

BSEP PLANNING & OVERSIGHT COMMITTEE MINUTES

January 29, 2019

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

P&O Committee Members Present

Nicole Chabot, *Arts Magnet*

Liz Fox, *Cragmont*

Dawn Paxson, *Emerson*

Jonathan Weissglass, *Emerson (Alt)*

Kate Jordan, *Sylvia Mendez*

Jane Tunks Demel, *Malcolm X*

Weldon Bradstreet, *Rosa Parks*

Laura Babitt, *Rosa Parks (Alt)*

Rita Gaber, *Willard*

Terry Pastika, *King*

Aaron Glimme, *Berkeley High*

Josh Irwin, *Berkeley High*

Shauna Rabinowitz, *Berkeley High*

Bruce Simon, *Berkeley High*

Wim-Kees Van Hout, *Berkeley High (Alt)*

Felicia Bellows, *Independent Study*

P&O Committee Members Absent*

Orville Jackson, *Jefferson*

Jill Blue Lin, *Oxford (Co)*

Tiara Maldonado, *Oxford (Co)*

Heather Flett, *Washington (Co)*

Stephanie Upp, *Washington (Co)*

Jennifer Sitkin Morgan, *Willard*

**Alternates and co-reps are not marked absent if another rep is present. Currently there is not representation from the stand-alone TK, Pre-K, John Muir, Thousand Oaks, Longfellow, or BTA.*

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

Donald Evans, *Superintendent of Schools*

Pasquale Scuderi, *Associate Superintendent of Educational Services*

Pauline Follansbee, *Assistant Superintendent of Business Services*

Ann Callegari, *Supervisor of Family Engagement and Equity*

Jay Nitschke, *Director of Technology*

BSEP Staff:

Natasha Beery, *Director of BSEP and Community Relations*

Danielle Perez, *BSEP Program Specialist*

Joann Marshall, *BSEP Clerical Assistant*

1. Call to Order, Introductions & Site Reports

At 7:15, Chairperson called the meeting to order with introductions and site reports from around the table. Rep Chabot shared that the Berkeley Arts Magnet SSC saw a presentation from their BSEP Site-Funded counseling contract provider. Rep Tunks Demel updated that the Malcolm X SSC discussed ways to mitigate a cut to Family Engagement at the site. Rep Fox shared that Cragmont's meeting the following day would include a visit from BSEP Director Natasha Beery. Rep Laura Babitt shared that

Longfellow is working on coordinating an after school program, to bridge the gap between school and afterschool learning. Rep Jonathan Weissglass shared that Emerson discussed concerns about reductions to the Family Engagement program, reviewed their safety plan and Title I forms, and discussed the selection process for the site's new principal.

2. Establish the Quorum & Approve Agenda

The quorum was established with 11 committee members present.

Rep Simon moved to approve the agenda, Rep Chabot seconded the motion; the agenda was approved unanimously.

3. Chairperson's Comments

Terry Pastika and Weldon Bradstreet, co-Chairs Planning and Oversight Committee

Chair Bradstreet asked members to contribute to snack fund.

4. BSEP Director's Comments

Natasha Beery, Director BSEP & Community Relations

Director Beery told members this is an exceptionally busy time, including the SBAC and P&O processes, Principal retirements, and the district's search for a new Superintendent. She thanked the Committee members for their engagement and hard work.

5. Superintendent's Comments

Dr. Donald Evans, Superintendent of Schools

Dr. Evans thanked all P&O members involved with SBAC. Three years of cuts have not been easy and will have some impact, but work is being done to keep the impact of cuts as far from the students as possible. SBAC will be voting on suggested reductions and Dr. Evans will be bringing staff recommendations and his final Superintendent's recommendation to the Board on February 6, with further discussion February 20 and March 13. Prior to the next School Board meeting there will also be a working session with speakers on the topic of workforce housing. The Superintendent's Speaker Series will continue Thursday night (January 31) when Dr. Jabari Mahiri will give his talk at 7:00 pm at Longfellow.

6. Approval of Minutes

Minutes from the January 15, 2019 meeting were presented to the group. Chair Bradstreet asked members to review them and note any corrections.

Rep Irwin moved to approve the 1/15/19 minutes draft, Rep Bellows seconded; the

minutes were approved unanimously.

