# Oakland Unified School District:

## A Review and Comparison of Various Costs

March 1996
96105

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March 12, 1996 96105

The Governor of California
President pro Tempore of the Senate
Speaker of the Assembly
State Capitol
Sacramento, California 95814

Dear Governor and Legislative Leaders:

## *Summary*

The Bureau of State Audits reviewed and compared the Oakland Unified School District's (OUSD) costs for providing education to its 51,706 students in its kindergarten through grade 12 (K-12) programs with those of six comparable school districts.

This report focuses on the OUSD's spending pattern during three years: fiscal years 1992-93 through 1994-95. During this three-year period, the OUSD's classroom instruction costs remained relatively the same, whereas its costs for administrative support decreased slightly and pupil services costs increased slightly.

When we compared the OUSD's spending pattern to that of six other school districts that we determined to be similar in size, enrollment, and funding, we found that the OUSD's costs for pupil services were significantly higher than those of the other districts. The difference between the percentage of funds that the OUSD spent for pupil services and the percentage spent by other school districts appears to be slight, but in terms of dollars, the difference ranges between $5.6 million when the OUSD is compared with the Garden Grove School District and $17.4 million when it is compared with the San Francisco School District. Although the OUSD has spent a lower percentage of its general funds on classroom instruction than five of the other six districts, its average instructional cost per student is somewhat higher than that of five of the six districts. Further, the OUSD had the second highest total administrative

support cost per student. However, the percentage of funds that the OUSD spends on administrative support was third among the districts compared. When we divided the administrative costs by category, we found that the OUSD has the second highest percentage of school site costs but was in the midrange for central office costs.

## *Background*

The California Department of Education (department) administers the K-12 education system. The department provides school districts with guidance on budgeting, accounting, and preparing financial reports through its California School Accounting Manual (CSAM) and through instructional handbooks on preparing the various required reports. The reports are used to aid decision makers regarding budgeting, monitoring, and planning. The CSAM is intended to standardize accounting practices among the school districts and to make the financial reports comparable. The department requires districts to report costs by category and by program.

In addition to the financial reports, the department collects other types of statistical data from school districts. It compiles demographic data from each school district about students, staff members, enrollment, and hiring, and it uses the data for various reporting, managing, and planning purposes. Further, the department collects data from school districts to prepare a mandated annual report identifying the ratio of public school administrators to teachers.

Although most of the school districts' funding comes from the State, school districts also receive funds from the federal government and local governments. Ordinary operation monies for school districts are provided by their general funds. Most of the money included in a general fund is unrestricted and may be used for most operational needs. However, some of the money from external sources may be legally restricted for specific programs or activities. Other activities may be required by law to be accounted for in a separate or special fund.

During fiscal year 1994-95, the OUSD was the sixth largest school district in California, with 51,706 students enrolled in 90 schools. In addition, the OUSD ranked sixth among school districts in terms of general fund expenditures during the same period.

## *Scope and Methodology*

The Joint Legislative Audit Committee requested that the Bureau of State Audits review the OUSD's administrative costs and compare them with those of other comparable school districts. In conducting our review, we examined laws, policies, procedures, and guidelines to define and identify administrative costs; determine reporting requirements; and identify relevant information. We obtained fiscal and demographic data collected by the department from reports or forms submitted by the school districts for fiscal years 1992-93, 1993-94, and 1994-95.

We identified six school districts with characteristics similar to those of the OUSD. Each of the school districts has the following characteristics:

- It is a unified school district with a K-12 grade span;
- Enrollment is between 41,725 and 61,725 students, which is within the range of 10,000 students fewer or greater than enrollment at the OUSD;
- Enrollment in primary school (kindergarten through grade 8) is within the range of 10,000 students fewer or greater than enrollment at the OUSD;
- The number of full-time-equivalent teachers is within approximately 30 percent of that at the OUSD; and
- The general fund costs represent more than 80 percent of total costs.

The six comparative school districts, in descending order based on enrollment, are:

- ✓ San Francisco
- ✓ Sacramento
- ✓ Santa Ana
- ✓ San Juan
- ✓ San Bernardino
- ✓ Garden Grove

Because the general fund of each of the selected school districts is used to pay for more than 80 percent of expenditures, we focused our review on general fund expenditures.

We further used the fiscal and demographic data to identify the amount and nature of the money spent by each of the districts and the proportion of education money spent on administration as opposed to that spent on classroom instruction and other programs. Appendices A, B, and C identify each district's

spending pattern over the three-year period. We reviewed the OUSD's general fund costs over the three-year period to determine any significant fluctuations and to determine whether its administrative costs were comparable to those of the other school districts. We also reviewed the department's calculation of the administrator-to-teacher ratio and found that it did not exceed the maximum allowable. Finally, we calculated ratios of certain costs to enrollment and the number of teachers and administrators to enrollment.

In conducting this review, we relied on the fiscal and demographic data prepared and certified by the school districts and their auditors to the department. We did not audit these data or reports. Therefore, we cannot attest to the accuracy of the underlying data referred to in this report.

## *Oakland Unified School District*

During the three-year period from fiscal year 1992-93 through fiscal year 1994-95, the OUSD maintained 90 school sites: 74 school sites for kindergarten through grade 8 (primary education); 6 for grades 9 through 12 (secondary education); and 10 for alternative, special education, or other special needs. During this period, the number of pupils in the primary and secondary education schools increased slightly, from 51,234 to 51,706, whereas the proportion of students in primary versus secondary schools remained relatively constant.

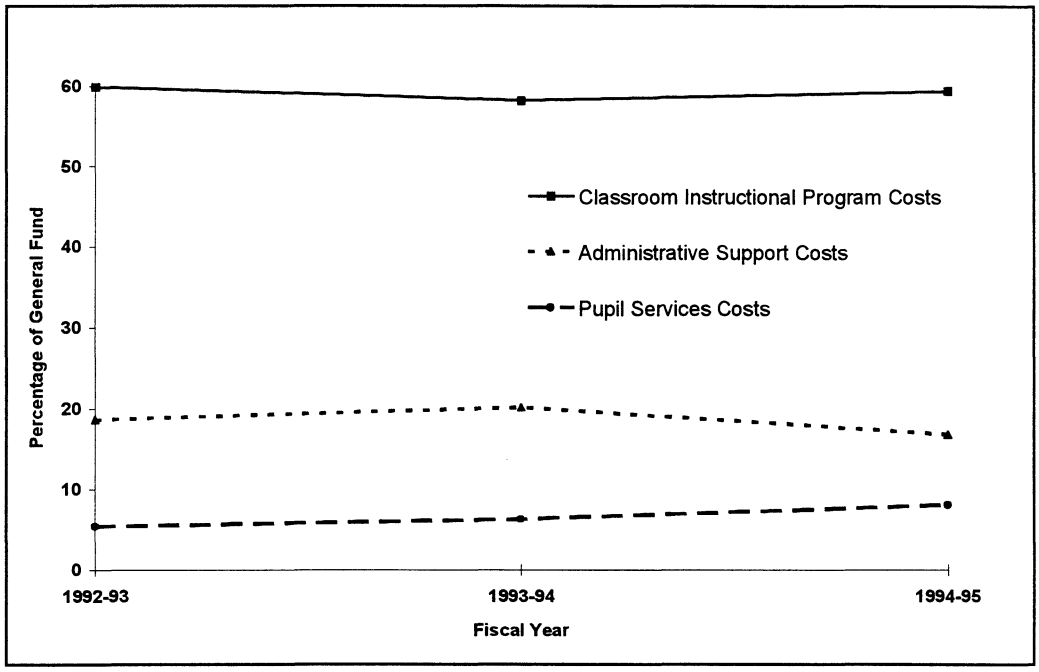
From fiscal year 1992-93 through fiscal year 1994-95, the OUSD's general fund spending pattern also fluctuated slightly, as illustrated in Figure 1. Overall classroom instructional costs decreased by four-tenths of a percent. Further, although administrative support costs decreased by 1.85 percent, the pupil services costs increased by 2.69 percent.

