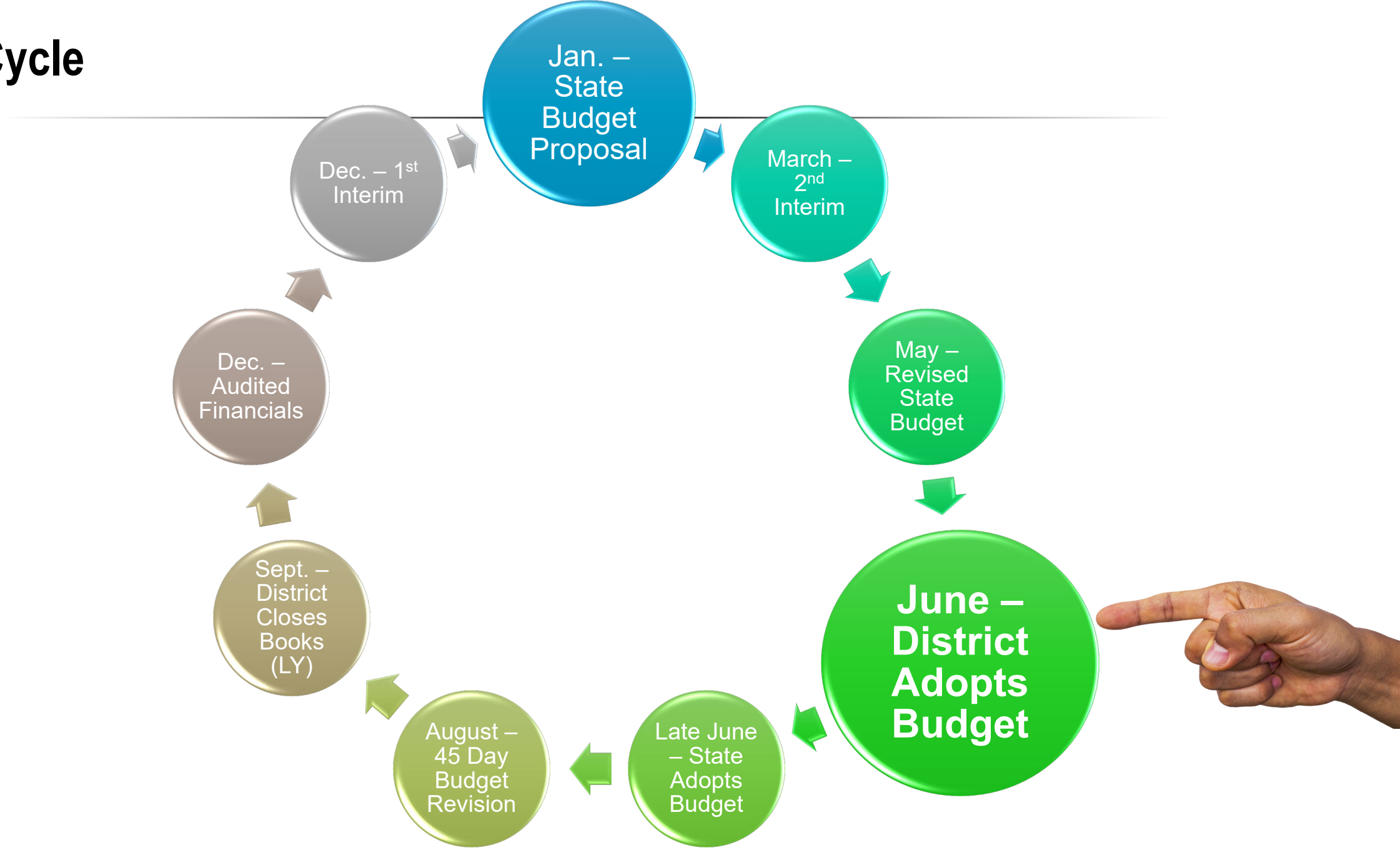


2022 May Revise Summary & Proposed 2022-23 Budget



Budget Cycle



Themes for the May Revision

- Governor Gavin Newsom's spending plan at an eye-popping \$300.7 billion budget to "provide relief from rising inflation, ensure public safety, address homelessness, transform public education, and combat climate change"
 - Per student funding increase but overall Prop 98 funding flat due to declining enrollment
- And while revenues are extraordinary now, we've seen this storyline play out before
 - The Governor seeks to guard California against a bust like we experienced post the dot-com boom
- State continues to build reserves (Rainy Day)
 - Districts should do the same to prepare for..
 - Recession
 - Reduced Per Student Funding



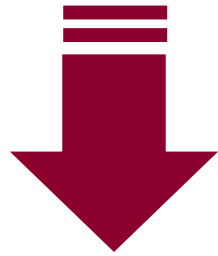


Risks to the Budget and Long-Term Forecast

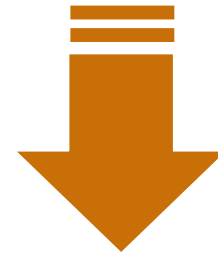
- The economy is facing significant headwinds and is beginning to enter turbulent territory
- Many factors pose significant risk to the economy, the State Budget, and the long-term forecast



**Prolonged
Inflation**



**Supply
Chain
Challenges**



**Stock
Market
Volatility**



**The Ukraine-
Russia War
& COVID-19
Surges**

Governor's Budget vs. May Revision [Flat Growth Year over Year]

Item	Governor's Budget	May Revision
LCFF ¹ Funding Increase	\$3.3 billion	\$6.1 billion
Proposition 98 Minimum Guarantee		
2020-21	\$95.9 billion	\$96.1 billion
2021-22	\$99.1 billion	\$110.2 billion
2022-23	\$102.0 billion	\$110.3 billion
2022-23 Statutory COLA ²	5.33%	6.56%
One-Time Discretionary Funds	\$0	\$8 billion

¹Local Control Funding Formula (LCFF)

²Cost-of-living adjustment (COLA)

What Does the LCFF Mean for Franklin-McKinley?

Franklin-McKinley - 2022-23		
2022-23 LCFF Per-ADA Funding	Projected 2022-23 ADA ⁽¹⁾	Projected 2022-23 LCFF Total Revenue ⁽²⁾
\$13,629	5,702	\$77,717,565

Note 1: We are funded based on an ADA of 6,155 which results in per student funding of \$12,627.

Note 2: 2021-22 Revenue was \$78.3M; Loss of \$627K

Despite the benefit of a more favorable funding formula, we are still losing revenue as we decline in enrollment.

One-time funds help shore up the ending balance.

Discretionary Block Grant [One-Time Funds for One-Time Investments]

- Governor Newsom proposes a one-time \$8 billion Discretionary Block Grant for LEAs for the 2022-23 fiscal year
 - This equates to approximately \$1,500 per ADA ~ \$8M for FMSD
 - Distributed on a per-ADA basis using 2021-22 reported ADA
- Funds will offset LEAs' outstanding mandate reimbursement claims on a dollar-for-dollar basis
- Funding intended for addressing student learning challenges, protect staff levels, and support the mental health and wellness of students and staff



2022-23 ADA “Cliff” [Must Build Reserves For Soft Landing]