7. Public Comment

There was no public comment.

8. Governor's Budget Update

Pauline Follansbee, Assistant Superintendent of Business Services

Ms. Follansbee distributed the following documents:

- **Governor's Proposals for the 2019-20 State Budget and K-12 Education**

Ms. Follansbee discussed Gavin Newsom's first gubernatorial budget and outlook for the next 4 years, including anticipating a downturn. The new Governor has continued with the Local Control Funding Formula (LCFF) that is flattening out as costs are rising. He is also continuing with the California School Dashboard and other metrics for accountability. Governor Newsom will focus on Early Childhood Education and Facilities, in what should be a dynamic budget due to current conditions. When we closed the books last time the COLA was 2.7% percent, Newsom is now proposing a statutory COLA of 3.46%; for Berkeley this equals an additional base funding of \$696,813 and \$47,384 in supplemental for a total of \$744,197. In 2020-21 the difference is \$933,056. A new proposal from Newsom is a reduction in the increased costs to districts of state teacher pension plan CalSTRS, originally at 18.13% of wages, reduced this year to 17.1%. This equates to a savings of \$487,311.

The Early Childhood Education focus is assumed to be one time investments outside of school districts. Special Education is not addressed in the proposed budget; the expectation is that the Governor will focus on Special Education interventions that will not impact current services. Our Special Ed costs continue to rise, as is the case in many districts. The proposed budget does not have one-time discretionary funds such as we saw with Governor Brown's budget. The revision of the proposed budget will take place with more details in May.

Rep Babbit asked if \$1,231,509 is an increase coming to the district and if the LCFF \$744,197 will go right to teacher raises. Ms Follansbee answered that it could be used as the board decides. Rep Simon commented that SBAC timing for the district was driven in part by the need to let employees know if they are losing their positions by a certain deadline, but given that the SBAC is possibly only recommending to eliminate one position, he wondered if the School Board will still vote in March, given that the Governor's budget is still being revised and funds may potentially be radically different. Ms. Follansbee stated that the Board will still be working with budget recommendations of \$2 million dollars in cuts, and before the budget is adopted in June there will be recommendations for those cuts.

Rep Babbit asked how board approves SBAC recommendations in March before P&O

has any input. Director Beery described pressure to fast-track P&O decisions and outlined some of the P&O items that dovetail with SBAC recommendations. Rep Babbit asked when Board action will be taken, and Director Beery responded March 12th.

9. Bay Area CPI Update and Preliminary Revenue Allocations

Natasha Beery, Director of BSEP and Community Relations

Director Beery distributed the following documents:

- CPI-State COLA & Bay Area CPI
- CPI-BSEP New & GF Revenue

The state Cost of Living Adjustment (COLA) comes out in January and gets revised in May, but BSEP budgets must be established and approved well before that finalization. For this reason Measure E1 was written to use the Bay Area CPI, which historically is comparable and is set earlier in the year. The coming year's COLA will be 4.5% which is high; hasn't been at that level in 10 years.

Rebates are required under the Measure to provide relief for low-income seniors and non-profits, and the amount of these rebates changes through the year. Interest is going up slightly. Total revenue is projected at \$32 million. Indirect costs are calculated for us by the State; it is the "overhead" cost BSEP provides to the GF. Due to the increased revenues, FY19-20 will probably see increases to School Site Program allocations. Measure E1 provides percentages for purposes in similar amounts to prior measure; 2% of which is allocated to Public Information and P&O support. Some priorities were moved around from their "buckets" in Measure A, but the percentages allotted have remained equivalent.

Van Hout asked about the last year of Measure A. Director Beery explained that during the last year of Measure A, we built a model for E1 that began with the cost of programs, some of which were deficit spending and some which BSEP was no longer supporting, then looked at making programs sustainable. To plan for this, an average of prior COLAs was used, which at the time were low, so 1.2% was the planning estimate. The economic situation could have gone a different direction, we could have a recession, and/or we could have seen a climb in costs. Currently that is not the case, though downturns are to be expected.

