



BSEP HQI Overview and Recommendation for BSEP Funds in 2023-24: HQI Class Size Reduction

Planning and oversight Meeting

3/14/23

Our Mission

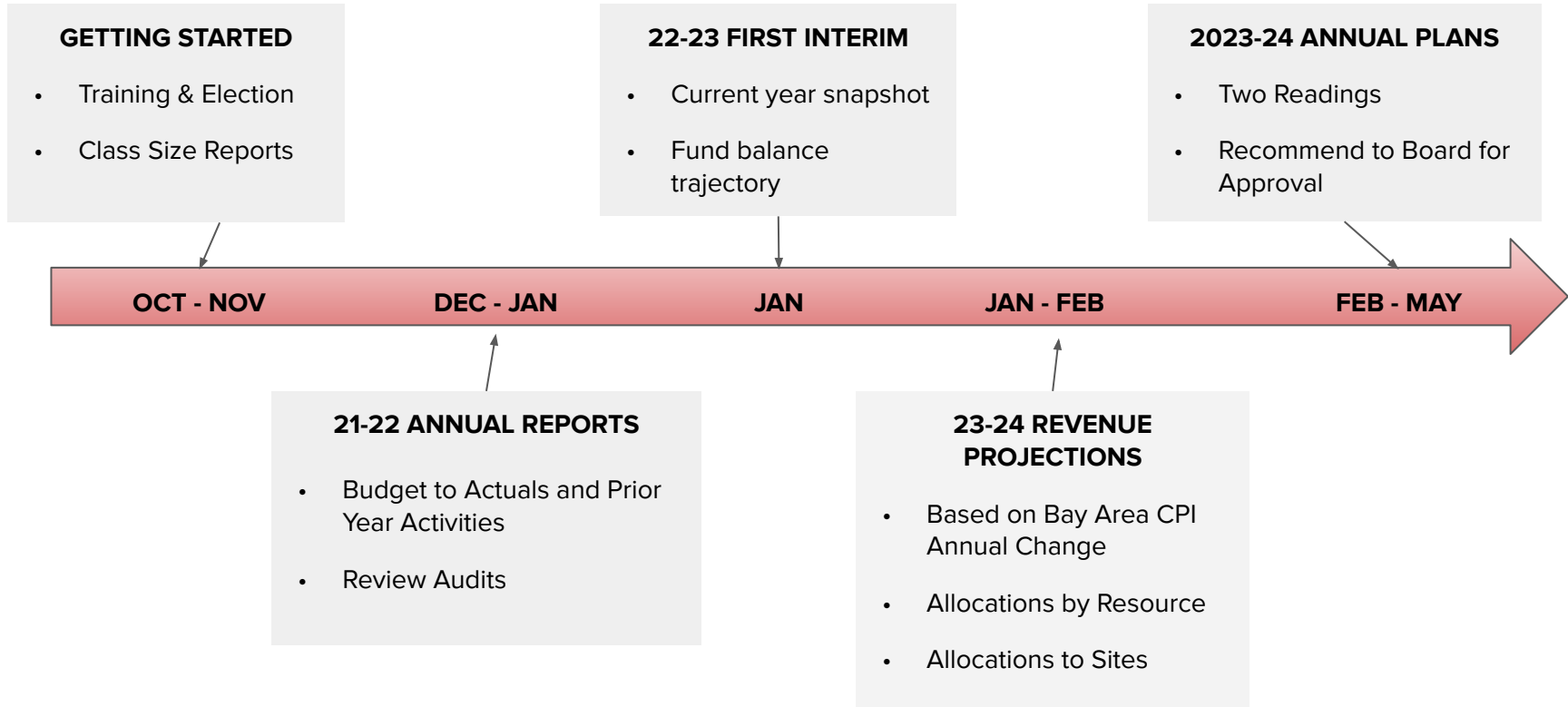
Enable and inspire our diverse student body to achieve academic excellence and make positive contributions to our world.

Excellence - Equity - Engagement - Enrichment

Outcomes for Tonight

- Provide information on updates to the Teacher Template for 2nd Reading and Approval
- Approve the Teacher Template for 2023-24
- Review **Updated** Multi Year Projections for the Teacher Template, HQI Programs and Ending Fund Balances and next steps

2022-23 P&O Calendar Overview



Measure E1 Framework

BSEP Resources

High Quality Instruction	66%
Class Size Reduction	
Support for Teaching:	
<i>Professional Development</i>	
<i>Program Evaluation</i>	
<i>Classroom Support</i>	
<i>Expanded Course Offerings</i>	

Essentials for Excellence	27%
School Site Programs	10.25%
Libraries	7.25%
Music/VAPA	6.25%
Instructional Technology	3.25%

Effective Student Support	7%
Student Achievement Strategies	
Counseling and Behavioral Health	

Measure Oversight, Communication, Translation, Community Engagement	2% of net receipts
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Class Size Reduction and the Teacher Template

- 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 staffing to be paid for by BSEP funds to determine the total number of teacher staffing, expressed as Full Time Equivalent (FTE).
- 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.