The department has various definitions for categorizing educational costs. For consistency, we use the following definitions in our report for comparative purposes:

- **Classroom instructional program costs** include salaries and benefits for classroom teachers and instructional aides, payment for textbooks and supplies, and payment for instructional equipment. These costs are incurred for such programs as K-12 classroom education, adult education, gifted and talented programs, special education, and other restricted programs.

*Figure 1*

***Percentage of Costs for Oakland Unified School District Fiscal Years 1992-93 Through 1994-95***




- **Administrative support costs** include salaries and benefits for the superintendent, clerical staff members at the district office, fiscal services, and purchasing and warehouse staff members, as well as the administrative support costs for the school sites. Those costs include salaries and benefits for principals, vice principals, directors or supervisors of instruction programs or curricular laboratories or special projects, and clerical staff members at the school site. This category also includes supplies, travel expenses, and equipment costs used for administrative support.

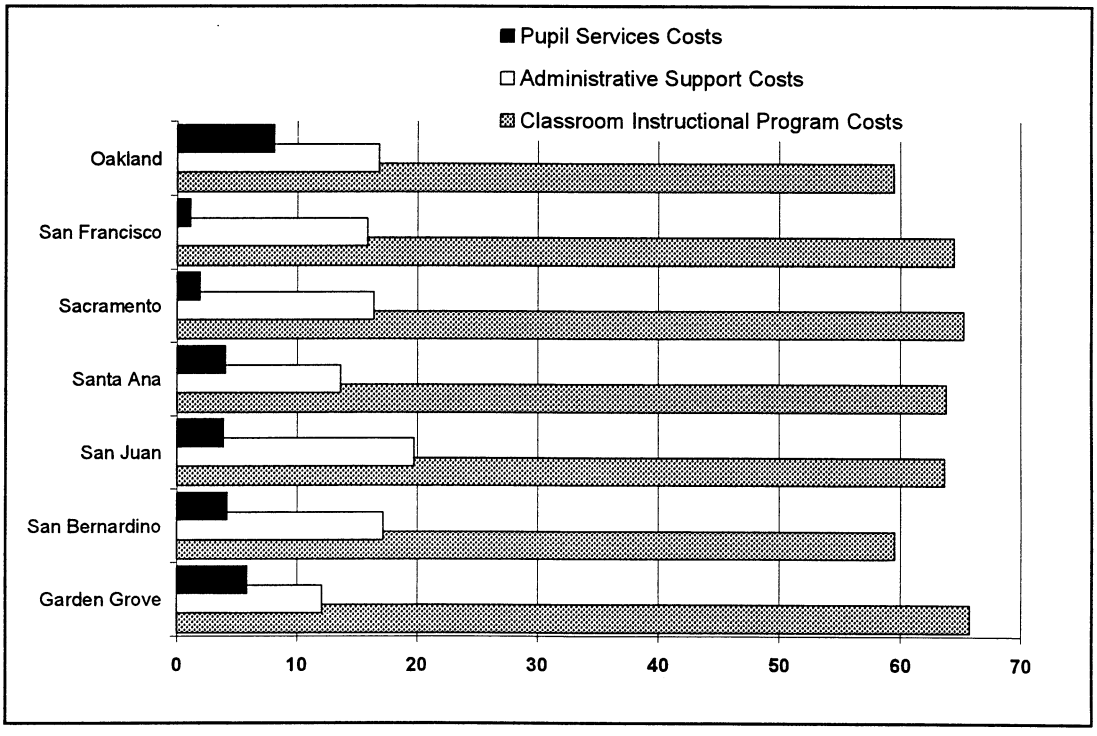
- **Pupil services costs** include the salaries and benefits for attendance officers, school social workers, guidance counselors, psychologists, nurses and physicians, and costs of instructional media, supplies, travel expenses, and equipment.

## *Oakland Unified School District Compared With Other School Districts*

Although we are aware that each school district is unique, we performed several comparisons between the OUSD and the six school districts that we determined to have similar size, proportion of student enrollment, and proportion of restricted and unrestricted program costs. All the school districts presented are considered "urban" districts, except for San Juan, which is considered a "suburban" district. We compared the OUSD's classroom instructional program costs, administrative support costs, and pupil services costs with those of the other school districts for fiscal years 1992-93, 1993-94, and 1994-95, as shown in Appendices A, B, and C. The results of the fiscal year 1994-95 comparisons are reflected in Figure 2. For consistency, we have placed OUSD first in each figure and table throughout the report.

