Berkeley Unified School District

Superintendent's Budget Advisory Committee

Educator Advisory Committee

January 19, 2021

Welcome!

Pauline Follansbee, Assistant Superintendent, Business Services
Michelle Sinclair, Director, State, Federal, and Special Projects
Brent Stephens, Superintendent

Agenda

- Welcome, Superintendent (5 Minutes)
- Introductions (15 minutes)
- Framework and Housekeeping - accessing files and shared docs (5 minutes)
- Budget Building Process (Brent) (10 minutes)
  - Review Budget Calendar
  - Additional Engagements (Management Team, Town Halls, Principals Meetings)
  - LCAP Planning Calendar
  - Board Decision Making Dates (GF, LCAP, BSEP)

Agenda (continued)

- Governor's January Budget Overview (Pauline) (20 minutes)
- Discussion
- LCAP Enrollment and Budget Projections (Michelle) (5 minutes)
- Federal (Title I) (Michelle) (5 minutes)
- Discussion
- Closing
- Next Meeting February

SBAC Framework

SBAC Bylaws

Members 17 Voting and 4 Non-Voting

Community Members	(8) Voting
BHS student	(1) Voting
Employee Members	(8) Voting
District Staff	(2) Non-Voting
Board of Education	(1) Non-Voting
Staff Liaison	(1) Non-Voting

Superintendent's Budget Advisory Committee (SBAC)

Overview of the SBAC

This is the first in a series of meetings to:

- Share information about BUSD's budget
- To discuss the implications of staff projections and plans
- To offer feedback and best thinking
- To form recommendations to the Board of Education