In the early years of Measure A, BSEP Revenue had higher COLAs and the General Fund had "unfunded COLAs" from the State, meaning that revenues were flat. Salaries stayed flat as well, and so BSEP began to pay for additional items that the General Fund could not carry. This was permissible under Measure A's class size reduction fund as after class size reduction goals were met, remaining revenues could be expended for "program support." In 2013-14 LCFF began returning funds to school districts, and as

funds came back in there were salary increases, also enrollment had increased in the mid years of Measure A. BSEP revenues went down due to low COLAs just as costs were going up, so at the end of the Measure, the GF began paying for more of what BSEP had taken on previously. It is incorrect to say that the GF “paid” or “loaned” funds to BSEP - what happened was the GF assumed the costs of some of the programs previously carried by BSEP, while BSEP continued to meet the first obligation of paying for Class Size Reduction.

Director Beery distributed the following documents:

- Updated Teacher Template
- Draft 2019-20 BSEP E1 Revenue Projection

The Teacher Template calculation is made out of the Admissions Dept. estimates of the number of students who will enroll in each grade next year. The document calculates based on enrollment and then checks the enrollment for each school school to see that class sizes are balanced correctly. Additional FTE are provided as rounding up factors, which BSEP pays for. Rep Glimme asked about an asterix without a note, if it is possible to either remove it from the document or bring back its explanation. Director Beery will make sure the error is corrected.

New class size goal of 23:1 from Measure E1 is in effect in grades K-1-2, and in a few more years that goal should be achieved in K-5 school-wide averages. The overall amount of FTEs is lower right now because 4th and 5th grades are still at Measure A’s 26:1 average; as the number of classes at that ratio decreases the needed FTE will increase.

Referring to the draft, Director Beery’s noted that under “Support for Teaching”, which is the category under which additional program costs can be assumed by BSEP after Class Size goals are met, the Expanded Course Offerings (ECO) at 7.6 FTE is for before/afterschool classes at the secondary level, and in past years the number of FTE has varied. Professional Development is also supported through this fund. Program Evaluation costs was reduced during prior budget cuts; the Director position was eliminated to make room for other BSEP costs, including support for the Universal 9th grade (U9), and there is a proposal to take on more U9 support. Built into current measure is building a fund balance to address the likelihood of increased costs in later years, and so we will look carefully at absorbing costs from GF.

10. SBAC Update

Bruce Simon and Nicole Chabot, P&O Reps to SBAC

Director Beery distributed the following document:

- Superintendent’s Draft Budget Reduction Proposal/LCAP and BSEP implications

Director Beery's role with the SBAC is to understand proposal implications for BSEP, and to make clear with the SBAC that the P&O Committee is the legal oversight of the Measure.

This document specifically highlights proposals impacting BSEP and LCAP, and shows ongoing and one time expenses in different columns. Mr. Scuderi reminded the Committee that this is still a developing proposal. Director Beery noted that this version includes a row of expenses that provisionally could come out of ongoing fund balance of the current measure.

The IB Coordinator position was also a previously proposed reduction, and the SBAC heard public comments about it being needed. It is possible to use carryover from Measure A, or instead as this document shows, adds the expense to the ongoing BSEP budget under Teaching Support. Another suggestion in the BSEP Student Support budget is to add .5 FTE for the Counselor for BTA. Mr. Scuderi shared that general concerns came from the PAC about whether it is appropriate to move certain costs into LCAP, so in this draft the Dean of Attendance and BHS Counselors are included under Measure A, to be revisited for the 2020-21 school year.

The most contentious item on the previous list of reductions were to the McKinney-Vento program and the Office of Family Engagement and Equity (OFEE). New adjustments to this most recent draft propose that costs to continue funding OFEE staff are moved into LCAP budget, while BSEP budgets take on other costs to balance. These costs do not affect the General Fund directly, but are ways to strategically align which resources pay for what, and in some cases make room in the budget for other items that the GF cannot pay for. The new proposal puts the whole OFEE program into the LCAP budget, rather than splitting it between two resources, which could help improve the focus on the program serving high needs students, but to make a sustainable budget, it may be necessary to eliminate the supervisor position and supervision of the OFEE staff could be moved to the principals at each site. Mr. Scuderi noted that this change is responding to the notion that direct support needs to be at all sites and that the first priority is to keep the staff at each site. Director Beery added that the OFEE funding through BSEP has only been possible through a deficit spending model based on drawing on prior fund balance which is nearly gone. For many years we have pointed out that the BSEP allocation is not enough to sustain the program going forward. Originally the BSEP funds were enough for a pilot program which only served a few schools, and then with LCAP funding it was expanded to all schools, and it had been assumed at one point that LCAP would make this a priority and even expand further, but that has not happened yet. PAC will need to discuss