Class Size Reduction (CSR) Calculation

Calculating Total FTE Needed to Meet Class Size Goals

- Enrollment Projection
- Class Size Goals: School Wide and Zone-Wide 23-24 K-5 @ 23:1 and 6-12 @ 28:1
- General Fund and BSEP Contribution to FTE
- Necessary Rounding Up for elementary classroom FTE
- Release/Prep time by grade

Calculation Costs

- Teacher Costs - Multiply total number of FTE by the Average Teacher Compensation (includes benefits)
- Substitute teacher costs
- Direct support (for cost of added classrooms)

= TOTAL BSEP Contribution to the General Fund

Over the Life of Measure E1:

Factors outside BUSD control

- Expansion of Transitional Kindergarten
- Drop in Enrollment

Other Factors

- Increase in Elementary Release Time (4 instead of 3 across grades 1-5)
- Salary increases beyond BSEP COLA
- Average Class Size by grade by Zone (new in 23-24)

2023-24 Teacher Template

1st Reading

- **GF Ratio Changed back to 34:1** - Due to the need to reduce the planned deficit spending in the HQL portion of BSEP, in 2023-24, the general fund contribution ratio used to calculate paid for by General Fund (GF) resources is changed from 36:1 to 34:1 for K-5*
- **The Average Teacher Cost is \$123,118**
 - Increase of \$13,543 over 2022-23
 - 2022-23 projected average teacher cost was \$109,575 (did not include 6% increase for 22-23).
- Sub Average Compensation cost increased by 9.6%
- **Net gain of 2.0 FTE** due to TK Expansion
 - (added two classes @ Emerson and Thousand Oaks**)
 - Thousand Oaks reduced by one Kindergarten and Rosa Parks increased one Kindergarten
- **Long Term subs** costs not included in Teacher Template
- **2023-24 BSEP Contribution**
 - projected at \$17,487,200
 - An increase of \$544,200 over 22-23 1st Interim

*Updated 2/22/23

*Updated 3/15/23

2023-24 Teacher Template

2nd TT Version for Approval

Cost

- Necessary FTE decreased by 0.19 FTE (rounding adjustment)
- Total cost decreased by \$24,100
 - Teacher Compensation reduced by \$22,900
 - Sub Compensation reduced by \$500
 - Direct Support reduced by \$700
- Total cost for approval is \$17,463,100

Teachers

- Total number of teachers projected is 429.16 FTE
- General Fund Share 294.40 FTE
- BSEP Share is 134.73 FTE or 31.39%

2023-24 HQI Budget Outlook

Updated 3-14-23

HQI PROGRAM AREA	2023/24 4.9% COLA	
<i>Figures for discussion purposes 3/14/23 P&O</i>		
<i>figures updated for second reading - blue shade</i>		
<i>Assumptions in blue font</i>	<i>includes 6% raise</i>	
REVENUE	<i>COLA @ 4.9%</i>	
Parcel Tax Revenue	23,622,430	
BSEP Contribution	(16,587,200)	reduced by \$22,900
BSEP Direct Support	(569,900)	reduced by \$500
BSEP Substitute Contribution	(306,000)	reduced by \$700
Net Revenue	6,159,330	
EXPENDITURES	<i>projections includes 6% raise</i>	
Professional Development	2,495,191	
Program Evaluation	809,632	
Expanded Course Offerings	980,560	increase of \$4,964
Classroom Support	1,987,308	
Indirect Costs	1,457,378	adjusted increase of \$90,865
TOTAL EXPENDITURES	7,730,069	
NET INCREASE (DECREASE)	(1,570,739)	
FUND BALANCE ANALYSIS		
Beginning Fund Balance*	3,114,160	assumes prior year fully spent
Net Increase (Decrease) in Fund Balan	(1,570,739)	planned deficit spending
Ending Fund Balance	1,543,421	
*assumes prior year budget fully spent, Measure A close out adjustment not included		

HQI Multi Year Projections Scenario 1

- No change in enrollment
- COLA @ 2% in 24-25
- Beginning fund balance assumes all funds spent in prior year and no Measure A close out adjustment
- Year 1 of next measure assumes no COLA and no Tax Increase, and \$2M reduction in programs
- All salary and benefits assume 1% growth 24/25 and 25/26 - not raises
- No reductions to programs in Yrs. 7 & 8

