

Informational Update on Implementation of Measure A for 2011/12

May 22, 2012

Measure A: Basic Background

State Context: California's School Finance "System" is Not Sound, Stable or Sufficient

State Allocations to School Districts are Irrational, Inefficient, Volatile, Unreliable, and Inadequate.

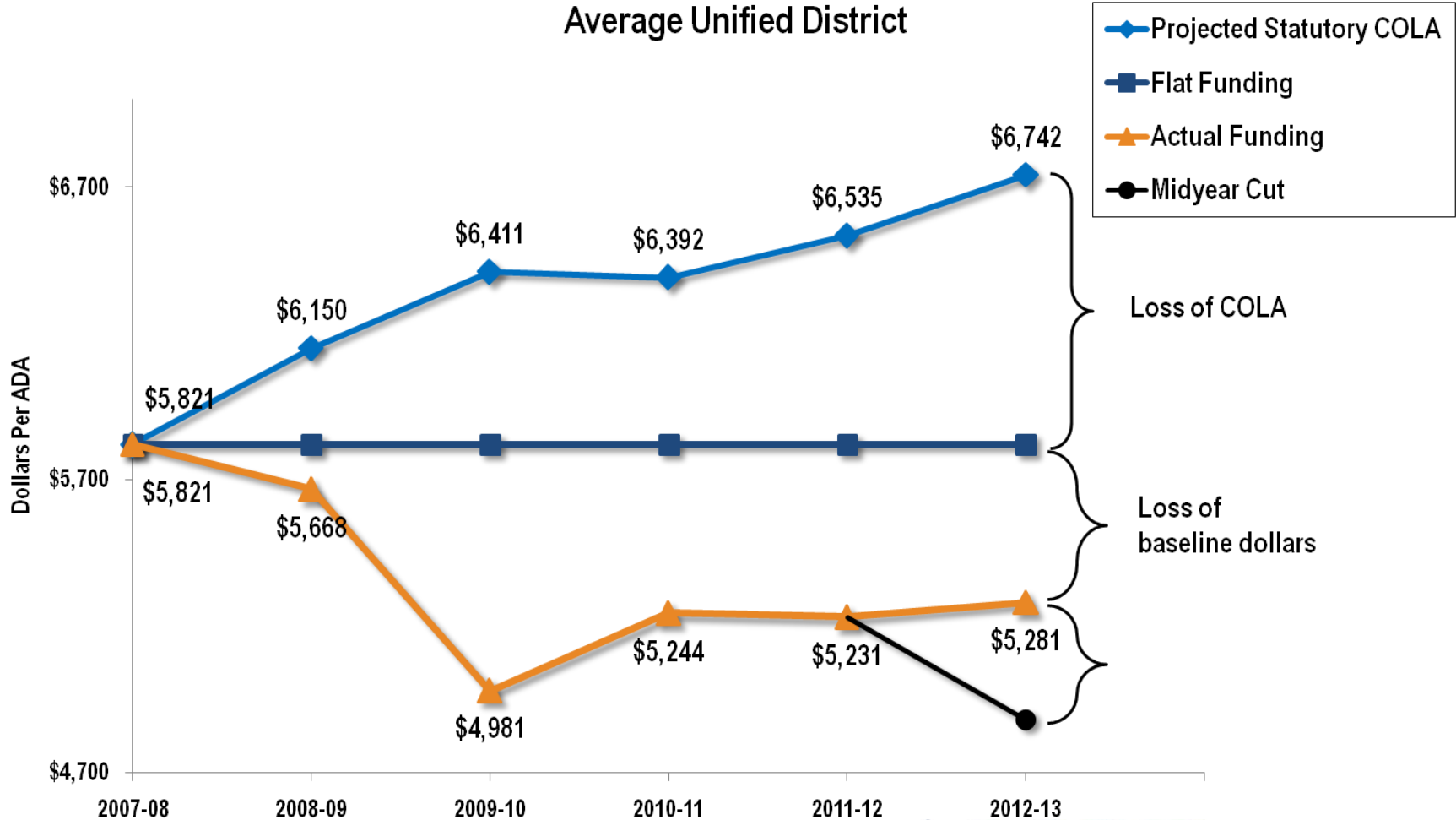
- ***BRL/ADA Unrestricted General Fund***
- ***Unrestricted (Restricted) General Fund ("Tier III")***
- ***Restricted General Fund ("Categorical")***
- ***Deferrals***
- ***Mid-Year Cuts (including possible "trigger cuts")***
- ***Recent Cuts***

Measure A: Basic Background

[before May Revise]

Funding Per ADA – Actual vs. Statutory Level

Average Unified District



Measure A: Basic Background

Local Context: Master Plan Scenario A v. B (“Plan B”) and the Path to Measure A

- In March 2010 the District placed a new parcel tax, Measure E, on the June 2010 ballot in an effort to raise \$14M annually for eight years.*
- In June 2010 Measure E narrowly missed the required 2/3 supermajority vote required to pass a parcel tax.*

Measure A: Basic Background

Local Context: Master Plan Scenario A v. B (“Plan B”) and the Path to Measure A

- In order to remain fiscally solvent, in June 2010 the District began moving ahead with Master Plan Scenario B, commonly referred to as “Plan B.”*
- AUSD cut \$7 million for the 2010-2011 school year.*
- Projections in 2010 were that AUSD would have been required to cut an additional \$5 million in 2011-2012 and another \$8 million in 2012-2013 (\$13 million more) on top of the \$7 million cut for 2010-11.*

