

**BSEP PLANNING & OVERSIGHT COMMITTEE MINUTES**  
**January 9, 2018**

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

**P&O Committee Members Present:**

Nicole Chabot, <i>Arts Magnet (Co)</i>	Aaron Schiller, <i>Thousand Oaks</i>
Loretha Henry, <i>Arts Magnet (Co)</i>	Stephanie Upp, <i>Washington</i>
Dawn Paxson, <i>Emerson</i>	Terry Pastika, <i>King</i>
Harry Charalambides, <i>Jefferson</i>	Angela Gallegos-Castillo, <i>Longfellow</i>
Danielle Perez, <i>John Muir (co-Chair)</i>	Sean Poremba, <i>Longfellow</i>
Lucero Lupercio, <i>LeConte</i>	Rita Gaber, <i>Willard</i>
Jane Tunks Demel, <i>Malcolm X</i>	Aaron Glimme, <i>Berkeley High</i>
Carla Bryant, <i>Oxford</i>	Josh Irwin, <i>Berkeley High</i>
Weldon Bradstreet, <i>Rosa Parks</i>	Bruce Simon, <i>Berkeley High (co-Chair)</i>

**P&O Committee Members Absent\*:**

Liz Fox, <i>Cragmont</i>	Eric Van Dusen, <i>Cragmont (Alt)</i>
Christina Balch, <i>Independent Study</i>	

*\*Alternates and co-reps are not marked absent if another rep is present. Currently there is not representation from the stand-alone T-K, Pre-K, or BTA.*

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

Lea Baechler-Brabo, *BUSD Communications Team Consultant*  
Cathy Campbell, *BFT President*  
Donald Evans, *Superintendent*  
Pete Gidlund, *VAPA Program Supervisor*  
Becca Todd, *District Library Coordinator*  
Jay Nitschke, *Director of Technology*  
Mary Ann Scheuer, *Elementary TSA Library Media Specialist*  
Pasquale Scuderi, *Assistant Superintendent for Educational Services*  
Ty Alper, *School Board Member*

**BSEP Staff:**

Natasha Beery, *Director, BSEP and Community Relations*  
Liz Karam, *Senior Budget Analyst*  
Heller Rathbone, *BSEP Staff Support*

## **1. Call to Order/Introductions and Site Reports**

The members introduced themselves and indicated which schools or departments they represent. Some had not yet held their SGC meetings for the month, but among those who had, some had formed sub-committees to collect and analyze data as well as to advocate for additional staffing needs such as bilingual teachers, literacy coaches, and academic support. Methods for analyzing data were discussed at many sites.

Upp asked for input from other members as to best practices, strategies for improving participation, what questions to include in the surveys, etc.

Chabot reported that the Arts Magnet School's emphasis on reading and writing in the recent past had resulted in much better scores and now they are hoping to do the same with math. They have hired a new math specialist (whom they are sharing with another school) to that end. They are also discussing strategies for measuring success in this endeavor.

Tunks Demel from Malcolm X reported that they are wondering what will happen if they lose their vice-principal. They have gone down 21 students from their high of 571 but are still a large school.

Bradstreet reported that Rosa Parks' SGC had been held the previous evening. They reviewed the student survey climate and culture. Some of the questions included: do they feel safe and respected? Do they have adult who can help them? Is student behavior in classrooms conducive to learning? Discussed student enrichment during the day. Can they adjust the campus environment to offer breaks from academic subjects?

Glimme explained how BHS's BSEP processes are somewhat different from those at other schools. BHS accepts proposals from community. Small changes were made to their RFP doc for distribution later in the week. Working with Beery/Karam to what data to collect to figure out the cost of staff.

## **2. Establish Quorum/Approve Agenda**

In attendance were four from BHS, 17 in total; the quorum was met.