***Figure 2***

***Percentage of General Fund Spent by Program Fiscal Year 1994-95***

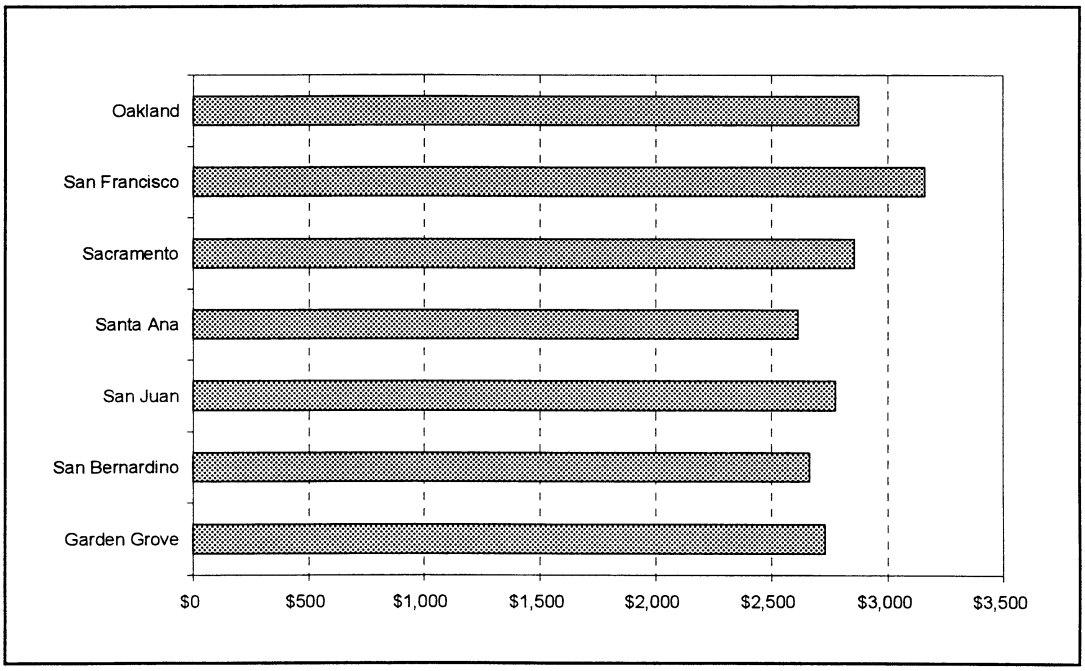


## *Classroom Instructional Program Costs*

As shown in Figure 2, the classroom instructional program costs for fiscal year 1994-95 varied among the seven districts, with Oakland and San Bernardino showing the lowest percentage (59.5 percent) of their funds being used for classroom instructional programs. The other five districts spent 63.6 to 65.7 percent of their general fund expenditures on instructional programs. Although the OUSD's percentage of funds used for classroom instructional programs was low, the dollars spent per student for instruction were higher than for five of the other districts we reviewed. Figure 3 compares the average classroom instructional costs per student for the OUSD with those of the other school districts.

***Figure 3***

***Average Classroom Instructional Costs per Student Fiscal Year 1994-95***




Differences and similarities among the districts could affect the district's spending pattern. The percentage of funds used for classroom instructional programs may be influenced by various factors. For example, a lower average class size could increase the instructional costs because the district would likely have a need for more teachers. As seen in Figure 4, the OUSD has

an average classroom size of 28.4, whereas five of the other districts had a higher classroom size. In addition, Table 1 shows that the OUSD has fewer students per teacher than five of the other districts we reviewed.

***Figure 4***

***Average Class Size***
***Fiscal Year 1994-95***

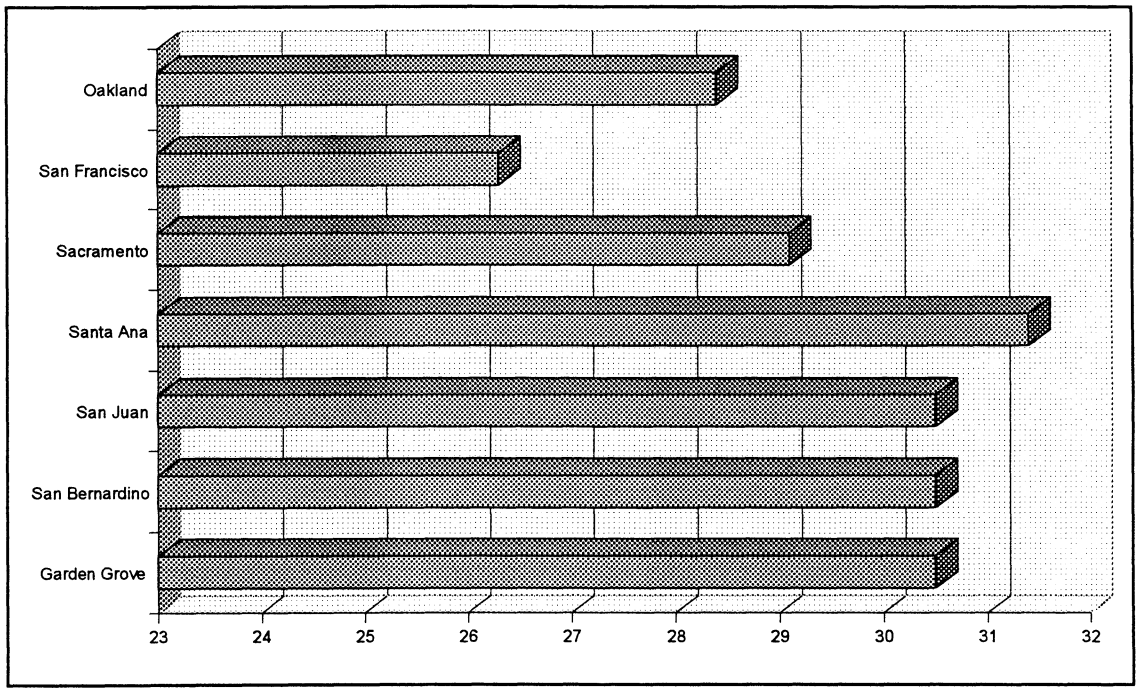



***Table 1***

***District Staffing to Students***
***Fiscal Year 1994-95***

| District | Total Number of Students | Total Number of Administrators | Ratio of Administrators to Students | Total Number of Pupil Services Personnel | Ratio of Pupil Services Personnel to Students | Total Number of Teachers | Ratio of Teachers to Students |
|---|---|---|---|---|---|---|---|
| Oakland | 51,706 | 215 | 1:240 | 163 | 1:317 | 2,268 | 1:23 |
| San Francisco | 61,340 | 195 | 1:315 | 82 | 1:748 | 2,967 | 1:21 |
| Sacramento | 49,282 | 164 | 1:301 | 141 | 1:350 | 1,966 | 1:25 |
| Santa Ana | 48,870 | 122 | 1:401 | 112 | 1:436 | 1,835 | 1:27 |
| San Juan | 47,080 | 166 | 1:284 | 99 | 1:476 | 1,981 | 1:24 |
| San Bernardino | 44,250 | 176 | 1:251 | 148 | 1:299 | 1,837 | 1:24 |
| Garden Grove | 42,423 | 124 | 1:342 | 94 | 1:451 | 1,634 | 1:26 |

Source: California Basic Educational Data System.

Further, a higher number of students limited in English proficiency may require funds to be targeted toward bilingual education and could increase instructional costs. Likewise, a higher enrollment would demand more books, supplies, equipment, and either more teachers or larger class sizes, which would increase costs. Although the OUSD has the second highest enrollment, Table 2 displays that it has a lower limited English proficient enrollment than three other districts.

***Table 2***

***Components of Enrollment***
***Fiscal Year 1994-95***

| District | Total Enrollment | Primary Education Enrollment | Secondary Education Enrollment | Minority Enrollment | Limited English Proficient Enrollment |
|---|---|---|---|---|---|
| Oakland | **51,706** | 40,069 | 11,637 | 48,245 | 14,044 |
| Percent of total | | *77.49%* | *22.51%* | *93.30%* | *27.16%* |
| San Francisco | **61,340** | 42,260 | 19,080 | 53,144 | 17,673 |
| Percent of total | | *68.89%* | *31.11%* | *86.60%* | *28.81%* |
| Sacramento | **49,282** | 37,735 | 11,547 | 34,520 | 12,290 |
| Percent of total | | *76.57%* | *23.43%* | *70.00%* | *24.94%* |
| Santa Ana | **48,870** | 37,944 | 10,926 | 46,718 | 33,540 |
| Percent of total | | *77.64%* | *22.36%* | *95.60%* | *68.63%* |
| San Juan | **47,080** | 32,497 | 14,583 | 9,756 | 1,987 |
| Percent of total | | *69.03%* | *30.97%* | *20.70%* | *4.22%* |
| San Bernardino | **44,250** | 34,052 | 10,198 | 31,899 | 8,890 |
| Percent of total | | *76.95%* | *23.05%* | *72.10%* | *20.09%* |
| Garden Grove | **42,423** | 31,155 | 11,268 | 30,989 | 17,856 |
| Percent of total | | *73.44%* | *26.56%* | *73.00%* | *42.09%* |

The OUSD's relatively low average classroom size, low ratio of teachers to students, and high enrollment would tend to increase the costs of instructional programs, whereas its lower enrollment of students with limited English proficiency would have the opposite effect.

