



45 Day Budget Update 2022-23

August 11, 2022

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Key Discussion Topics

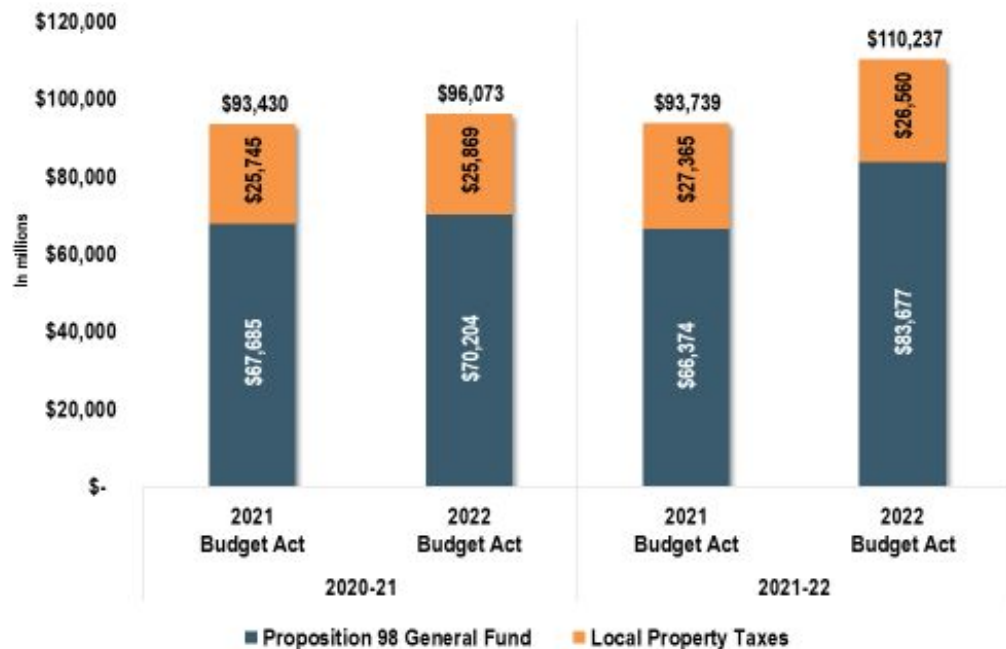
- **State Approved Budget 2022-23**
 - Impacts to VUSD - 45 Day Budget



Key Discussion Topics

Proposition 98 Funding Changes

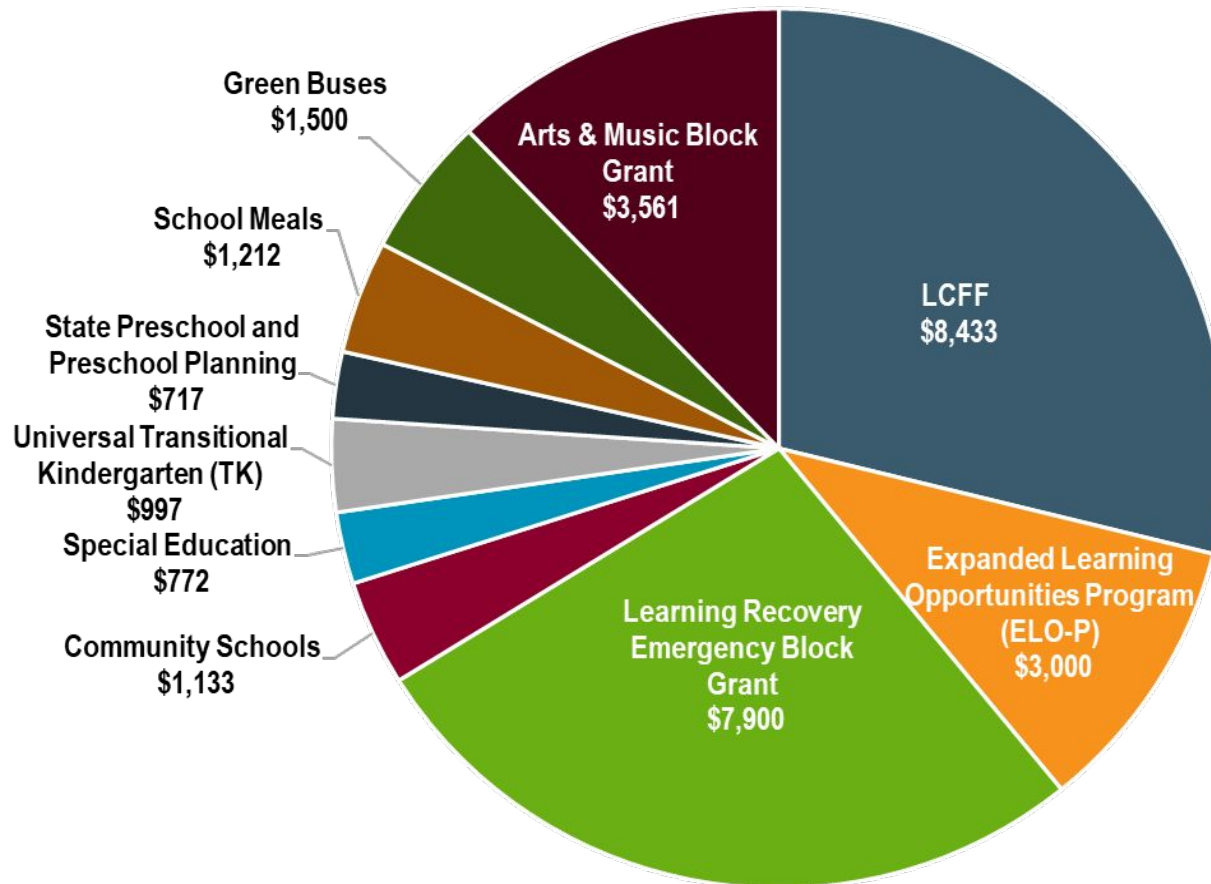
- The minimum guarantee has increased significantly from 2021 Budget Act levels, by
 - \$2.6 billion for 2020-21
 - \$16.5 billion for 2021-22
- Property tax revenues have remained relatively steady
- General Fund revenues are much higher than previously expected, buoying the Proposition 98 minimum guarantee in these two fiscal years