SBAC Housekeeping

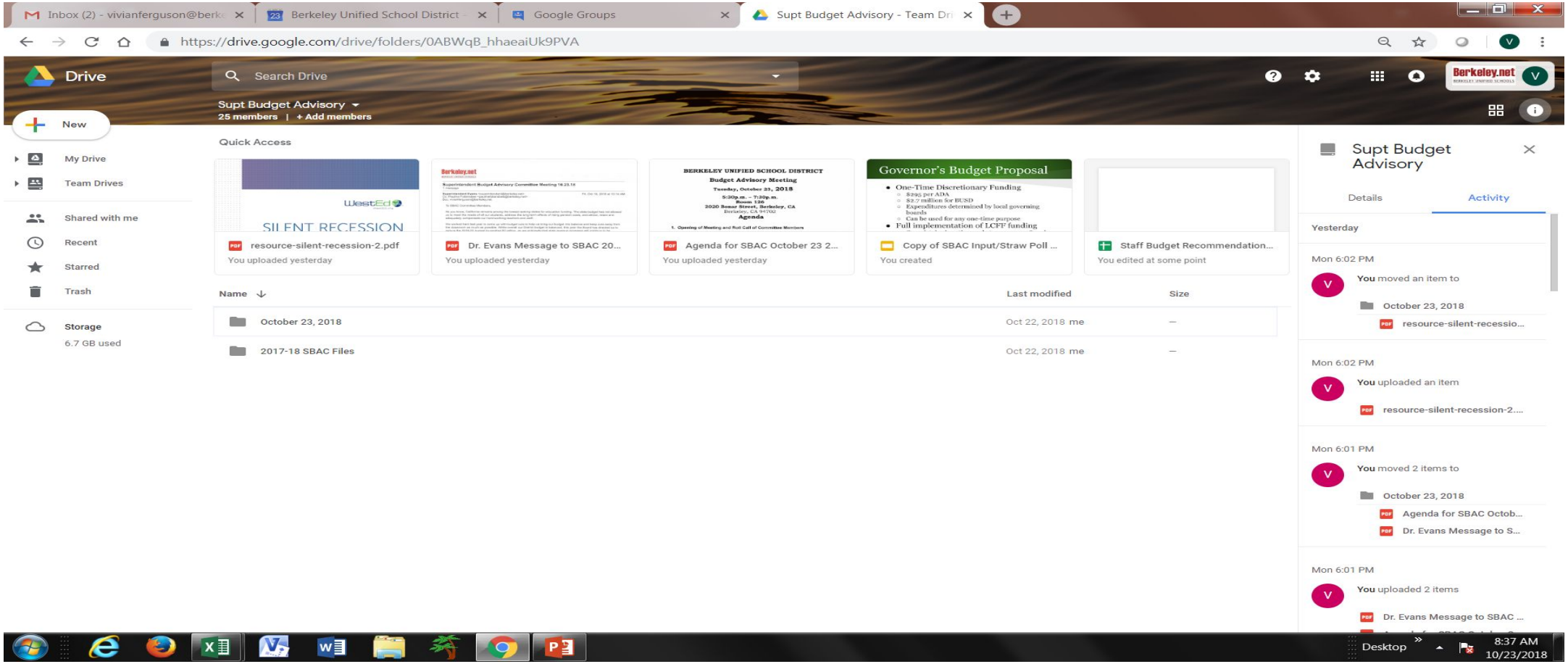
Accessing Documents

- Documents are located on the G Drive
- You need a berkeley.net email account to access the G Drive
- If you do not have one, please contact
  - maxeissler@berkeley.net
- If you need additional information, please contact
  - vivianferguson@berkeley.net

Accessing Documents Cont'd

- Documents are stored in G-Drive go to Google Apps.
- Click Drive, Shared Drives, Select Supt Budget Advisory Committee
- Files are organized by year and meeting dates
- Links to documents and files will be provided

Select date of meeting to view/ print materials reviewed



2021-2022
Governor's January Budget Proposal

Themes for the 2021–22 Governor's Budget

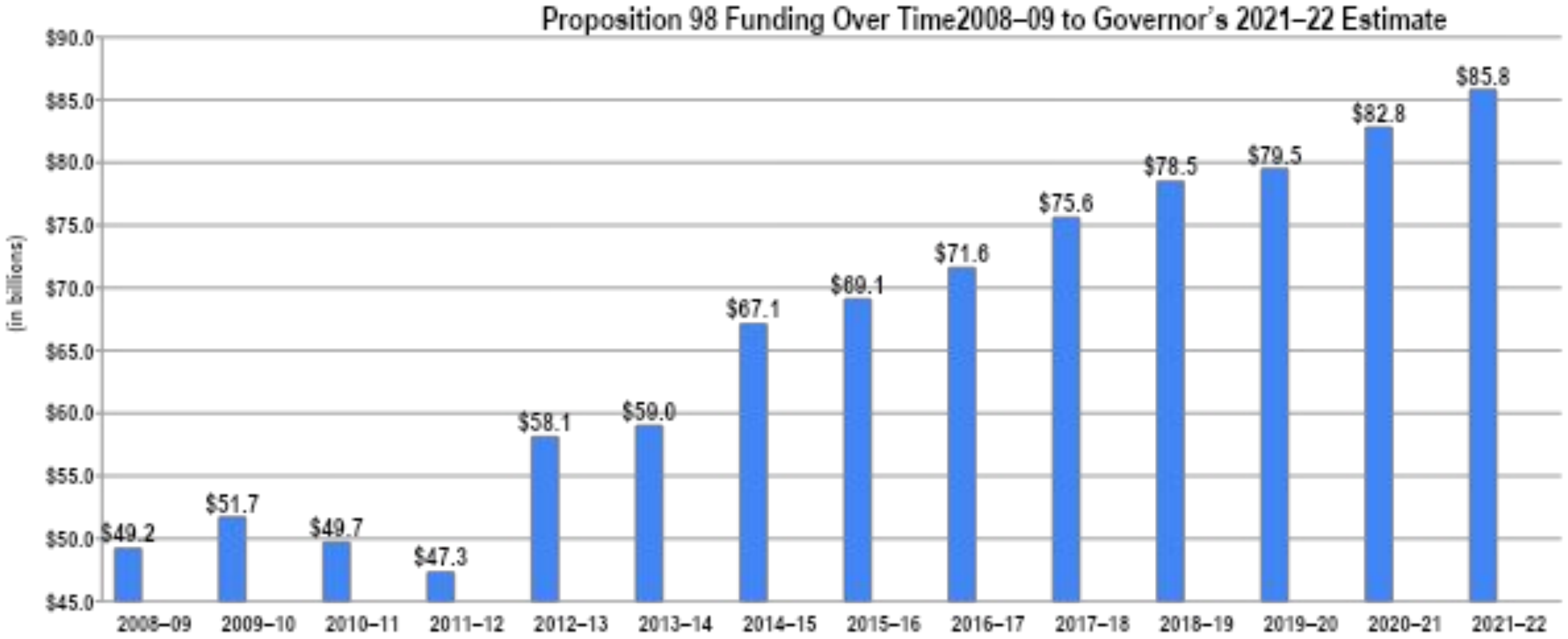
With revenue growth surpassing original expectations early in the pandemic, the Governor's Budget proposal forecasts a dramatic restoration of funding including

