

**Superintendents Budget Advisory Committee Minutes
May 2, 2017**

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

SBAC Committee Members Present

Cynthia Allman, BFT	Paula Phillips, BCCE
Robin Henke, Superintendent appointment	Cathy Campbell, BFT
Matt Meyer, BFT	Judy Appel. Board Member
Bruce Simon, P&O	Stephanie Upp, P&O (A)
Rebeca Todd, UBA	Rosa Luevano, BHSDG
Christine Staples, PTA	Stephen Collins, Local 21
Dan Lindheim, Audit Committee representative	Frank Hernandez, BCCE
Eric Weaver, Superintendent appointment	

SBAC Committee Members Absent

Nya Sandeford, BHS Student Member
Marie Ferguson, BCCE
Martin Demuchaflores, P&O
Michael Herbert Gray, PAC
Audrey Amos, UBA (A)

Visitors, Guest

None

BUSD Staff

Donald Evans, Ed.D, Superintendent	Javetta Cleveland, Deputy Superintendent
Jay Nitschke, Director of Technology	Patricia Sadler, Director Special Projects
Pasquale Scuderi, Assistant Superintendent	

Meeting called to order at 5:35pm

1. Opening of Meeting and Roll Call of Committee Members
2. Public Comments
 - *Christine Staples, PTA*; I read over the proposed cuts and I have to say I was stunned. I just want to make sure we pay attention to all of the elements of the things we are looking at as we talk. Focus on our mission that students comes first. I see proposed cuts to direct services at BHS, a couple of months ago we spoke about the concern about our reduced ADA yet the proposed cuts could affect our ADA; talk about eliminating two guidance counselors. These counselors are important to those students who are struggling. We do not know why 89 students have left BHS some could have stayed if their needs were being met.
 - Pay attention to proposal to combine IS with the TA Principals and everyone is aware what IS coordinator job is, that is making sure students making the right course studies and staying on track with their learning and identifying those students are that are needing IS.

3. Reading and Approval of Minutes from March 28th –as amended and approved unanimously

4. Superintendent's Comments

Let me start by saying we appreciate you. We are going to board tomorrow night with our 17-18 budget as well as bringing to the Board our proposed 18-19 budget reductions, the board is not going to vote on 18-19, the board gave the staff directions to start the cuts early that is why we are making these cuts for 17-18 as well for proposing what we may cut in 18-19. I was talking to a couple of superintendents and they thought this was a great idea. They had not started 18-19. The process by which we did this we looked at money that was not spent over the last three years in everyone budget and where we could take money from there, not taking everything but as much as we could. We looked at every position that is paid out of the general fund unrestricted, we looked at staffing, the schools, the departments, everything and so we know that we can see from the proposed budget reduction for 18-19 we realize that all of these positions could possibly have some kind of impact on the district in fact almost anything we come up will have some kind of impact on the district. Dan mentioned several years ago the district had to make significant cuts way more than we had to make this time around and we were struggling with this amount of money. I can't imagine more million dollars to cut. We were struggling and could not agree, many times, on the cut this is what we came up with so far and the board may tell us to go back and cut more. This has been tough, has been incredibly emotional, very emotional day, and this is what we came up with. We will bring this to you guys and you will have your say, we will bring this to board tomorrow night. We will vote on budget reductions for 18-19 next January.

Deputy Superintendent Cleveland; There are a few handouts one is with the 50% emission for budget priorities for 2017-18 and proposed reductions for 17-18 which is going forward tomorrow for action that is the document where the cuts approval of superintendents recommendation on budget priorities for 2017-18. This is not your first look at these, there are a couple of amendments and I want to point out what those amendments are. On the second page of that document, you saw this spreadsheet before, we added a safety officer, that is a vacant position for 17-18 cut, that was one of the changes, we added the redesign into the budget priorities, it is my understanding that we need to approve it now even though the implementation is 18-19, BHS needs to know now that they are going to implement this change for 9th grade and not wait until next year for this change. So the board asked me if the redesign was on the consideration list for lack of funding and so that was added as an 18-19 actual cost that will be approved by the board tomorrow night along with the other budget priorities that were already on the list. We changed the amount that we got more funding from our CPE grant so we are transferring some of our ROP cost that qualifies under the grant. We are transferring some of those cost in 17-18 a total to 1.5 FTE another transfer will continue into 18-19 another one 1.5 FTE that is one time funding. While we have that grant we are looking at continuing out CPE position that is in the unrestricted general fund giving the ROP transfer release the funding enough funding to cover the cost of the CPE Coordinator. Our proposal will be if there is no more CPE grant funding in the 19-20 yr then that position will be cut. Right now as long as we have grant money or future grant money that position will continue to go forward, if not, if there are no grant dollars then the board will make a decision in 18-19 to cut that position if there is no grant funding available.