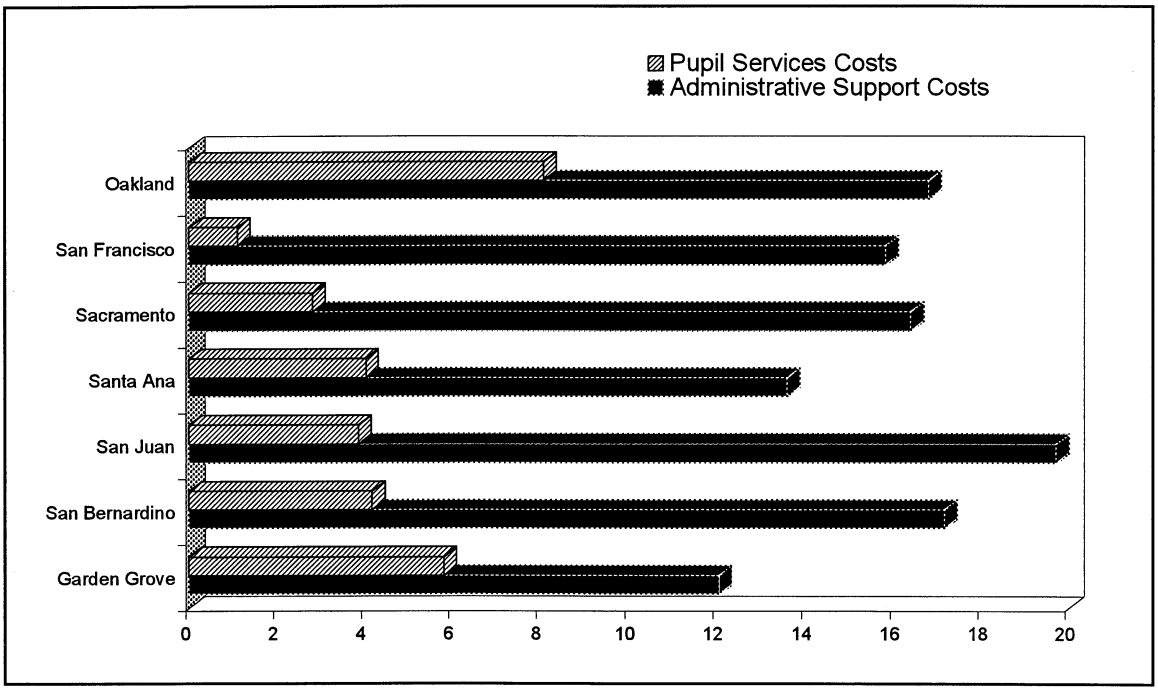
## *Pupil Services and Administrative Support Costs*

Figure 5 shows a comparison of pupil services costs with administrative support costs for fiscal year 1994-95. The proportion of funds used for pupil services in San Francisco (the lowest of the seven) is significantly lower than OUSD's proportion, which is the highest of the seven. The percentage of pupil services costs for the OUSD is 6.98 percent higher than that for San Francisco and 2.26 percent higher than that for Garden Grove. When these percentage differences are applied to the OUSD's total funds expended, the impact ranges from a high of $17.4 million to a low of $5.6 million.

The proportion of funds used for administrative support in the seven districts ranged from 12.07 percent to 19.73 percent; the OUSD's proportion was 16.81 percent.

***Figure 5***

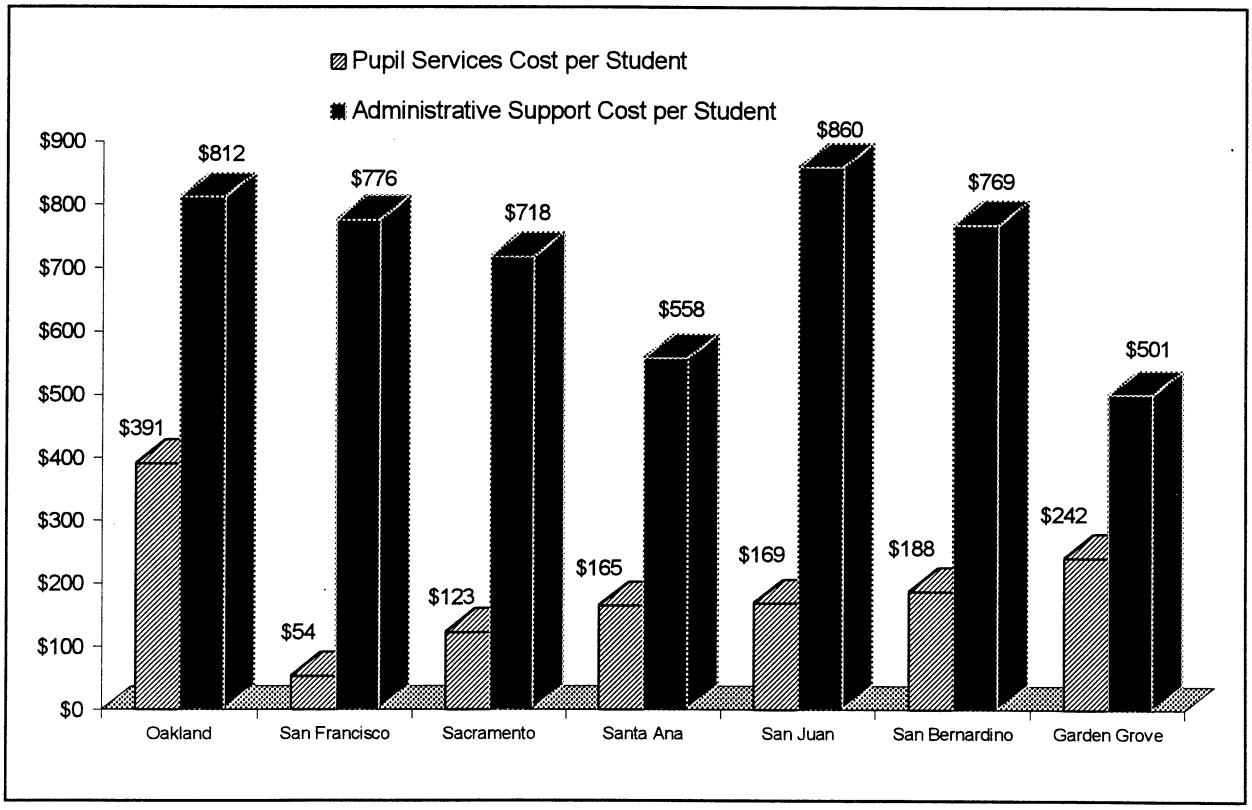
***Percentage of Pupil Services and Administrative Support Costs to General Fund Costs Fiscal Year 1994-95***



Further, Figure 6 shows that the OUSD has the highest average pupil services cost per student and that its average administrative support cost per student ranks second among the seven districts reviewed. A major portion of pupil services costs at six of the school districts is for counselors and psychologists. The OUSD has 112 counselors and psychologists at the school sites, whereas the other six school districts have between 16 and 62.