Proposition 98 Spending: Major K-12 Investments

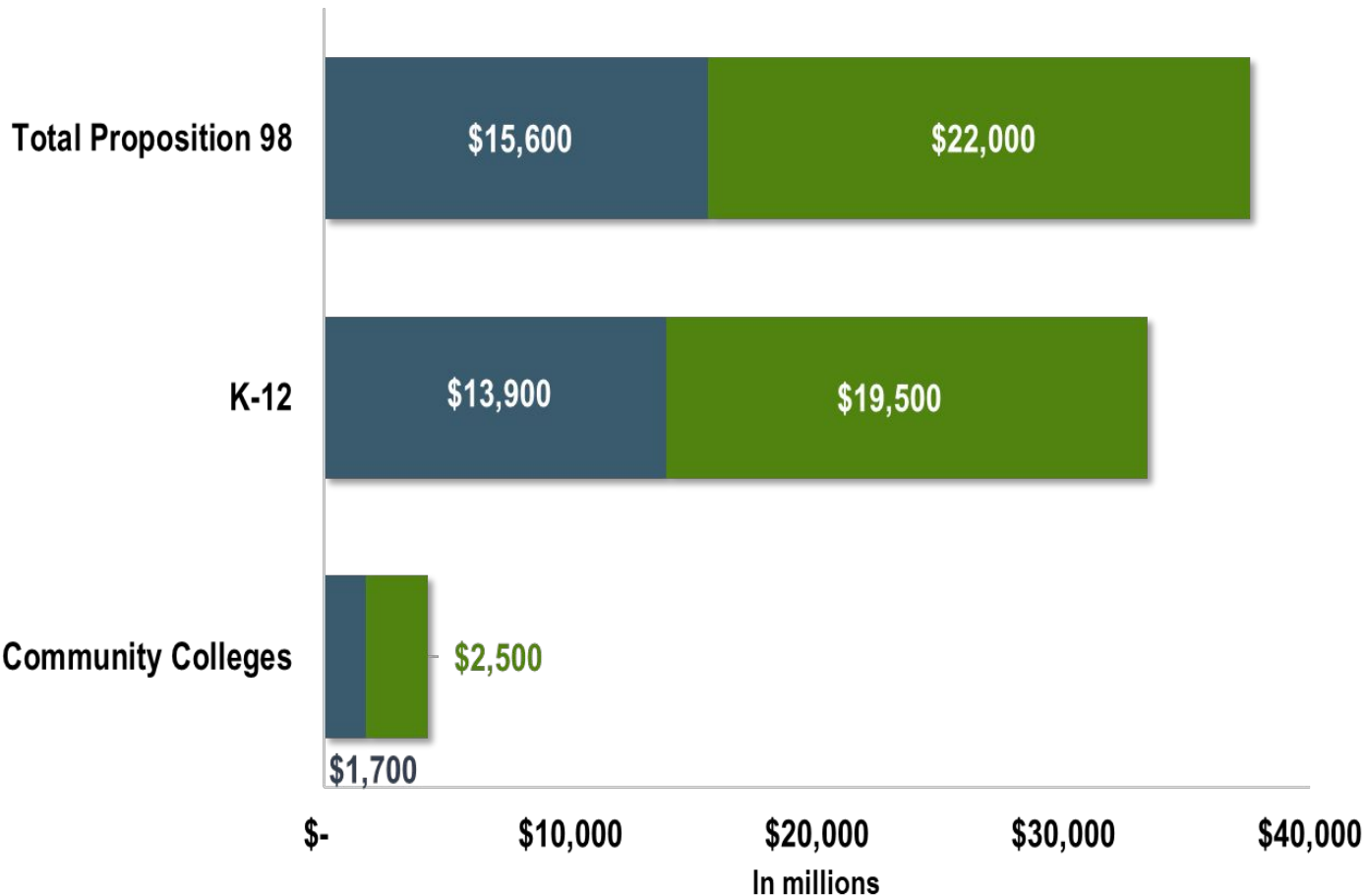
Major K-12 Spending
in millions





Proposition 98 Spending: One-Time versus Ongoing

■ Ongoing ■ One-Time



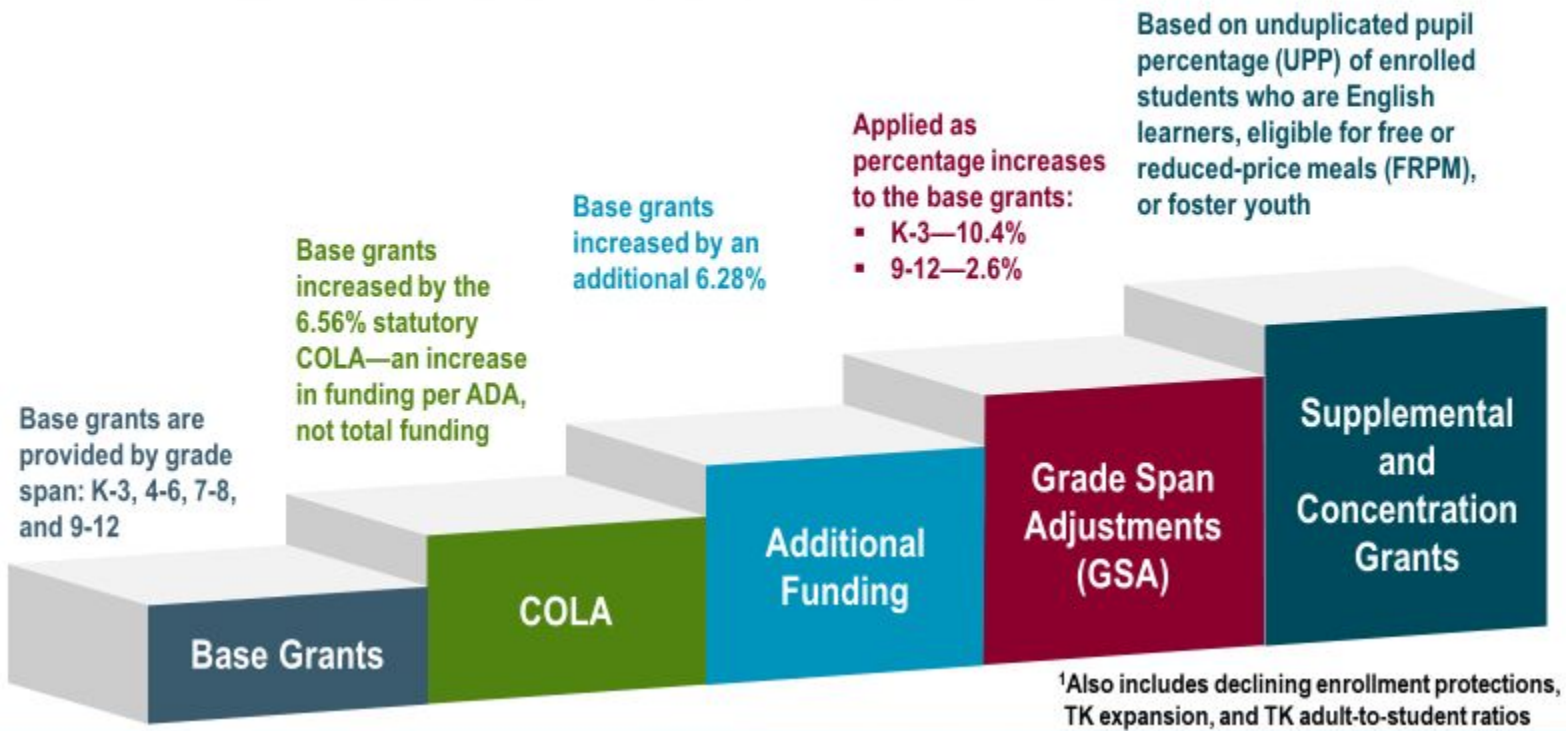
- Approximately 60% of new total Proposition 98 funding, as well as K-12 and community college new funding, is used for one-time investments
- A significant minority is spent (just over 40%) on a few major ongoing investments
 - Unrestricted funding
 - Core programs and services