- The ADA “Cliff” has become a two-headed monster—the combination is significant

Declining Enrollment



ADA-to-Enrollment Percentage

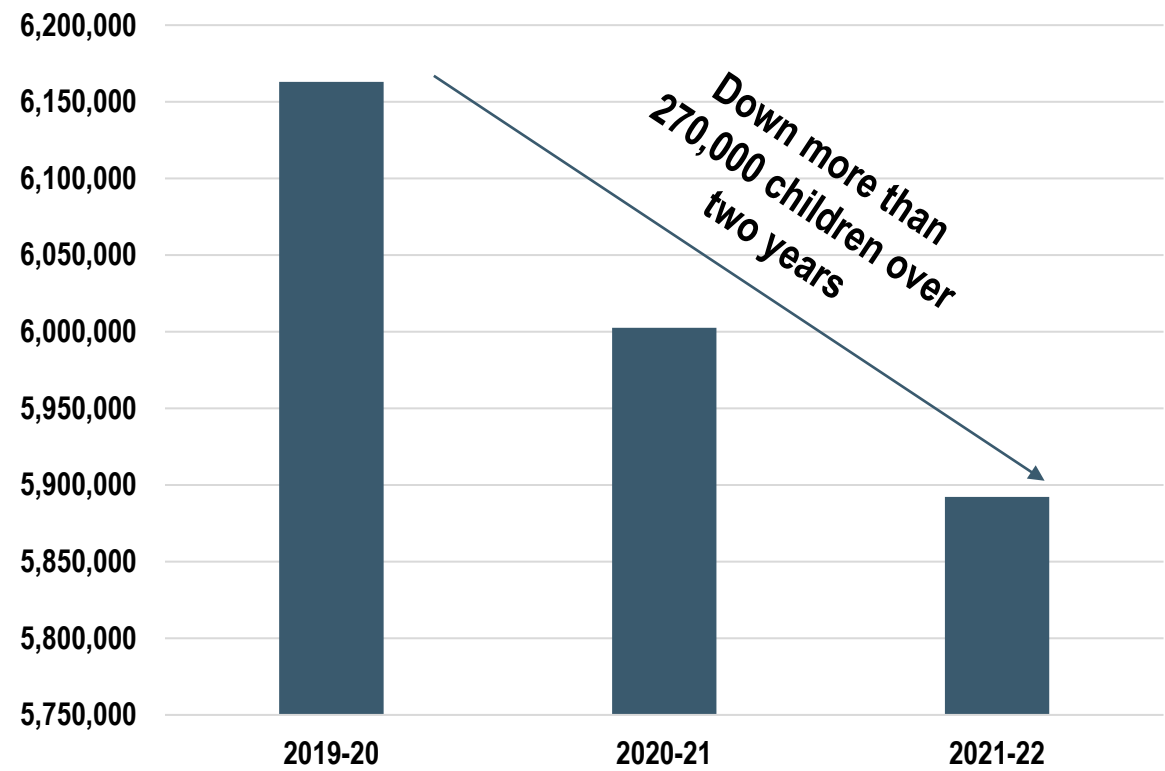


2022-23 ADA “Cliff” [Must Build Reserves For Soft Landing]

■ The ADA “Cliff” has become a two-headed monster—the combination is significant

Declining Enrollment

K-12 Enrollment



Source: DOF Demographic Research Unit

ADA-to-Enrollment Percentage

■ The rate at which children are attending school is on the decline

- Quarantine/illness
- Independent study
 - Unsigned master agreements
 - Homework not returned in a timely manner
 - Audit findings on the rise?

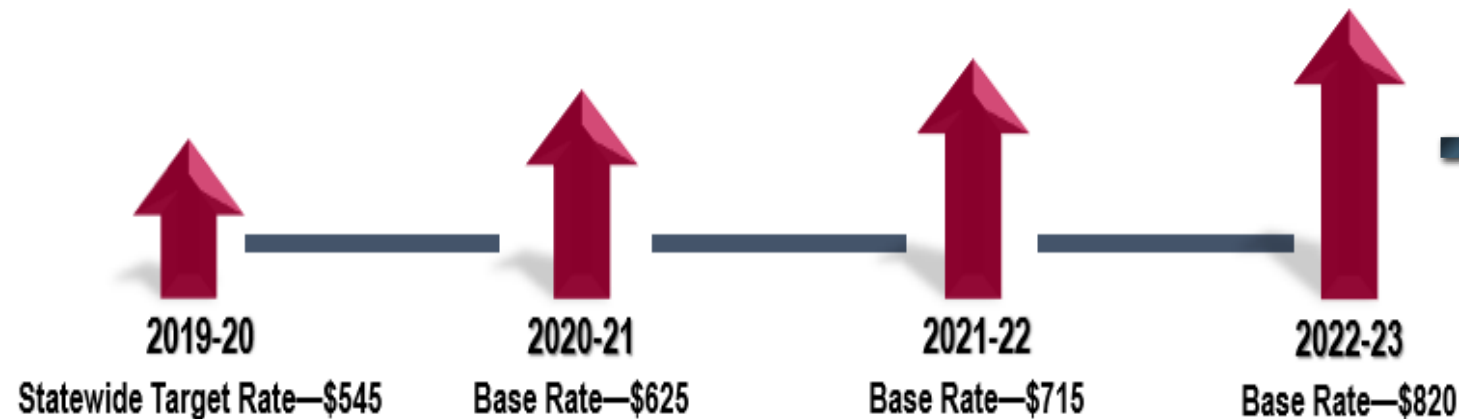
Special Education—Largely Unchanged at the May Revision

- \$500 million in Proposition 98 special education funding
- 6.56% COLA
- These investments continue to result in a base rate increase to \$820 per ADA
- Funds will flow through the AB 602 funding formula via Special Education Local Plan Areas

- The Governor's Budget proposed several changes for special education, most of which have not changed at the May Revision:

- Model IEP template expert panel
- Alternate diploma for students with disabilities
- Educationally related mental health funds shift

- Per SELPA, Out of Home Care Funding for 21-22 and beyond will be reduced by \$184K to comply with new AB 403 (15-16) funding formula



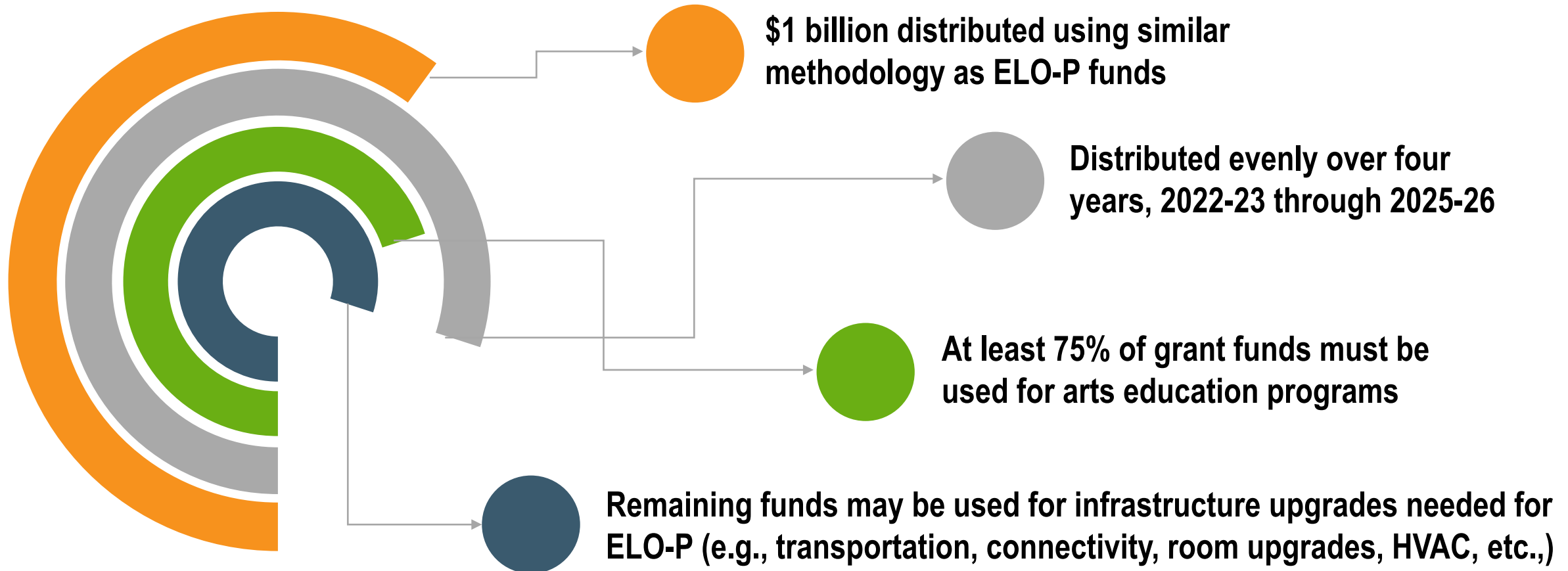
Expanded Learning Opportunities Program Funding [\$4.9M in 21-22]

- The May Revision proposes ongoing funding for the Expanded Learning Opportunities Program (ELO-P) of \$4.8 billion starting in 2022-23
 - This will provide \$2,500 per classroom-based ADA in grades transitional kindergarten (TK)-6 multiplied by the UPP at eligible school districts and charter schools
 - Prior-year ADA and UPP are used in this calculation

	Current Law	Governor's Budget Proposal	May Revision Proposal
Total State Funding Level	\$1 billion ongoing plus \$754 million one-time	\$4.4 billion	\$4.8 billion
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

Expanded Learning Opportunities Program Infrastructure Funds

The May Revision adds \$63 million for ELO-P infrastructure needs that were first proposed in January, bringing the total to \$1 billion



Universal Transitional Kindergarten



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

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

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

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

- LEAs may accelerate Universal TK by enrolling four-year-olds whose fifth birthdays occur after the annual age eligibility window
- But law prohibits LEAs from enrolling in TK any child whose fifth birthday occurs after June 30
- See appendix for more details on penalties

Child Nutrition

\$596 million (on top of \$54 million provided in the 2021 Budget Act) to fund universal access to subsidized school meals