It is now proposed that the McKinney-Vento expense move into LCAP, and that Math

and Literacy coaches' expense could move out of LCAP into BSEP to balance. Mr. Scuderi elaborated that the idea is to make the positions whole by moving all the expense into BSEP; this would be a consolidation of funding sources. There is also a proposal to reduce EL staffing, which is challenging as simply reducing is not ideal, but more work will be needed to establish site need-based allocation model versus the current standard equal allocation for each site.

Rep Babitt asked if there would be a loss of accountability for the work of the Literacy Coaches if the funding came from BSEP rather than LCAP. Currently the PAC oversees data presentations on which students are being served and ensuring that target groups are receiving focus. Mr. Scuderi responded that this is not proposing a change in the duties or data collection of the Lit Coaches, only in the funding source. Rep Irwin stated that if the district were collecting the same data, it should still be possible to make it available for review.

Rep Weissglass expressed concern about cuts shifting the burden of more work onto principals, that this may be asking them to do too much. He suggested that if there is an extra \$100,000 it might be used for supervisor. Rep Babitt asked if the remaining '19-20 Family Engagement costs could move into the 7% budget if LCAP is usable for Family Engagement staffing. Rep Pastika asked what the measure language says about ability to use funds from High Quality Instruction for this purpose. Director Beery answered that it isn't allowed by the language to take money from site funds or HQI, though there is some flexibility within the 7% budget. Director Beery stated that while Family Engagement couldn't go into teaching support, if there are other things in LCAP that could move to BSEP Teaching Support, then the cost of supervision could move to LCAP. For now it may be possible to put the supervisor cost into Measure A carryover under "Program Support" and give it a year to determine how best to align resources and needs going forward.

Rep Pastika asked if program costs, such as for Literacy Coach, get moved out of LCAP into BSEP could there be documentation of an expectation that a similar level of oversight be provided by the P&O as was exercised by the PAC. Mr. Scuderi said it could be included in the Annual Plan. Rep Pastika asked if same metrics could also be required. Director Beery responded that though the measure doesn't require it, the P&O could request these metrics or goals be measured moving forward. Mr. Scuderi didn't see any problem bringing a copy of the LCAP evaluation to the P&O.

Rep Simon, former P&O chair for a number of years, pointed to the cycle often seen of costs moving between LCAP and BSEP, noting that it is hard to know where this process will go, but it is important that members keep track of the changes so that when the situation flips again it is documented. Rep Glimme continued to advocate for members not to think about BSEP "vs" the GF or LCAP, rather keep in mind that all money is to

serve students, and this process is about finding appropriate available resources to continue to serve student needs.

11. 2017-18 Site Program Annual Report and '18-19 Update

Danielle Perez, BSEP Program Specialist

Ms. Perez distributed the following documents:

- 2017-18 Site Program Annual Report and FY 18-19 Update
- Expenditure information in graph form, test

Ms. Perez thanked BSEP Senior Budget Analyst Liz Karam for providing the financial data that is used to create these reports. She also explained that the second document, the packet of graphs, is a trial based on feedback from committee members in previous years to provide data in visual formats rather than just text. She and Director Beery would welcome feedback from committee members about whether this format helped make the data any more digestible. The Site Program Report is interesting, because it summarizes not a single plan and budget but rather the plans and budgets from 19 different sites across the district, and there are challenges when pulling together and presenting this amount of information.

FY 2017-18 saw an 8.5% increase in per-pupil allocations, and all sites received more money than in the previous year, even for schools where enrollment had decreased. Ms. Perez reminded the committee to keep in mind that BSEP site funds work in concert with other resources like PTA, Title 1 and grant monies. Each site has specific considerations and the SSCs and principals use all available funding streams to support programs. The dollar amounts listed in the report are totals from both Measure E1 and Measure A site fund resources. Principals are encouraged to use carryover funds whenever possible, in an effort to fully expend carryover from Measure A.

