



# Funding RCSD's Strategic Priorities

ERS Presentation to the Board

February 27, 2020

RCSD faces a *triple squeeze* that complicates – but doesn't have to stop – transformation efforts.



A higher bar for  
student learning and  
greater needs



Unsustainable cost  
structures



Flat or decreasing  
revenue

# RCSD has proposed 6 strategic priorities and associated initiatives as it works to improve outcomes in a challenging financial climate

---

SP 1: Engage students with relevant, rigorous and standards-aligned instruction, supports and materials.

SP 2: Provide safe, joyful and productive learning environments with the proper social-emotional supports.

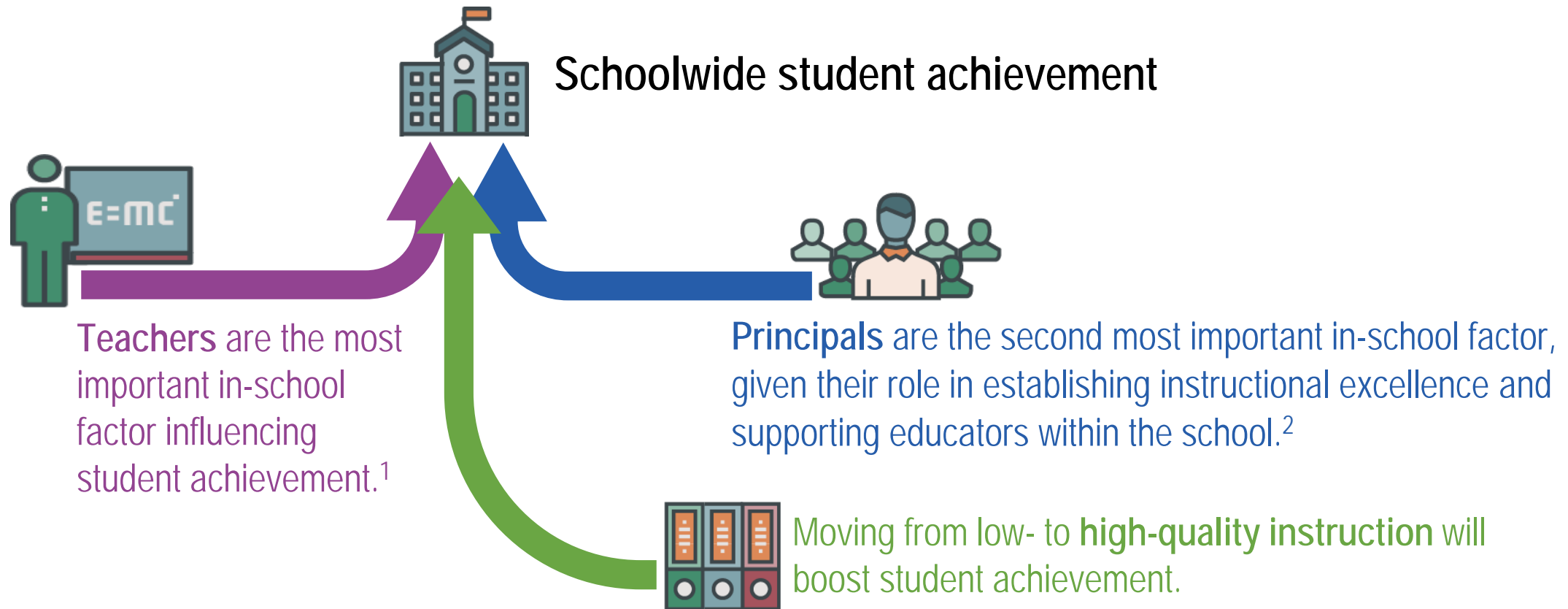
SP 3: Recruit and retain highly effective and diverse team members.

SP 4: Partner with families and the community to support the whole child.

SP 5: Manage people, time and budget responsibly, equitably and strategically in service of students.

SP 6: Work collaboratively and share responsibility for our core values.