Measure A: Basic Background

Local Context: Master Plan Scenario A v. B (“Plan B”) and the Path to Measure A

- After extensive community meetings and community feedback to the Board in the fall of 2010, by November 2010 the specific elements of what the Plan B cuts would involve were clear.*
- Extensive community meetings and community feedback to the Board in the fall of 2010 also took place regarding the possibility of a new parcel tax for the ballot in March 2011. As a result of that process, on November 30 the Board voted 5-0 to adopt a Resolution placing what would become Measure A on the ballot in March 2011.*
- Measure A was structured differently than Measure E and sought to raise \$12M annually for seven years.*
- On March 8, 2011 Alameda voters approved Measure A with 68% voting yes*

Measure A: Basic Background

[FROM NOV. 2010]

With a Parcel Tax

- Maintain 25:1
- Maintain art, music, PE, and media center in elementary and fine arts in secondary
- Keep neighborhood elementary schools
- Initiatives to close the achievement gap are preserved (professional development days, intervention programs)
- Secondary school choice programs, AP courses, and innovative magnet school programs are funded
- Increase of counseling and student support services
- High school athletics are maintained
- Maintain ROTC
- Adult Education partial program (selected enrichment, English learner, GED and high school completion programs)
- Maintain salaries to attract and retain excellent teachers
- Technology support and upgrades

Without the Parcel Tax

- 32:1 class size K-3
- Art, music, PE, media center for elementary is reduced in 2011-12 and eliminated in 2012-13; fine arts in secondary are reduced to a minimum
- Close Otis, Washington, Franklin
 - Wood closes, and EHS is reconfigured to 7-12
 - Lincoln closes and is reconfigured
 - Bay Farm, Earhart and Lincoln go K-8
 - All other elementary schools go K-6
 - Boundaries are changed
- Professional development and intervention programs are cut
- AP courses are decreased; larger classes at high schools
- Further reductions of counseling to minimum level
- Athletics are reduced to varsity only in 2011-2012, and programs are eliminated in 2012-2013
- Eliminate ROTC
- Adult school is eliminated
- Salary reductions up to 8.00% - 9.25%
- No funding for technology upgrades or support to sites

***Note: Several reductions noted above are subject to negotiations with AUSD bargaining units.**

Measure A: Implementation in 2011-12

Expenditures Limited to Specific Categories

Specific allocations for the 11 specific categories of Measure A identified in Measure A (and allocations in 11-12 adopted budget):

- (1) Small Class Sizes in K-3: 13-14% (13%)*
- (2) Neighborhood Elementary Schools: 7-8% (7%)*
- (3) Secondary School Choice Initiative and AP Courses: 7-8% (7%)*
- (4) Programs to Close the Achievement Gap: 15-16% (16%)*
- (5) High School Athletics Programs: 4% (4%)*
- (6) Enrichment Programs: 9-10% (9%)*
- (7) Attract and Retain Excellent Teachers: 25-26% (26%)*
- (8) Counseling and Student Support Services: 6% (6%)*
- (9) Alameda Charter Students: 3-4% (3%)*
- (10) Technology: 5% (5%)*
- (11) Adult Education: 4% (4%)*

Measure A: Implementation in 2011-12

Measure A Accountability and Oversight

- *AUSD has set up a separate internal tracking system for Measure A funds, with separate budget codes and separate funds – similar to restricted categorical funds*
- *Measure A has much greater specificity and stronger oversight provisions than any previous parcel tax in Alameda (and than the norm in CA)*
- *Oversight Committee: 27 Applications Received in August and September; 11 Members Appointed in September*

Measure A: Implementation in 2011-12

Oversight Committee's Scope of Work

• “Pursuant to the terms of Measure A, an Oversight Committee shall be formed to annually review the District’s compliance with the terms of the Measure.”

– AUSD Board Policy 3221

- Committee is to review the extent to which the expenditures of Measure A funds for 11-12 comply with the terms of Measure A.*
- One Year Appointments: October 2011 – October 2012*
- Committee met in October, January and April. Committee scheduled to hold three meetings next fall.*
- The “deliverable” for which the Committee is ultimately responsible is an Annual Report for the 11-12 year. The Annual Report will be prepared and acted upon by the Committee next fall. The Report will also be presented to the Board next fall.*

Measure A: Implementation in 2011-12

Mid-Year /Second Interim Expenditure Report

- As shown in the Expenditure Report by Object included in the attached Appendix (with expenditures updated as of January 31, 2012), we are generally on track for actual expenditures to align with what was budgeted.***
- Annual Report next fall will report final numbers after closing of the books in September***

Measure A: Implementation in 2011-12

Preliminary Mid-Year Revenue Report

- *Projected revenues from Measure A for 2011-12 (as of Spring 2011 -- based on then-current County data): \$12,164,400*
- *Projected revenues from Measure A for 2011-12 (as of Spring 2012 -- based on updated County data): \$12,038,286*
- *Additional revenues from Measure A so far from separate manual billing of possessory interests for 2011-12: \$22,814*
- *Preliminary projected difference between projected revenue in Spring 2011 and Spring 2012: \$103,300*

Measure A: Looking Ahead to 2012-13

Expenditures in Future Years

- *2011-12 is the first year of Measure A's seven year term. The Board is authorized to make changes in Measure A's allocations in the future in the event of "severe fiscal emergency" or "changed funding conditions."*
- *At the next regular Board meeting (June 12) staff will make recommendations for allocations for Measure A for 2012-13.*
- *For 2012-13, the timeline for appointment to, meetings of, and deliverables by the Oversight Committee will generally follow the timeline for 2011-12.*