

# SFUSD Staffing Model and Budget Updates for 2025-26

*Board of Education  
January 28, 2025*



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# Our District

## Vision

All SFUSD students will graduate as independent thinkers with a sense of agency who have attained academic and creative skills to lead productive lives and contribute to our community.

## Values

Student Centered  
Fearless  
United  
Social Justice  
Diversity Driven

## Goals

3rd-Grade Literacy  
8th-Grade Math  
College & Career Readiness



## Guardrails

Effective Decision-Making  
Serving the Whole Child  
Curriculum and Instruction  
Resource Allocation  
Strategic Partnerships

## Mission

Every day we provide each and every student the quality instruction and equitable support required to thrive in the 21st century.

# Budget Overview

# Budget Overview

## Governor's Budget for 2025-26

# Budget Overview

## Budget Projected Revenues and Current Fiscal State

### The Governor's Budget and the Economy

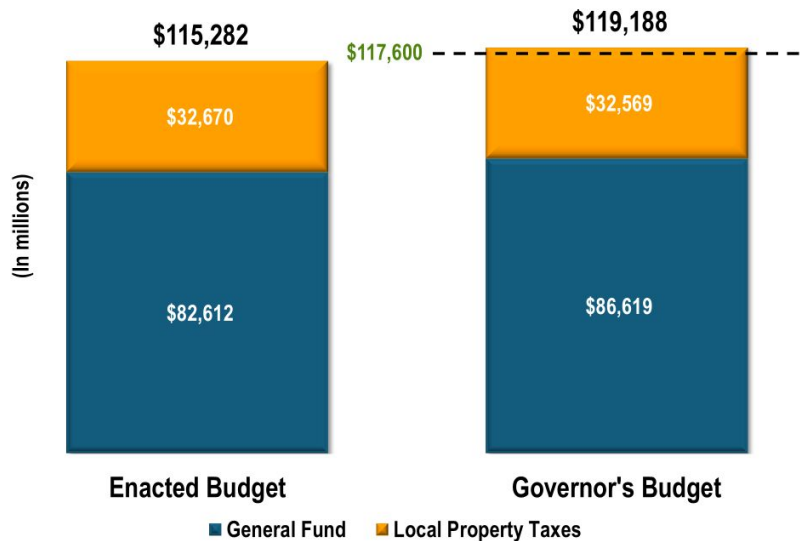
- The California economy is continuing to grow with mixed signals for the road ahead
  - Inflation is persistent and the slowing of interest rate reductions by the Federal Reserve is impacting the state's housing market
  - With increased economic uncertainty, there are notable risks to Governor Newsom's 2025-26 State Budget and economic forecast
- The Governor's Budget projects a \$17 billion surplus and healthy reserves
  - The Governor presents a balanced budget that assumes steady, stable national growth
  - One of the greatest risks to the California economy and the Governor's budget assumptions is the state's vulnerability to the impacts of tariffs and changes in immigration policy



# Budget Overview

## Budget Projected Revenues and Current Fiscal State

### 2024-25 Proposition 98 Minimum Guarantee



Due to unanticipated General Fund revenues, the 2024-25 minimum guarantee is revised upward by \$3.9 billion

“[T]he Budget proposes to appropriate the Guarantee at \$117.6 billion, instead of at the currently calculated level of \$119.2 billion...”



# Budget Overview

## Budget Projected Revenues and Current Fiscal State

### Proposition 98



- Proposition 98 is the bright spot of the Governor's Budget

Within the state's spending limit, Proposition 98 funding encumbers over half of available revenue

Eliminates reliance on one-time funding to support the Local Control Funding Formula (LCFF) and other ongoing costs

Provides significant one-time discretionary resources to help local educational agencies (LEAs) with rising costs and other liabilities

Fully funds the estimated cost-of-living adjustment (COLA)

- But we must be mindful that the state meets its minimum funding obligation to public education every year—including 2024-25