# To be successful RCSD must ensure that the right people are in the right places and that we focus on boosting instructional quality

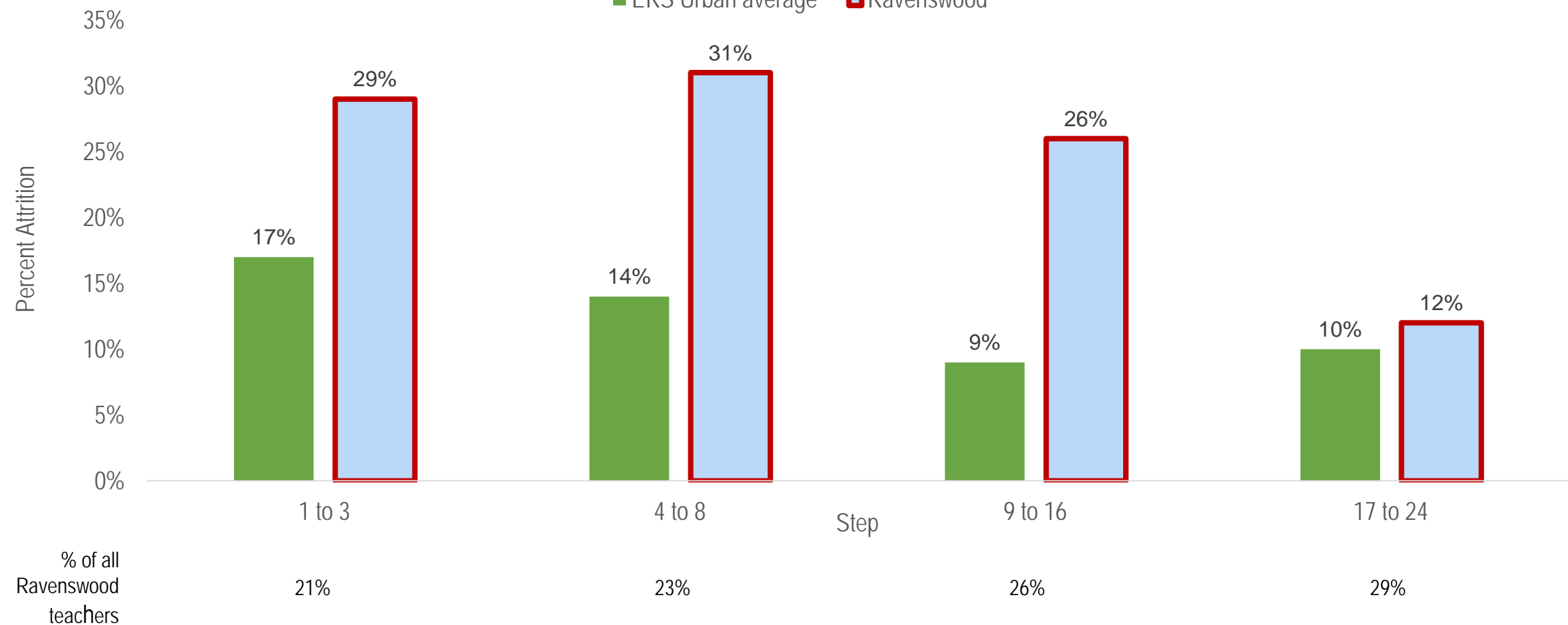


1. Leithwood, K., et al. (2004). How Leadership Influences Student Learning. Retrieved from: <http://www.wallacefoundation.org/knowledge-center/school-leadership/key-research/Pages/How-Leadership-Influences-Student-Learning.aspx>

# High teacher attrition makes it hard to have the right people in the right places; 1 in 4 teachers leave RCSD each year