Eric Weaver: There is also a bill moving forward through the legislature to reference by that.

Assistant Superintendent Scuderi; it adds a little more context to courses like photography, the jacket, many of our hands on courses that used to be funded through regional occupational programs through the county, that county contribution to the district has gone down. Every year they are planning to reduce that, a lot of that money was rerouted when the LC funding formula came into being. We have to absorb and assume more of the cost of those occupational sponsors, a loose definition, over the course of a few years and eventually it will entirely be our responsibility.

Deputy Superintendent Cleveland; So that is what is here and then on the last two pages we have a multi-year projections that incorporates the budget priorities and what impact it would have on the fund balance which is where expenses would exceed revenue. Once we put the priorities into the budget that is what we would be deficit spending without any 18-19 reductions. The next page shows if we made the reductions we are proposing for 18-19 of 1.2 million what the impact would be on the budget so what it does is change the fund balance it balances 18-19 and all of these are proposed, we don't have the final Governor's budget or LCAP funding or base grant funding. So we balance the budget and then the additional monies coming into 19-20 that was previously that was being absorbed by deficient spending because there is an increase in base grant funding and an increase in STIRS and would an amount of money left over instead of that amount being absorbed by structural deficits that would be moving forward. By making that reduction it gives the budget a balance in one year and then allows the additional revenues coming in in 19-20 to be available in excess of expenditures. That is the impact of the proposed priorities have on the budget. We suppose to take a straw poll vote for the 17-18 budget reductions, (see attachments for list of cuts proposed for 17-18)

- a. Non salaried central office 10-20 k
- b. 225 K Central Office
- c. BTA reduction of 2.FTE Teachers 1 BHS Safety Officer (vacant)

Are there any questions regarding those three items?

Dan Lindheim, Audit Committee; the only reductions the \$475K for 17-18?

Deputy Superintendent Cleveland; Yes for 17-18

Paula Phillips, BCCE; I want to bring something to your attention. The use of the word provisional support for the admissions office is incorrect. Provisional is when you are recruiting to fill a position.

Deputy Superintendent Cleveland; that is correct.

Paula Phillips, BCCE; so you are using provisional support as if they are hourly support

Deputy Superintendent Cleveland; you are correct, it should read hourly support.

I think we have a quorum, I think we have enough voting members.

Are there any other discussion on these three items?

Cathy Campbell, BFT; I have a few things, it seem Javetta we need to include in our straw poll the BHS redesign it seem like you're asking the board, I was not aware that the board was voting on that tomorrow night so it seem it needs to be in this discussion. We can come back to that. I do want to say to this group, and may say again tomorrow night, the district will be committing ongoing base funding for 18-19 without any kind of collective bargaining with our teachers and I think that is of

concern. I did not know, again I want to say that I did not know that it was being voted on tomorrow night so that is alarming to me and something I think should be given careful consideration, that money will be locked up and we don't have an agreement between BFT and BUSD about important financial matters going forward. I wanted to ask more about the admissions proposal, 40k is more than a half time salary for the year I am sure for this position. We really feel we need 2.5 days of a person time every single week 52 weeks of the year.

Dr. Evans: Much of that is seasonal; it is not the entire year. Certain times of the year where there is more, it is not the entire year.

Cathy Campbell, BFT; It will be 20 weeks' worth of work, 25 weeks of work. When you turn it into full time week, the equivalent half a year, you need another full time person.

