

**HIGH QUALITY INSTRUCTION**  
**Class Size Reduction, Support for Teaching and Learning**  
BSEP Measure E1, Resource 0741  
BSEP Measure A, Resource 0841

**ANNUAL REPORT: FY 2020-21**  
**UPDATE: FY 2021-22**

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**Measure E1 Purpose**

*...reducing class sizes at all District-operated K-12 schools, and may also be allocated to provide funding for professional development, classroom support, program evaluation, and expanded course offerings.<sup>1</sup>*

**Budget Managers: Rubén Aurelio, Associate Superintendent for Educational Services**

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**BACKGROUND INFORMATION**

BSEP Measure E1 funds are provided to balance class sizes at all District-operated elementary schools. Under the prior BSEP measures, elementary class size averages were calculated district-wide, allowing for significant variation among schools, and the K-3 and 4-5 class averages had different goals of 20:1 and 26:1. Since the inception of BSEP Measure E1 in 2017, the average class sizes are being gradually adjusted, with the aim of achieving school-wide K-5 averages of 23:1. This exceeds the State class-size reduction goal of 24:1 for K-3 both in class size and grade span. The BSEP class size goals for grades 6-12 remain as under prior measures, with district-wide averages of 28:1, and are further reduced to below 18:1 for the continuation high school.

The contribution of BSEP Class Size Reduction (CSR) Funds for classroom teachers is estimated using a planning tool known as the “Teacher Template.” The Teacher Template calculates student enrollment and staffing for class size ratios to be paid for by General Fund (GF) resources, and then calculates additional class size reduction costs to be paid for by BSEP funds. This calculation is based on the average actual cost of classroom teachers and release time, along with the average costs of substitute teachers, and a “direct support” calculation that provides for the costs of the additional classrooms that must be maintained to achieve lower class sizes. This contribution to the General Fund by BSEP is known as the “Teacher Transfer.”

In 2019-20, a \$2.0 million cut target drove a search for reductions in costs, increases in revenues, and alternative funding sources. Nearly 10% of that goal was met by increasing the amount transferred to the General Fund from BSEP through a revised calculation of “Direct Support” costs, which are permitted under the terms of Measure E1 as “costs associated with the opening or maintaining of classrooms to reduce class sizes.” The “Direct Support” rate had not been recalculated since the inception of Measure A, and has been increased by a factor aligned with the costs of maintenance and utilities.

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<sup>1</sup> BSEP Measure E1 Section 3.A

After Class Size Reduction targets are met through the Teacher Template calculation, the Measure allows for discretionary expenditures in support of teaching and learning, including such purposes as professional development, classroom support, program evaluation, and expanded course offerings. These expenditures are directly charged to the Measure.

### **REPORT ON EXPENDITURES 2020-21**

Professional Development and Program Evaluation programs are described in more detail in appendices.

Expanded Course Offerings: 7.6 FTE were approved for teachers to provide before and after-school classes in the middle schools and at Berkeley High school. The actual FTE was 7.65 with the additional 0.05 above the approved amount at Berkeley High School.

Classroom Support: In 2018-19, this resource contributed the funding for 2.0 FTE for the Universal Ninth grade staffing. In 2019-20, another 3.0 FTE was added to the BSEP budget, due to the need for reduction of expenses in the General Fund, for a total of 5.0 FTE supported through this BSEP resource, of the total 5.6 FTE needed for the program. This resource also contributed 0.4 FTE toward the IB Coordinator position at Berkeley High, and continued to fund 0.6 FTE for academic support for struggling students in the Two Way Immersion (TWI) program at Sylvia Mendez Elementary School, and 0.4 FTE at Thousand Oaks for bilingual classroom support. In 2020-21, 14.0 FTEs were budgeted. The actual expenditures were less than budgeted, due to lower than expected staffing costs and vacancies.

Measure A: In 2020-21, Measure A funds were not budgeted nor expended in 2020-21.

Below is the Revenue and Expenditure summary report for 2020-21 for expenditure of BSEP funds towards Class Size Reduction and additional purposes included in this resource.