- Growth in programs
- Reserves
- Cost-of-living adjustment (COLA)

Budget Proposal Highlights include

- $89.2 billion for total spending ($88.1 billion through Prop. 98 formula) K-12 and community colleges
- $4.6 billion for summer school and extra learning time
- $500 million for teacher development programs
- $700 million in funding for programs that help students cope with anxiety, depression, stress and other disorders, and an additional $300 million for special education

Proposition 98



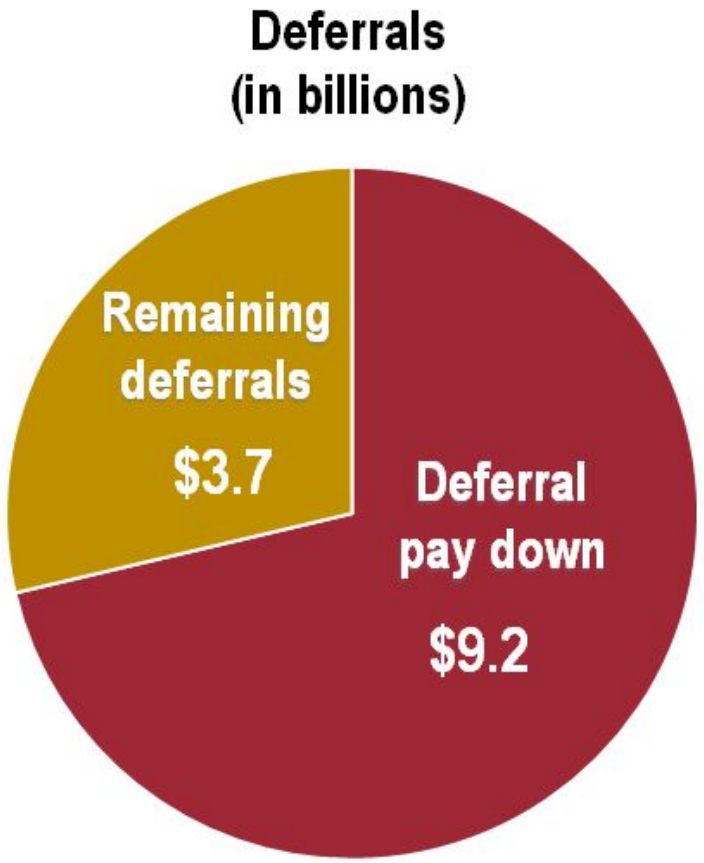
COLA—What a Difference a Year Makes

- The pandemic did not have the draconian financial impacts projected in June 2020, but local educational agencies (LEAs) still have not been made whole
  - The zero cost-of-living adjustment (COLA) in 2020–21 has likely fallen into a black hole as a one-time loss for the Local Control Funding Formula (LCFF), and an ongoing loss for other categorical programs