Governor's Budget

May Revision

\$45 million one-time to support the implementation of the California Healthy School Meals Pathway Program, which supports workforce readiness for school food service workers

Beginning in 2022-23, all LEAs are required to provide two free meals per day to any student who requests a meal

\$611.8 million ongoing to maintain meal reimbursement rates so LEAs can continue to offer students high-quality, more diverse subsidized school meals

May Revision

If the federal government extends the meal reimbursement rates which are scheduled to expire on June 30, 2022, any unused funding for rate increases will go towards kitchen infrastructure grants

2022-23 Independent Study—Governor’s Budget

- The current mandate to offer independent study is proposed to expire at the end of the current school year
- As a reminder, the Governor’s Budget included the following proposed changes to independent study programs:



Exclusion of specified independent study ADA from continuation high school, opportunity school, and opportunity program cap



Amendments to “teacher of record” requirements for synchronous instruction



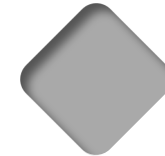
Changes to written agreement signature requirements



Changes to tiered reengagement triggers and requirements

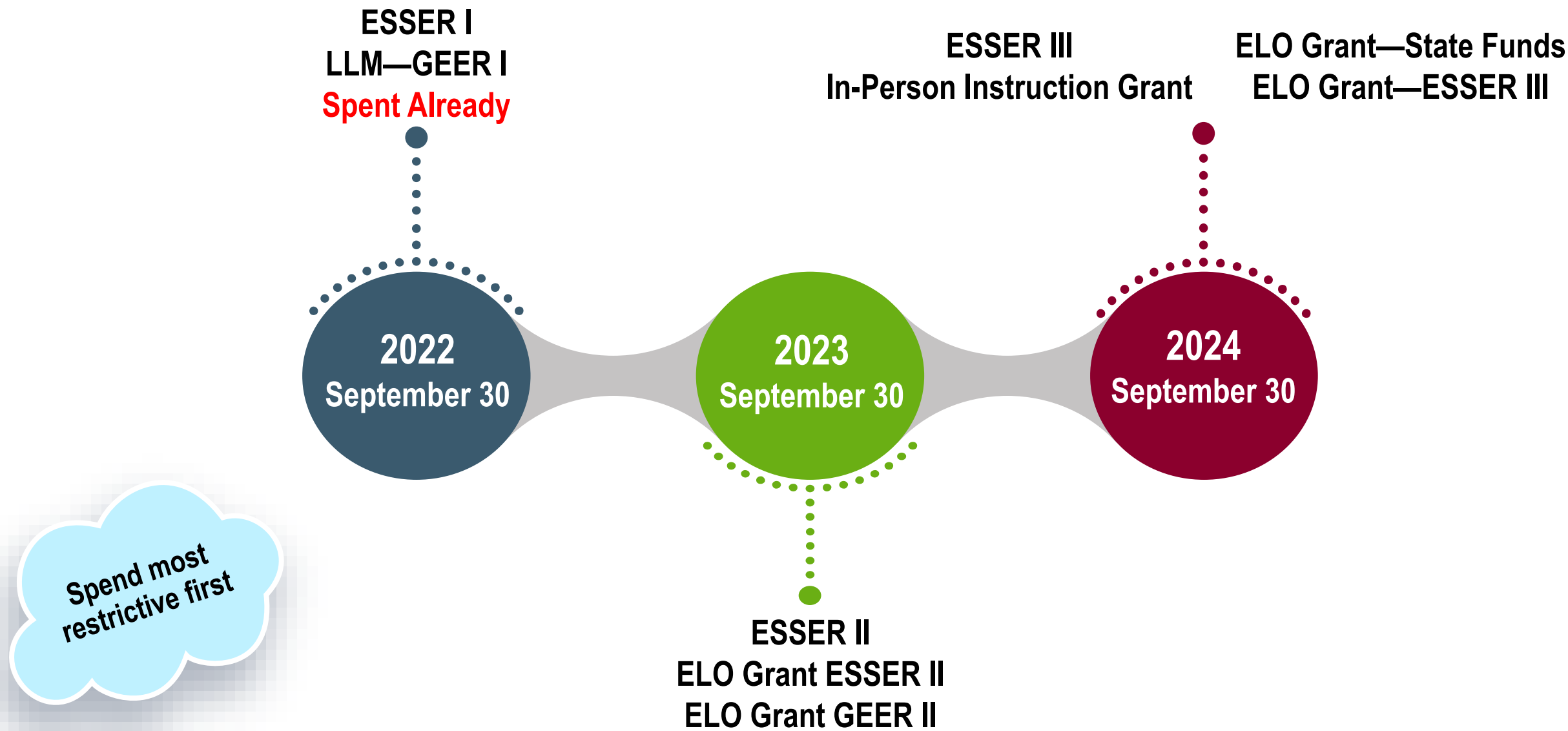


Inclusion of synchronous instruction in instructional time and ADA calculations



Striking one of the “educational opportunities” that can be offered through traditional independent study

COVID-19 Funding Timeline



CalPERS Employer Contribution Rates Hit High-Water Mark

- The California Public Employees' Retirement (CalPERS) Board adopted an employer contribution rate of 25.37% for 2022-23 (up 2.46% from the current-year rate of 22.91%)
- Post-PEPRA¹ members hired on or after January 1, 2013, will see a 1.00% increase to their current contribution of 7.00%, for a total of 8.00% of their salary effective July 1, 2022
 - Classic member contribution rates are not subject to PEPRA and are set by statute—they will continue to contribute 7.00% of their salary

	Actual	Projected				
Employer Contribution Rate	2022-23*	2023-24	2024-25	2025-26	2026-27	2027-28
	25.37%	25.20%	24.60%	23.70%	22.60%	22.60%

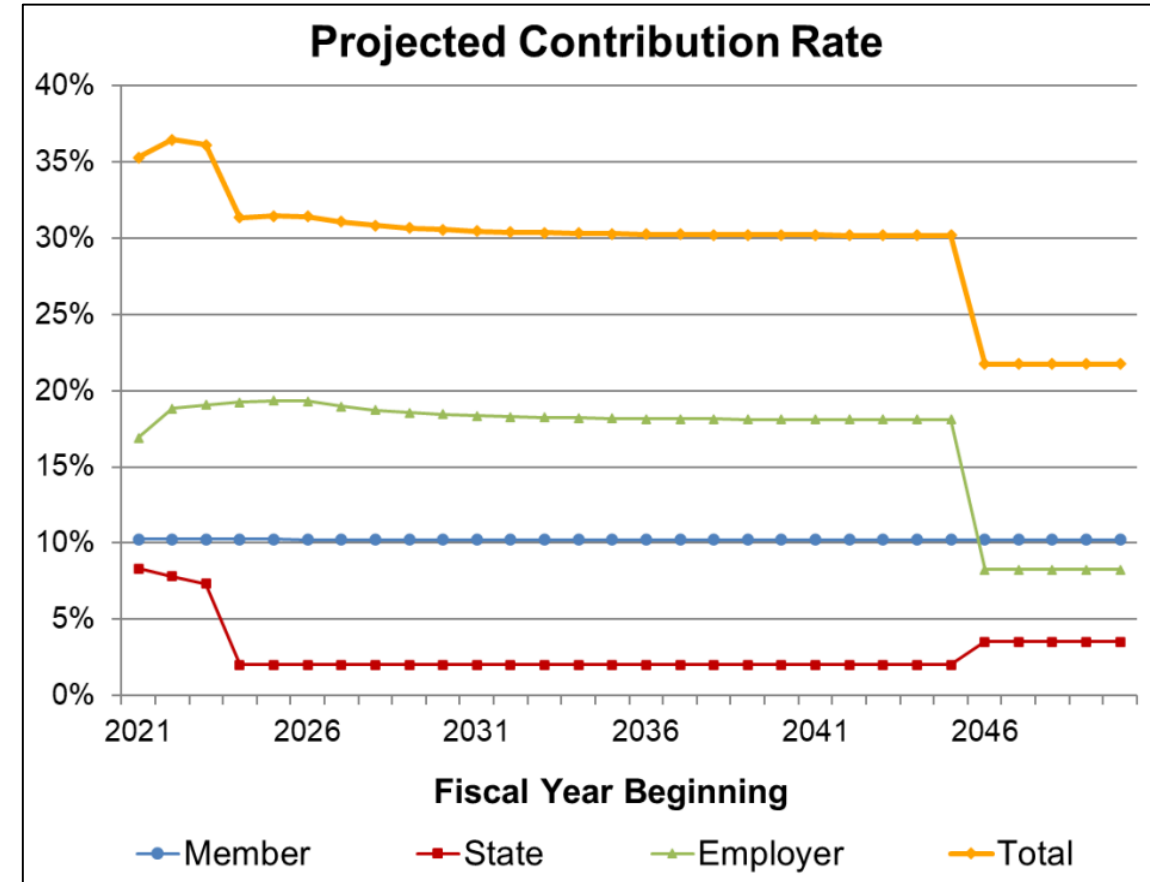
*2022-23 Employer contribution rate approved by CalPERS Board on April 18, 2022

