still waiting for the state to give a few more hints about LCAP regulations and a template. The Governor's budget came out that gave us some good news: we will be getting more funding up front next year than we had initially forecast. The big picture is that the LCFF is trying to get more money to the schools, getting back to the level of funding received in 2007 before the economic downturn. The funding will include a cost of living increase. Each year the District will get a part of that money and by 2021, it should reach 2007 levels. This year we got 11%, next year we will get 11% of the target amount, and next year there will be another 17% for a total of 28%, which is about \$2 Million. It sounds like a lot of money but it is not a lot of money given all the possibilities. The LCAP plan will need to focus on the funding derived from the target student groups for supplemental funding: ELL, free and reduced lunch, and foster youth. In answer to a question about state funding, Beery responded that some of the funding will be the difference between the level of state funding that we had before and what we have now, as well as the equity piece that will give higher needs students in some districts more resources by identifying the targeted student groups in those districts and we are still doing that. Martin stated that he imagined that this was meant to change the structure of funding and that it may not get to 2007 levels. A further discussion among the P&O members confirmed that there will be a base grant, a supplemental grant, and a bonus grant for those districts with 55% or more of the targeted student groups. The base grant is essentially to get the funding to 2007-08 levels. The supplemental grant will be based on targeted student groups, and if you hit the 55%, your supplemental grant grows in a "concentration grant", because with a higher percent you have additional needs you need more money for. Beery stated that the base grants are determined by ADA by grade spans: for 2014-15 \$7000 per ADA for grades K-3, \$7117

for ADA for grades 4-6, \$7328 per ADA for grades 7-8 and \$8491 per ADA for grades 9-12. On top of that 20% of that amount is for supplemental funding, so for example if your base grant was \$7000, there would be another 20%, or \$1400, if 100% of your kids receive free and reduced lunch. If we only have about 40% we would only get about 40% of the supplemental fund.

Lamar stated that he works at the district continuation high school, B-Tech, and the students there fit the target categories. He said there were a lot of students, parents, and staff who are very concerned about this process, and there are a majority of homeless and free and reduced lunch students. He pointed out that B-Tech has a lot of students that do not speak English and the questions of translation, public information, parent involvement has a lot to do with it. Beery stated that he is an important voice sitting on this committee representing B-Tech. The principals and the SGCs will be speaking towards what they see as needs at those sites, and even though it is a district-wide plan, the supplemental funding has to be targeted in those places of highest need, for the students who are generating those additional funds. Lamar will have an opportunity to talk about what would be most effective in assisting the B-Tech students and was encouraged to also engage B-Tech families in providing the paperwork for Free/Reduced lunch. Beery added it was important that the people that should be involved in these plans should have a voice...that's why the Parent Advisory Committee is primarily composed of people who represent or are connected to these target populations, and making sure the funds really follow that source.

The P&O calendar has become a 3-page document listing all the LCAP and P&O meetings. In January it will be orienting people at the sites and Beery is working on a basic PowerPoint that can be used by principals and SGCs to use at sites, possibly a website or a handout, and something in Spanish as well, that will explain what this is all about. There will be an orientation on February 5, 2014 for groups that are going to be engaged in the process that will explain how this works. The district has a preliminary template from the state, and by the end of January should have the regulations and be able to fill in more details. There will be a series of meetings in February and March, and Superintendent Donald Evans, Neil Smith and/or Javetta Cleveland will be coming into several P&O meetings to discuss plans with the group. Beery hopes to include conversations around: What is appropriate for BSEP to support? What should be supported by the district's state and other funding sources? A draft LCAP plan will go to the Board in May. Meanwhile, the P&O will be reviewing the BSEP budgets and the site budgets will be developed. There may be a lot of scenario-generating.

At the next P&O meeting on January 28th, Pauline Follansbee, Director of Fiscal Services, will come and explain how the teacher template that determines the amount of funding that BSEP provides for CSR is generated. The template always has built into it the projected class sizes/projected enrollment and the number of FTE that are necessary to get down to a certain size. That is where we will have the conversation about how and whether to continue to reduce class sizes to 1:20, and how to pay for it. "Page 2 of CSR" will likely have scenarios there: Is that something that BSEP should continue to pay for or something the District might pay for?

Also, even though we are generating next year's plan, we are projecting out to a 3-year horizon, so we may think of a prioritized list for state funding. What could happen is that BSEP would pay for something this year, reduce its contribution in following year. For example, given that there is \$2 Million and the music transfer is \$400,000, there are a lot of things that add up very quickly. The final plans go to the Board in June. Besides

juggling the meetings, it's important to think about how to best leverage the BSEP funds in addition to the state funds in order to achieve what we think is right by our students, and meanwhile, we will at the same time be thinking about planning for the next measure.

Beery and Tay will send out information as it is developed: PowerPoint overviews and timelines, preliminary goals, websites for *A+News*, LCFF/LCAP website pages.

