

**BSEP PLANNING & OVERSIGHT COMMITTEE MINUTES
May 24, 2022**

P&O Committee Members Present

Nimota Abina, *Cragmont*
Jonathan Weissglass, *Emerson*
Chris Rauen, *Washington*
Weldon Bradstreet, *King Middle School*
Nicole Chabot, *King Middle School*

Ron Chung, *King Middle School (Alt.)*
Olivia Lim, *Longfellow Middle School*
Aaron Glimme, *Berkeley High*
Terry Pastika, *Berkeley High*
Shauna Rabinowitz, *Berkeley High*

P&O Committee Members Absent*:

Brit Toven-Lindsey, *Berkeley Arts Magnet*
Jerry Liang, *Malcolm X*
Heather Rose, *Oxford*
Sophina Jones, *Sylvia Mendez*

Elisa Frozena, *Ruth Acty*
Erin Holland, *Longfellow Middle School*
Kate Jordan, *Willard Middle School*
Esfandiar Imani, *Berkeley High*

**Alternates and co-reps are not marked absent if another rep is present. Currently there is no representation from Pre-K, BTA, BIS, John Muir Elementary, or Thousand Oaks Elementary, and only one representative from Willard Middle School.*

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

BUSD Staff:

Brent Stephens, *Superintendent of Schools*
Kathy Fleming, *Director of Local Resources and Partnerships*
Craig Kaufman, *BSEP and BERRA Budget Analyst*
Danielle Perez, *BSEP Program Specialist*

1. Call to Order

The meeting was held online via Zoom. At 6:36 p.m. Chairperson Chabot called the meeting to order.

2. Establish the Quorum/Approve the Agenda

The quorum was not initially established with 7 voting members present, but was later reached at 6:58 pm with 9 voting members present.

The agenda was approved by unanimous consent.

3. Chairperson's Comments

Nicole Chabot and Weldon Bradstreet

Co-Chair Chabot thanked the committee members for sticking through the year's work. She also advocated for any SSC and P&O members who can, to continue to serve again in the coming '22-23 school year to leverage the wealth of knowledge and experience in those groups, particularly at what will be a time of much transition in the district due to new leaders in the Superintendent, Associate Superintendent, and some School Board Director positions. Finally she thanked Superintendent Stephens for his work in service to the district.

Co-Chair Bradstreet agreed and also strongly encouraged committee members to continue to serve on this committee in the coming year. He thanked Superintendent Stephens for his service to BUSD under ridiculously adverse conditions, and for his service to the P&O Committee, taking so much time to spend with the committee giving regular updates. These give the group a greater understanding of what is going on around it in the district and more tools with which to do its job. He wished Dr. Stephens best of luck at his next post.

4. Public Comment

There was no public comment.

5. Superintendent's Update

Dr. Brent Stephens, Superintendent of Schools

Dr. Stephens shared that the biggest news for the district at this moment comes from the May Governor's budget revision, which contains very positive news for schools across California. This revision contains an increase to the base funding equal to a 10% Cost of Living Adjustment (COLA), which is an unprecedented increase in his experience. Further, pending final legislation, there is an additional \$13 million in block grant funding expected to come to Berkeley from the state as one-time money. It won't be ongoing, but there will be three years to spend it so that it doesn't all have to be used in the 2022-23 school year. Staff are now working on new recommendations for the use of these new funds and those will be presented to the SBAC and School Board as soon as they are ready. The funds are coming as non-restricted general fund monies, which are the best kind to receive in terms of flexibility. The funds could be used for staff bonuses, but it wouldn't be prudent to use them for ongoing salaries as they will run out in three years.

In non-budgetary news, there are many joyous graduation and promotion ceremonies taking place across the district, and the Community Block Party the preceding weekend was an opportunity to share space together.

6. Board Update

Ana Vasudeo, School Board Director

Director Vasudeo was not present.

7. Director's Comments

Kathy Fleming, Director of Local Resources

Director Fleming also thanked all members for their service and asked everyone to consider returning for another year given the deeper historical knowledge that they can bring to the committee around the programming and funding. She shared that she has very much enjoyed her first year in this position and looks forward to the next as well. She appreciated Program Specialist Danielle Perez for her work in support of the local tax funding and its associated committees. She also expressed gratitude to both Co-Chairs for their dedication over the course of the year as well.