***Figure 6***

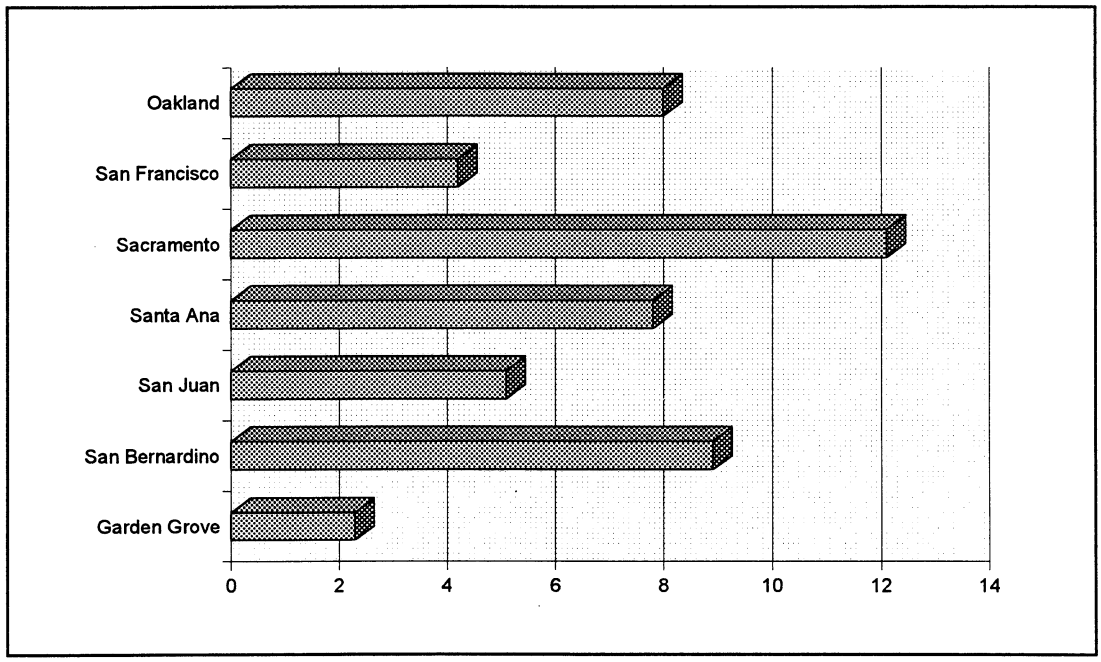
***Average Pupil Services and Administrative Support Costs per Student Fiscal Year 1994-95***



As with instructional costs, pupil services costs and administrative support costs are influenced by various factors. For example, a higher dropout rate could prompt a district to hire more counselors and thus increase the pupil services costs. Figure 7 presents each district's dropout rate. Although the OUSD's dropout rate is fairly high, two other school districts have a higher dropout rate in fiscal year 1993-94.

***Figure 7***

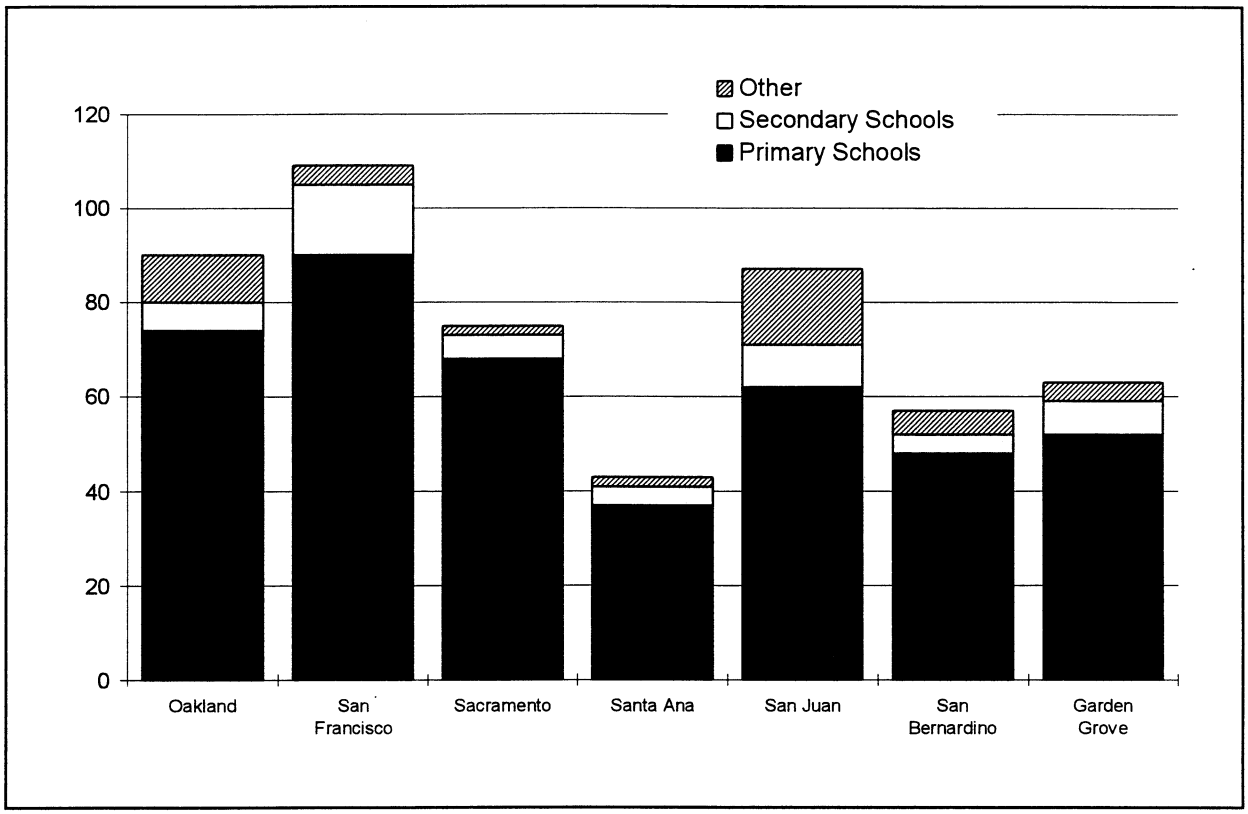
***Dropout Rate for Grades 9-12***
***Fiscal Year 1993-94***




A higher number of school sites could cause administrative support to increase because administrators are needed to manage each site. Figure 8 shows the number of school sites per district. The OUSD has 90 school sites, whereas San Francisco has 109. Yet San Francisco's administrative cost per student of $776 on Figure 6 is relatively lower than the OUSD's cost of $812 per student.

