INTRODUCTION

For eight consecutive school days in 2019 classrooms in Oakland, CA were empty. Oakland teachers were on strike, again. In January, Dr. Kyla Johnson Tramell, the newly appointed superintendent of Oakland Unified School District (OUSD), announced her plan to close twenty schools to solve the district’s debt crisis.1 After years of stagnant wages and steady attrition of extracurricular programs, Oakland teachers decided to fight back.2 Inspired by the successful strikes in Oklahoma and Los Angeles,3 the Oakland Education Association (OEA) announced that teachers would not resume teaching until OUSD complied with their demands.4 In March, OEA and OUSD signed a new contract, but their compromises were only temporary.5

This paper evaluates OEA’s dual strike demands—to raise teacher salaries and halt school closures—and proposes an alternative solution to break Oakland’s debt cycle. Part I explains how OEA’s dual strike demands conflict. By insisting that the district pay teachers without cutting other costs, OEA fails to recognize the cyclical nature of OUSD’s debt crisis. OUSD and its teachers have revolved through school closures, strikes, and compromises for decades. To break this cycle, OUSD needs a new solution.

Part II analyzes OUSD and OEA’s renegotiated contract—a surface compromise with the potential to cause more harm. OEA secured a raise for teachers and a temporary halt to school closures, but this “win” means that OUSD needs to find

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1. Theresa Harrington, Planned School Closures in Oakland Unified Have Parents, Teachers and Community Members on Edge, EDSOURCE (Jan. 24, 2019).
2. Leigh Martinez, Oakland Teachers Announce Strike Over Pay, Class Sizes, KTVU (Feb. 16, 2019).
3. Dana Goldstein & Elizabeth Dias, Oklahoma Teachers End Walkout After Winning Raises and Additional Funding, N.Y. TIMES (Apr. 12, 2018); Kyle Stokes, LAUSD Teachers Strike Is Over. Here’s What’s In The Deal, LAIST (Jan. 22, 2019).
4. Valerie Strauss, Why Oakland Teachers are Striking: ‘You Can’t Feed the Minds of our Students by Starving Their Schools’, WASH. POST (Feb. 21, 2019).
5. Richard Mellor, Oakland Teacher’s Strike Ends. Not All Are Happy., EAST BAY DSA (Mar. 4, 2019).
money—despite its budget short fall—to cover the increased expenses. This financial pressure would likely mobilize OUSD to be more aggressive and less calculated with school closures. Cost-effectiveness, here, means shutting down under-enrolled and under-performing schools in lower-income communities to pay for raises for the remaining teachers in the over-enrolled, wealthier communities. Rash budgeting will place the burden of pulling OUSD out of debt on low-income, black and brown families who would lose their neighborhood schools.

In Part III, I will propose an alternative solution that has the potential to break OUSD’s debt cycle. OUSD should pursue deliberate, equitable school closures across Oakland. Closing schools as a means to balance a budget is unpopular because, in most cases, districts have a proportionate number of schools to students. When these districts close schools, they typically base their decisions on enrollment numbers and standardized test performance. A numbers-focused approach disregards the disproportionate number of black and brown students in under-enrolled, under-performing schools. Therefore, when these schools are closed, black and brown families bear the brunt of the weight—traveling father, working harder, and receiving less resources than their wealthier peers. This is not the right way to implement school closures. OUSD’s history shows ineffective management and uncontrolled expansion of schools that hemorrhages the district’s funds in the face of enrollment challenges from charter and private schools. OUSD needs to close these surplus schools to raise enrollment and reinvest funds in students, not spaces. By supporting equitable school closures, OUSD can pay teachers a living wage by eliminating redundant building operation costs. However, OUSD needs to modify its school closure plan to ensure equity. OUSD should conduct a thorough evaluation of the entire district and distribute school closures across the city. By diffusing the burden of school closures across Oakland’s communities of all income levels, OEA will break the reproduction of inequality that lingers from red-lining.