Places to read and follow:

- BSEP Website: <http://www.berkeleyschools.net/departments/bsep/>
- BUSD LCFF/LCAP Website: <http://www.berkeleyschools.net/local-control/>
- BUSD News and Calendar: <http://www.berkeleyschools.net/news-events/>
- California Department of Education: LCFF Overview (including LCAP): <http://www.cde.ca.gov/fg/aa/lc/lcffoverview.asp>, LCFF FAQs: <http://www.cde.ca.gov/fg/aa/lc/lcfffaq.asp>
- EdSource: <http://www.edsource.org/>

Beery suggested waiting for instructions on how SGCs should move forward. Tomorrow is the Wednesday principals meeting and Neil Smith will be speaking with them about how soon the principals will have additional information they can use with their SGCs. Most likely it is probably going to come down to "give us a priority list"

Regarding the demographic study, Beery stated that it doesn't fit into to the BSEP plans particularly. It will be published for the Board on January 29th, 2014. Glimme said the big thing is how much the state regulations do or do not allow shifting and supplanting, that all comes out on January 31st, 2014. At a site level, BHS does a lot of things that serve the targeted populations. Those are the places where if there are going to be shifts allowed, those are the places the sites should start thinking about and identifying those positions that may be funded out of discretionary funds working solely with targeted populations. Lazio stated that from a taxpayer position those positions that are clearly identified as opposed to where it wasn't really clear who was performing the services and the number of students that were served, so you couldn't say those tax dollars were going for any one particular position or particular group of kids.

10. BSEP Measure Public Awareness

Natasha Beery, BSEP Director provided the following handouts:

- *BSEP Measure Planning Draft Timeline Updated 1.14.14 from draft to board 4.10.14*

Beery stated that she was having a meeting the next week with the Superintendent and two board members, Josh Daniels and Julie Sinai, who are the representatives to this committee and have taken on BSEP Measure planning responsibilities. Meanwhile, it would be helpful for the P&O -to talk about the current measure, how to increase visibility and how to appropriately focus some public information plans on public awareness of BSEP.

According to the *BSEP Measure Planning Draft Timeline Updated 1.14.14 from draft to board 4.10.14*, the intention was to now focus on beginning strategic planning, but with the LCAP front-and-center, we will have to do those things in tandem. In reality, we will be overwhelmed by LCAP, but we should keep the BSEP measure-planning in the forefront of our minds. Starting in the summer or possibly next September, we should be kicking into higher gear to gather more information (similar in process to what are doing with LCAP but focused on BSEP): planning for the community process,

identifying the purposes of the measure, figuring out the tax rate, surveying public opinion, and then launching the campaign which is run by a separate group. Larry Gordon confirmed that he will act as treasurer and that there is approximately \$24,000 left from the last campaign.

Beery noted that there were funds that could reasonably and transparently, within the context of the public information budget, be used so that people will have a greater awareness and understanding of the current measure before we launch into the next measure. Beery asked committee members for thoughts on how, at your site, in your school, in your community, and with your neighbors, people could be more aware of what BSEP is doing now and its impact on the health of the schools. Glimme stated that teachers and principals are some of the most effective people to directly communicate how important BSEP is to funding our basic materials & supplies. Paxson said in addition to principals, Music and VAPA programs was another place that BSEP could be mentioned as a funding source. Each site uses its BSEP funds differently, for everything from gardening to sports activities. Martin suggested that reminders at such gatherings would really ring true. Bashore wondered how we could reach the more critical audience outside the school communities and how to be visible to that 90%. Frederick suggested connecting actual programs of BSEP, and the fact that BSEP is a measure people voted for, like “your tax dollars at work”. Lazio said that BHS offers tours to prospective parents and there are talking points, and there can be information on the BSEP measure and a written handout. Hensley suggested installations on busy traffic streets to demonstrate what the schools are doing and that people might enjoy. She reminded the committee that this would be the first time trying to pass the measure related to BSEP since the arrival of online communications, and there are sometimes negative Berkeleyside comments, so active participation from those who care can remind others that BSEP is paying for a lot of great things. Bashore said that real estate agents should be given literature about BSEP for talking about Berkeley schools. Smuts added that it would be important to get a core stable of supporters from the schools, simplify the message by using key examples, and keep it high level. Simon suggested the idea of a classroom “with BSEP and without BSEP” and creating a simple graphic to go with it. Cohen thought that it was important that this process get rolling quickly, get it out in the community using key statistics. Glimme said that the strongest word-of-mouth is through parents, as well as getting the principals on board to pass the information along to teachers and staff and in turn to parents again, building foundations through a simple message, simplified visuals and strategies. Lamar added how different could BSEP look, what features that were in it last time that would not be in it this time around. For the parent involvement/outreach piece, the community that the students bond to, churches, NAACP, and PCAD were mentioned. Hensley suggested a retrospective piece, to sum it up for folks. Bartlow agreed about simplifying the measure and said there was a writer for the Oakland Tribune that could break down the issues, reaching out to the faith-based community and organizations such as the Berkeley Breakfast Club, Lions Club, and Rotary.

11. Adjournment

The meeting was adjourned by acclamation at 9:30 p.m.

Note: The 8 State Priorities are: Student Achievement, Student Engagement, Other Student Outcomes, School Climate, Parent Involvement, Basic Services, Implementation of Common Core State Standards, and Course Access.

Minutes submitted by Linda Race, BSEP Staff Support