8. Approval of Minutes

May 10, 2022

Co-Chair Bradstreet asked if there were any corrections to the [Draft May 10, 2022 Meeting Minutes](#), there were none offered. The 5.10.22 P&O Meeting Minutes were approved by unanimous consent.

9. Superintendent's Budget Advisory Committee (SBAC) Update

Brent Stephens; P&O SBAC Reps Nicole Chabot, Shauna Rabinowitz, and Terry Pastika

Dr. Stephens had already updated the committee about the newly-revealed state funding expected for the coming year during his regular update. He further explained that the SBAC committee was already scheduled to vote on the staff proposals for General Fund (GF) budget reductions to begin in 2022-23. As these reductions mainly focus on finding efficiencies and alternative revenue sources, the SBAC continued with that planned work, and then progressed about two-thirds of the way through the work of identifying new funding sources and also some new priorities. There will be another, final, SBAC meeting to take place the following week, on Tuesday May 31. At that meeting the SBAC will finish a review of the current set of recommendations and then will also look at a newly developed set of staff recommendations for the use of the \$4 million in new ongoing revenue and the \$13 million in one time revenue.

Rep. Pastika provided her feedback from the meeting. First, given the healthy state budget situation, she strongly encouraged the P&O to advocate that the GF take over some class size reduction expense that BSEP had previously taken on from the GF when the GF was less healthy, particularly if that new \$13 million can be scored over several years. Second, she generally found the SBAC process interesting, as the group is a mix of labor partners and constituent organizations. She thought it unfortunate that only the P&O and Berkeley High Development Group were the constituent groups that showed up regularly, and thought it would be interesting to have a conversation around how that group functions and how that could be improved. This coincides with a need to do overall strategic planning for the district.

Rep. Chung asked if the 10% COLA was ongoing funding. Dr. Stephens answered that the COLA is an ongoing increase, which can be used for expenses like salaries and continuing programs. He also reminded the group to keep in mind that we're also experiencing unprecedented inflation and mandated cost increases in employee retirement and other expenses. The district also continues to have diminished enrollment, so even though the per pupil funding from the state has increased, there are fewer pupils overall and we need to be smart looking into the future. Currently BUSD is able to use the best of three attendance/enrollment options from the state to calculate its funding, but in the third year we will have to use average daily attendance again. This results in essentially a downward ramp and gives a buffer to the funding reductions due to enrollment declines, but we need to be looking to the future. Rep. Pastika noted that the three-year countdown coincides with the BSEP renewal measure. Dr. Stephens agreed, and added that it will be important for the district to show the public at that time that it has been working to right-size GF expenditures as appropriate. Rep. Glimme added that the extra funding from the state is not just benevolence, as Prop 98 dictates that the only way to spend this money. The law says that roughly half of the state's general funds have to go toward education.

Co-Chair Chabot stated that it's fortunate that the district will have these additional funds, and also imperative that we figure out the health of BSEP now. It must be determined how to put BSEP in the right position now so that taxpayers will feel emboldened and that we're treating money respectfully and in a manner that they will expect, so that they will pass the new measure. The timing is tight, and she would like the committee to come to a consensus over line items BSEP has taken from the GF over the past four years, and discuss getting them back to the GF. There is little time to figure out what we need and make that ask of the GF as appropriate, to be sure that BSEP will make it to the end of this measure and will be positively renewed in the next measure. She also recalled that district leaders have to keep in mind that the most pressing point over the last years of this current measure is that increases in staff salaries have huge impacts on BSEP budgets. BSEP managers have to figure out how we're going to afford that. Also, the state's budget presentation indicates future COLAs showing healthy increases, but that is in contrast to what's being heard in the business world. People are preparing for a recession, and she would not be comfortable forecasting rosy COLAs in the coming years. Rep. Pastika added that the COLA discussion will be really important for the P&O to have with Director Fleming's guidance. Normally the BSEP and BERRA COLA, while limited to a maximum matching the Bay Area Consumer Price Index amount, is set and approved by the School Board. And something like a 6% increase to property owners is a lot, and that is a conversation that we need to be ready to have.