OEA and OUSD’s compromise did not solve the debt crisis, it merely delayed the consequences. By surveying history, examining the current quick fix, and analyzing an alternative solution, this paper hopes to throw a lifeline to a drowning school district. Closing schools is always painful, but if done equitably, this alternative could break OUSD’s debt cycle and create a better infrastructure for the future of Oakland’s kids.

I. THE PROBLEM: OEA’S DEMANDS

OUSD is in a debt crisis. The district cannot afford to maintain all of its schools without defaulting on its debt to the state of California. In addition to the looming risk of default, the cost of living in the Bay Area has skyrocketed, but Oakland teachers are among the lowest paid in the State. In January, Dr. Johnson Trammell announced her plan to balance the district’s budget by closing twenty schools. In response, OEA followed the lead of the Los Angeles and Oklahoma teachers unions

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7. Robert Gammon, Oakland Unified Has Too Many Schools, EAST BAY EXPRESS (May 5, 2010). Oakland teachers are paid $54,157 per year. The next lowest is Sunol public schools, which pays its teachers $62,740 per year. Id.
and announced a strike. OEA had two demands: a wage increase for teachers and a halt of school closures. Both requests seemed reasonable but, given OUSD’s history of debt, both are not jointly sustainable.

A. The History: How We Got Here

This is not the first time that OUSD has encountered financial disaster. OUSD’s debt crisis began in 1990. Teachers went on strike demanding a pay raise and were successful, but that grant of money sent the district into near insolvency. The district entered into state receivership, an agreement where the state loans a school district money to meet its costs in exchange for removal of the school superintendent. The state performed an audit after the pay raise bankrupted the district. The audit revealed that the district poorly managed its finances by paying teachers and administrators for time they had not worked and degrees they did not receive. Under state receivership, the state bailed out OUSD and replaced superintendent Richard P. Mesa with a state trustee to manage the district’s money until it proved that it could handle its own finances. The trustee supervised the school district’s finances but did not decide how the district spends its money. The school board was not fired, but their role changed from a decision-making body to an advisory body, with the state receiver having the last say over decision-making.

In response to the scandal and state receivership, three out of the seven school district board members stepped down. The trustee, Randolph Ward, received the $100 million loan from the state of California to help OUSD regain its bearings. Under Ward’s tenure as state administrator, he attempted to follow the model of Canada’s Edmonton school district and opened dozens of small schools across MLA.

9. Goldstein & Dias, supra note 4; Stokes, supra note 4.
10. Strauss, supra note 5.
15. Morain, supra note 12.
17. A school board is essentially the board of directors of the school district. The school board is comprised of locally elected representatives that are tasked with ensuring that the school district represents the values and needs of the community. Governance and Policy Resources, CAL. SCH. BOARDS ASS’N, https://www.csba.org/GovernanceAndPolicyResources/EffectiveGovernance/RoleandResponsibilitiesofS Boards.aspx. OUSD’s school board is comprised of seven board members and two student directors: Jody London (District 1), Aimee Eng (District 2), Junoide Hinton Hodge (District 3), Gary Yee (District 4), Rosann Torres (District 5), Shanthi Gonzalez (District 6), James Harris (District 7), and student directors Josue Chavez and Yota Omosowho. Each board member serves a term of four years. Find Your Director, OAKLAND UNIFIED SCH. DISTRICT, https://www.ousd.org/findyourdirector.
Oakland in an effort to increase performance and test scores.\textsuperscript{21} Not only did this transformation set up Oakland for budget failure with its declining student population, but it also gave principals the authority to set teacher salaries.\textsuperscript{22} This allowed principals of more-resourced hillside schools to increase their teacher salaries, while leaving less-resourced flatlands schools behind.\textsuperscript{23} Ward, a graduate of the Broad Academy, also strategically planned to privatize Oakland’s public schools by beginning the process of converting the public schools into charter schools.\textsuperscript{24} This invasion of charter schools drew students away from traditional public schools, continuing the hemorrhaging of the existing student population in Oakland. Following Ward’s tenure, OUSD had too many schools and too few students.