## **3. Director's Comments**

Beery welcomed both new and experienced members of the committee and explained that tonight's unusual agenda has interrupted the usual sequence of annual reports in order to discuss looming budget cuts. We must discuss essential factors re cuts/budget. The Steering Committee, along with budget managers will do more in-depth work after tonight's discussion.

This year we will finalize Annual Reports at end of January. Since budget cuts will be decided in February, we need to move some budget discussions up to January. We begin by getting P&O Committee up to speed with BSEP issues, looking at the essential factors that affect BSEP, and then resume normal schedule for February. We are also pushing the discussion of Schools Site Committee by-laws to a later time because of this interruption.

Charalambides –are minutes distributed to principals? Charalambides would like them to be given to all. Beery- so noted - will double-check with Valerie Tay [who confirmed that all Principals receive P&O minutes].

## **4. Approval of Previous Minutes**

Irwin requested changes to the minutes from 12.12.17 regarding his comment on page 2. He would like the comment to read “permanent reallocation of site funds” rather than “permanent cuts”. Motion to approve by Paxton, Glimme seconded, unanimously approved.

## 5. Public Comment

There was no public comment.

## 7. Overview of Superintendent's Budget Advisory Committee (SBAC) 2018-19: Budget Reduction Proposals in Relation to BSEP Funds

*(Bruce Simon and Stephanie Upp - P&O Reps; Donald Evans, Superintendent)*

Simon briefly outlined the history of the SBAC and highlighted some of the challenges:

- An SBAC was first convened by Superintendent Bill Huyett, during a time of previous budget troubles. Many stakeholders participate in the advisory committee: the P&O, teachers' unions, and others.
- Under the state's funding formula, the funding that had been growing in recent years is now leveling off. We are entering uncertain financial times in California. COLA does not keep up w/ actual increases in costs.
- Enrollment fluctuates. It is currently lower than in the past, which results in lower funding.
- Governor Brown tends to give one-time monies and with time limits and sometimes with certain restrictions. This makes it difficult to rely upon them for ongoing expenses such as salaries.
- Our budget has been positively certified, which is good news.
- State mandates for PERS and STRS are increasing. Overall health care costs are rising.
- Additional K-3 teacher prep time results in additional costs this year. \$400,000 will come from the General Fund and more than \$200,000 will come from BSEP.
- Special Education costs have been and will continue increasing. The Board has met to discuss some strategies for keeping students from having to be enrolled in Special Ed, as discussed later.
- Our parcel tax is the highest perstudent in state, bringing in approximately \$28 Million annually. The new measure has a CPI (projected 3% for 2018-19) increase built in. The maintenance parcel tax brings in approximately \$5 Million annually and there are few facility bonds that expire in 2020.
- Previous cuts have amounted to 10-15% for 2017-18.

Superintendent Evans was able to report some good news, including:

- Salary increases over the last four years, salary bonuses, increases in contributions to healthcare, and, as the result of the classification and compensations study, further increases to salaries.
- Improvements to academics and instruction include gains made to the common core, class-size reduction (CSR) in middle and high schools, additional technologies, including the addition of Chromebooks. Counselors, student services, and safety staff have been added along with additional staff for the theater, store, and transportation. A district nurse and a Title 9 compliance officer were brought onboard.
- The new measure was also planned for, and successfully brought before the voters.

Simon reported that the School Board has asked for cuts totaling \$1.8M, but the SBAC is considering recommendations above that to allow for discussion of options. Depending on what happens in future years, we can expect that there will probably be further cuts.

He further noted that significant cuts are necessary in many areas, and especially detailed those that have occurred or are planned at BHS.

Beery, in referring to the handout, Summary of Budget Reductions, asked that the P&O focus on BSEP related programs and funding; familiarizing ourselves with the structure of the measure and what is allowable within the measure. The P&O committee's job is to provide oversight, making sure that BSEP follows the law. The measure includes a built-in Cost of Living Adjustment (COLA) and she requested that we look not only at current funding, but attempt to forecast upcoming funds and keep in mind the necessity for maintaining the reserve funds. All this needs to be considered in relation to the impacts on the district's programs.

