

## BERKELEY UNIFIED SCHOOL DISTRICT

**TO:** Planning and Oversight Committee  
**FROM:** Natasha Beery, Director of BSEP and Community Relations  
**DATE:** February 3, 2020  
**SUBJECT:** First Interim Report of Revenue and Expenditures in FY 2020-21 of the Berkeley Public Schools Educator Recruitment and Retention Act of 2020 (*BERRA Measure E*)

The BERRA First Interim report provides a summary of the budgeted revenues and expenditures based on the allocations to each of the Resources within the Fund, organized according to the structure of BERRA Measure E of 2020.

### Revenue

The 2020-21 Fiscal Year is the first year to report at First Interim for the BERRA measure, which was passed by the voters of Berkeley in March, 2020 in order to recruit and retain qualified teachers and staff for the Berkeley Unified School District (“District”) by providing funding, as specified in the Measure, to improve Berkeley public school educator salaries and address hard-to-staff positions.

For the first year of this 12 year measure, revenues are projected to total **\$9,956,135**, which represents **6%** of the District’s General Fund budget.

### Unrestricted Funds, Oversight, and Expenditures

Ninety-five percent (95%) of Available Revenues from the BERRA measure are to be dedicated to supplementing the salaries of District Educators, and five percent (5%) are to be dedicated to providing programs designed to strengthen recruitment, retention and development strategies for certificated and classified District personnel, especially in hard-to-fill positions.

In order to determine the Available Revenues of the Measure, funds are first set aside in an “unrestricted” resource to meet the charges for services provided by the County of Alameda and the City of Berkeley for the preparation and collection of the tax, legal and audit fees, and to maintain a 3% reserve as required by the State. One percent (1%) of the remaining revenues (\$94,528) are set aside for costs related to planning, monitoring, evaluating and reporting the use of these funds, providing support for staffing the oversight committee and attendant purposes.

Revenues totalling **\$8,890,404** for educator salaries are projected, of which **\$8,882,098** are planned for expenditure. The 5% set aside for programs and expenses related to recruitment and retention for hard to fill positions, is projected at **\$467,916**, of which **\$438,420** is planned for expenditure.

### Indirect Costs

The budget for 2020-21 sets aside funds for The Indirect Cost rate for 2020-21 is **5.25%** and is calculated by a formula determined by the State. The rate is applied to BERRA expenses and transfers, and is projected to total **\$423,498**. These funds are transferred to the General Fund to

support the District's common functions such as Payroll, Purchasing, Human Resources and Plant Operations.

**POLICY/CODE**

*Berkeley Public Schools Educator Recruitment and Retention Act of 2020*

**FISCAL IMPACT**

BERRA budgeted expenditures are expected to total **\$9,613,398**

**STAFF RECOMMENDATION**

Review and accept the First Interim Report for FY 2020-21 of the *Berkeley Public Schools Educator Recruitment and Retention Act of 2020*

**Fund 4 Measure E 2020 Resources**  
**Berkeley Educator Recruitment and Retention Act (BERRA)**  
**First Interim Budget 2020-21**  
**As of 10/31/20**

| RESOURCE DESCRIPTION<br>RESOURCE NUMBER | Unrestricted<br>0600 | Oversight<br>0610 | Recruit/<br>Retain<br>0615 | Educator<br>Comp<br>0620 | Total            |
|---|----------------------|-------------------|----------------------------|--------------------------|------------------|
| <b>REVENUE</b>                          |                      |                   |                            |                          |                  |
| Revenue                                 | 503,287              | 94,528            | 467,916                    | 8,890,404                | 9,956,135        |
| Interest                                | 0                    | 0                 | 0                          | 0                        | 0                |
| BERRA Contribution to General Fund      | 0                    | 0                 | 0                          | 0                        | 0                |
| BERRA Direct Support                    | 0                    | 0                 | 0                          | 0                        | 0                |
| BERRA Substitute Compensation           | 0                    | 0                 | 0                          | 0                        | 0                |
| <b>NET REVENUE</b>                      | <b>503,287</b>       | <b>94,528</b>     | <b>467,916</b>             | <b>8,890,404</b>         | <b>9,956,135</b> |
| <b>EXPENDITURES</b>                     |                      |                   |                            |                          |                  |
| Certificated Salaries                   | 0                    | 40,000            | 150,806                    | 4,747,974                | 4,938,780        |
| Classified Salaries                     | 0                    | 19,244            | 82,218                     | 2,128,059                | 2,229,521        |
| Employee Benefits                       | 0                    | 19,410            | 88,509                     | 1,602,487                | 1,710,406        |
| Books and Supplies                      | 0                    | 0                 | 0                          | 0                        | 0                |
| Unallocated Reserve                     | 0                    | 11,746            | 13,500                     | 0                        | 25,246           |
| Contract Services                       | 202,480              | 0                 | 83,467                     | 0                        | 285,947          |
| Capital Outlay                          | 0                    | 0                 | 0                          | 0                        | 0                |
| Indirect Costs                          | 0                    | 0                 | 19,920                     | 403,578                  | 423,498          |
| <b>TOTAL EXPENDITURES</b>               | <b>202,480</b>       | <b>90,400</b>     | <b>438,420</b>             | <b>8,882,098</b>         | <b>9,613,398</b> |
| <b>NET INCREASE (DECREASE)</b>          | <b>300,807</b>       | <b>4,128</b>      | <b>29,496</b>              | <b>8,306</b>             | <b>342,737</b>   |
| <b>FUND BALANCE ANALYSIS</b>            |                      |                   |                            |                          |                  |
| Beginning Fund Balance                  | 0                    | 0                 | 0                          | 0                        | 0                |
| Net Increase (Decrease) in FD Bal       | 300,807              | 4,128             | 29,496                     | 8,306                    | 342,737          |
| Ending Fund Balance                     | 300,807              | 4,128             | 29,496                     | 8,306                    | 342,737          |