The expansion of charter schools in Oakland contributed to OUSD’s debt by leaving OUSD with fewer students and a higher proportion of students with special needs. Charter schools primarily enroll low-income students of color because those students’ neighborhood schools are the under-funded, under-resourced public schools getting shut down. The main issue with charter schools is that they are not required to enroll all of the students that apply. Because charter schools are not subject to the same education regulations, they can exclude students through application processes with strict cutoffs or arguments about resources. This discrimination affects students with special education needs the most. Because charter schools operate on a smaller scale, they often argue that they cannot afford to take on special needs students for lack of necessary resources, leaving traditional public schools with a disproportionately high concentration of students with special need—a problem exacerbated by California’s consistent underperformance in special education.\textsuperscript{25} Advocates against charter schools argue that the disproportionate special education demands on traditional public schools cost an additional $30-$50 million annually. If charter schools were not in the picture or proportionately served special education students, traditional public schools could spend those funds on academic enrichment programs or increasing teacher salaries.

In 2008, OUSD was still financially unstable and unable to pay back its receivership loan, but in response to the Great Recession, it needed to cut its spending. The district was facing an $18 million budget shortfall.\textsuperscript{26} To address the budget shortage, the superintendent of OUSD proposed closing ten to seventeen small schools.\textsuperscript{27} Their small capacities but same administrative needs drained the district of resources.\textsuperscript{28} The district was operating with an average class size in Oakland elementary schools of 358, while the statewide average was 585 students.\textsuperscript{29} Low enrollment suppressed teacher wages because the district paid for redundant administrative staff and operating costs over many smaller schools.\textsuperscript{30} OUSD’s

\textsuperscript{21} Id.
\textsuperscript{22} Id.
\textsuperscript{23} Id.
\textsuperscript{24} Nick French, \textit{The Oakland School Crisis and the Billionaires Who Caused It, MAJORITY} (Jan. 7, 2019).
\textsuperscript{25} Louis Freedberg, \textit{California Spending Over $13 Billion Annually on Special Education}, \textit{EDSOURCE} (Nov. 8, 2019).
\textsuperscript{26} Alan Wang, \textit{Oakland Considers Closing Small Schools}, ABC 7 (Oct. 9, 2008).
\textsuperscript{27} Id.
\textsuperscript{28} Gammon, supra note 8.
\textsuperscript{29} Id.
\textsuperscript{30} Id. The average pay for Oakland teachers was $54,157 per year, the lowest in Alameda County. The next lowest, Sunol, pays its teachers $64,092 per year. And, one of the highest in the county, Pleasanton, pays its teachers $81,928 per year. Id.
proposal to close the schools was poorly received.

Today, OUSD finds itself in similar dire straits. Whereas in 2009, the student population was 60,000 students, in 2018 the student population in Oakland traditional public schools is now down to 36,000 students. If OUSD closed some schools and increased enrollment of the remaining schools to 500 students, those schools would have more money, more additional resources, and better-paid teachers. To stay in line with enrollment recommendations and stay afloat budget-wise, OUSD needs to close 24 schools. Thirty years later, OUSD is still attempting to fix the problem created by state receivership and Ward.

To this day OUSD is paying off the state’s loan and is expected to complete repayments in 2026. The period of state receivership lasted for five years until OUSD was finally deemed self-sufficient. However, as the teacher strikes and school closures announced last year show us, OUSD still has not learned how to manage its money. If OUSD does not make about $30 million in budget cuts, the district may end up in state receivership again.

II. THE QUICK FIX: THE RENEGOTIATED CONTRACT

On March 3, 2019, OEA approved a four-year agreement that included a raise and a temporary hold on school closures. OEA teachers started the strike demanding a 12 percent wage increase from OUSD and were able to negotiate for an 11 percent raise over four years. Teachers would receive a retroactive 3 percent bonus to cover 2019, a 2 percent raise on January 1, 2020, a 3.5 percent raise for 2021, and a 2.5 percent raise on June 30, 2021. OUSD also agreed to place a five-month moratorium on the issue of school closures, putting off those votes until August 2019. The OEA President called the strike “historic” and “a win on every major proposal” that the union made. However, the agreement was by no means unanimous; in fact it only passed with 58 percent approval.