Deputy Superintendent Cleveland; There is more than one person involved

Paula Phillips, BCCE; I have had concerns raised from staff in the admissions office about the overwhelming amount of work because of the re-enrollment process and because of the house visits. It justifies adding additional staff and I do not agree with it being hourly it should be added ongoing permanent basis because this is an ongoing permanent process that the district has implanted to re-enroll. The union feels that this position while I understand that your "in this budget crises" it should start as being a permanent part time person with a FTE instead of an hourly because of the workloads that has been introduced by this new process.

Cathy Campbell, BFT; when the board adopted this new policy was there a projection of increased cost.

Deputy Superintendent Cleveland; yes

Cathy Campbell, BFT; I guess that is all I want to say

Assistant Superintendent Scuderi: It probably does not alleviate your concerns about the redesign but that will obviously be contingent on the board subsequently approving the redesign.

Cathy Campbell, BFT; I don't understand why the money could not be done then? I do not see why it has to be done tomorrow. We might be closer to an agreement, we have in negotiations

Deputy Superintendent Cleveland: Are we ready to straw poll vote on the reductions;

1. Non salaried @ central office 225K; 8 favor 0 opposed Paula Phillips, BCCE abstained
2. 2 BTA Teachers reduction ; 9 favor; 0 opposed
3. Vacant Safety Officer: 9 favor; 0 opposed.

Deputy Superintendent Cleveland; any questions, do you want to ask any question Cathy regarding the redesign?

Cathy Campbell, BFT; I understand better now you are not having us vote on additions.

Deputy Superintendent Cleveland; that is correct, you can offer any input on any of the additions.

Bruce Simon, P&O; Cathy and Paula both brought up the idea that the district policy with the admissions office and cost associated with it. I just think and it strikes me that there would be additional cost as well and that we would be losing enrollment as a result of this process.

Deputy Superintendent Cleveland; that is a big question

Bruce Simon, P&O; I know it's a big question and I know it's not easy to answer I just think in terms of the thinking of the policy for the future, maybe this is more for the board instead of this group, there could be more substantial cost instead of just 40K.

Dr. Evans, Ed.D; I want to say it did come up the number of people and the number of hours it takes to input implement the policy where we could focus on the wording of the policy instead of the actual caring out of the policy.

Dan Lindheim, Audit Committee; there has been this general thing in the either that you lose enrollment and those are 1-1, revenue drops. And they really are not, it's just a question of do you take into account or if you estimate right you now hire less teachers to deal with the appropriate enrollment what you do lose is the profit you get from your students.

Deputy Superintendent Cleveland; sometimes it can't always be just the teacher it depends where the enrollment drops off are they spread out across all grade levels it get harder to make it a clean cut one teacher per student that we lose.

Dan Lindheim, Audit Committee; It's not that your expenditure stays the same and your revenue

Cathy Campbell, BFT; Can I ask one more time, if I do not get it this time I will give up; the \$115K for ROP, the \$307K is saving and that is broken up in the \$153K across the line.

Deputy Superintendent Cleveland; yes, one time grant money we have 2 years the grant expires at the end of the second year, for two years we can put one and half FTE from ROP into that grant and save base grant funding but it is not an ongoing savings.

Cathy Campbell, BFT; so we will have to spend \$115K more in addition?

Deputy Superintendent Cleveland; Yes, we are losing revenue, as we get to the 8 year LCAP implementation we lose a little every year so the amount you see there is the amount we are going to lose.

Cathy Campbell, BFT; but that \$307K does not off set it at all?

Deputy Superintendent Cleveland; it does

Cathy Campbell, BFT; yeah that is the part I am having trouble seeing because the \$153s are in other columns, but I will figure it out.

Judy Appell, Board; it's not the \$153 it's the \$115s

Cathy Campbell, BFT; no that \$115 the way it's represented there as additional cost not a savings

Deputy Superintendent Cleveland; well its saving, but it's not savings, it's only a savings for two year one time, that is why I did not put it in the same column If it was an ongoing grant for ever and ever than I would have put it in that column.

Cathy Campbell, BFT; right I guess the \$153. The \$115 they way it is written now is saying from our base grant in 17-18 we have to give more.