Beery asked for general questions about the SBAC process.

Q. Irwin – Clarifying staff vs. committee recommendations on SBAC handout.

A. Staff recommendations came from central administration; committee recommendations came from individual reps at meetings

Campbell added a clarification: the committee has many ideas on the table. Since they have not yet voted, there are not yet any "official" recommendations to the Superintendent.

Evans stated that once the committee *has* voted, the recommendations from the staff and the committee will be added to the document, next to Superintendent's recommendations. SBAC begins to vote on Jan 16 and they will be refining recommendations on the 23<sup>rd</sup>, once they have a chance to look at the governor's budget.

On Feb 21<sup>st</sup> the Board will vote.

Q. Pastika – Steering Committee will dive into these and bring back ideas to P&O?

A. We already have reps on SBAC. Natasha, Bruce, and Stephanie will bring P&O perspective to the SBAC discussions, and Bruce/Stephanie may vote.

Q. Bryant – Who is "Staff"? [In terms of who brought the recommendations]

A. Evans answered: the Assistant Superintendent, Ed Services, Superintendent, Facilities, Executive Cabinet, and etc. Full membership of committee is: unions, teachers, P&O reps, BHS Development Group, . . ., the Superintendent, and etc.

Q. Pastika – None of the cuts are to the school site funds?

A. Beery – Correct.

## **8. Measure E1 Structure, and 2017/18 BSEP First Interim Fund Balances**

*Natasha Beery, BSEP Director and Liz Karam, BSEP Budget Analyst*

Beery presented the BSEP Measure E1 Structure Overview (handout) which details how the funds are to be allocated. First, 2% is allocated for measure oversight and communications. Of the remaining funds, 66% goes to High-Quality Instruction, 27% to Essentials for Excellence and 7% to Effective Student Support.

Looking more closely at the first bucket, High-Quality Instruction, the first requirement is to reduce class sizes to targeted levels. Those are calculated using the Teacher Template, which is explained in greater detail later. If the lower class-size targets are met and funds remain, those funds may be used for the purposes listed in the same bucket, called "Support for Teaching." The second column on the handout describes items in the first column.

The next two buckets are similarly structured with the stipulated uses and with the breakdowns of the total allocation assigned to each use.

The handout also explains how the BSEP funds are collected from residential and commercial properties, on a square foot basis and with some exemptions for low-income seniors and non-profit organizations. It further details factors in budgeting including: salary and benefit costs, additional facility costs due to CSR, and indirect costs that are charged to most resources (CSR, Libraries, etc.).

A feature in the measure allows certain funds to be adjusted if the P&O votes to re-allocate from one to another, within limits. Within the third bucket, Budget Managers may propose allocation of funds for the various purposes of Student Support.

The 2% assigned to the BSEP office, P&O committee and SGC support, Public Information and Communication may not be used to pay indirect costs.

The greatest overall expense is for staffing. These costs are affected by increased averages for staffing, program structures, health benefits, and mandated PERS and STRS contributions. These costs are not just for teachers; more classrooms are needed when class sizes are smaller. Indirect costs (overhead) include payroll services, human resources, etc. These are paid to BUSD.

Q. How does money come in?

A. Through a city parcel tax on square footage, so the tax is not regulated by Prop 13, which is based on property value. Next year the tax will bump up by the stipulated COLA based on the Bay Area Consumer Price Index (CPI). The governor's COLA, which affects State funding, will be announced this week and we will be able to roll that into considerations of the BUSD budget. For the BSEP COLA, 3% is the expected increase for next year. Exceptions to the structure of the parcel tax are made for low-income seniors and non-profits. Must deal with rebates, which result in money that must be reimbursed.