### **2020-21 CLASS SIZE REDUCTION FUND – REVENUE AND EXPENDITURES**

Class size goals were met through this resource, as detailed in the Class Size Reduction report to the Board of Education, October 20, 2021. To meet the class size goals, funding for a total of 133.88 FTE was provided through the transfer of funds from this resource to the General Fund. See the Revenue and Expenditures Comparison Report FY 2020-21 in this report for further detail.

### **RESOURCE SUMMARY**

The fund balance for this resource at close of 2020-21, the fourth year of the eight year measure, is \$6,382,707, which is \$1.29 Million more than had been projected at Second Interim. Revenue was about \$400,000 more than projected, and expenditures from Measure E1 were lower than initially budgeted, for staffing, supplies, materials and services due to COVID. The savings accrue to the overall HQI Fund Balance.

| <b>Program</b>            | <b>Adopted Budget</b> | <b>Actual</b> |
|---------------------------|-----------------------|---------------|
| Professional Development  | \$1,441,009           | \$1,424,832   |
| Program Evaluation        | \$461,175             | \$506,242     |
| Expanded Course Offerings | \$838,606             | \$847,752     |
| Classroom Support         | \$1,520,499           | \$978,031     |

At the time of planning for Measure E1, it was projected that a significant fund balance would be necessary in the first years of the measure in order to adequately address rising costs. Even with this BSEP resource taking on additional expenses, the fund balance in this resource has continued to grow, with increased revenues coming at a time of lower overall FTE-associated costs via the Teacher Template during class size adjustments. This pattern was seen in the early years of Measure A of 2006 as well, but as enrollment, employee costs and program costs rose, that fund balance decreased sharply.

**Update FY 2021-22 for BSEP High Quality Instruction Budget**

Plans for FY 2021-22 for this resource included additional program-related costs that were intended to draw down upon the fund balance and further relieve the General Fund. These new additions to the HQI budget include program support funds and a 1.0 FTE Teacher on Special Assignment for the Ethnic Studies program, funding to support math coaching at Berkeley High School to improve instructional practices in 9th and 10th grade, a 0.6 FTE Teacher on Special Assignment increase for Program Evaluation to expand department capacity, an increase of 0.2 FTE for Berkeley High School for Expanded Course Offerings to provide smaller class sections in Chemistry, and a 1.2 FTE (shifted from LCAP) for Math Support at Longfellow, Sylvia Mendez and Thousand Oaks.

**BERKELEY UNIFIED SCHOOL DISTRICT**  
**BERKELEY SCHOOLS EXCELLENCE PROGRAM (BSEP)**  
**HIGH QUALITY INSTRUCTION (Measure E1, Resource 0741)**  
**Revenue and Expenditures**  
**Comparison Report FY 2020-21**

**Purpose:**

*Sixty-six percent (66%) of the available Revenues shall be dedicated annually to reducing class sizes at all District-operated K-12 schools, and may also be allocated to provide funding for professional development, classroom support, program evaluation, and expanded course offerings*