Deputy Superintendent Cleveland; It is going to be an ongoing increased cost, we are not giving more, because revenue going down we have an increase in cost due to that.

Cathy Campbell, BFT; unless we change our program?

Deputy Superintendent Cleveland; that is correct

Cathy Campbell, BFT; which does not seem to be under consideration

Deputy Superintendent Cleveland; with the grant I do not think so, with the CTE grant that has not been considered, to change the program.

Cathy Campbell, BFT; these are not necessarily classrooms we needs, for example just to get every kid 6 classes. We do not necessarily need IP classes; we could give every student 6 classes even without that.

Assistant Superintendent Scuderi; we could possibly meet graduation ADG requirements without some of the classes funded through ROP

Cathy Campbell, BFT; so I think we need to talk about this for 18-19.

Deputy Superintendent Cleveland; Any questions on 17-18? I think I will have Pat spends a few minutes going over with you LCAP.

Handouts are distributed from Patricia Saddler; highlights addition and list the LCAP budget on last page (see attachments) budget figures will change from this version.

Pat Saddler, Director of Programs and Special Projects;

As you know, Prop 30 requires stakeholder process we are working with our various stakeholders groups and we have three meetings schedule next week with DLAC our DAC and our EAC to release the recommendations in more detail. We are recommending four new actions and services.

1. Secondary Math Support Classes
2. Creation of Classified Employee Teacher Pathway
3. Positive School Climate Teacher Leaders
4. African American Student Success

Discontinue Actions or Services – Pending Board Approval

- RJ Pilot at Washington School
- Sixth Pilot at Washington School

- Sixth Grade Bridge
- Equity, TSA (.5fte)

Deputy Superintendent Cleveland; We are going to move to the 18-19 budget reduction. The board is not voting on these tomorrow and I recommend we do not vote on these until January 2018

1. There is a governor's may revision a state budget enrollment number may factor in, ADA and the January budget may impact how much we cut to balance the budget. This was something I thought given the deficit that 8-19 partially do the pension cost. That at least we start preparing for possible reductions early so we can properly vet those reductions and get further input. Also to support the redesign effort at BHS. The cut target was to be 1.2 million and its 1.8 million because we added the redesign to the cut target as well as budget priorities for 17-18. The total reduction, ongoing reduction target is 1.9 million across both years in order to support the increase of cost as well. On the second page, I highlight the total ongoing reduction cost for 2017-18 and 2018-19 less the increase in cost which is the budget priorities for 18-19 including the BHS redesign and I subtract those off back to the cut target of 1.2 million so the total are almost 1.9 million for both years. Looking at page one we voted on 17-18 so I will not focus on 18-19 ongoing reductions. Transportation has 3 new buses this year and getting 2 more buses on a one time basis and not purchasing any on 2018-19 budget, even though we have bus replacement scheduled in 18-19. Given what we have; new buses at a minimum of 50k, ongoing in bus maintenance and replacement, that could be higher, that was the safest number 50k. The other item on the list is elimination a CTE coordinator as I mentioned earlier, after the 2018-19 it says no grant funding available based on grant funding, if there if grant funding, we keep that position if no grant funding then the position will be eliminated after the 2018-19 school year which is the end of the current grant. That is about 139K position. Transfer of the ROP cost to what part of it is tied into the CTE coordinator is showing 139K there, because it is a cut of 139K if we do not have the grant that is why I put it on the line item, as long as we can transfer ROP cost than we do not have to cut the 139K. That really is an ongoing cut, because it is not going to go back unless we have future grant dollars for ROP.
2. I think this one Pasquale can discuss. We have been contributing for 5 years to child development from base grant funds for an additional class. We looked at the budget, anywhere we are considering base grant dollars to support programs, and we looked at all of those programs. This one, we said we were no longer able to contribute from the base of support and therefore what would it look like if we did not make this contribution and how it would impact the program.