LCFF Funding Factors

Important to collect Alternative Income Verification Forms each year - VUSD 2021-22 was 66.7%

2022-23 LCFF Funding Factors





LCFF Funding Factors

Grade Span	K-3	4-6	7-8	9-12
2021-22 Base Grant per ADA¹	\$8,093	\$8,215	\$8,458	\$9,802
6.56% COLA	\$531	\$539	\$555	\$643
Additional LCFF Investment of 6.28%²	\$508	\$516	\$531	\$616
2022-23 Base Grant per ADA	\$9,132	\$9,270	\$9,544	\$11,061
GSA	\$950	–	–	\$288
2022-23 Adjusted Base Grant per ADA	\$10,082	\$9,270	\$9,544	\$11,349
20% Supplemental Grant per ADA (Multiplied by Total UPP)	\$2,016	\$1,854	\$1,909	\$2,270
65% Concentration Grant per ADA (Multiplied by UPP Above 55%)	\$6,553	\$6,026	\$6,204	\$7,377

¹Average daily attendance

²Applied to 2021-22 base grants



LCFF Declining Attendance Solutions

- **Student enrollment and attendance declined due to COVID-19**
- **State approved budget includes changes to mitigate loss of ADA**
 - Ongoing change to ADA used for LCFF Funding
 - Rolling Three Year Average instead of single year
 - One-time attendance yield adjustment for 2021-22 if District offered Independent Study
 - Utilize 2021-22 Enrollment x 2019-20 Attendance %

Saturday School (SS) can be used to recover ADA

- 2022-23 VTA MOU
- \$60/hourly rate for teachers for SS and ELOP

VUSD has contracted with SIA for 2022-23 to improve attendance solutions

- Attendance 2 Attendance (A2A)

LCFF Revenue increase may be approximately \$10 million based on Independent Study ADA relief



Learning Recovery Emergency (LRE) Block Grant

- **\$7.9 billion LRE Block Grant distributed to all LEAs based on 2021-22 P2 ADA multiplied by unduplicated pupil percentage**
- **Available for learning recovery initiatives through 2027-28**
- **Not fully discretionary, must be used to:**
 - Increase instructional learning time
 - Implement or expand learning supports to close learning gaps
 - Integrate pupil supports and staff support/training to address other barriers to learning
 - Provide access to instruction for credit-deficient pupils to graduate or improve college eligibility
 - Provide additional academic services to pupils such as diagnostic, progress monitoring, and benchmark assessments of pupil learning

Preliminary projection for VUSD is approximately \$27.8 Million of one-time restricted funding



Arts, Music and Instructional Materials Discretionary Block Grant

- **\$3.6 billion for all LEAs distributed based on 2021-22 P2 ADA, available for encumbrance through 2025-26**
- **Available for any “operational costs” including but not limited to retirement and health care cost increases**
- **Also can be used to obtain standards-aligned instructional materials and professional development related to arts, music and other subject areas, or materials and training related to improving school climate, develop diverse book collections, or expenses related to the COVID-19 pandemic**
- **Governing Board must approve an expenditure plan at a public meeting**

Preliminary projection for VUSD is approximately \$11.6 Million one-time funding



Independent Study Highlights for 2022-23

- Independent study mandate and parent notification requirement have sunset
- Relatively few but impactful changes for 2022-23

Written Agreement and Signatures

Must be signed:

- Within 10 days of program commencement for programs scheduled for 14 days or less
- Prior to program commencement for programs scheduled for 15 days or more

Tiered Reengagement Triggers

For traditional independent study:

- Non-attendance in 10% of assigned instructional time
- Non-participation in 50% of scheduled synchronous instruction

Synchronous Instruction

For traditional independent study, may include synchronous instruction in instructional time and ADA calculations for traditional independent study