Expect increase in CalPERS rates costs FMSD approx. \$400K more up to \$4.2M annually

¹Public Employees Pension Reform Act (PEPRA)

CalSTRS Employer Contribution Rates Also Hit High and Stay There

- On May 4, 2022, the California State Teachers' Retirement System (CalSTRS) Board adopted an employer contribution rate of 19.1% for 2022-23
- CalSTRS projected that contribution rates will remain steady at 19.1% through 2046; 2021-22 CalSTRS rate is 16.92%.
- **FMSDs projected annual CalSTRS costs will increase by at least \$1.6M annually bring FMSDs annual cost to \$14.6M (after factoring in raises in 2021-22 and 2022-23).**



Source: CalSTRS Actuarial Valuation Report, June 30, 2021

Multiyear Projections



- **Result of mathematical calculations for future years based on the following:**
 - **Industry standard economic assumptions**
 - **Decisions that have already been made**
 - **Locally calculated data point estimates**



- **Predictions or forecasts**
- **Crystal balls**
- **Measuring sticks for “wrongness”**

What's Not in the May Revision?

Additional Pension Relief

The state's contribution to subsidize employer rates has run out

Both pension plans will significantly increase in 2022-23

Transportation Funding

Transportation funding remains inequitably distributed, is based on a decades-old formula, and receives zero COLA

UPP Solutions

Implementation of universal meals will likely have an immediate and direct impact on UPP

Political Factors and the Education Budget

- Even though the May Revision is flush with new discretionary education funds, reconciling the different priorities between Governor Newsom, the Assembly, and the Senate may not be easy
 - The Governor leads at the Governor's Budget and again at the May Revision, but now the Legislature weighs in



The Assembly's Budget plan would invest half of the Proposition 98 increase in the LCFF, create a Learning Recovery Block Grant, and increase the educator workforce pipeline



The Senate would provide a \$5 billion increase over the LCFF COLA, create a \$10 billion Learning Recovery Block Grant, provide \$4.5 billion above the Governor's Budget proposal in facilities (including \$1 billion for TK and \$1 billion for deferred maintenance), and \$5 billion for student enrichment materials

Statewide Average Reserve Levels Up Do To “COVID Bump”

- The latest statewide data on school district reserves is available for 2020-21
 - Unrestricted fund balances increased tremendously

Average Unrestricted General Fund, Plus Fund 17, Ending Balances ¹			
	2019-20	2020-21	Difference
Unified School Districts	18.82%	22.36%	3.54%
Elementary School Districts	22.70%	26.01%	3.31%
High School Districts	17.34%	21.82%	4.48%

¹As a percentage of total General Fund expenditures, transfers, and other uses

- In a year when no new ongoing funding was provided, how could this happen?
 - Driven by the “COVID-bump”, School Closures, Vacancies, Threat of funding reductions

Adjustments To Maintain Reserve of 3% by 2024-25

- **Maximizing Local Funds**
- **FTE Reduction Due to Declining Enrollment:**
 - 4 teachers eliminated in 2023-24
 - 2 teachers eliminated in 2024-25
- **Reduced Expenditures To Offset Rising Inflation**
- **Using one-time funds to pay ongoing expenditures**
 - ESSER II & ESSER III
 - ELO Grant (Not ELO-P)
 - One-Time Discretionary Funds

Key Assumptions for Proposed Budget and MYP

Category	Factor	22-23	23-24	24-25
COLA	State Statutory COLA - per DOF	6.650%	5.380%	4.020%
LCFF Projection	Est. Average LCFF per ADA (Using FCMAT Calculation)	\$12,628	\$13,247	\$13,772
	Unduplicated Count of EL & FRPM	80.00%	80.00%	80.00%
LCFF / LCAP Funding	LCFF Revenue	77,717,565	78,880,846	77,470,684
	LCAP Included in LCFF Revenue	18,536,556	18,608,620	18,187,162
ADA/ Enrollment	Total P2 ADA (Including Special Ed COE)	5,740.00	5,631.00	5,563.00
	Estimated Funded ADA (Including Special Ed COE)	6,154.55	5,954.47	5,625.15
	FMSD/Special Ed COE CALPAD Enrollment	5,983.00	5,869.00	5,798.00
Class Size/ Staffing Ratio	K-3 Class Size	24:1	24:1	24:1
	4-8 Class Size	32:1	32:1	32:1
	7-8 Staffing Ratio	23.5:1	23.5:1	23.5:1
FTEs	FMEA FTE (Including Psychologists)	424.750	420.750	418.750
	Certificated Management FTE	31.000	31.000	31.000
	CSEA FTE	348.338	348.338	348.338
	Classified Management FTE	18.000	18.000	18.000

Summary of Proposed Budget (in Millions)

	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
Total Revenue	\$116.73	\$112.55	\$111.30
Total Expense	<u>\$119.26</u>	<u>\$119.43</u>	<u>\$120.05</u>
Net Increase / (Decrease)	(\$2.53)	(\$6.88)	(\$8.75)
Beginning Fund Balance as of June 30, 2021	<u>\$25.69</u>	<u>\$23.16</u>	<u>\$16.28</u>
Ending Fund Balance as of June 30, 2022	<u>\$23.16</u>	<u>\$16.28</u>	<u>\$7.53</u>
Total Expense (B)	\$119.26	\$119.43	\$120.05
Unrestricted Fund Balance (A)	\$11.90	\$11.58	\$3.62
Reserve % = (A) / (B)	9.98%	9.70%	3.01%

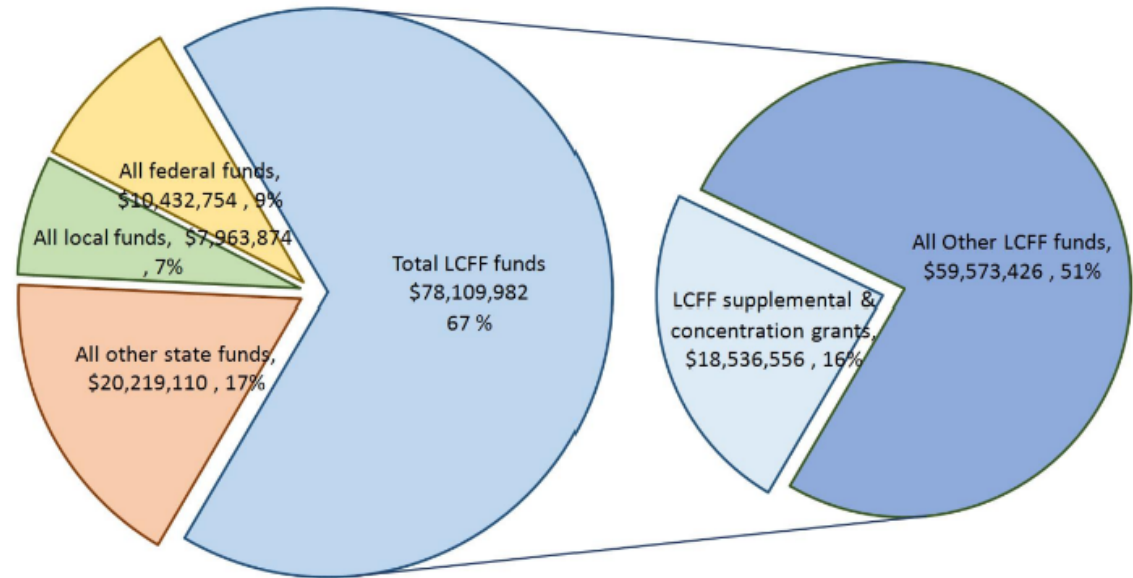
Items Not in FMSD's Proposed Budget – Not Enough Info From State

- Potential changes to LCFF Funding including
 - \$2.1 Billion Boost to LCFF funding base rate
 - Other Legislative Changes to increase COLA
 - Potential changes to LCFF funding formula that may reduce projections
- \$1.8 Billion in one-time Prop 98 deferred maintenance
- \$1.8 Billion in one time fund to School Facilities Program
- \$1.2 Billion in one-time funding to achieve universal school transportation
- \$611 million to maintain meal reimbursement rates at Federal Seamless Summer Option Levels
- \$500M to expand Dual Enrollment Program
- Potential loss of Special Ed Out of Home Care funding to comply with new AB 403

Budget Overview for Parents

- Education Code Section 52064.1 requires school districts to develop the Local Control Funding Formula Budget Overview for Parents (BOP) in conjunction with the Local Control Accountability Plan (LCAP) by July 1 of each year.
- The statute requires the BOP to use language that is understandable and accessible to parents in order to provide transparency. This BOP is for the 2022-23 school year.