***Figure 8***

***Number of School Sites***
***Fiscal Year 1994-95***




Because the number of school sites can influence the total administrative support costs and because these costs include administrative support for the district's central office as well as for the school sites, we separated these costs to determine the percentage of funds spent for the central office administrative support and that for the school sites. We found that, when compared to the other six districts, the OUSD has the second highest percentage of school site administrative support costs, whereas its district central office administrative support costs were in the midrange. Table 3 provides a breakout of school site and central office administrative support costs.

*Table 3*

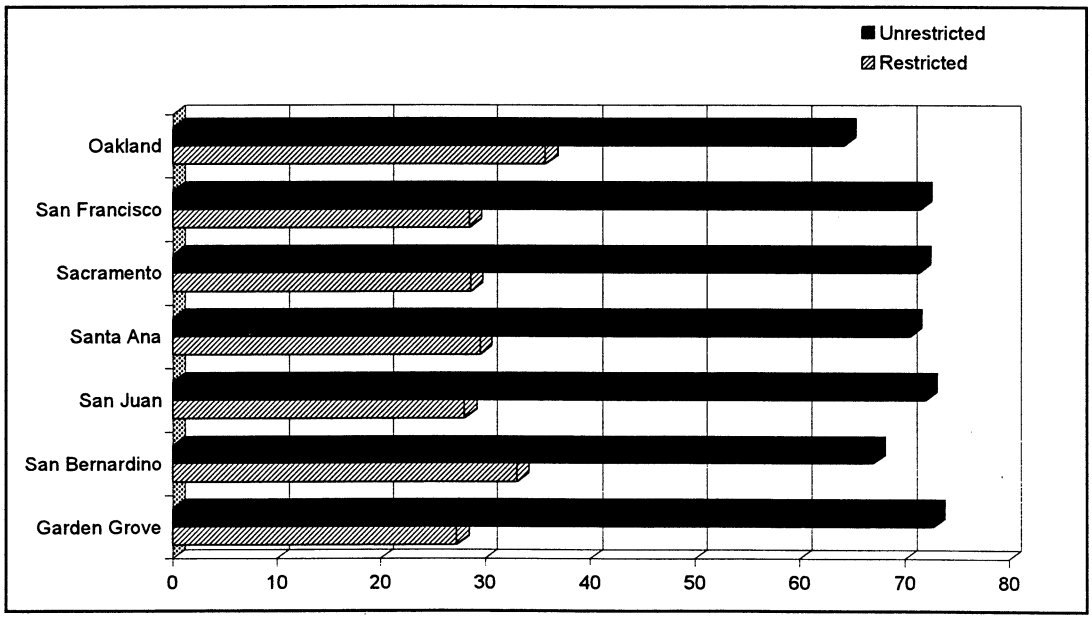
***Percentage of Administrative Support Costs Fiscal Year 1994-95***

| District | School Site | District Office | Total Administrative Support |
|---|---|---|---|
| Oakland | 10.64% | 6.17% | 16.81% |
| San Francisco | 7.48 | 8.35 | 15.83 |
| Sacramento | 8.96 | 7.45 | 16.41 |
| Santa Ana | 9.36 | 4.25 | 13.61 |
| San Juan | 9.83 | 9.90 | 19.73 |
| San Bernardino | 11.07 | 6.10 | 17.17 |
| Garden Grove | 8.73 | 3.34 | 12.07 |

Further, a higher number of restricted programs could require resources to be used for monitoring the funds and ensuring compliance and could, therefore, increase the percentage of funds used for administrative costs. Restricted programs are those funded from external revenue sources, such as the federal government and the State, that are legally restricted to specific purposes. Figure 9 presents our comparison of restricted and unrestricted general fund program costs. The OUSD has the highest percentage of general fund monies that are restricted for specific programs.

*Figure 9*

***Restricted Versus Unrestricted General Fund Costs Fiscal Year 1994-95***



## *Conclusion*

We recognize that each school district has a unique profile created by its differences from and similarities to other school districts; these differences should be considered when making comparisons among the districts. However, when we compared the OUSD to six school districts similar in size, enrollment, and funding, we found that:

- The OUSD spent a lower percentage of its general funds on classroom instruction than five of the other districts, yet spent more funds for classroom instruction than five of the districts;

- The OUSD's costs for pupil services were higher than the other six districts although its percentage of funds spent for pupil services differed only slightly; and

- The OUSD spends more funds per student for total administrative support than five of the other school districts. When we divided the administrative support costs by category, we found that the OUSD has the second highest percentage of school site administrative support costs, but was in the midrange for district office administrative support costs.

We conducted this review under the authority vested in the state auditor by Section 8543 et seq., of the California Government Code and according to generally accepted governmental auditing standards. We limited our review to those areas specified in the audit scope section of this report.

Respectfully submitted,

KURT R. SJOBERG
State Auditor

Staff: Margarita Fernandez, CPA
Russ Hayden
Margaret Junker
Ronald Bawden

# *Appendix A*

## *General Fund Spent by Category*
## *Fiscal Year 1994-95*

| Program Title | Oakland | San Francisco | Sacramento | Santa Ana | San Juan | San Bernardino | Garden Grove |
|---|---|---|---|---|---|---|---|
| Classroom instructional programs and projects | $148,602,610 | $193,795,931 | $140,691,898 | $127,769,777 | $130,644,151 | $117,874,526 | $115,845,750 |
| Percent of total | 59.46% | 64.44% | 65.23% | 63.83% | 63.62% | 59.50% | 65.72% |
| Administrative support | 42,006,576 | 47,618,341 | 35,389,815 | 27,251,865 | 40,511,695 | 34,018,927 | 21,272,684 |
| Percent of total | 16.81% | 15.83% | 16.41% | 13.61% | 19.73% | 17.17% | 12.07% |
| Pupil services | 20,224,095 | 3,340,688 | 6,071,365 | 8,086,795 | 7,948,528 | 8,308,338 | 10,278,001 |
| Percent of total | 8.09% | 1.11% | 2.82% | 4.04% | 3.87% | 4.19% | 5.83% |
| Pupil transportation | 4,161,020 | 4,457,225 | 7,091,438 | 3,361,671 | 7,378,483 | 8,371,047 | 5,076,092 |
| Percent of total | 1.66% | 1.48% | 3.29% | 1.68% | 3.59% | 4.23% | 2.88% |
| Plant maintenance and operations | 28,943,658 | 23,042,260 | 22,246,884 | 21,998,368 | 13,742,597 | 26,002,403 | 19,942,645 |
| Percent of total | 11.58% | 7.66% | 10.32% | 10.99% | 6.69% | 13.12% | 11.31% |
| Other | 5,999,299 | 28,464,724 | 4,181,876 | 11,709,073 | 5,136,224 | 3,540,890 | 3,861,766 |
| Percent of total | 2.40% | 9.47% | 1.94% | 5.85% | 2.50% | 1.79% | 2.19% |
| **Total** | **$249,937,258** | **$300,719,169** | **$215,673,276** | **$200,177,549** | **$205,361,678** | **$198,116,132** | **$176,276,938** |

Source: California Department of Education, Annual Program Data Report (J-380).