Rep. Lim asked how the process would work to propose for the GF to take expenses back from BSEP; would that take the form of staff bringing proposals, and how can committee members help with and have an impact on that. Dr. Stephens answered that he doesn't think that there will be a long future of high COLAs coming, and is planning to put together a package for the new money both ongoing and one-time that he anticipates will be relatively conservative, and the details of which won't be fully realized until August-September. He would propose to replenish Fund 12, from which BUSD has been drawing recently. It also may be prudent to sit on a more-than-normal fund balance to have a buffer against the upcoming expected period of volatility. He does not expect an elaborate proposal for new spending. Director Fleming answered that the process the P&O undertook around the Teacher Template is a good example of how this group can provide in-depth guidance, feedback, and analysis to the Board on best uses of funds and working to land in a positive place at the end of the measure. Co-Chair Chabot shared that she envisions, in that analysis that Director Fleming described, if the committee sees funds going into the red, it would then be helpful to look back over the past four years at what was recently moved into BSEP. Then, given forward-looking projections, members in these P&O meetings, individually or through SBAC, would then say that we'd like it added to the GF budget. The P&O will come up with an ask and make it.

Rep. Pastika agreed, if the P&O has an opinion, it is on the reps to SBAC to deliver it. However, there is a huge timing problem. Everything moves pretty quickly at this time of year, and the P&O doesn't convene in the time when the administration is making these final decisions. The new funds will be looked at in the next week on the administration's side. Dr. Stephens cautioned that with this new money, his intention is to recommend a high level of caution, and not to make a lot of new commitments at this time. He thought that approach was supportive of the concerns in this conversation, because in the fall leaders will be looking into the creation of the Teacher Template for the following ('23-24) year, as a mechanism to move money between the GF and BSEP. If we wait until the fall, we can then shift expenses at that time. That would also coincide

better with knowing the outcome of collective bargaining. Rep. Chung asked if Director Fleming would be the person to provide historical data about what has been transferred from the GF to BSEP, so that the P&O can have that ready when deciding around requests. Director Fleming answered that yes, she would be putting that together, and echoed that the time when the P&O evaluates the TT is when we can best consider looking at the ratios and numbers between BSEP and the GF. She also reminded the group that managers need to reduce program costs to reach the end of this measure, and this group can evaluate if moving some expenses back over to the GF could help that as a first step.

Rep. Glimme strongly advocated reconsidering the district's contribution toward class size. We're very close to the historic max on the ratio of teacher salaries paid by BSEP, and close to a historic level of class sizes if BSEP didn't exist based on the current GF teacher funding formula. This has changed several times in the recent past, and is the biggest lever to moving money back and forth. He agreed that it makes sense to wait and see more details in the fall, and that would also free up money for programs sharing funds in the BSEP HQI resource. Further, he noted that as a committee and given BSEP deficit spending, the P&O should be super aware that even just one year of a super-high COLA radically changes some of the budgeting curves over the next several years. Trying to say where we'll be three years from now will be really difficult for us, and we need to keep a close eye on the COLAs. Rep. Lim asked if it makes sense to use this cycle of waiting to adjust the timing of when and how we adjust things so that the P&O can be more impactful. She suggested putting this discussion on the agenda at the beginning of next year. Rep. Pastika agreed that it's always a lot of work to come in at the fall, and it would be smart to proactively get those recommendations submitted early. She suggested that the committee might need someone from administrative budgeting to come to a P&O meeting at the beginning of the year.

Director Fleming commented that the group knows the things they want to look at, specifically the details of the TT and at adjusting spending in HQI to come into the new measure with a balanced budget. And the group can look at several different scenarios and the list of items that have moved into BSEP funding from the GF in recent years. And doing this early works given that district budgeting usually begins after winter break. That gives the P&O the fall to prepare, and get a sense of the COLA in December to go through scenarios. The best thing is to know how the factors will all interact, and know what district goals are. Co-Chair Chabot proposed that the first P&O meeting in the fall to look at the list of funding shifts from the last couple of years, and a scenario of deficit spending through the end of the measure, to have that conversation at the very beginning of the year. Also, she suggested that the P&O might formally support maintaining flexible funds from this new state money as analysis needs to happen around how BSEP is affected by GF labor negotiations; essentially advocating that BUSD doesn't spend the windfall immediately. Rep. Chung asked if there are any lists of things leaders or committees wished that BSEP could fund that weren't done because of taking on GF expenses. Co-Chair Chabot didn't recall a list like that. Rep. Rabinowitz recalled that sites had more wants in the farther past, wishes that have changed a lot over years. Director Fleming reminded the group that we are in a need-to-reduce state, and are deficit spending, so if we remove expenses from BSEP we can't necessarily put other expenses in. This really sets us up for conversations around the next measure, which she does think is valuable to look at and consider.