Comparison of Statutory and Funded COLA 2020–21 and 2021–22			
	2020–21	**2021–22**	**Applied to**
Statutory COLA	**2.31%**	**1.50%**	• **3.84% applied to 21-22 LCFF (base and supplemental)** • **1.50% applied to Special Education and other categorical programs (e.g., Mandate Block Grant)**
Funded COLA	**0.00**	**3.84%**	

Deferrals

- The 2020–21 Enacted Budget included almost $13 billion in K–12 LCFF deferrals
- The Governor's Budget proposes paying down a portion of the deferrals—effectively eliminating the on-going deferrals scheduled for February through May 2022
    - Note that this pay down does not impact the deferrals currently scheduled for February through June 2021!
        - The repayment schedule for these deferrals remains the same



2021–22 LCFF Funding Factors

- The Governor's Budget proposes a 3.84% compounded COLA for 2021–22, which is applied to the LCFF base grants for each grade span
- Two grade span adjustments (GSAs) are applied as percentage increases to the base grants
  - Grades K–3 receive a 10.4% increase for smaller average class sizes
  - Grades 9–12 receive a 2.6% increase in recognition of the costs of career technical education coursework

Grade Span	2020–21 Base Grant per ADA	3.84% Compounded COLA	2021–22 Base Grant per ADA	GSA	2021–22 Adjusted Base Grant per ADA
K–3	$7,702	$296	$7,998	$832	$8,830
4–6	$7,818	$300	$8,118	-	$8,118
7–8	$8,050	$309	$8,359	-	$8,359
9–12	$9,329	$358	$9,687	$252	$9,939

2021–22 LCFF Funding Factors

Supplemental and concentration (S/C) grants are calculated based on the percentage of an LEA enrolled students who are English learners, free and reduced-price meal program eligible, or foster youth—the unduplicated pupil percentage (UPP)

Grade Span	2021–22 Adjusted Base Grant per ADA	20% Supplemental Grant per ADA—Total UPP	50% Concentration Grant per ADA—UPP Above 55%
K–3	$8,830	$1,766	$4,415
4–6	$8,118	$1,624	$4,059
7–8	$8,359	$1,672	$4,180
9–12	$9,939	$1,988	$4,970

What Does the LCFF Mean for Berkeley Unified School District?

	2021-22		
	Base	Supplemental	Total
2021-22 Proposed Budget	90,959,799	5,189,943	96,149,742
2020-21 Enacted Budget	87,832,969	4,998,080	92,831,049
Difference	3,126,831	191,863	3,318,694

- Impact of Unduplicated Pupil Percentage (UPP) not reflected in calculation of Supplemental funding
- Projected decrease of 250 students in 2020-21-being verified

Special Education—Base Funding

- Governor Newsom continues to prioritize students with disabilities, often citing his own experience with dyslexia
- The base special education funding formula, which provides $625 per ADA for most Special Education Local Plan Areas, will receive the estimated statutory COLA of 1.5%
  - Bringing the new base funding rate to $634.38
  - Unfortunately, the Newsom Administration is not proposing to make up for the 0% COLA in the current year
  - At this time, no further structural changes are proposed to the Assembly Bill 602 funding formula

State Categorical Funding and Other Programs

- The Governor's Budget includes one-time funds to incentivize expanded transitional kindergarten (TK) and full-day kindergarten programs.

- Recognizing the extraordinary challenges faced by teachers, administrators, and classified staff during the COVID-19 pandemic, the Governor's Budget includes investments of more than $540 million one-time Proposition 98 funds to support:

Professional Learning

Teacher Effectiveness

The Teacher Pipeline

In-Person Instruction Grant

- Governor Newsom is calling for swift and early action by lawmakers to appropriate at least $2 billion in one-time Proposition 98 funds to aid in the safe reopening and operation of in-person instruction for K–12 students

Funding Formula (per ADA)

Base Grants = $450.00 (February reopening)
= $337.50 (March reopening)