# *Appendix B*

## *General Fund Spent by Category*
## *Fiscal Year 1993-94*

| Program Title | Oakland | San Francisco | Sacramento | Santa Ana | San Juan | San Bernardino | Garden Grove |
|---|---|---|---|---|---|---|---|
| Classroom instructional programs and projects | $146,187,502 | $188,221,704 | $141,600,880 | $125,455,358 | $130,755,373 | $113,367,380 | $113,819,835 |
| Percent of total | 58.22% | 64.43% | 68.43% | 65.20% | 65.38% | 59.04% | 66.04% |
| Administrative support | 50,760,520 | 45,401,603 | 28,305,122 | 25,366,554 | 37,222,285 | 31,438,960 | 21,633,629 |
| Percent of total | 20.22% | 15.54% | 13.68% | 13.18% | 18.61% | 16.37% | 12.55% |
| Pupil services | 15,793,785 | 7,625,425 | 4,897,945 | 7,759,203 | 7,004,148 | 8,827,132 | 10,550,134 |
| Percent of total | 6.29% | 2.61% | 2.37% | 4.03% | 3.50% | 4.60% | 6.12% |
| Pupil transportation | 4,199,681 | 3,871,006 | 7,113,488 | 3,064,650 | 7,713,004 | 8,733,118 | 4,955,432 |
| Percent of total | 1.67% | 1.33% | 3.44% | 1.59% | 3.86% | 4.55% | 2.88% |
| Plant maintenance and operations | 29,447,766 | 21,463,911 | 21,775,332 | 21,521,020 | 12,507,472 | 25,879,077 | 19,331,611 |
| Percent of total | 11.73% | 7.35% | 10.52% | 11.19% | 6.25% | 13.48% | 11.22% |
| Other | 4,685,090 | 25,530,976 | 3,248,138 | 9,240,007 | 4,795,925 | 3,779,244 | 2,050,862 |
| Percent of total | 1.87% | 8.74% | 1.57% | 4.80% | 2.40% | 1.97% | 1.19% |
| **Total** | **$251,074,344** | **$292,114,625** | **$206,940,905** | **$192,406,792** | **$199,998,207** | **$192,024,911** | **$172,341,503** |

Source: California Department of Education, Annual Program Data Report (J-380).

# *Appendix C*

## *General Fund Spent by Category*
## *Fiscal Year 1992-93*

| Program Title | Oakland | San Francisco | Sacramento | Santa Ana | San Juan | San Bernardino | Garden Grove |
|---|---|---|---|---|---|---|---|
| Classroom instructional programs and projects | $145,030,434 | $183,963,888 | $139,698,790 | $122,926,964 | $130,121,895 | $109,055,543 | $110,649,552 |
| Percent of total | 59.90% | 65.10% | 67.57% | 65.59% | 65.82% | 60.82% | 66.20% |
| Administrative support | 45,186,891 | 43,850,719 | 29,921,237 | 24,808,277 | 39,847,375 | 26,578,539 | 19,168,372 |
| Percent of total | 18.66% | 15.52% | 14.47% | 13.24% | 20.16% | 14.82% | 11.47% |
| Pupil services | 13,077,733 | 7,026,429 | 5,051,492 | 7,616,179 | 6,857,586 | 8,967,720 | 10,214,895 |
| Percent of total | 5.40% | 2.49% | 2.44% | 4.06% | 3.47% | 5.00% | 6.11% |
| Pupil transportation | 4,500,318 | 3,576,883 | 6,776,597 | 3,011,134 | 6,694,716 | 8,451,438 | 4,451,060 |
| Percent of total | 1.86% | 1.27% | 3.28% | 1.61% | 3.39% | 4.71% | 2.66% |
| Plant maintenance and operations | 27,868,769 | 21,222,709 | 21,520,160 | 20,534,575 | 11,300,863 | 23,371,549 | 18,784,439 |
| Percent of total | 11.51% | 7.51% | 10.41% | 10.96% | 5.72% | 13.03% | 11.24% |
| Other | 6,443,857 | 22,955,305 | 3,788,009 | 8,515,025 | 2,876,735 | 2,876,054 | 3,867,082 |
| Percent of total | 2.66% | 8.12% | 1.83% | 4.54% | 1.46% | 1.60% | 2.31% |
| **Total** | **$242,108,002** | **$282,595,933** | **$206,756,285** | **$187,412,154** | **$197,699,170** | **$179,300,843** | **$167,135,400** |

Source: California Department of Education, Annual Program Data Report (J-380).

# OAKLAND UNIFIED SCHOOL DISTRICT

Office of the Board of Education • 1025 Second Avenue, Suite 314
Oakland, CA 94606-2212
510-836-8199 • Fax 510-839-5328


March 8, 1996



Mr. Kurt R. Sjoberg
State of California Auditor
Bureau of State Audits
660 J Street, Suite 300
Sacramento, California

Dear Mr. Sjoberg:

The Board of Education of the Oakland Unified School District wish to express its appreciation for your conduct and preparation of the audit report entitled, *Oakland Unified School District: A Review and Comparison of Various Costs.* Your report validates our representation of costs for District administration, pupil services, and classroom instruction.

This audit establishes a factual basis for the allocation of resources within our District. The audit further demonstrates that the Oakland Unified School District complies with a staffing structure that is within legal maximums for administrator-to-teacher ratios, and is well within the range of generally accepted practices among school districts.

Your information will assist our District in its efforts to clearly communicate to our employees, parents and community members the realities of our school district. Erroneous data and misinformation can now be dismissed in light and reference to the accounts presented in your report.

Each school district within this state is confronted with a unique set of conditions ranging from student demographics to geography. These conditions, in part, define important requirements for budget decisions. Our school board has worked diligently over the past several years to meet the unique needs of our children, build up our Reserve for Economic Uncertainty, and maintain a fiscally responsible budget. We know that we have succeeded in reaching these goals. Your report verifies that fact.

Attached is our District's response to your audit. We have highlighted important facts from your audit which define the actual level of administrative costs of the District and demonstrates underlying reasons for variation from the comparison districts.

Sincerely,

Lucella Harrison

Lucella Harrison
President

LH:h
Attachments

# Oakland Unified School District

## Response
## to
## Bureau of State Audits Review and Comparison of Various Costs

## March 8, 1996

### Overview

The *Review and Comparison of Various Costs* by the Bureau of State Audits analyzes Oakland Unified School District's cost data for the school years 1992-1993, 1993-1994, and 1994-1995 in comparison with six other school districts in California. The results of this audit verify the administrative costs of the district; demonstrate that Oakland Unified School District administrative costs are average; demonstrate that the District has a higher level of school site administration costs which are related to the number of small schools in the District; and demonstrate that the District spends more per pupil on instructional costs than all but one of the comparison districts. Oakland Unified School District spends the highest percentage of its budget on pupil services of any district in the comparison. These services are school-based and targeted to the special needs of the District's students.

This report serves as an objective analysis of the District's administrative costs.

### Central Office is 6.17% of the Total District Budget

The report by the Bureau of State Audits answers the question, "How much does the Oakland Unified School District spend on central administration?" For the 1994-1995 school year, the Oakland Unified School District spent 6.17% of its total budget on central office administration. Of this total, 1.95% was restricted fund program cost and 4.22% was unrestricted and special education program costs (Exhibit 1).