The three largest areas of expenditure are staffing (80.5% of funds used), contracts (7.61% of funds used), and materials and supplies purchases (6.21% of funds used). Types of staffing paid by site funds vary greatly by school and between primary and secondary sites, see report for details. Contracts generally also pay for more people to work with students, commonly providing counseling services as well as PE instruction and tutoring, mentoring, and coaching. BSEP site funds are a valuable resource for all sites for materials and supplies, generally used as soon as resources for this purpose allocated from the GF are used up and needs continue throughout the school year.

A common question when reviewing Annual Reports is about any change between the plan as presented and the implementation throughout the year. For site programs, each SSC can use the Site Plan Addendum process to move, increase, decrease, or otherwise change budgets from site funds throughout the year. The Annual Report includes a list of

Addenda that were submitted in '17-18 to illustrate common types of changes. The Report also includes an '18-19 update with a comprehensive list of every addenda received so far in the current school year, which can be compared to the '18-19 School Plans included in the '18-19 Annual Plan summary.

Ms. Perez explained that carryover monies generally cannot be used to pay for ongoing FTE (staff salaries). Rep Tunks Demel shared that at Malcolm X they were able to hire a retired teacher to work hourly to help administer assessments to students, which is a way to use carryover money to supplement staff in some situations. Chair Pastika inquired how sites are made aware of the amount of carryover money available to use. Ms. Perez answered that Liz Karam, the budget analyst, sends exact carryover amounts to each Principal once the books from the previous school year are closed, usually in October. Carryover Priorities listed in a School Plan for the current year can be implemented immediately, while any new purposes for carryover funds require SSC action to create a Plan Addendum.

Chair Pastika asked how the agreement between the district and K-5 principals to use site funds to supplement .25 FTE of Literacy Coaches at each site is communicated to SSCs. Mr. Scuderi answered that this is discussed regularly at Principals' Meetings (between himself, Maggie Riddle, Director of Schools, and all principals), and should then be communicated to the SSCs by the principals. Chair Pastika asked if something could be done to improve the consistency of this messaging to the site councils, she expressed concerns about a requirement that site funds are allocated outside of the SSC process, and about how that is being communicated to site council. Mr. Scuderi acknowledged that it is important, and agreed that these concerns could be addressed during meetings with the principals.

12. BSEP Annual Report 2017-18 and First Interim

Natasha Beery, Director of BSEP and Community Relations

Director Beery explained that the full Annual Report document is made up of each of the individual reports that have been presented to the P&O over the past three meetings, and will be presented to the School Board on February 6. At that time, in addition to presenting the report she will also take the opportunity to provide a broader overview of the BSEP budgets in relation to the proposed GF reductions. Director Beery hopes to set the stage for their discussion of the proposed expenses being shifted into BSEP budgets, and to remind the Board of the P&O process. The next P&O meeting will be looking at what is sustainable through the inevitable ebb and flow of revenues and expenditures during the life of the measure.

Rep. Rabinowitz asked where teacher raises fit into the discussion. The current negotiations between BFT and the District will determine the percentage of increase for

teacher costs, and Mr. Scuderi reminded the committee that the budgets have to support the total compensation costs, including the district's larger share of the pension contributions. The larger budget discussion centers around the problem of how to hold onto programs while also compensating staff appropriately.

Rep Chabot asked at what point will there be a question for BSEP, expressing concern about the 6-7 year horizon, as it's likely there will be a recession, do we need a rainy day fund? Scuderi as complicated as this is, other districts have tougher choices with deeper cuts, we are fortunate to have BSEP funds despite the uncertainty, it's a better problem to have.

Rep Glimme moved to approve the 2017-18 BSEP Annual Report, Rep Rabinowitz seconded; the motion was approved unanimously.

13. Potential P&O Statement to School Board

Rep Babitt asked when the Board would approve budget reductions. Director Beery answered that budget cuts will be discussed at the February 6, and February 20th Board meetings, with a vote possible on March 13. After that first discussion the P&O will meet again on February 12, and there will be more information available for the Committee to decide about making a potential statement at that time.

14. For the Good of the Order

There were no items presented.

15. Adjournment

The meeting was adjourned at 9:30 pm.