Additional grants above base grant based on LEA's relative share of LCFF

Funding based on TOTAL ADA *less* students enrolled in independent study

New COVID-19 Federal Stimulus Package

- On December 27, 2020, President Trump signed the $2.3 trillion Consolidated Appropriations Act, 2021 into law, which includes:
  - The $900 billion COVID-19 relief package, which earmarks $82 billion for education, $7 billion to expand broadband access, $10 billion for childcare, and continued funding for school meal programs
  - BUSD will receive an additional $2.6 million in COVID-19 Funds

SSC Financial Projection Dartboard

LCFF PLANNING FACTORS					
Factor	**2020–21**	**2021–22**	**2022–23**	**2023–24**	**2024-25**
DOF Estimated Statutory COLA	**2.31%**	**1.50%**	**2.98%**	**3.05%**	**N/A**
DOF Estimated Funded COLA	**0.00%**	**3.84%***	**2.98%**	**3.05%**	**N/A**
SSC Estimated Statutory COLA	**0.00%**	**3.84%***	**1.28%**	**1.61%**	**1.90%**
***Calculated by compounding the unfunded COLA of 2.31% from 2020–21 and the estimated statutory COLA of 1.50% in 2021–22**					

- SSC Estimated Statutory COLA was calculated by SSC's independent economist
- In most years, the SSC estimates and the Department of Finance (DOF) estimates are very close, so we only include the DOF calculation on the dartboard
- Due to the large difference in the estimates, we have included our estimate for your consideration

CalPERS Employer Contribution Rates

- The Governor does not include any new funding towards the California Public Employers' Retirement System (CalPERS) for LEAs
  - However, previous investments reduce the employer contribution rate for CalPERS from 24.9% to 23.00% in 2021–22

- The employer contribution rates to CalPERS were modified a few times since the 2020–21 Enacted State Budget, as follows:

CalSTRS Employer Contribution Rates

- Similar to CalPERS, the Governor does not include any new funding towards the California State Teachers' Retirement System (CalSTRS) for LEAs
    - However, previous investments reduce the employer contribution rate for CalSTRS from 18.1% to 15.92%
- Reminder: On-Behalf Payments (expenditures in Resource Code 7690) have been excluded from the calculation for the Routine Restricted Maintenance Account contribution

Effective Date	CalSTRS Funding Plan Increases	
	Rate	Year-over-year change
July 1, 2013	8.25%	No increase since 1986
July 1, 2014	8.88%	0.63%
July 1, 2015	10.73%	1.85%
July 1, 2016	12.58%	1.85%
July 1, 2017	14.43%	1.85%
July 1, 2018	16.28%	1.85%
July 1, 2019	17.10%	0.82%
July 1, 2020	16.15%	- 0.95%
July 1, 2021*	~ 15.92%	~ - 0.23%

*Governor's Budget Summary, pgs. 64–65

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Discussion

2021-2022
LCAP Projections

Local Control Accountability Plan (LCAP)

New 3 year plan for 2021-1024

Advisory Committees - there will also be a number of community-wide meetings regarding the budget including the Superintendent's State of the District Address

PAC

Parent Advisory Committee - parents, staff, and community members Advises district officials on the LCAP & increasing or improving services for unduplicated students

DELAC

District-level English Learner Advisory Committee - parents, staff, and community members - Advises on English learner programs and services.

EAC

Educator Advisory Committee - BUSD staff - Advises on the LCAP & increasing or improving services for unduplicated students

Local Control Funding Formula (LCFF)

BASE GRANT: Least Restrictive - Grade span-specific base grant based on Average Daily Attendance (ADA)

- 2020-2021 Enacted: $87,832,969
- 2021-2022 Projection: $90,959,799

SUPPLEMENTAL GRANT: Base on enrollment of Unduplicated Students

- Must increase or improve services
  - English learners
  - Low income students
  - Foster youth students