The Bureau of State Audits identified six school districts for comparison with Oakland. Three of the six school districts in the Bureau's report have a higher percentage of central office cost. This places the Oakland Unified School District exactly in the middle of comparable school districts. A comparison with unrestricted program costs places Oakland Unified School District third lowest.

### School Site Administrative Costs are 10.64% of Budget Because of Small Schools

Oakland spends an additional 10.64% of its general fund budget on school site administrative costs, ranking second highest among the comparison districts. The 10.64% of general fund budget dedicated to school site administrative costs is the

result of the large number of small schools compared to state-wide averages. Exhibit 2 presents pupil enrollment for each school. Over two-thirds of our elementary schools have fewer students than the 1993-1994 state average of 586. All of our middle schools are below the state average of 847 students and all of our junior high schools are below the state average of 1,328 students. Two of the six comprehensive high schools are below the state average of 1545, and half of the alternative schools are below the state average of 157 students.

**Oakland's Per Pupil Spending on Classroom Instructional Costs Is Second Highest**

The report confirms that the Oakland Unified School District has a low average classroom size (28.4 pupils per teacher) and a lower than average number of students per teacher (23 pupils per student). These results demonstrate that the Oakland Unified School District has, as a matter of policy, directed resources toward the classroom. Other comparable districts do not have class sizes and student-teacher ratios at similar levels.

Therefore, Oakland has the second highest per pupil spending on classroom instructional costs among the comparison districts.

**Pupil Services Costs Highest Among the Six Comparison Districts**

Oakland Unified School District spends 8.09% of its general fund budget on pupil services. Pupil services include the salaries and benefits for counselors, psychologists, nurses, attendance officers and school social workers. This amount is highest among the six comparison districts. Pupil services are resources directed toward students and school sites.

Oakland has 112 counselors and psychologists at school sites while the six comparison school districts have between 16 and 62 counselors and psychologists. Oakland Unified School District has a ratio of 317:1 for pupil services, compared with ratios as high as 748:1 for San Francisco Unified School District.

Attachments:

Exhibit 1 -- District Office Administrative Costs
Exhibit 2 -- Enrollment Data

# OAKLAND UNIFIED SCHOOL DISTRICT EXHIBIT 1

## RESPONSE TO BUREAU OF STATE AUDITS REVIEW AND COMPARISON OF VARIOUS COSTS

## DISTRICT OFFICE ADMINISTRATIVE SUPPORT COST

FISCAL 1994-5

| | UNRESTRICTED & SPECIAL ED | RESTRICTED | TOTAL |
|---|---|---|---|
| SAN JUAN | 9.07% | 0.83% | 9.90% |
| SAN FRANCISCO | 8.35% | 0.00% | 8.35% |
| SACRAMENTO CITY | 6.58% | 0.87% | 7.45% |
| SAN BERNARDINO | 5.67% | 0.43% | 6.10% |
| OAKLAND | 4.22% | 1.95% | 6.17% |
| SANTA ANA | 3.93% | 0.32% | 4.25% |
| GARDEN GROVE | 3.06% | 0.28% | 3.34% |

**SORTED BY UNRESTRICTED/SPECIAL ED**

**REFER TO TABLE 3**

OAKLAND UNIFIED SCHOOL DISTRICT **EXHIBIT 2**

**RESPONSE TO BUREAU OF STATE AUDITS REVIEW**
**AND COMPARISON OF VARIOUS COSTS**

ENROLLMENT DATA
CBEDS October 1994

| ELEMENTARY SCHOOLS | ENROLLMENT |
|---|---|
| Toler Heights | 104 |
| Arts | 136 |
| Cole | 244 |
| Peralta | 250 |
| Burckhalter | 254 |
| Kaiser | 261 |
| Grass Valley | 266 |
| Hillcrest | 276 |
| J. Swett | 276 |
| Sobrante | 285 |
| Marshall | 309 |
| Howard | 342 |
| Chabot | 344 |
| Redwood | 345 |
| Piedmont | 353 |
| La Escuelita | 356 |
| Sherman | 356 |
| Montclair | 370 |
| Washington | 382 |
| Golden Gate | 388 |
| Burbank | 391 |
| Santa Fe | 414 |
| Thornhill | 416 |
| Emerson | 417 |
| Cleveland | 422 |
| Longfellow | 422 |
| Sequoia | 431 |
| Maxwell Park | 439 |
| Brookfield | 449 |
| J. Miller | 452 |

| ELEMENTARY SCHOOLS | ENROLLMENT |
|---|---|
| Glenview | 463 |
| C. Munck | 467 |
| Melrose | 496 |
| M.L. King | 502 |
| Crocker | 506 |
| Markham | 506 |
| Lakeview | 508 |
| Lazear | 522 |
| Lafayette | 551 |
| Parker | 569 |
| Laurel | 571 |
| **California Average Elementary** | **586** |
| Horace Mann | 590 |
| Prescott | 619 |
| Hoover | 698 |
| Stonehurst | 704 |
| Fruitvale | 705 |
| Allendale | 754 |
| Lincoln | 769 |
| Whittier | 783 |
| Lockwood | 836 |
| Highland | 886 |
| Franklin | 954 |
| Webster | 959 |
| Bella Vista | 962 |
| Manzanita | 1006 |
| Cox | 1064 |
| Jefferson | 1175 |
| Garfield | 1247 |
| Hawthorne | 1367 |

**EXHIBIT 2**

**EXHIBIT 2**

| JUNIOR HIGHS | ENROLLMENT |
|---|---|
| Frick | 491 |
| Havenscourt | 561 |
| King Estates | 575 |
| Westlake | 711 |
| Montera | 969 |
| Bret Harte | 978 |
| Roosevelt | 984 |
| Brewer | 998 |
| Calvin Simmons | 1081 |
| **California Average Junior High** | **1328** |

| MIDDLE SCHOOLS | ENROLLMENT |
|---|---|
| Arts | 49 |
| Lowell | 313 |
| Carter | 354 |
| Madison | 451 |
| Foster | 337 |
| Elmhurst | 570 |
| Claremont | 676 |
| **California Average Middle School** | **847** |

| HIGH SCHOOLS | ENROLLMENT |
|---|---|
| McClymonds | 676 |
| Castlemont | 1238 |
| **California Average High School** | **1545** |
| Oakland Tech | 1574 |
| Fremont | 1612 |
| Oakland High | 1721 |
| Skyline | 1869 |

**EXHIBIT 2**

| ALTERNATIVE/CONTINUATION | ENROLLMENT |
|---|---|
| Far West | 76 |
| Eastside CTR | 98 |
| **California Average Alternative/Cont** | **157** |
| St. Academy | 169 |
| Dewey | 292 |

| OTHER SITES | ENROLLMENT |
|---|---|
| Home/Hosp. Inst. | 37 |
| Tilden | 38 |
| Bunche TR | 39 |
| Whitton | 43 |
| Bunche CTR | 118 |
| Jingletown | 119 |
| **California Average Other Sites** | **216** |

cc: Members of the Legislature
Office of the Lieutenant Governor
Attorney General
State Controller
Legislative Analyst
Assembly Office of Research
Senate Office of Research
Assembly Majority/Minority Consultants
Senate Majority/Minority Consultants
Capitol Press Corps