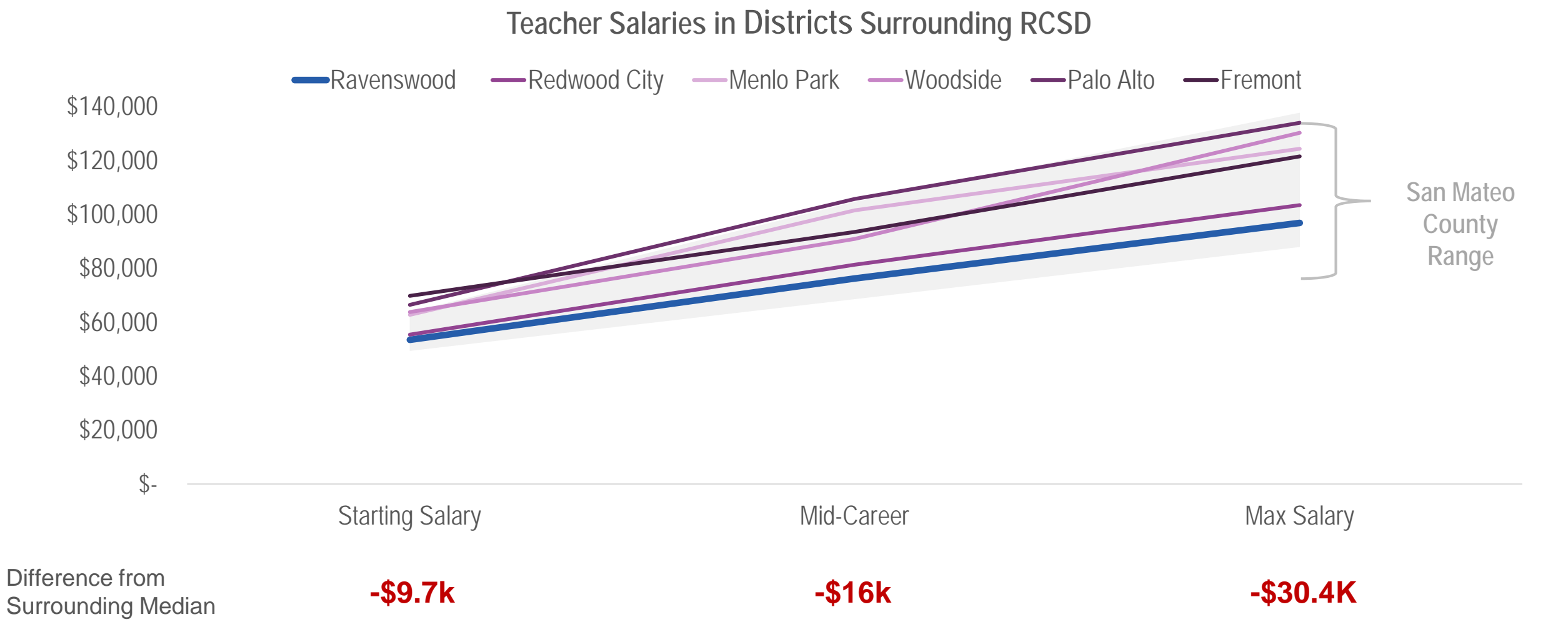
Teacher Attrition by Step

■ ERS Urban average   ■ Ravenswood\*



\*RCSD attrition rates are 3-year historical averages for SY 15-16 to SY 17-18  
Source: RCSD SY 15-16 to SY 18-19 HR data; ERS analysis and comparison database

# A contributing factor is that RCSD salaries are lower than those in neighboring districts, despite a 7.5% raise over the past 2 years



Source: RCSD SY 19-20 certificated salary schedule; comparison salary schedules from corresponding districts' websites



# But compensation isn't the only stressor for teachers...



**Mr. Davenport**

1<sup>st</sup> year teacher

7<sup>th</sup> grade math

- Single
- Lives in Redwood City
- Shares an apartment with two roommates, and wants to get his own place
- Worried that he won't be effective enough to make a difference for his students



**Mr. Larrazolo**

7 years of experience

4<sup>th</sup> grade teacher

- Single parent with one child
- Lives in Newark
- Starting to feel burnt-out
- Considering getting a job in Fremont for higher pay, a shorter commute, and because he thinks it will be easier to work there
- Highly effective teacher



**Mrs. Peterson**

15 years of experience

6<sup>th</sup> grade math

- Married with two children
- Lives in East Palo Alto
- Wants to buy a house soon
- Wishes she could take on a leadership role without having to leave the classroom