Despite the appearance of a win on all fronts, the OEA agreement is destined to fail. First, as far as the teacher raises, the district claimed that most of the originally proposed budget cuts were necessary to cover a looming deficit. It is unclear where the money to fund these raises will come from. Each 1 percent raise for teachers, and
necessary corresponding raises for administration and staff, will cost the district $3.5 million annually. Projected over the four years, that will be $14 billion in raises. Given the consistent decrease in student enrollment, it is unclear how the district will fund the raises without significant financial support from the state. Dr. Johnson-Trammell stated that she expected the planned cuts to cover the first year of raises, but did not explain whether the future years’ raises would be covered by additional cuts or by other means. Following the announcement of the agreement, the state trustee and the County Superintendent of Schools reiterated their support for Oakland teachers but also shared a plea for increased state support of local school districts.43

Second, as far as the five-month moratorium on school closures, the agreement was moot because no schools were scheduled to close in the next five months.44 In fact, Roots International Academy, one of the schools scheduled for closure that sparked the most community outrage, is still on track to close its doors this year.45 The only thing this moratorium accomplished was delaying any vote on school closures for a few months.46 This delay will only prolong the inevitable while forcing the district to figure out how to come up with the money for the raise and continue to keep the schools afloat. These actions perpetuate the established cycle. Every few years, the superintendent proposes to close schools and the public protests. The extra schools and diminishing student population continue to drain the district of resources. The cost of paying back the district’s debt to the state continues to drain the district of resources. The continually increasing cost of living forces teachers to demand higher pay and continues to drain the district of resources. The current agreement between OEA and OUSD does not alleviate this problem, it is merely a quick fix.

California funds schools differently than other states. Understanding the funding differences is essential to demonstrating that OEA’s agreement could not have been funded in a way similar to other school districts. In California, 58 percent of school funding comes from state funds, 22 percent from local taxes, 10 percent from other local funds, 9 percent from federal funds, and 1 percent from the California lottery.47 California used to base its school funding primarily on local property taxes, but this system was found unconstitutional in the 1971 case, Serrano v. Priest.48 Priest found that basing school funding on local property taxes disadvantaged schools in lower-income areas and required the state to equalize each district’s funding.49 Soon after, California voters passed Proposition 13, which limited the amount of property tax the state could collect.50 Finally, Proposition 98, which passed in 1988, required the state to spend at least 40% percent of its General Fund on K-12 education.51

43. Id.
44. Id.
45. Id.
46. Kroopf, supra note 41.
47. Patrick Murphy & Jennifer Paluch, Financing California’s Public Schools, PUB. POL’Y INST. CAL. (Nov. 2018).
49. Id.
In 1991, the California Legislature passed AB 1200. The bill was passed to expand the role of county offices of education in response to the declaration of bankruptcy of the Richmond School District and other school districts’ floundering budgets. Under AB 1200, a school district’s annual budget would be subject to the final approval of the county office of education. This means that in the event of a strike, even if the school district reaches a compromise with the teachers’ union, that compromise could be moot if the county office of education does not sign off on the district’s budget. AB 1200 expired in 2013, but its structure was continued through California’s Local Control Funding Formula.

Under the Local Control Funding Formula, which is still in place, the state allocates a base amount of funding to each school district and then supplements this base depending on the district’s number and types of “high-need” students, including English Language Learners, foster youth, and economically disadvantaged students. Because OUSD is distributing funding through the Local Control Funding Formula, the district and county have minimal discretion over how much to fund public schools. This means that instead of merely reallocating funds to pay for teacher raises, OUSD has to find money within its approved budget to pay the additional costs.

OEA’s renegotiated contract does not solve any of OUSD’s problems, in fact, it exacerbates them. Now the district needs to come up with more funds to pay the teacher raises in addition to its existing inability to stay afloat. This means that as soon as the moratorium is lifted, OUSD will be ready to shut down schools more desperately than before.

