

OUSD: HARD CHOICES NEEDED TO PREVENT INSOLVENCY

Alameda County Grand Jury Report 2018



FINDINGS

The Alameda County Civil Grand Jury chose to examine some of the underlying issues responsible for the district's continuing financial issues. They reported in June 2018 that hard choices are needed to avoid fiscal insolvency. Here are the findings that led to that conclusion:

- 1** GOVERNANCE CONFUSION: Staff and Board of Education efforts to overcome established budgeting policies along with board efforts to interfere in the admin responsibilities of the superintendent invite financial instability and contribute to OUSD's financial problems.
- 2** POSITION CONTROL: OUSD's instability to control overstaffing and poor control decisions have contributed to the district's financial instability
- 3** TRANSPARENCY: Lack of transparency related to OUSD's financial positions has led to mistrust between the district, the community, and labor organizations.
- 4** TURNOVER: High turnover of key staff has created an atmosphere of mistrust, destroying continuity of the district's educational mission, and crippling effectiveness in addressing its most pressing fiscal issues.
- 5** STUDENT PERFORMANCE: Financial instability and high staff turnover contribute to poor student performance.
- 6** TOO MANY SCHOOLS: Operating 86 schools is unsustainable and will lead to district insolvency.
- 7** NEED TO COLLABORATE: Collaboration between traditional public schools and charter schools operating in the district benefit all students.

READ THE FULL REPORT HERE (pages 25-40): bit.ly/grandjuryousd

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RECOMMENDATIONS

The Alameda County Civil Grand Jury chose to examine some of the underlying issues responsible for the district's continuing financial issues. They reported in June 2018 that hard choices are needed to avoid fiscal insolvency. Here are their recommendations:

- 1** GOVERNANCE TRAINING: The OUSD Board of Education must participate in governance training, emphasizing that they are policy makers, not day-to-day administrators.
- 2** STOP THE MICROMANAGEMENT: The OUSD Board of Education members must communicate with the district officials through the superintendent.
- 3** POSITION CONTROL: OUSD must establish a position control system that tracks staff allocation and spending, and better interfaces with payroll systems.
- 4** TRAINING NEEDED: OUSD must provide school site administrators with comprehensive training regarding position control and budget policies.
- 5** IDENTIFY FUNDING FIRST: OUSD must not hire new staff or institute any new program unless there is money in the budget beforehand to fund them.
- 6** TRANSPARENT BUDGETING: OUSD must develop a transparent budget platform that better informs the Board of Education and the public regarding long-term consequences of financial decisions.
- 7** CLOSURES AND CONSOLIDATIONS: School occupancy must be assessed and painful decisions made regarding closure and consolidation as soon as possible.
- 8** COLLABORATE: OUSD must expand collaboration between traditional district-run and charter schools, especially those sharing campuses.

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