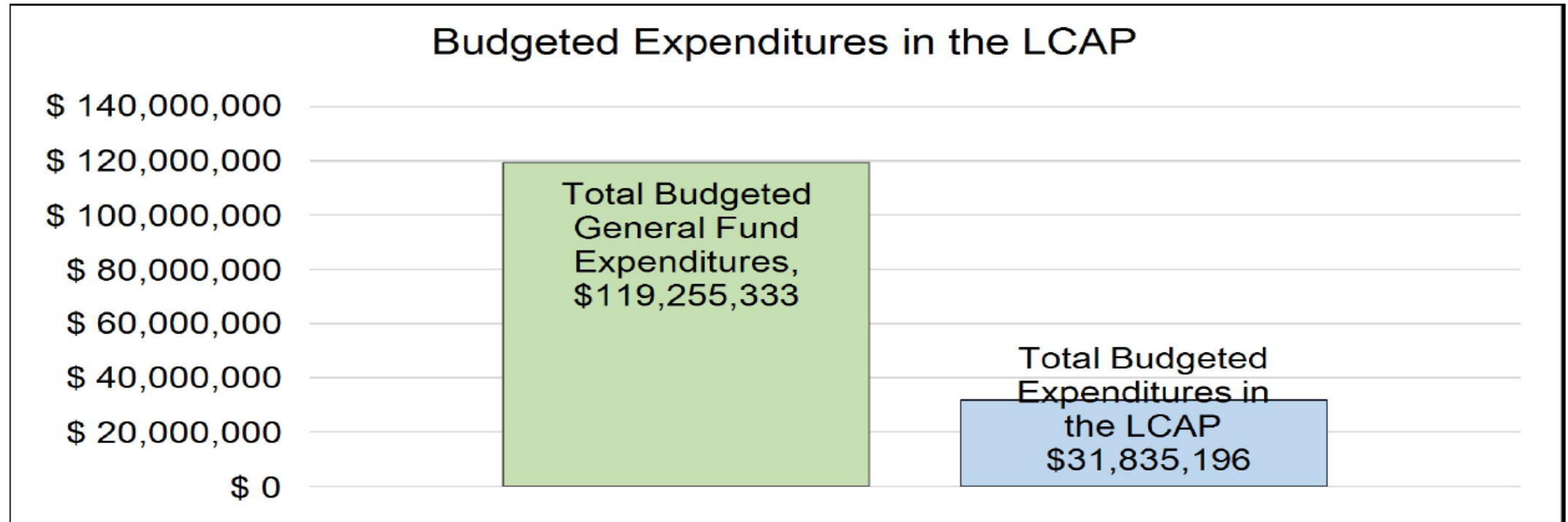
Projected Revenue by Fund Source



This chart shows the total general purpose revenue Franklin-McKinley Elementary School District expects to receive in the coming year from all sources.

LCFF Budget Overview for Parents

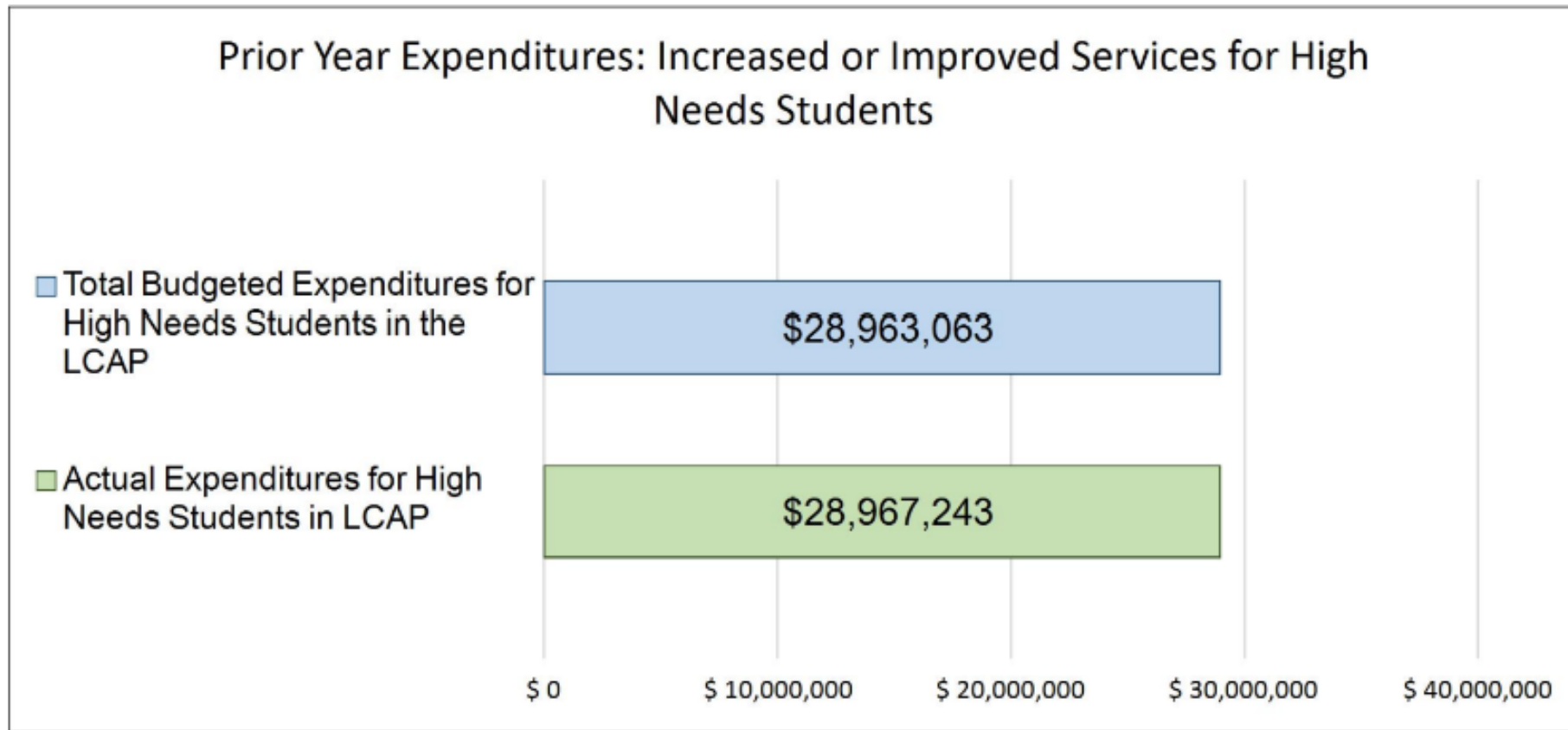
The LCFF gives school districts more flexibility in deciding how to use state funds. In exchange, school districts must work with parents, educators, students, and the community to develop a Local Control and Accountability Plan (LCAP) that shows how they will use these funds to serve students.



This chart provides a quick summary of how much Franklin-McKinley Elementary School District plans to spend for 2022-23. It shows how much of the total is tied to planned actions and services in the LCAP.

LCFF Budget Overview for Parents

Update on Increased or Improved Services for High Needs Students in 2021-22



This chart compares what Franklin-McKinley Elementary School District budgeted last year in the LCAP for actions and services that contribute to increasing or improving services for high needs students with what Franklin-McKinley Elementary School District estimates it has spent on actions and services that contribute to increasing or improving services for high needs students in the current year.