Scenario for Discussion

Not a Plan

	2023/24 4.9% COLA	2024/25 Projected	2025/26 Next Measure Year 1 NO COLA
HQI PROGRAM AREA			
Figures for discussion purposes 3/14/23 P&O			
<i>Assumptions in blue font</i>	<i>includes 6% raise</i>		
REVENUE			<i>Proj. No COLA No Tax Increase</i>
<i>Salary Increase (estimated step & Column and Benefits)</i>		1.00%	1.00%
<i>COLA estimated</i>	<i>COLA @ 4.9%</i>	2.00%	0.00%
Parcel Tax Revenue	23,622,430	24,094,879	24,094,879
BSEP Contribution	(16,587,200)	(16,753,072)	(16,920,603)
BSEP Direct Support	(569,900)	(569,900)	(569,900)
BSEP Substitute Contribution	(306,000)	(306,000)	(306,000)
Net Revenue	6,159,330	6,465,907	6,298,376
EXPENDITURES	<i>projections includes 6% raise</i>	<i>1% increase S+C+B</i>	<i>1% increase S+C+B</i>
Professional Development	2,495,191	2,516,567	2,541,733
Program Evaluation	809,632	816,462	824,626
Expanded Course Offerings	980,560	990,366	1,000,269
Classroom Support	1,987,308	2,007,181	2,027,253
Indirect Costs	1,457,378	1,479,426	1,479,426
HQI Program Potential Reduction	0	0	(2,000,000)
TOTAL EXPENDITURES	7,730,069	7,810,001	5,873,307
NET INCREASE (DECREASE)	(1,570,739)	(1,344,095)	425,069
FUND BALANCE ANALYSIS			
Beginning Fund Balance*	3,114,160	1,543,421	0
Net Increase (Decrease) in Fund Balance	(1,570,739)	(1,344,095)	425,069
Ending Fund Balance	1,543,421	199,326	425,069
Goals:	<i>3.00%</i>	<i>\$712,074</i>	<i>\$725,712</i>

1. End Measure with a positive fund balance and with enough funds to support where needed in first year of next measure (minimum required 3% reserve for economic uncertainties)
2. Reduce program costs to be within available revenue in Year 8 and in Year 1 of the new measure

HQI Multi Year Projections

Scenario 2

- No change in enrollment
- **COLA @ 3% in 24-25**
- **Beginning fund balance - Plus \$1,000,000**
- Year 1 of next measure assumes no COLA and no Tax Increase, and \$2M reduction in programs
- All salary and benefits assume 1% growth 24/25 and 25/26 - not raises
- No reductions to programs in Yrs. 7 & 8

Scenario
for
Discussion

Not
a Plan

HQI PROGRAM AREA	2023/24 4.9% COLA	2024/25 Projected	2025/26 Next Measure Year 1 NO COLA
<i>Figures for discussion purposes 3/14/23 P&O</i>			
<i>Assumptions in blue font</i>	<i>includes 6% raise</i>		
REVENUE			<i>Proj. No COLA No Tax Increase</i>
<i>Salary Increase (estimated step & Column and Benefits)</i>		1.00%	1.00%
<i>COLA estimated</i>	<i>COLA @ 4.9%</i>	3.00%	0.00%
Parcel Tax Revenue	23,622,430	24,331,103	24,331,103
BSEP Contribution	(16,587,200)	(16,753,072)	(16,920,603)
BSEP Direct Support	(569,900)	(569,900)	(569,900)
BSEP Substitute Contribution	(306,000)	(306,000)	(306,000)
Net Revenue	6,159,330	6,702,131	6,534,600
	<i>projections includes 6% raise</i>	<i>1% increase S+C+B</i>	<i>1% increase S+C+B</i>
EXPENDITURES			
Professional Development	2,495,191	2,516,567	2,541,733
Program Evaluation	809,632	816,462	824,626
Expanded Course Offerings	980,560	990,366	1,000,269
Classroom Support	1,987,308	2,007,181	2,027,253
Indirect Costs	1,457,378	1,493,930	1,493,930
HQI Program Potential Reduction	0	0	(2,000,000)
TOTAL EXPENDITURES	7,730,069	7,824,506	5,887,811
NET INCREASE (DECREASE)	(1,570,739)	(1,122,375)	646,789
FUND BALANCE ANALYSIS			
Beginning Fund Balance*	4,114,160	2,543,421	0
Net Increase (Decrease) in Fund Balance	(1,570,739)	(1,122,375)	646,789
Ending Fund Balance	2,543,421	1,421,046	646,789
	3.00%	\$712,074	\$718,786

Goals:

1. End Measure with a positive fund balance and with enough funds to support where needed in first year of next measure (minimum required 3% reserve for economic uncertainties)
2. Reduce program costs to be within available revenue in Year 8 and in Year 1 of the new measure

Takeaways

- No changes in 2023-24 Budgets
- In 2023-24 review:
 - Updated ending fund balance
 - Anticipated enrollment projections and salary and benefits costs for 2024-25
 - 2024-25 COLA (will be known in Jan of 2024)
 - Make adjustments in 2024-25 budget to meet min 3% goal
- Conduct fiscal modeling for next measure