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## Budget Overview

## Budget Projected Revenues and Current Fiscal State

### Risks to Proposition 98 and Local Budgets

- The education community can breathe a collective sigh of relief as the Governor's Budget contains fewer risks to Proposition 98 and local budgets than recent past

Eliminates reliance on one-time funding to support the LCFF and other ongoing costs

Slowly replenishing the Proposition 98 reserve for times of uncertainty and fiscal turmoil

Fully funding COLA

- The greatest risk to local budgets are local—accounting and budgeting for enrollment changes and rising costs continue to be critical for fiscal health management

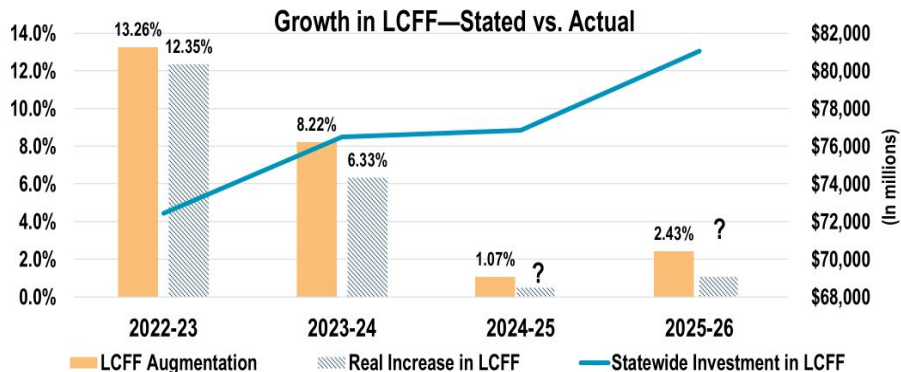


## Budget Overview

## Budget Projected Revenues and Current Fiscal State

### LCFF—The Real Change

- 2022-23 and 2023-24 represented significant financial investments in the LCFF, per ADA
  - Growth in 2025-26 is largely due to the full implementation and lowered staffing ratios for Universal Transitional Kindergarten
  - However, on a statewide basis, statutory COLA and augmentations do not translate into dollar-for-dollar increases due to declining enrollment and expiration of COVID-19 ADA policies



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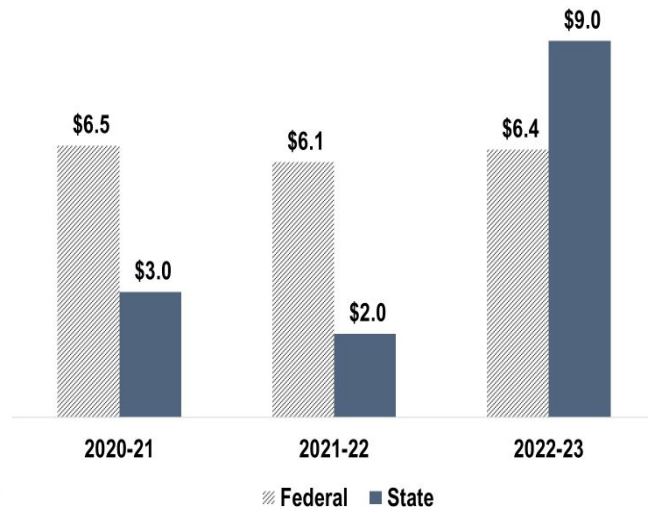
# Budget Overview

## Budget Projected Revenues and Current Fiscal State

### One-Time Funds

- LEAs have spent the federal one-time dollars in a relatively similar manner year over year, and the expectation is a comparable amount of federal one-time funds were spent in 2023-24—primarily Elementary and Secondary School Emergency Relief (ESSER) III
  - However, by September 30, 2024, all those one-time funds expired
  - Annual spending equates to more than \$1,100 per student
- Conversely, LEAs recognized state revenues when apportioned with the largest influx occurring in 2022-23 resulting from the Learning Recovery Emergency Block Grant (LREBG) and Arts, Music and Instructional Materials Discretionary Block Grant

Federal and State One-time Revenues  
(In billions)