# Addressing RCSD's teacher retention challenge will require addressing the whole Teacher Value Proposition

---

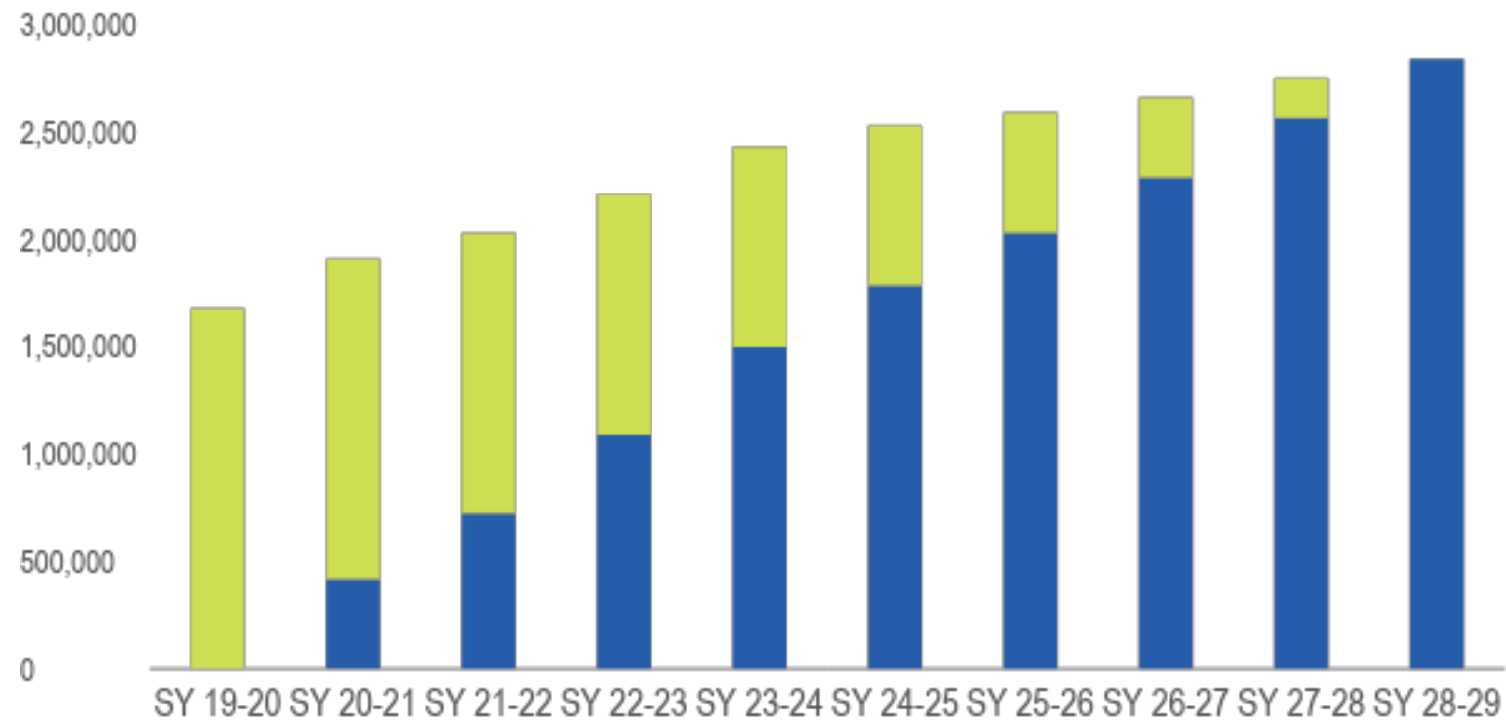




# While philanthropic funding can enable the initial investment, RCSD must free up resources to finance the increasing obligation over time

Funding Incremental Costs Over Time (Scenario 3)

■ RCSD Funding ■ Philanthropic Funding



|              |    |    |    |    |    |    |    |    |    |    |
|--------------|----|----|----|----|----|----|----|----|----|----|
| % Op. Budget | 4% | 4% | 5% | 5% | 5% | 5% | 5% | 5% | 5% | 5% |
|--------------|----|----|----|----|----|----|----|----|----|----|

As enrollment declines, the incremental cost becomes an increasing % of operating budget over time

Example re-allocation opportunities based on national spending patterns

|  | % of Operating Budget* |
|--|------------------------|
|--|------------------------|

|   |      |
|---|------|
| Increase class sizes in targeted areas      | 1.5% |
| School Consolidation                        | 1.0% |
| Reduce Contracted Services Spend            | 3.0% |
| Reduce Central Office Staffing and Services | 0.5% |

\*Based on the 18-19 operating budget of \$41M  
Source: ERS Analysis; District Salary Schedules & Bargaining Agreements

# Our proposed scope of work looks to help RCSD build a plan to fund its strategic priorities

---

## *Funding RCSD's Strategic Priorities*

### *Key Questions:*

- *What are likely costs of initiatives associated with RCSD strategic priorities?*
- *What opportunities does RCSD have to re-allocate resources to support strategic priorities?*
- *How can RCSD leverage a combination of general operating funds restricted funds, and philanthropic funding to support this strategy?*

### *Deliverables:*

- Cost estimates and key considerations for RCSD strategic priorities and resource reallocation opportunities, including the impact of likely school consolidation plans
- Funding strategy including likely funding sources and potential schedules/timelines for how the district could take on costs or re-allocate resources

## *Refining RCSD's Human Capital Strategy*

### *Key Questions:*

- *How can RCSD evolve its compensation system to increase teacher retention and re-enforce instructional improvement efforts?*

### *Deliverables:*

- Facilitation of 2 sessions with a Human Capital Steering Committee to develop priorities for evolved compensation system
- Cost estimates based on scenario
- Collaboration with RCSD leadership and Attuned Partners to integrate the human capital strategy into broader strategic planning efforts and communications