Next Budget Milestones

- **June 15, 2021** – Legislature sends budget to the Governor; Governor start line items vetoes
- **June 28, 2021** – District adopts proposed budget
- **Early July** – Decipher State adopted budget and trailer bill language
- **August 2021** – 45-day budget revision
- **September/October 2021** – County completes review of FMUSD's adopted budget
- **Fall/Winter 2021** –Discuss school consolidation

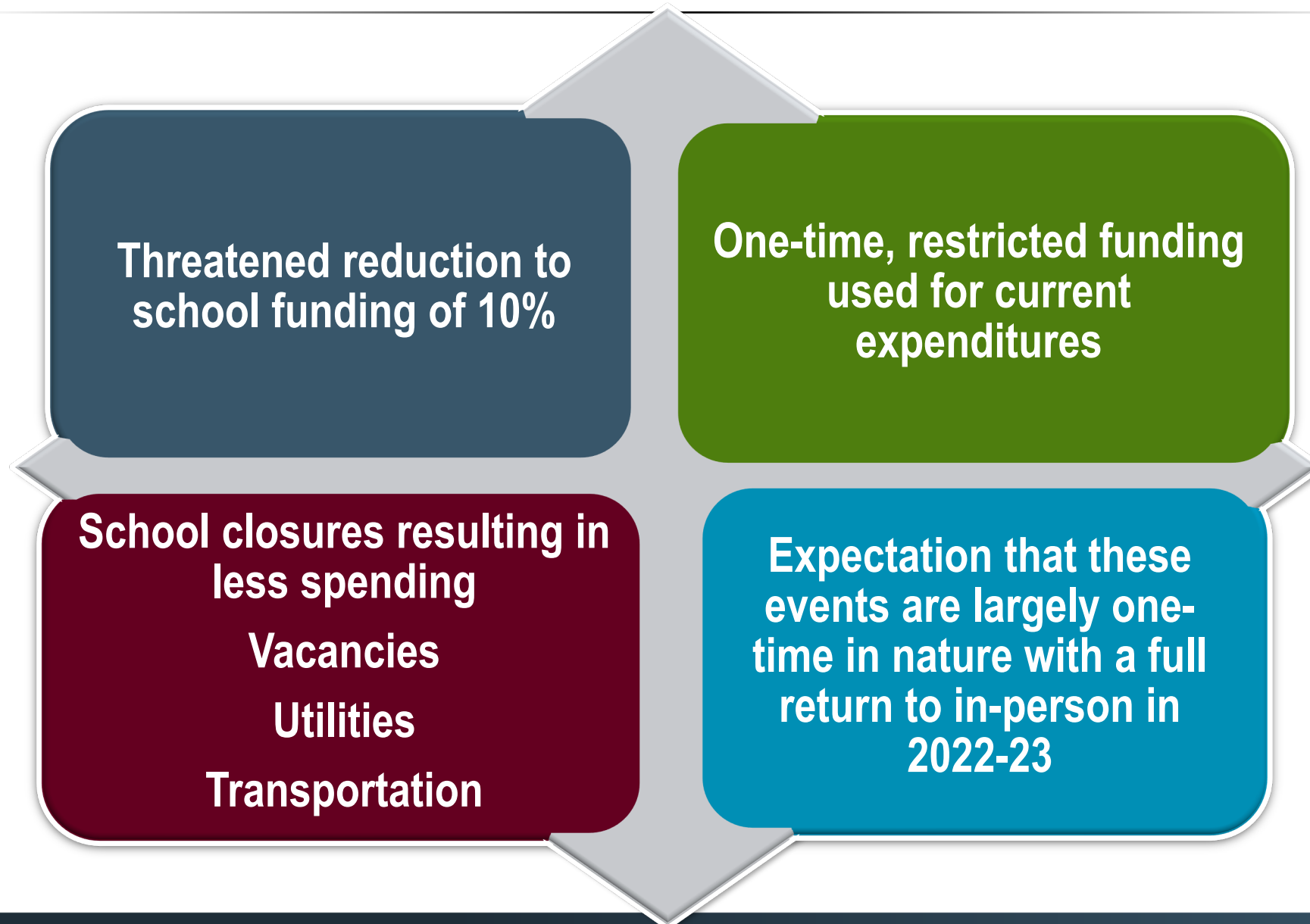
Appendix

State's General Fund Budget Summary [Building Reserves]

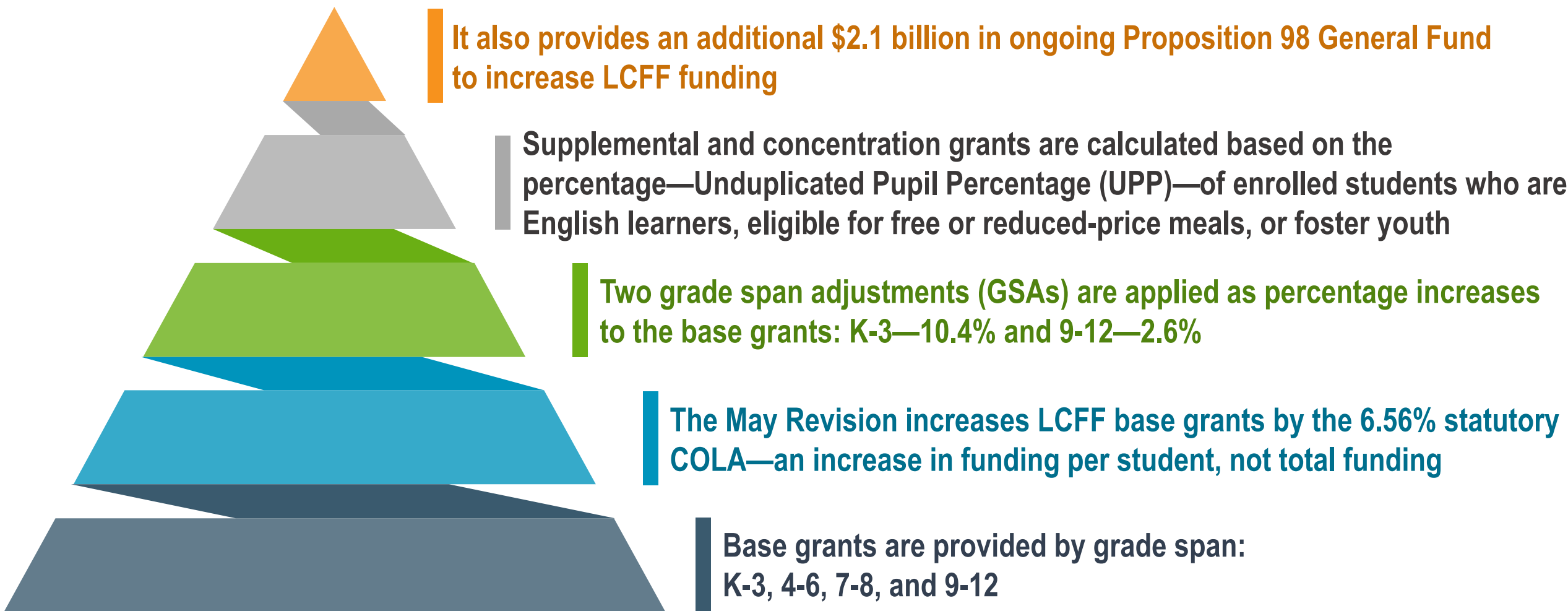
2022-23 Governor's May Revision (In millions)		
	2021-22	2022-23
Prior-Year Balance	\$37,698	\$15,425
Revenues and Transfers	\$226,956	\$219,632
Total Resources Available	\$264,654	\$235,057
Non-Proposition 98 Expenditures	\$165,590	\$145,071
Proposition 98 Expenditures	\$83,639	\$82,292
Total Expenditures	\$249,229	\$227,363
Fund Balance	\$15,425	\$7,694
Reserve for Liquidation of Encumbrances	\$4,276	\$4,276
Special Fund for Economic Uncertainties	\$11,149	\$3,418
Public School System Stabilization Account	\$7,293	\$9,519
Safety Net Reserve	\$900	\$900
Budget Stabilization Account/Rainy Day Fund	\$20,325	\$23,283

Source: Governor's 2022-23 May Revision

Factors Impacting Statewide Average Reserve Levels



2022-23 LCFF Funding Factors [Largest Funding Factor for Districts]



2022-23 LCFF Funding Factors [This could change...]