## Budget Overview

## Budget Projected Revenues and Current Fiscal State

### Statewide Data—One-Time Funding Total Salary and Benefits

In 2022-23, approximately \$4.3 billion was spent on staffing expenditures with emergency funding

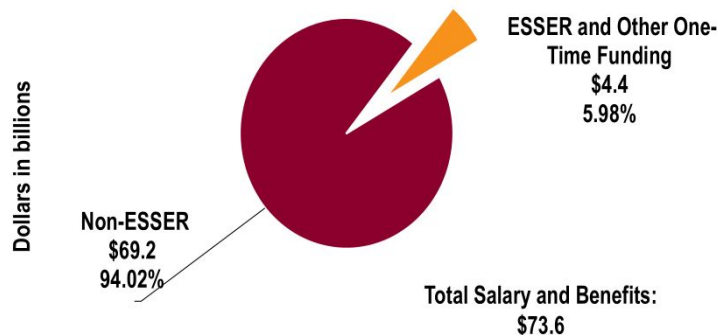
This is 6% of the statewide district workforce funded utilizing temporary resources

- The staffing needs to be addressed through either reduction or elimination of the position or identify an ongoing funding resource



**Operational advice:**  
Evaluate staffing expenditures and assess positions funded with temporary funding and implement a plan to address the expiration of funding resources

2022-23 One-Time Funding Share of Personnel Expense (Salary and Benefits)

