

BERKELEY UNIFIED SCHOOL DISTRICT

TO: Enikia Ford Morthel, Superintendent
FROM: Kathy Fleming, Director of Local Resources
DATE: February 21, 2024
SUBJECT: First Interim Report of Revenue and Expenditures in FY 2023-24 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 2023-24 Fiscal Year is the fourth 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 fourth year of this 12 year measure, revenues are projected to total **\$11,200,000** which represents **5%** 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 (\$110,320) 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 **\$10,375,596** for educator salaries are projected, of which **\$10,806,419** are planned for expenditure (expenditure figure includes use of 2023-24 Beginning Fund Balance). The 5% set aside for programs and expenses related to recruitment and retention for hard to fill positions, is projected at **\$546,084**, of which **\$732,138** is planned for expenditure (expenditure figure includes use of 2023-24 Beginning Fund Balance).

Indirect Costs

The budget for 2023-24 sets aside funds for The Indirect Cost rate for 2023-24 is **6.14%** and is calculated by a formula determined by the State. The rate is applied to BERRA expenses and transfers, and is projected to total **\$662,195**. 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 **\$11,870,832.**

STAFF RECOMMENDATION

Review and accept the First Interim Report for FY 2023-24 of the *Berkeley Public Schools Educator Recruitment and Retention Act of 2020*

BERKELEY UNIFIED SCHOOL DISTRICT
Berkeley Educator Recruitment and Retention Act (BERRA)
Unrestricted (Measure E/ Resource 0600)
Revenue and Expenditures
1st Interim Report 2023-24

	Unrestricted 0600	Oversight 0610	Recruitment and Retention 0615	Educator Compensation 0620	Total
REVENUE					
Parcel Tax Revenue	\$ 128,000.00	\$ 110,320.00	\$ 546,084.00	\$ 10,375,596.00	\$ 11,160,000.00
Parcel Tax Revenue-Prior Year			\$ -	\$ -	\$ -
Interest	\$ 40,000.00		\$ -	\$ -	\$ 40,000.00
Net Revenue	\$ 168,000.00	\$ 110,320.00	\$ 546,084.00	\$ 10,375,596.00	\$ 11,200,000.00
EXPENDITURES					
Certificated Salaries	\$ -	\$ 45,228.00	\$ 362,133.00	\$ 5,227,918.00	\$ 5,635,279.00
Classified Salaries	\$ -	\$ 36,082.00	\$ 111,955.00	\$ 2,343,138.00	\$ 2,491,175.00
Employee Benefits	\$ -	\$ 32,146.00	\$ 168,180.00	\$ 2,610,232.00	\$ 2,810,558.00
Books & Supplies	\$ -	\$ 500.00	\$ -	\$ -	\$ 500.00
Unallocated Reserve and Carryover	\$ -	\$ 1,319.00	\$ 22,806.00	\$ -	\$ 24,125.00
Contracted Services	\$ 213,000.00	\$ 4,000.00	\$ 30,000.00	\$ -	\$ 247,000.00
Indirect Costs	\$ -		\$ 37,064.00	\$ 625,131.00	\$ 662,195.00
TOTAL EXPENDITURES	\$ 213,000.00	\$ 119,275.00	\$ 732,138.00	\$ 10,806,419.00	\$ 11,870,832.00
NET INCREASE (DECREASE)	\$ (45,000.00)	\$ (8,955.00)	\$ (186,054.00)	\$ (430,823.00)	\$ (670,832.00)
FUND BALANCE ANALYSIS					
Beginning Fund Balance	\$ 963,815.00	\$ 66,904.00	\$ 379,175.00	\$ 942,435.00	\$ 2,352,329.00
Net Increase (Decrease) in Fund Balance	\$ (45,000.00)	\$ (8,955.00)	\$ (186,054.00)	\$ (430,823.00)	\$ (670,832.00)
Ending Fund Balance	\$ 918,815.00	\$ 57,949.00	\$ 193,121.00	\$ 511,612.00	\$ 1,681,497.00