The schools that OUSD planned to close were mostly in Oakland’s flatlands. This fact has strong ties to the Federal Housing Administration’s red-lining policies. Oakland’s segregated communities are a byproduct of the red-lining policies implemented in the 1930s. Almost ninety years later, Oakland’s hillside communities are overwhelmingly white and the flatlands are overwhelming black and brown. Most of the schools scheduled for closure are located in the flatlands, while none of the schools in hillside neighborhoods like Rockridge and Claremont are being considered for closure. Hillside schools have full enrollment and waitlists and perform better on state testing whereas flatlands schools are under-enrolled and under-performing.

Closing these schools puts families living in those neighborhoods at greater risk of becoming further shackled by consumer debt. In Oakland’s flatlands, neighborhoods range from 30-40 percent of families living in poverty to entire

53. Id.
55. See John Fensterwald, County Oversight will Add Wrinkle to LA Unified’s Teacher Contract Talks, EDSOURCE (Jan. 17, 2019).
57. Murphy & Paluch, supra note 48.
59. Tadayon, supra note 27.
61. Id.
Closing these neighborhoods’ schools means that these families will have to travel farther to get their children to and from school—this could mean having to pay for public transportation costs or personal transportation costs and losing the value of time that family members could spend working and earning money. Having students attend schools farther from home also means that students will not be able to go home after school and parents will be forced to pay additional childcare costs. Black and brown families are already at a disadvantage because of the effects of generational poverty such as the inability to afford additional academic support, lacking higher education themselves, and a higher likelihood of trauma from broken families, incarcerated family members, and community violence.

Closing these schools also negatively affects the teachers and staff that work there. OUSD’s reasoning behind closing down schools is that they are unnecessarily paying for duplicate staff, administration, and teachers that serve fewer students. Closing down schools saves money by eliminating extraneous staff. While this action may help lift the district out of debt, it will have immediate, painful effects on its employees and those relying on the district. Not all teachers will be able to be hired at schools that stay open, so they will be left looking for jobs elsewhere. Teachers that teach in schools in the flatlands are less likely to be white, financially stable, and protected through tenure compared to teachers in hillside schools. These are the people who are most vulnerable to further indebtedness. Teachers of color face institutional barriers and systems that make them more prone to debt, younger teachers are less likely to have savings to rely on and more likely to have student loans to pay off, and newer teachers do not have the same job protections as the teachers with longer tenures so the district will likely fire them first. Not only do school closures disproportionately hurt black and brown students, but they also disproportionately hurt black and brown teachers—leaving their students without their role models, further distancing them from success.

Closing these schools hurts the local economies that have grown around them. Small businesses often choose to establish roots around schools because there is a guarantee of foot traffic and greater business. Closing down schools harms the businesses that relied on those institutions for their financial stability. Most of the businesses that open around schools in the flatlands are owned by people who also live in the flatlands. Given the gentrification running rampant in the city, these small

62. Id.
63. McEvoy, supra note 59. OUSD merged Henry J. Kaiser Elementary students with Sankofa Academy. This 2.7-mile difference could increase public transit commute by thirty minutes. Similarly, Oakland School of Language was merged with Frick Impact Academy; this 1.4 mile difference could increase public transit commutes by twenty minutes. See id.
64. Id. Two of the schools targeted by OUSD for closure and merger—Oakland School of Language and Melrose Leadership Academy—are dual-language immersion programs. Id. These programs serve a majority population of English Language Learners. See Oakland SOL (School of Language) Dual Language Middle, Ed DATA, https://www.ed-data.org/school/Alameda/Oakland-Unified/Oakland-SOL-(School-of-Language)-Dual-Language-Middle.
65. McEvoy, supra note 59.
66. See Wyatt Kroopf, The First of Several Oakland School Closures, EAST BAY EXPRESS (Jan. 30, 2019).
67. This statement is based on my own experience as a student in OUSD from 2004 through 2017. It appears that OUSD does have these statistics, but access is restricted to OUSD employees. See Teacher Credentials Report, OAKLAND UNIFIED SCH. DISTRICT, http://www.ousddata.org/ousd-employees.html.
68. Valerie Strauss, How Closing Schools Hurts Neighborhoods, WASH. POST (Mar. 6, 2013) ("... neighborhoods target for renewal collapsed when key institutions disappeared...").
businesses are already being priced out by increasing property values. With residential rents increasing, there is no chance that the owners can afford to move their businesses to the wealthier neighborhoods where open schools are located. In these ways, school closures will disproportionately hurt black and brown students, teachers, and residents.

