



April 7, 2022

California Department of Education
School Fiscal Services Division
ATTN: Elizabeth Dearstyne, Director

California Department of Finance
Education Division
ATTN: Chris Ferguson, Program Budget Manager

Fiscal Crisis Management & Assistance Team
ATTN: Mike Fine, Executive Director

RE: Release of AB1840 Apportionment for Oakland Unified School District

Dear Mr. Ferguson, Mr. Fine, and Ms. Dearstyne:

With regard to the annual apportionment contemplated under AB 1840 (Chapter 426/2018), the 2021-22 Budget Act, Provision 2 of Reappropriations line 6100-488 of the Education Section of Assembly Bill 128 (Chapter 21/2021) made an appropriation of \$10,008,000 on the condition of Oakland Unified School District's (OUSD) completion of the following:

1. The required annual audit for the preceding year filed no later than December 15, and
2. Affirmative board action to continue to update or develop short-term and long-term financial plans based on best practices and reasonable and accurate assumptions, and
3. Affirmative board action to continue planning for, and timely implementation of, a school and facility closure and consolidation plan that supports the sale or lease of surplus property.

Further, Education Code Section 42160 requires the Fiscal Crisis and Management Assistance Team (FCMAT), with concurrence from the Alameda County Superintendent of Schools, to certify to the Assembly Committee on Budget, Senate Committee on Budget and Fiscal Review, and the Department of Finance (DoF) that the activities listed above have been completed. In discussions with FCMAT, they are prepared to concur with our assessment, and will respond to this email to provide such concurrence.

Regarding #1 above, the district's independent auditor issued a qualified opinion on the district's June 30, 2021 financial statements on January 29, 2022. (*The December 15 deadline in #1 above was extended to January 31, 2022 as permitted by law in 2021-2022 (ref EC 41020(h)(2))*). It should be noted that the qualified opinion includes a number of findings regarding state compliance and prior year uncorrected findings.

Regarding #2 above, the district's Second Interim report was self-certified as qualified. On March 31, 2022, Alameda County Office of Education (ACOE) concurred with this certification. Additionally, On March 31, 2022, ACOE acknowledged the district's progress and commitment in addressing short- and long-term financial planning and removed the Lack of Going Concern designation originally assigned to the district on November 8, 2021. As a result, ACOE set forth a number of conditions required to be met by the district over the next 12 months (*March 31, 2022 OUSD Second Interim letter: [Attachment #1](#)*).

Regarding #3 above, the district adopted the final version of Resolution 2122-0030 – School Consolidations for 2022-23 and 2023-24 at a special meeting held on February 8, 2022. The district is actively progressing through the steps to timely implement the terms of this resolution (*Resolution 2122-0030: [Attachment #2](#)*).

ACOE remains committed to the service of the students of Oakland Unified through its monitoring and support of OUSD's efforts to achieve fiscal stability. On behalf of ACOE, I believe OUSD has met the intent of the conditions of apportionment and is progressing toward full implementation of these conditions. I am requesting release of the \$10,008,000 2021-22 apportionment pursuant to the 2021-22 Budget Act.

Sincerely,



L.K. Monroe
Alameda County Superintendent of Schools

cc: Brooks Allen, Executive Director, California State Board of Education (CDE)
Lina Grant, Staff Finance Budget Analyst, California DOF
Aaron Heredia, Assistant Director, CDE
Abel Guillen, Deputy Superintendent of Public Instruction, CDE
Dr. Candi Clark, Associate Superintendent of Business Services, ACOE
Shirene Moreira, Chief of District Business & Advisory Services, ACOE
Dr. Kyla Johnson-Trammell, Superintendent, Oakland USD
Lisa Grant-Dawson, Chief Business Official, Oakland USD
Joshua R. Daniels, Chief Governance Officer, Oakland USD
Tami Montero, CFE Intervention Specialist, FCMAT
Luz Cázares, Fiscal Oversight Trustee, ACOE