Exemptions

Students enrolled in classroom instruction who participate in traditional independent study due to specified medical, mental health, or substance abuse treatment are exempt from tiered reengagement, synchronous instruction requirements, and 5 day return to a classroom

V Expanded Learning Opportunities Program

- Enacted Budget increases ongoing state funding for Expanded Learning Opportunities Program (ELO-P) to \$4 billion
 - Demonstrates state commitment to comprehensive before, after, and summer school opportunities for students at school districts and charter schools
 - Sets aside \$5 million for COE technical assistance
- Same formula for distribution of funds



	2021-22 Law	Governor's Budget Proposal	May Revision Proposal	Legislative Budget Proposal	Enacted Budget
Total State Funding Level	\$1 billion ongoing plus \$754 million one-time	\$4.4 billion ongoing	\$4.8 billion ongoing	\$4.4 billion ongoing	\$4.0 billion ongoing
Per Pupil Amount	UPP ≥ 80%: \$1,170 UPP < 80%: \$672	UPP ≥ 75%: \$2,500 UPP < 75%: \$2,027	UPP ≥ 75%: \$2,500 UPP < 75%: \$2,500	UPP ≥ 75%: \$3,000 UPP < 75%: \$1,500	UPP ≥ 75%: \$2,750 UPP < 75%: \$1,250 ¹

¹The higher UPP funding rate is in statute. The lower UPP rate is a calculated rate, the figure listed is an estimate which is likely to change when entitlements are calculated.

In addition to the new allocation of \$12.4 million for 2022-23, VUSD will have access to any unspent funds from 2021-22



Expanded Learning Opportunities Program





Special Education

- **\$500 million ongoing** to increase the special education base rate to \$820 (AB602)
- **Additional Changes include:**
 - Amend special education funding formula to calculate base funding allocations at LEA-level (funding will still flow through SELPAs) to increase transparency
 - Allocate Educational-Related Mental Health Services funding directly to LEA's effective in 2023-24
 - Require SBE, by January 31, 2025, to develop IDEA LCAP Addendum to support inclusive planning and promote cohesion between special education and general ed



Universal Transitional Kindergarten

Universal Transitional Kindergarten



2022-23

Offer TK to four-year-olds whose fifth birthday occurs between September 2 and February 2; inclusive



2023-24

Offer TK to four-year-olds whose fifth birthday occurs between September 2 and April 2; inclusive



2024-25

Offer TK to four-year-olds whose fifth birthday occurs between September 2 and June 2; inclusive



2025-26

Offer TK to four-year-olds whose fourth birthday occurs by September 1; inclusive

- Enacted Budget includes \$614 million ongoing Proposition 98 dollars to fund the expanded eligibility for transitional kindergarten (TK) that starts in 2022-23
- Proposition 98 minimum guarantee is “rebenched” to account for the expanded universe of TK students
- LEAs that enroll TK students that turn five after the eligibility window, but before the P-2 reporting period, will receive partial ADA

- Additional \$383mil ongoing for TK Classroom Ratio
- TK Ratio is class size of 24:2 with Adult ratio to student of 12:1
- Second Adult can be an Inst. Asst.
- Second adult must always be in classroom
- TK Ratio “Add-On” is \$2,813 per TK ADA
- Penalties Apply



Child Nutrition Services

- **\$650 million ongoing** to implement universal meals beginning 2022-23 school year
- **\$611.8 million ongoing** to augment the state meal reimbursement rate to maintain higher reimbursement rate after federal waivers expire
- **\$600 million one-time** for Kitchen Infrastructure Grants
- **\$100 million one-time** to assist LEAs in procuring plant-based or restricted diet meals, California-grown or –produced, sustainably grown, whole or minimally processed foods, or to prepare meals fresh onsite
- **\$45 million one-time** for the California Healthy School Meals Pathway Program, a pre-apprenticeship, apprenticeship, and fellowship workforce training pipeline pilot for school food service workers



Next Steps



- **Final LCFF Calculation pending release of LCFF Calculator**
- **Special Education revenue increase depending on SELPA analysis**
- **Develop allocation plans of the LRE and Arts/Instructional Materials Block Grant**
- **Determine remaining funding sources of other programs as new information is released from CDE**
- **Present Budget update at the September 8th Board Meeting**



Budget Timeline



- **August 11, 2022 Board Meeting-Review 45 Day Budget Impact**
- **September 8, 2022 Board Meeting**
 - Unaudited Actuals presented for approval
- **October 1, 2022 Carryover Balances added to Site Budgets**
- **First Interim Financial Report due by December 15, 2022**



Questions?