**Budget Managers:** Rubén Aurelio, Associate Superintendent of Education Services

|   | <b>Audited Actuals<br/>2019/20<br/>As of<br/>6/30/20</b> | <b>Adopted Budget<br/>2020/21<br/>As of<br/>7/1/20</b> | <b>2nd Interim<br/>Budget<br/>2020/21<br/>As of<br/>1/31/21</b> | <b>Unaudited<br/>Actuals<br/>2020/21<br/>As of<br/>6/30/21</b> | <b>2nd Interim<br/>Budget vs.<br/>Unaudited<br/>Actuals<br/>2020/21</b> |
|---|--|--|---|--|---|
| <b>REVENUE</b>                          |  |  |   |  |   |
| Revenue                                 | 20,607,525   | 20,941,424   | 20,941,424  | 21,339,812   | 398,388   |
| BSEP Contribution to General Fund       | (13,977,696)   | (14,431,300)   | (14,431,300)  | (14,672,337)   | (241,037)   |
| BSEP Direct Support                     | (567,882)  | (580,000)  | (580,000)   | (576,473)  | 3,527   |
| BSEP Substitute Compensation            | (255,077)  | (260,500)  | (260,500)   | (258,870)  | 1,630   |
| <b>NET REVENUE</b>                      | 5,806,870  | 5,669,624  | 5,669,624   | 5,832,132  | 162,508   |
| <b>EXPENDITURES</b>                     |  |  |   |  |   |
| Professional Development                | 1,338,522  | 1,441,009  | 1,481,009   | 1,424,832  | (56,177)  |
| Program Evaluation                      | 339,405  | 461,175  | 461,175   | 506,242  | 45,067  |
| Expanded Course Offerings               | 791,340  | 838,606  | 838,606   | 847,752  | 9,146   |
| Classroom Support                       | 592,401  | 1,520,499  | 1,520,499   | 978,031  | (542,468)   |
| Unallocated Reserve                     | 0  | 656,601  | 536,601   | 0  | (536,601)   |
| Indirect Costs                          | 948,489  | 961,029  | 961,029   | 916,992  | (44,037)  |
| <b>TOTAL EXPENDITURES</b>               | 4,010,157  | 5,878,919  | 5,798,919   | 4,673,849  | (1,125,070)   |
| <b>NET INCREASE (DECREASE)</b>          | 1,796,713  | (209,295)  | (129,295)   | 1,158,283  | 1,287,578   |
| <b>FUND BALANCE ANALYSIS</b>            |  |  |   |  |   |
| Beginning Fund Balance                  | 3,427,711  | 5,224,424  | 5,224,424   | 5,224,424  | 0   |
| Net Increase (Decrease) in Fund Balance | 1,796,713  | (209,295)  | (129,295)   | 1,158,283  | 1,287,578   |
| Ending Fund Balance                     | 5,224,424  | 5,015,129  | 5,095,129   | 6,382,707  | 1,287,578   |

**BERKELEY UNIFIED SCHOOL DISTRICT**  
**BERKELEY SCHOOLS EXCELLENCE PROGRAM (BSEP)**  
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|  | <b>Audited<br/>Actuals<br/>2019/20<br/>As of<br/>6/30/20</b> | <b>Adopted<br/>Budget<br/>2020/21<br/>As of<br/>7/1/20</b> | <b>2nd Interim<br/>Budget<br/>2020/21<br/>As of<br/>1/31/21</b> | <b>Unaudited<br/>Actuals<br/>2020/21<br/>As of<br/>6/30/21</b> | <b>2nd Interim<br/>Budget vs.<br/>Unaudited<br/>Actuals 2020/21</b> |
|--|--|--|---|--|---|
| <b>REVENUE</b>                           |  |  |   |  |   |
| Revenue                                  | 0  | 0  | 0   | 0  | 0   |
| Contribution (To)/From Measure A Reserve | (32,340)   | 0  | 0   | 0  | 0   |
| <b>NET REVENUE</b>                       | <b>(32,340)</b>  | <b>0</b>   | <b>0</b>  | <b>0</b>   | <b>0</b>  |
| <b>EXPENDITURES</b>                      |  |  |   |  |   |
| Certificated Monthly Salaries            | 234,173  | 0  | 0   | 0  | 0   |
| Certificated Counselors Salaries         | 137,935  | 0  | 0   | 0  | 0   |
| Employee Benefits                        | 103,656  | 0  | 0   | 0  | 0   |
| Professional Consulting Services         | 0  | 0  | 0   | 0  | 0   |
| Unallocated Reserve                      | 0  | 0  | 0   | 0  | 0   |
| Indirect Costs                           | 25,263   | 0  | 0   | 0  | 0   |
| <b>TOTAL EXPENDITURES</b>                | <b>501,027</b>   | <b>0</b>   | <b>0</b>  | <b>0</b>   | <b>0</b>  |
| <b>NET INCREASE (DECREASE)</b>           | <b>(533,367)</b>   | <b>0</b>   | <b>0</b>  | <b>0</b>   | <b>0</b>  |
| <b>FUND BALANCE ANALYSIS</b>             |  |  |   |  |   |
| Beginning Fund Balance                   | 704,511  | 171,144  | 171,144   | 171,144  | 0   |
| Net Increase (Decrease) in Fund Balance  | (533,367)  | 0  | 0   | 0  | 0   |
| Ending Fund Balance                      | 171,144  | 171,144  | 171,144   | 171,144  | 0   |