Q. Pastika asked if funding for Chromebooks comes out of BSEP?

A. Some does.

### **1<sup>st</sup> Interim Reports**

Resource interim reports were presented, noting any fund balances (FB) for each resource for both Measure A (remaining funds from prior measure) and Measure E1 (current measure). Most resources do have some fund balances.

The few resources with larger fund balances have predominantly been the result of under-staffing. In some cases new staff members were hired who came in at lower pay-grades than previous staff. Some FBs will be used for staffing, and some will be used for one-time expenses such as printing.

Q. Gallegos-Castillo asked what Student Achievement covers?

A. Currently RTI and Lit Coaches.

Q. Why is counseling only available in Middle School? Is it written into the Measure?

A. Because that's all we can currently afford. Funds from the current measure are not limited to counseling in Middle School, but may be used for broader purposes in other locations.

Reminder - As measure gets bigger we need bigger reserve.

Overview: Approximately \$29.3 Million available for this year. Those funds are distributed as previously discussed to each Resource. Then, at the First Interim, there may be re-calibration based on trending actual costs.

A \$1 Million reserve is planned as cushion for the 8-year life of the measure.

### **Preview of Possible 2017-18 Allocations**

Handout shows the same buckets, forecasting as of today. It will change next week when we have the CPI number, which is released Jan 18 This projection is essentially taking this year's figures and bumping them up. High Quality Instruction, Excellence, and Student Support will each have a bit left over.

Q. Campbell – does this projection include the changes for grades 1-3 prep time? It probably does not include staff recommendations?

A. Does not. When we next see the projection it will include the actual CPI and more data. Does not, but at some point will. This is an early preview. The Teacher Template does include prep time adjustment, but there is not a recommendation yet for the secondary purposes (Professional Development, Program Evaluation, Expanded Course Offerings, and Classroom Support).

## **9. 2018-19 Teacher Template Structural Changes: Implications**

*Natasha Beery, Pasquale Scuderi, Jay Nitschke*

The Draft Teacher Template (TT) is a tool for calculating the full cost of staffing. The TT begins with Admissions Department's projections. Then the calculation is made as to how many teachers the GF will pay for based on a ratio 34-1. This is floor contribution of the GF. As an example, take 128 TK students, run the calculation and it shows that the GF needs to pay for 3.76 teachers. This is done for each grade.

BSEP helps reduce class size to the targeted levels (different levels for different grades) by paying for additional teachers. Some rounding of numbers must occur to take into account classroom staffing at each site. With the new measure, we are now trying to smooth out class size averages within schools and within the district, which adds complexity. Flex rooms for meetings, special classes and etc. are starting to come back in.

There are currently variances between the planning documents on the amounts BSEP will contribute, but it looks like the amount will be between \$14 Million and \$14.7. Stay tuned for better estimates and more clarity.

Note: Substitute teachers are listed separately from release time teachers for professional development/prep time.

Working through the TT, we get to \$20 Million in forecast costs to BSEP, if expanded course offerings are the same as current - 7.6 FTE - \$800,000.00 is required, and etc. as listed on the handout. When all expenditures are totaled they come to about \$17 Million, which leaves a \$1 Million balance.

## **10. P&O Issues for BSEP Managers and Steering Committee Review**

A new handout shows possible ways that, under the new measure, things could be paid for and feasible adjustments.

Some ways to accomplish funding by using FBs, making cuts within resources, or adjustments within BSEP. There was much discussion as to what funds can be used for and how we are looking at making the decisions. Are we looking at the needs of our most vulnerable students? (Some of this is built-in to the BSEP Measure.)

The comment was made that other states, such as NY, fund their schools to a greater degree than California. We are fortunate to have BSEP. Many districts around California are in worse condition because they do not have a measure such as ours.

In order to make suggestions to the Steering Committee, please email Beery.

Reminder – Anyone and all are welcome at the SBAC.

## **8. For the Good of the Order**

None, due to late hour.

## **Adjournment**

The meeting adjourned at 9:40