Assistant Superintendent Scuderi;

Reduction in support services throughout the pre-school program might be able to add up to that \$127K. Initial discussions does not seem promising, it would appear it would mean this cut would mean a reduction in preschool class which would have some subsequent impact as well because when you do sections there is potential vertical funding lost from other state and federal sources. We are still working through exactly what that impact would be, but I think is safe the most conservative assumption right now would be to back the reduction in preschool fund.

Committee member; Which is how many kids? Inaudible.

Assistant Superintendent Scuderi: yes

Bruce Simon; what is the total enrollment at preschool?

Pasqual Scuderi; all together I would not want to guess on a number I could look it up

Deputy Superintendent Cleveland;

1. The next one is changing Director of student services to a manager position. I think the thought around it used to be a manager position and it increased to a director position and given more responsibility including oversight of the continuation school, oversight of independent study and oversight of the adult school. The position went from manager to director in both responsibilities were added to the position. At this point, the position does not oversee those three schools. Those three schools are under the direction of the assistant superintendent of education services. Also, the compliance officer was hired and that work previously was under this position has moved over to the compliance officer. That was the thought around putting this back to a manager position.
2. The next position reduction is the homeless program it's a non-salaried budget, the superintendent mentioned, we went back three or four years and looked at all budget programs unrestricted programs, that the district funds. There is grant money so this is not a small grant 20k a year. We looked at the trend and the cost in this and the money that we loaded in the budget was not being utilized by about 50k a year. With fewer kids in the homeless program as well, we felt comfortable leaving the homeless program with a 130k for Bart tickets and some support, school supplies and other support for those families.

Dr. Evans: Keep in mind that several years ago, we had identified no less than 800 students that were in the program and now there is 300.

Deputy Superintendent Cleveland;

1. The next item is something I used last time I asked would something similar that would work with comp and retirees' benefits, so this cut is a reduction we are working hard to find things that will not impact students as much as possible. My sense is that we charge a rate on our payroll to pay for retirees health benefits up to age 65 and 67 in most cases, we also have based on the actuary report a liability that we are to fund or set aside a reserve of \$16 million dollars based on the actuary report and \$2.6 million is the required contribution annually. I took a look at it, and given the situation with the budget to see if there is any wiggle room, in reducing that rate the employer rate internal charge that we need to pay for the Cal Pers health for those who are already retired, and also move money to the reserve to deal with the required level of reserves for retiree health. What this does we are still able to fund the current retiree health and we still able to transfer the \$1.3 million to the reserve we are able to transfer \$900K on top of that. Not as much as we were doing not meeting the annual required contribution as well , but there is nothing illegal about its just puts us further behind the pace to get the reserves funded. In the next few years, for sure we have enough to pay the retiree's with a rate that we would be using 2.3 versus 2.8. It saves \$433K across all the funds including measure H. It saves the general unrestricted general fund of that \$433K, \$278K would be repaid in the unrestricted general fund each year. We may have to look in 3 years to decide whether to increase the fund, but for now it does help with the budget saving.

Assistant Superintendent Scuderi;

Clerical III in central office in the special education office that is a proposed reduction of \$61K in classified position, additional offset in special education.

Deputy Superintendent Cleveland;

We have some pressure coming from our special education. Not sure if we are exceeding expenditure or exceeding budget and I did incorporate in the budget priorities increase cost in the pension for special education we also increased their budget by \$127K on top of that this year which is ongoing but we still having pressure on that budget to meet the needs of the special ed students. We have to do more work in looking for cost reductions in special ed other than the one listed here to keep that budget from....we contribute...a little background, the district makes an additional contribution to special education on top of the state and federal money we receive to support our students. Anytime the cost increase in special education that means the additional contribution goes up we are trying to manage that looking at ways to stream line those cost and it has not been an easy task and I see right now that it could, its not in that budget target, other than the amount we are looking to approve for 17-18 that budget cut may have to go up due to special ed. I wanted to make that note. This is one cut that support special education but there may need to be more cuts to balance special Ed a little more.