Grade Span	K-3	4-6	7-8	9-12
2021-22 Base Grant per ADA ¹	\$8,093	\$8,215	\$8,458	\$9,802
6.56% COLA	\$531	\$539	\$555	\$643
Additional LCFF Investment ²	\$266	\$270	\$278	\$322
2022-23 Base Grant per ADA	\$8,890	\$9,024	\$9,291	\$10,767
GSA	\$925	—	—	\$280
2022-23 Adjusted Base Grant per ADA	\$9,815	\$9,024	\$9,291	\$11,047
20% Supplemental Grant per ADA (Total UPP)	\$1,963	\$1,805	\$1,858	\$2,209
65% Concentration Grant per ADA (UPP Above 55%)	\$6,380	\$5,866	\$6,039	\$7,181

¹Average daily attendance (ADA)

²School Services of California (SSC) estimate of the impact the additional \$2.1 billion investment brings to LCFF funding by increasing the base rates

SSC Financial Projection Dartboard [Improved Assumptions]

- Cost of goods and services are projected to increase more dramatically in the near-term
 - Shortage of goods due to lack of production
 - Increased demand resulting from economy reopening, plus infusion of multiple federal stimulus packages

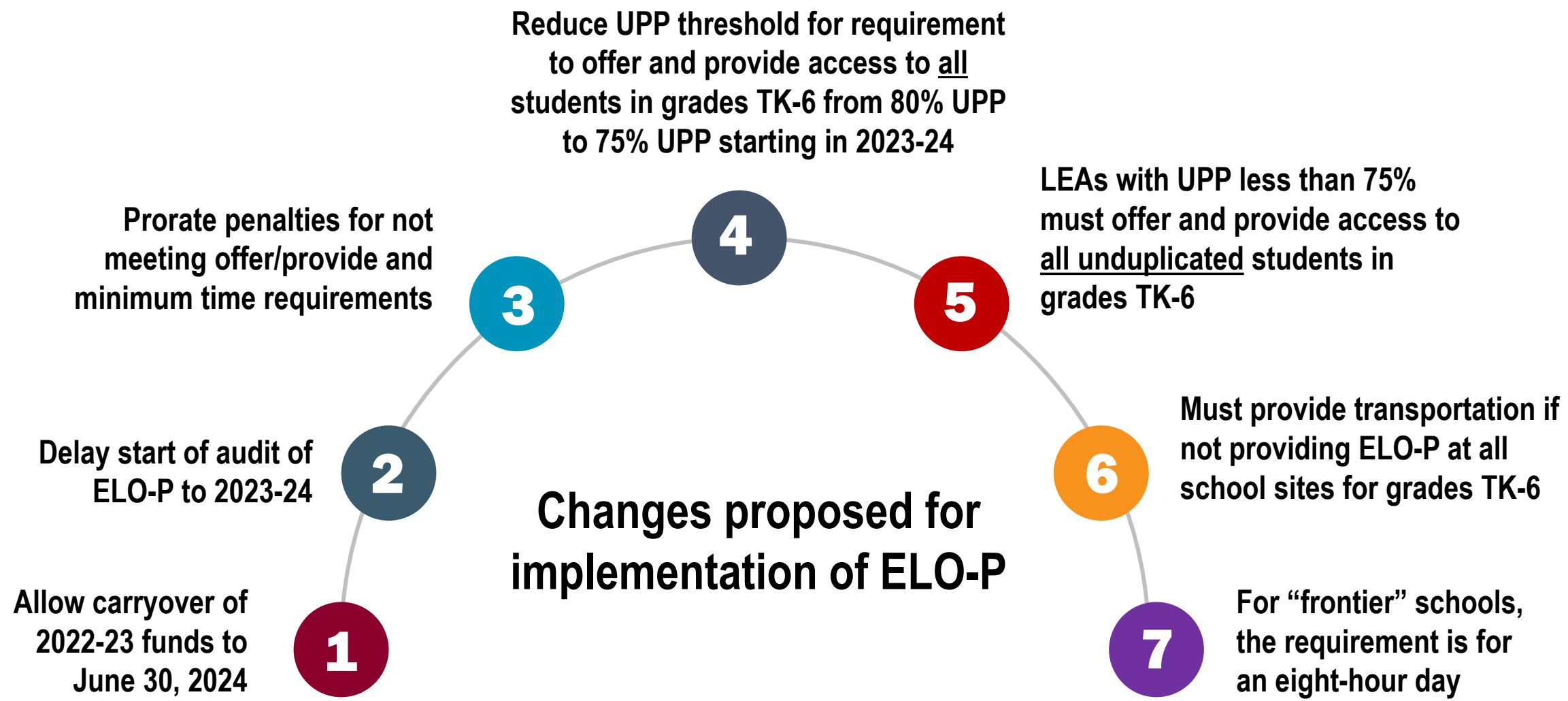
LCFF Planning Factors Governor’s Budget vs. May Revision						
	2022-23		2023-24		2024-25	
	January	May	January	May	January	May
DOF ¹ Estimated COLA	5.33%	6.56%	3.61%	5.38%	3.64%	4.02%

¹Department of Finance (DOF)

Other Key Assumptions for Proposed Budget and MYP

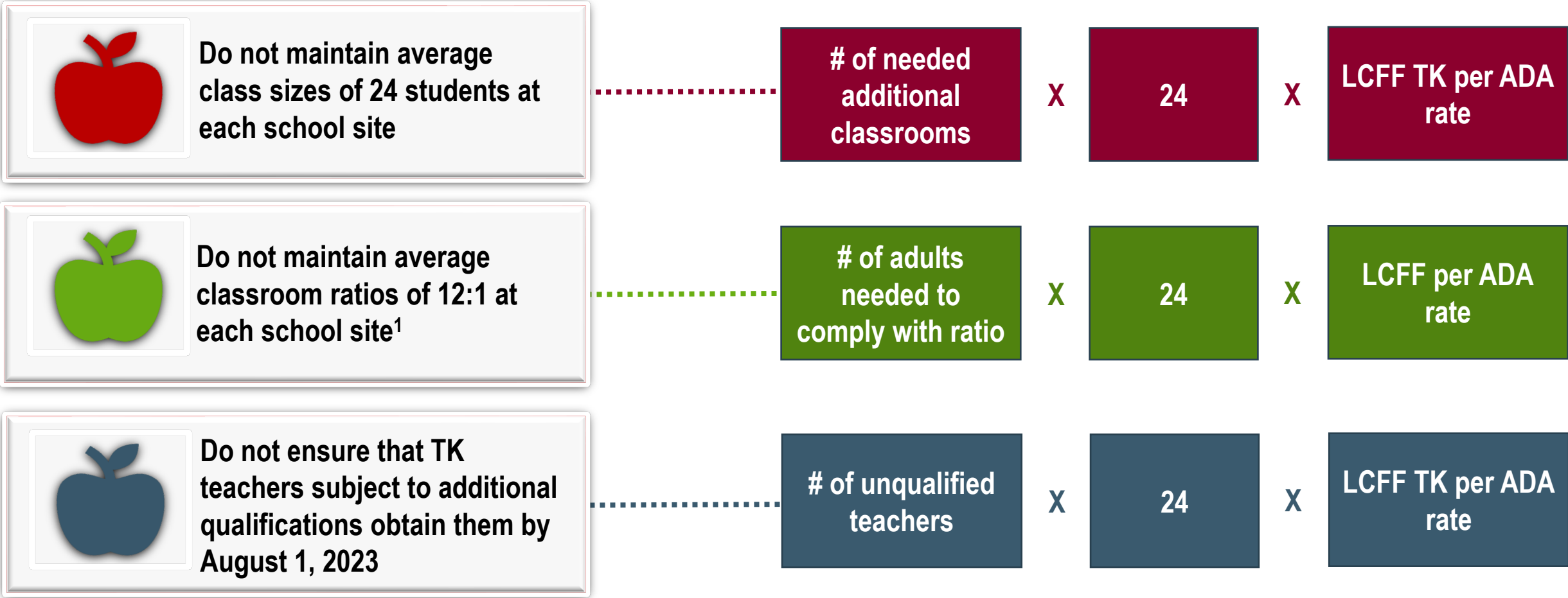
Category	Factor	22-23	23-24	24-25
Salary Increase above step and column	Salary Adjustments - FMEA (3% On-going & 2% 21-22 Only)	6.560%	0.000%	0.000%
	Salary Adjustment - Certificated Management (21-22 Same as of FMEA)	0.000%	0.000%	0.000%
	Salary Adjustments - CSEA	0.000%	0.000%	0.000%
	Salary Adjustments - Classified Management (21-22 Same as of FMEA)	0.000%	0.000%	0.000%
Statutory Benefits	Certificated Statutory Benefit Rates	23.1769%	23.1769%	23.1769%
	Classified Statutory Benefit Rates	35.6469%	35.4769%	34.8769%
Contributions	Fund 050-Routine Maintenance	3,242,129	3,244,789	3,260,986
	Fund 080-Special Education (Including Transportation for Sp. Ed.)	17,515,867	17,752,252	17,930,607

Expanded Learning Opportunities Program Implementation



Universal TK Compliance Penalties

- The May Revision proposes penalties when LEAs do not comply with TK program requirements



¹In 2023-24, classroom ratios may be limited to 10:1 if state funds are provided

Educator Workforce Investments

- The May Revision includes a maintained commitment to build the teacher pipeline and educator competency through additional one-time Proposition 98 and General Fund proposals

**\$500 million
One-Time**

- Expand residency slots for teachers and school counselors
- Provide Golden State Teacher Grant eligibility to school counselors, psychologists, and social workers