- 2020-2021 approximately $5,189,943
- 2021-2022 Projection: Estimated $4,998,080 - Will depend on Unduplicated Pupil Percentage (UPP)

LCFF Supplemental Grant

The LCFF Supplemental Grant is calculated based on the percentage of enrolled students who are English learners, free and reduced-price meal program eligible, or foster youth—the unduplicated pupil percentage (UPP)

Grade Span	2021–22 Adjusted Base Grant per ADA	20% Supplemental Grant per ADA—Total UPP
K–3	$8,830	$1,766
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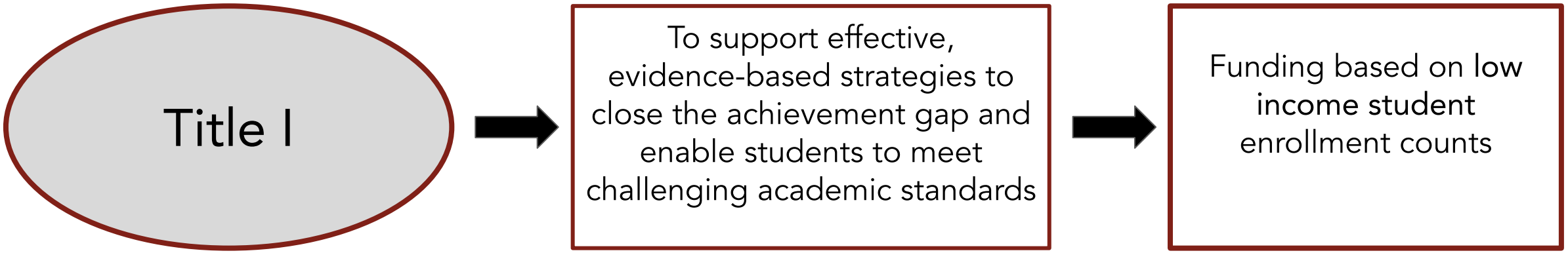
Federal Funds - Title I



Expenditures must supplement services, not supplant

2020-2021: Approximately $693,000
2021-2022 Projection: Will be based on pupil count

Discussion

2021-2022
Budget Building Process

High-Level Priorities

- BLACK LIVES MATTER: Ensure adequate funding for the Board's "Black Lives Matter" resolution, including professional development and student programming

- FAMILY ENGAGEMENT: Improve BUSD's current engagement with the African American and Latinx communities by
  - Increasing capacity for identifying and managing community-based partnerships
  - Supporting all BUSD middle schools with a OFEE liaison

- ETHNIC STUDIES: Improve BUSD's current capacity to develop and implement ethnic students, TK-12

- GENDER EQUITY: Supplement BUSD's most recent investments in consent education and Title IX

- TRANSGENDER STUDENTS: Ensure full implementation of the Board's "Transgender and Gender Non-Conforming Students" policy

High-Level Priorities

- SUPPORT FOR LATINX STUDENTS: Develop culturally and linguistically affirming programs for Latinx students.

- EARLY LITERACY: Continue improvements to BUSD's early literacy screening, assessment system, instruction, intervention, and progress monitoring

- LABOR PARTNERS: Work with our labor partners to approve new contracts for the 2022-2024 school years.

January

Budget Overview, Reductions Targets (if any), and High-Level Priorities

February

Development of Options to Meet Priority Items
Detailed Proposals for Board Review
Data Review

March

Refinement of proposals
Initial Board approvals

April

Ongoing Board discussion and approvals

May

Ongoing Board discussion and approvals

June

Final approval of the General Fund and LCAP Budgets

Regular Board Updates and Action

BUSD Advisory Committees

- Superintendent's Budget Advisory Committee
- Educator Advisory Committee
- Parent Advisory Committee
- District English Learner Advisory Committee

Consultation with Key Partners

- Labor Partners
- City of Berkeley

Community Engagement

- Superintendent's State of the District Webinar, January 27 @ 6:00pm
- Parent and Community Groups
- Affinity Based Meetings

Discussion