10. BSEP School Site Program Funds and SPSAs

Danielle Perez, BSEP Program Specialist

Ms. Perez presented the [Draft Board Memo for the 2022-23 Site Plans](#), its [Appendices](#), and [Multi-Year Public PTA Budget Comparisons](#). She noted factors that impacted the site budgeting process, including an increase in BSEP Site Fund per-pupil allocations, Title I funds declining and going to fewer schools, and overall enrollment declines. She highlighted general trends in the planned spending of BSEP Site Program Funds in 2022-23, including:

- Certificated staffing costs have increased. Factors include continual step & column increases for continuing certificated staff, increase in district contributions toward the teacher retirement fund, and an increase in district contributions toward worker's compensation.
- Classified salary costs mostly held steady or slightly declined. Factors include state relief for district contributions to classified retirement fund and the cap on regular classified staff salary increases after 5 years. Increase in worker's compensation still applies.
- Two sites left some '22-23 money unallocated, which can be used to backfill any budgets that fall short, including staffing costs; or SSCs can decide how to allocate the funds next year. This makes the unallocated reserve percentages a little higher than normal.
- Oxford may increase Math Coach FTE from carryover funds, which is a unique position because this particular staff member is full-time but on parental leave, so if they choose to partially rescind their leave early we can pay them one-time for this work, and the following year they could still have their regular full-time work promised by district without creating any new obligation to site or site funding. Other instances of carryover fund paying for one-time FTE is when a retiree agrees to come back on a temporary basis, which has happened a few times in recent years.
- Overall trends in certificated spending are holding remarkably steady, despite increases in certificated costs. Seeing slight declines in ELD (changing demographics at many sites), and declines in math FTE. Counselor salaries are down overall, as many sites shift to working with contracting agencies rather than hiring staff through BUSD.
- An overall increase in classified spending, including salary and hourly.
- Increases in IS positions, specialists who can work in Dance, Drama, Art, and lots of PE. IAs are down slightly.
- Classified Hourly is up the past two years, with more sites paying classified staff to participate in PD, COS meetings, and retreats.
- An increase in hourly tutoring over several years.
- Supplies budgets are down a bit, much has been moved to carryover.
- Travel and Conference is up, but that is specifically PD for BHS. Probably doesn't represent actual travel.
- Steady increases to counseling contracts. Some are movement from staff to contractors, but also sites want more mental health support for students.
- Transportation has disappeared from BSEP site budgets, showing up a little bit in carryover priorities.
- In Carryover, the "other contracts" section is much increased, and includes: tutoring services, Americorps staffing, a PD contract, and mostly more funds to bolster counseling.

- The “other” category includes PD budgets when we don’t know the breakdown between paying contracts, registration, and teacher hourly to participate in the PD.

Rep. Pastika asked if the certificated salary spending was all for Teachers on Special Assignment (TSA) positions like Lit Coaches and RtI. Ms. Perez answered that at the Elementary level, Site BSEP-funded positions pretty much all fall into the TSA category. However, at the middle and high school levels, site funds are also used to pay for teachers to teach additional sections of academic classes. Rep. Pastika asked if the values in the PTA columns in each site’s budget summary are comprehensive of all PTA spending at each site. Ms. Perez answered that the numbers shown in the site budget summaries only represent the amount that PTAs have promised to donate to the district to pay for expenses that PTAs are not allowed to pay for directly, such as staff salaries and hourly pay, and district-administered contracts. Ms. Perez shared that she was very excited that the Berkeley PTA Council had recently compiled a district-wide summary of all sites’ PTA spending from 2021-22, which had never been done before and provides a much more comprehensive picture of donation-funded spending at BUSD schools. Director Fleming shared a link to that data:

<https://public.tableau.com/app/profile/hollis.williams/viz/BerkeleyPTABudgetReview2021-2022/BerkeleyPTABudgetReview-2021-2022>

Rep. Lim explained that the PTA Council didn’t share this data set too widely, because it was very difficult to pull it all together. The budgets were all organized differently and with expenses in different buckets. It is not a perfect product yet, and there may yet be errors as it’s their first pass at this. They also put together a template for PTA budgets and asked that all schools use it moving forward, to align better and help make the combined data better as we move through the work. This is the first effort to be more collective and transparent. She asked P&O members to go back to their respective communities and encourage their PTAs to try to budget this way. She also shared that work is already being done for the coming year to make arts education a meta-priority, so that individual PTAs aren’t laboring so hard to raise money to bring particular arts to just one school. The group hopes to look at using economies of scale to hire across the district and leverage infrastructure already existing.