**\$85 million
One-Time**

- Educator support and training for science, technology, engineering, and mathematics (STEM)
- Educator resources and training for grades Pre-K through 12

**\$300 million
One-Time**

- Professional learning resources through the Educator Effectiveness Block Grant—prioritizing STEM educator supports

Educator Workforce Investments

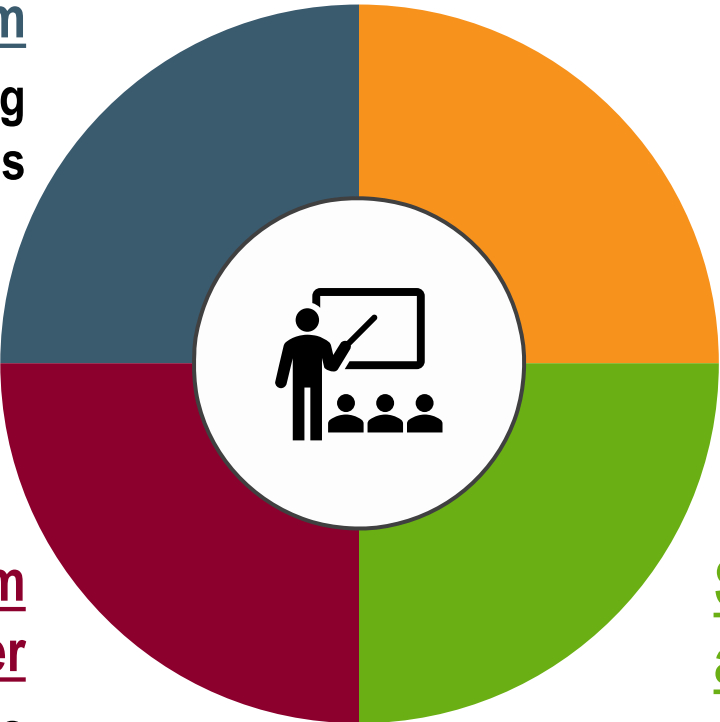
The May Revision also includes increased investments for technical career support and continuance of a program for classified employees

Classified School Employee
Summer Assistance Program

Increase of \$80 million ongoing
Proposition 98 funds

Educator Workforce Investment Grant
(EWIG)

\$30 million General Fund over three years
to continue the work of the EWIG in
computer science, special education, and
support for English learners



K-12 Teacher Residency Program
Technical Assistance Center

\$20 million one-time Proposition 98 funds

State Certification in Reading
and Literacy

\$15 million one-time Proposition 98 funds
over three years for 6,000 teachers

COVID-19 One-Time Funds



*Elementary and Secondary School Emergency Relief

Available COVID-19 Funds

Fund	Fund Source and/or Distribution Methodology	Resource Code	Deadline
ESSER I	Federal funds distributed in proportion to Title I allocation [Fully expended by FMSD]	3210	September 30, 2022
Governor's Emergency Education Relief (GEER) I	Federal funds included in LLM Fund [Fully expended by FMSD]	3215	September 30, 2022
ESSER II	Federal funds distributed in proportion to Title I allocation	3212	September 30, 2023
ESSER II—state reserve	Federal funds included in ELO Grant	3216	September 30, 2023
GEER II	Federal funds included in ELO Grant	3217	September 30, 2023
ELO Grant—10% set aside for paraprofessionals	State funds included in ELO Grant	7426	September 30, 2024
ELO Grant	State funds included in ELO Grant	7425	September 30, 2024
ESSER III—state reserve	Federal funds included in ELO Grant	3218	September 30, 2024
ESSER III—state reserve for learning loss	Federal funds included in ELO Grant	3219	September 30, 2024
ESSER III	Federal funds distributed in proportion to Title I allocation	3213	September 30, 2024
ESSER III—LEA 20% reserve for learning loss	Federal funds distributed in proportion to Title I allocation	3214	September 30, 2024
In-Person Instruction Grant	State funds [FMSD Did not qualify for these funds]	7422	September 30, 2024

Independent Study and Audits




2021-22 Audit Guide Supplement

- Adopted March 1, 2022
- 2021-22 Audit Guide procedures now reflect additional conditions of apportionment for independent study programs effective 2021-22
- A few 2021-22 conditions of apportionment are limited to 2021-22
- Based on preliminary anecdotal information, LEAs are experiencing an increase in independent study audit findings for 2021-22




Proposed 2022-23 Audit Guide

- Procedures reflect the ongoing conditions of apportionment based on current law
- 2022-23 Audit Guide procedures will be adopted by July 1, 2022
- Anticipate modifications in the Audit Guide Supplement process again next year to accommodate changes to independent study conditions of apportionment affected through the budget process




2022-23 LCFF Funding

	May Revision	<ul style="list-style-type: none">Provides an additional \$2.1 billion in ongoing Proposition 98 General Fund to increase LCFF funding<ul style="list-style-type: none">Applied through the existing formula, which subsequently increases the GSAs, as well as supplemental and concentration grants
	Assembly	<ul style="list-style-type: none">Assembly Bill (AB) 1948 (Ting, D-San Francisco)—15% COLA for LCFF<ul style="list-style-type: none">Increases LCFF funding by approximately \$5.6 billionIncreases number of students identified as low-income
	Senate	<ul style="list-style-type: none">\$5 billion, growing to \$10 billion by 2024-25, for a permanent ongoing increase




Discretionary Block Grant

	May Revision	<ul style="list-style-type: none"> Proposes one-time \$8 billion Discretionary Block Grant for LEAs for the 2022-23 fiscal year
	Assembly	<ul style="list-style-type: none"> Learning Recovery Block Grant to support students and staff <ul style="list-style-type: none"> Does not specify an amount
	Senate	<ul style="list-style-type: none"> \$10 billion in one-time, formula-based funds spread over multiple years for a COVID-19-related Learning Recovery Block Grant \$5 billion one-time, formula-based funds for student enrichment materials in music, arts, technology, instructional materials, etc.

Facilities

	May Revision	<ul style="list-style-type: none">• Appropriate \$4.025 in one-time General Fund monies over three years<ul style="list-style-type: none">• \$2.2 billion in 2021-22• \$1.2 billion in 2023-24• \$625 million in 2024-25• \$1.7 billion in one-time Proposition 98 General Fund dollars to deferred maintenance
	Assembly	<ul style="list-style-type: none">• Fully fund expected school, TK, and child care facilities needs for next two years
	Senate	<ul style="list-style-type: none">• \$4.5 billion over three years, above Governor's Budget proposal, for school facilities, including \$1 billion for TK and \$1 billion for deferred maintenance

Transportation

	May Revision	<ul style="list-style-type: none">• The May Revision retains the \$1.5 billion proposal for the School Transportation Grant Program, which would provide competitive grants to LEAs for the purpose of achieving zero-emission school bus fleets• The May Revision alters the timeline for these grants, making them available for five years (\$300 million a year) beginning in the 2023-24 fiscal year• The Governor offers no additional funding for home-to-school transportation
	Assembly	<ul style="list-style-type: none">• The Assembly's Blueprint is silent on the Governor's \$1.5 billion proposal• The blueprint also does not propose any additional funding related to home-to-school transportation
	Senate	<ul style="list-style-type: none">• Alternatively, the Senate's Putting Wealth to Work plan would end the charging for school bus rides, eliminate parent-owed debts, and begin to phase in universal home-to-school transportation• The plan is silent on the specifics, but that would be worked out during budget negotiations with the Senate and the Governor

Mandates Going into Effect July 1, 2022

There are several significant mandates taking effect on July 1, 2022

Universal Meals

- LEAs must provide free breakfast and lunch each school day to any student requesting a meal, regardless of free or reduced-price meal eligibility
- To receive state reimbursement, LEAs must participate in both the National School Lunch Program (NSLP) and School Breakfast Program

Senate Bill (SB) 328—Late Start Time

- Requires the school day for middle schools and high schools to begin no earlier than 8:00 a.m. and 8:30 a.m., respectively
- Allows “zero period” for a limited number of pupils who do not generate ADA
- Law exempts rural school districts, but does not define “rural,” so the onus is on districts to self-identify

AB 367—Menstrual Products

- Requires all public schools serving any grades 6-12 to stock an adequate supply of free menstrual products in all women’s restrooms and all-gender restrooms, and at least one men’s restroom
- The Education Mandated Cost Network will be filing a test claim for this mandate with the Commission on State Mandates

FAFSA/CADAA Requirement

- Requires an LEA to ensure that all their 12th grade students submit a Free Application for Federal Student Aid (FAFSA) or a California Dream Act application (CADAA)
- The parents/guardians or the student (if 18) may opt out of the requirements of this section