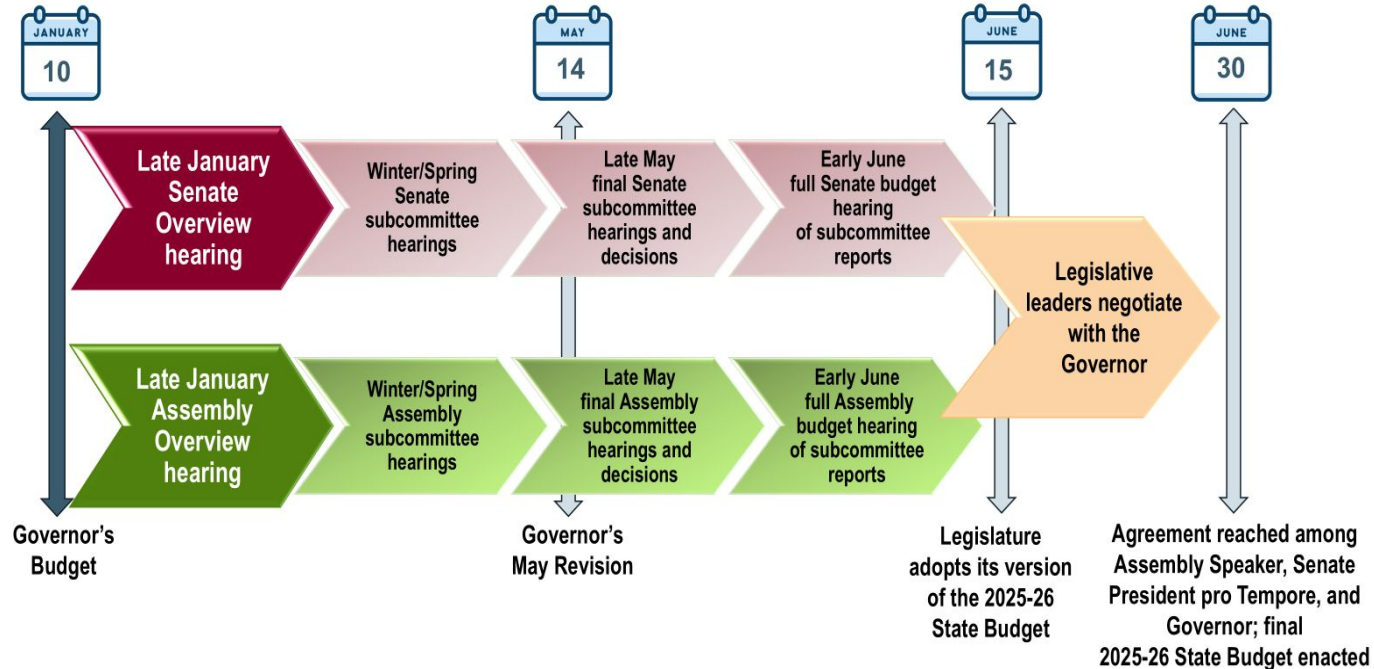


Source: Standardized Account Code Structure Unaudited Actuals

## Budget Overview

## Budget Projected Revenues and Current Fiscal State

### State Budget Process—From January to June

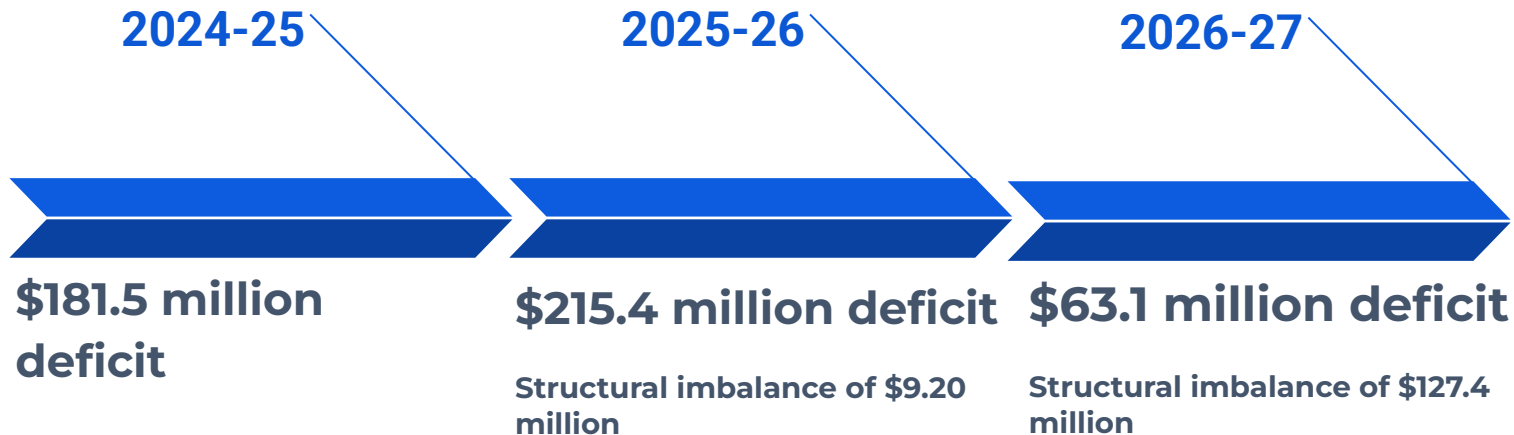


# Budget Overview

What Does this Mean  
for SFUSD?

# Deficits and Structural Imbalances

*If no action is taken...*





## Budget Overview

## Board-Approved Fiscal Stabilization Plan

	FTE Reductions	Savings from Reductions
2025-26	<b>535.58 FTE (restricted and unrestricted)</b>	<b>\$113.9 million</b>
	<ul style="list-style-type: none"><li>242.76 FTE (unrestricted), contracts and supplies</li></ul>	\$51.9 million
	<ul style="list-style-type: none"><li>292.82 FTE (restricted), contracts</li></ul>	\$62.0 million
2026-27	<b>82.0 FTE (all restricted)</b>	<b>\$13.0 million</b>

[Fiscal Stabilization Plan as of December 2024](#)

## Budget Overview

## Non-Employee Budget Reductions

- Review of all District contracts
- Review of all technology applications
- Review of all materials and supplies

## Budget Overview

## Budget Reduction Principles

- Prioritize students' experiences and outcomes in schools
- Ensure we are staffing to meet our goals and guardrails
- Review and reimagine districtwide operations to improve efficiency (operational efficiency)