Director Fleming shared that she spoke with members of the Council recently about arts specifically, and that it goes back to a point made earlier in this meeting about identifying outstanding needs as we approach reauthorization. Sites have felt the crunch of declining enrollment impacting Title I and BSEP site funds, and that puts a lot of pressure on PTAs. There are also incompatibilities around timing when PTAs try to pay staff salaries, which applies immense pressure to get the money together in line with BUSD HR timelines. She is interested to see what comes out of this project and looking at things more broadly across the schools. How can we support schools with central monies that we have in ways that make sense. This is a great project that can lead to good collaboration and ongoing problem solving, both in the annual site planning and in broader BSEP planning. Rep. Lim added that the pressure of fundraising on PTAs is really impacting community building, and their being able to fulfill their mission and state charters. Community is meant to be the #1 purpose of PTAs, not fundraising. PTA labor is all going into raising money, and now members are looking at needing to pull back on that rat race of fundraising, asking how people want to use their time to feel like they’re in a real community, some sort of spirit and respite, versus constantly worrying about money and funding salaries.

Rep. Pastika noted that on SBAC, there is a seat for the PTA Council, and it is super important that your group is represented there. There are a lot of interesting conversations and the learning curve is steep, and she highlighted the importance of PTA Council presence at those meetings.

Rep. Chung noted that, regarding the year-over-year data, looking at numbers on these spreadsheets takes a long time to process. It would be great to work on spark lines, graphs, and similar, which can show trends with a quick look. Ms. Perez appreciated the suggestions and will work on that for next year's data.

11. P&O Statement to the Board of Education

Nicole Chabot, Terry Pastika

Rep. Pastika stated that the next Board meeting is June 1, and she didn't have a specific recommendation about what could be included in a P&O statement for that meeting. Looking towards next year and setting the tone for the new superintendent, she suggested saying something emphasizing that with the surge of state money, the P&O wants BSEP to be proactively considered in fund allocations. She deferred the conversation to the full committee. Co-Chair Chabot agreed that would be the crux of a statement. She thought it would be important in terms of timing, with the next SBAC meeting the next Tuesday, just before the board meeting. She also understands that last year there were additional funds received after the end of regular meetings and things were approved by the Board that hadn't been reviewed by the SBAC. So she felt it would be good to make that proactive statement from the P&O at the June 1 meeting. Rep. Pastika suggested specifically referencing the SBAC meeting, and that even though the P&O reps voted to endorse the budget through SBAC, the P&O is also letting the Board know that there's an asterisk. To say that our budget recommendation is to consider pushing surplus funds to relieve some BSEP expenses. Rep. Rauen agreed, and suggested couching that suggestion in the context that budget recommendations were depending on the view of budget at the time, while with this new combination of a larger COLA and one-time funding, and with the outcome of labor negotiations unknown, combine three changing factors, and we think the district should preserve the generous funds from taxpayers for when things are less rosy in state budget. This could hold back the spend-down rates for when times get lean. Co-Chair Bradstreet supported that as well. Rep. Pastika added that it gave her pause in the SBAC voting to see that there was no line item to account for the outcome of the labor negotiations because those are not yet known, and that voting on a blank line item for that could be taken as a defacto endorsement of the outcomes. Rep. Chung suggested that it would be helpful to mention that BSEP is currently deficit spending and the measure expires soon, so the district should try to zero that out, and new state funds can be allocated to help us balance that properly.

Co-Chair Bradstreet asked if there were any objections to a statement from the P&O meeting at the June 1 Board meeting based on the preceding committee discussion; there were no objections, and the statement outline was approved by unanimous consent.

12. For the Good of the Order

No items were offered for the good of the order.

13. Adjournment

The meeting was adjourned by unanimous consent at 8:13 p.m.