Assistant Superintendent Scuderi;

1. With the elimination of a .4 TSA at BHS, I want to look at the next 3 lines together the FTE for a TSA which is currently listed as vacant, we think we might have some coding issue and Erin and I going through every line of the position control report to see if some of these listed position in particular, is a coding error, and if they should be filled.
2. If you look at the other two lines .2 FTE TSA at BHS, .6 FTE which is professional development coordinator and the
3. .2 FTE is a position that probably should have been in the overall staffing allocation. We think we will straighten some of this out with the coding however, I do think we will be proposing some reduction in the TSA allocation we get for the overall PD structure at BH.

All of these decisions are very difficult ones I myself wrote a painfully long and unreadable treadance to the board in 2012, why we need to keep the structure particularly difficult one for me to talk about this, but we currently have a .4 in the leadership time non classroom TSA time for each of our five learning communities and for our three largest academic departments, we are going have to find a way to deal with that as we plan reductions, hopefully if things go well with the redesign that may help us address that need with the new funding going forward with the 9th grade program.

Following that, the elimination of safety officers at BHS. There are currently 16 safety officers and one of those is unfilled. One has been vacant for two years. I proposed to reduce another staff member in 18-19 which given the recent reclassification of campus monitors, 2 safety officers would still leave us with 14 safety officers at BHS. Attendance position at BHS something I put forward and advocated during my time there but in looking at trying to spread these cuts and looking at site administrative positions we look at the vp position at Malcolm X, we looked at the Independent Studies coordinator, which is still under consideration here. Given the choices to cut deeper into counseling and eliminating other TSA position at BAC director, the athletic director, a non-classroom administrative position at BHS would seem like the lesser of all the bad choices. A .5 counselor from BHS to BTA and then finally the elimination of 1 FTE from counseling at BHS. BTA independent studies reduction below that. BTA principle to oversee the independent studies program in 18-19 which is obviously a proposed reduction in the administrative staff and makes it a little more tricky in what we are looking at for 17-18, we would have to hire for that position knowing that that is a very finite terms for that employment. To add a independent studies administrative support if in fact we do eliminate that position and give broader responsibilities to the position at BTA. .5 TSA at oxford, this position should have part of the staffing allocation currently listed.

Deputy Superintendent Cleveland; the teachers on special assignment I think the approach was that these are unrestricted budgets these teacher are not classroom teachers in the budget the assumption is whether they are eliminated or transferred to other funding sources these positions would have to be funded in other funding sources that are not state funded in the future.

Judy Appel; Board Member; You are saying the positions don't go away the just get funded in a different way

Deputy Superintendent Cleveland; that is if the funding is available, the goal is to try to fund the professional development coordinator would be to find funding equal, that is not base grant if possible. So that is the total that we came to as possible cuts and we have two more meeting to discuss these and provide input and questions and/or suggestions around reductions. We will have the governors may revision by next meeting. I will be able to bring the impact of the Governor's May revise to the May 23rd meeting and could continue, if there is additional information, that you would like us to provide related to this. The board will not take action on these at a later date. This is a good time to look at the impact, look at other options and provide your feedback. It is a challenging task I can tell you that. Your input is very valuable, how we went about this, other options, we have, and everywhere we looked there was a program that Berkeley really loved.

Dr. Evans; Cooking and Gardening we done a little over 300k from the city , so if we cut that budget it would mean a reduction in how the city is giving to us , that's one of the reasons you don't see that on the reductions. We have 15 minutes let us go around the room for questions;

Robin Henke: I just want to express concerns on the counseling department. Currently the number we have is not sufficient. I volunteer at the front desk and I am called by people not being absent so I cannot image what these cuts are going to mean in being able to cover all the needs at the school.

Bruce Simon: Expressed concerns regarding cuts that affect student services, less services that all impacting the students.

Stephen Collins; had questions regarding May revision

Stephanie Upp; what revenue streams are there to reduce reductions?

Eric Weaver; ADA how do you plan to maintain if you are reducing services?

Eric Weaver; Teacher confused whether you send kis to counselor or health center, and can the city pick up this burden?

Judy Appel: audit in progress with BMH

Cathy Campbell: multi-year projecting loss of ADA look at BSEP and what it is pay for now.

Dr. Evans: We did look at what we could move from BSEP

Meeting adjourned.

Review Date/Time of Next Meeting

- May 23, 2017

Meeting Adjourned at 7:08pm