## Budget Overview

## Budget Balancing Goals and Milestones

### Completed:

- ✓ SERP process began on Dec. 11, 2024
- ✓ Began preparation for 2nd interim through review of all resources, cash flow, and any required budget transfers and journal entries
- ✓ Seniority list (Classified and Certificated) verified
- ✓ Began Budget Development in Frontline

### To Do:

- ❑ Review position control processes **(ongoing)**
- ❑ Begin aligning 2025-26 budget to reduce unrestricted general fund expenditures and clearly identify any one-time expenditures still included in the budget **(ongoing)**
- ❑ Submit SERP to Board with final results **(February)**
- ❑ Make adjustments based on Annual Audit **(March)**
- ❑ Balance UGF and Restricted General Fund with the projected reductions identified **(June)**

# Central Office Reductions

# Central Office

San Francisco is both a city and a county in California.

Therefore, the SFUSD Central Office supports the needs of the local education agency (LEA) and the County Office of Education (COE).

The SFUSD Central Office serves as the administrative hub for the LEA and COE, providing essential support, guidance and coordination.

# Central Office

## Key Responsibilities:

- Establish and implement district-wide policies and procedures that comply with legally required State and Federal requirements. Ensure consistency and coherence across all schools.
- Manage and guide resource allocation for budgeting, staffing, technology, facilities, and other essential resources ensuring they are effectively deployed and leveraged.
- Provide professional development, a critical function of a central office. Training on new instructional strategies, curriculum, assessments, and key initiatives that the district believes will improve student achievement and well-being.
- Serve as a liaison between schools, external agencies, and educational partners. Foster partnerships that will support student achievement.
- Ensure effective coordination and collaboration of schools and other central office departments to ensure operational effectiveness and deliver on district goals.



# SFUSD Central Office

## Districtwide School Supports

- Curriculum & Instruction
- LEAD
- Student and Family Services
- Transportation
- Student Nutrition
- Custodial
- Buildings & Grounds
- Special Education
- Fund Development

## Operations

- Human Resources
- Budget and Finance
- Payroll
- Superintendent's Office (Communications, Legal, RPA)
- Board Office
- Department of Technology
- Enrollment Office
- Bond Program

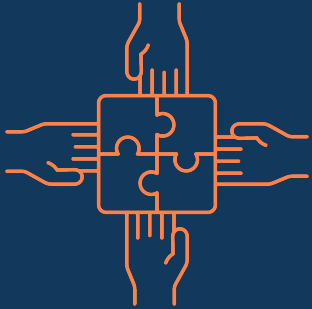
Central Office Fact Base

# **School Staffing Model**

## What is the School Staffing Model?

- The School Staffing Model is a detailed set of guidelines that SFUSD uses to determine how staff is allocated to schools each year. It was first implemented for the 2024-25 school year.
- These guidelines serve as a starting point for school leaders as they develop their school plans. While most school allocations are determined through these guidelines, schools may receive additional site-specific grants from federal, state, or local sources based on eligibility and/or unique programming offered at the school.
- The [2024-25 School Staffing & Budget Resource Guide](#) includes additional information and detailed criteria for current school staffing allocations.

# School Staffing Model Engagement



- **Already consulted:**
  - Every cohort with principal representation provided meaningful insights about the potential staffing model.
  - Focal principal groups provided the next level of feedback in this past week.
- **Next steps:**
  - Starting in early February, site leaders will receive budget numbers and participate in site-specific meetings with operational departments present as well.
  - Starting in March, sites will engage with broader school communities.

# School Staffing Model Core/Base

## Core/Base includes:

- Principal
- Clerk
- Custodian
- TK-12 Teachers
- Paras
- Transportation:
  - Special Ed
  - General Ed
- Contributions:
  - Special Education
  - Routine, Restricted Maintenance Account
- Utilities
- Insurance

# School Staffing Model

## What's New and Different

- Actively validating and confirming every available funding source and corresponding expenditures to ensure we do not spend money we do not have.
- Working with administrators to build budgets in Frontline for the first time this year.
- Maximizing the full utilization of our supplemental funding.
  - Staffing to our CBAs

# Thank You!