III. THE ALTERNATIVE: EQUITABLE SCHOOL CLOSURES

Instead of demanding both a raise and no school closures, OEA would have been more successful focusing on one demand. It makes sense for OEA to focus on getting a raise. Without paying teachers, there is no one to staff all of the schools in Oakland. Opposing school closures, on the other hand, is not an efficient use of resources. School closures in Oakland are necessary to prevent the district from falling back into state receivership. As described in Part I, Oakland has more schools than it can afford and more schools than are necessary. The solution to an overabundance of schools and not enough money is closing schools. Closing the redundant schools would free up resources used to pay duplicate operations costs. These savings could be applied toward teacher raises and extracurricular programs that further student success.

School closures are necessary to provide the district with financial stability, but OUSD’s current proposal is not the way to handle the situation. The efficiency of closing exclusively lower-performing schools is clear—those schools are already under-enrolled, they already have less trained teachers and resources, and their neighboring communities are not well-equipped to put up a fight. However, focusing only on these schools in the flatlands only perpetuates hierarchies of inequality and places the burden of figuring out how to educate children on communities who have been fighting for education for decades. It is unjust for OUSD to continuously shift the burden of saving the district on the same communities.

Instead of closing only flatlands schools, OUSD should close some flatlands schools and “transplant” some hillside schools into flatlands neighborhoods to achieve a more equitable allocation of closures. “Transplanting” hillside schools to the flatlands will address some of the efficiency concerns while distributing the burdens across communities. Merging the teachers, administrators, and students from high-performing schools with the communities of low-performing schools in flatlands campuses saves OUSD the effort of training under-credentialed staff. Also, “transplanting” the schools would allow OUSD to capitalize on the brand value of high-performing schools. Many families will follow the high-performing schools because most of what makes them “the best” stays the same—the same teachers, the same extracurricular programs—the only thing that changes is the location and the student population. By “transplanting” schools, neither school will fully close.

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71. See generally GREAT SCHOOLS, www.greatschools.org. A quick comparison of two schools—one in Broadway Terrance and one in East Oakland—shows the difference in reputation. Hillcrest Elementary, in the hills, has an overall rating of 9 out of 10. Garfield Elementary, in the flatlands, has a 2 out of 10 rating. See also CMTYS. IN COLLABORATION, NORTH OAKLAND SCHOOLS COMMUNITY SURVEY – FINAL REPORT (2017) (“Participants mentioned examples of strong programs such as Claremont Middle School’s variety of enrichment programs: sports, math club, music, gardening, and animation.”).

72. See CMTYS. IN COLLABORATION, supra note 72. The report analyzed focus group data about
CONCLUSION

OUSD should attempt a “transplant” alternative to school closures to distribute the burden across neighborhoods in Oakland. OEA’s dual strike demands were not sustainable and only served to drag out an inequitable school closure process. The history of OUSD’s debt crisis through state receivership, the small schools movement, and charter schools demonstrated that OEA’s dual demands would continue the district’s debt cycle. OEA’s quick fix of a renegotiated contract put additional pressure on OUSD to come up with the money for the negotiated teacher raises without identifying a way to come up with those funds. Supporting school closure and “transplanting” some hillside schools to flatlands areas is the fairest way for OUSD to better adjust to the size of its student population while breaking the reproduction of hierarchies of inequalities that linger from red-lining. I greatly urge the Oakland school board to consider this alternative before blindly shutting down Oakland flatlands schools and devastating black and brown communities.

indicators of quality school and found that parents prioritized several factors when deciding where to send their children to school. Location was an important consideration, but academics, enrichment, and resources mattered a lot.