

BERKELEY UNIFIED SCHOOL DISTRICT

TO: Planning and Oversight Committee
FROM: Kathy Fleming, Director of Local Resources
DATE: January 21, 2022
SUBJECT: First Interim Report of Revenue and Expenditures in FY 2021-22 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 2021-22 Fiscal Year is the second year of 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 second year of this 12 year measure, revenues are projected to total **\$10,201,900** 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 (\$99,659) 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 **\$9,372,922** for educator salaries are projected, of which **\$8,218,973** 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 2021-22 sets aside funds for The Indirect Cost rate for 2021-22 is **5.42%** and is calculated by a formula determined by the State. The rate is applied to BERRA expenses and transfers, and is projected to total **\$448,092**. 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 **\$8,984,325**

STAFF RECOMMENDATION

Review and accept the First Interim Report for FY 2021-22 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 2021-22
As of 10/31/21

RESOURCE DESCRIPTION RESOURCE NUMBER	Unrestricted 0600	Oversight 0610	Recruit/ Retain 0615	Educator Comp 0620	Total
REVENUE					
Revenue	236,007	99,659	493,312	9,372,922	10,201,900
Interest	0	0	0	0	0
BSEP Contribution to General Fund	0	0	0	0	0
BSEP Direct Support	0	0	0	0	0
BSEP Substitute Compensation	0	0	0	0	0
NET REVENUE	236,007	99,659	493,312	9,372,922	10,201,900
EXPENDITURES					
Certificated Salaries	0	41,117	226,362	4,172,810	4,440,289
Classified Salaries	0	18,848	84,427	2,009,032	2,112,307
Employee Benefits	0	23,400	92,276	1,614,566	1,730,242
Books and Supplies	0	0	1,000	0	1,000
Unallocated Reserve	0	0	11,388	0	11,388
Contract Services	211,007	0	30,000	0	241,007
Capital Outlay	0	0	0	0	0
Indirect Costs	0	0	25,527	422,565	448,092
TOTAL EXPENDITURES	211,007	83,365	470,980	8,218,973	8,984,325
NET INCREASE (DECREASE)	25,000	16,294	22,332	1,153,949	1,217,575
FUND BALANCE ANALYSIS					
Beginning Fund Balance	306,001	9,677	306,190	339,045	960,913
Net Increase (Decrease) in FD Bal	25,000	16,294	22,332	1,153,949	1,217,575
Ending Fund Balance	331,001	25,971	328,522	1,492,994	2,178,488