

2021-22 45-Day Revised Budget

August 2021



FOLSOM CORDOVA UNIFIED SCHOOL DISTRICT

45-Day Budget Update

- Education Code Section (E.C.) 42127:

“Not later than 45 days after the Governor signs the annual Budget Act, the school district shall make available for public review any revisions in revenues and expenditures that it has made to its budget to reflect funding made available by the Budget Act.”

 - The fiscal year 2021-22 state Budget was adopted on June 14, 2021.
 - Governor Newsom signed the fiscal year 2021-22 Enacted State Budget on June 28, 2021.
 - Significant impacts to the FCUSD fiscal year 2021-22 budget must be available for review by August 12, 2021.

Governor’s Budget vs. May Revision vs. Enacted Budget

Item	Governor’s Budget	May Revision	Enacted Budget
LCFF Funding Increase	\$2 billion	\$3.2 billion	\$3.2 billion
Proposition 98 Minimum Guarantee			
2019–20	\$79.5 billion	\$79.3 billion	\$79.3 billion
2020–21	\$82.8 billion	\$92.8 billion	\$93.4 billion
2021–22	\$85.8 billion	\$93.7 billion	\$93.7 billion
COLA	1.5%	1.7%	1.7%
Compounded COLA	3.84%	4.05%	4.05%*
“Mega” COLA	N/A	5.07%	5.07%**
One-Time Discretionary	\$0	\$0	\$0

*General Child Care, the California State Preschool Program, and Adult Education will receive the compounded COLA

**The LCFF will receive the “Mega” COLA

- FCUSD 2021-22 Board Adopted Budget was based upon Governor’s May Revise
 - No change in funded “Mega” COLA within enacted state budget
 - No changes in any Unrestricted Revenue assumptions within enacted state budget



Summary of Enacted State Budget

- The 2021-22 State Budget is the most robust educational budget since the Local Control Funding Formula (LCFF) implementation which was passed in 2013-14
- 65% of the K-12 funding in the Enacted Budget is one-time funds
 - *One-time funds should be used for one-time costs; ideally to create ongoing benefits to students, programs, and systems*
 - *New and increased categorical programs are expansive and impact a plethora of activities*
- After the “Mega” COLA, the majority of the ongoing K-12 funds are for an increase in concentration funding which FCUSD will not receive due to the Unduplicated Pupil level being below the 55% threshold (FCUSD is 35.86%)

Highlighted Changes to FCUSD Adopted Budget

- LCFF revenue net increase - \$0
 - *Mega COLA was already included at adoption*
- Special Education received an increase to the base funding going from \$625 to \$715 per ADA an estimated increase of \$1.7M in ongoing funding
- AB138 included funding to lower the unemployment insurance rate from 1.23% to 0.50% for 2021-22 and 2022-23 which creates an annual savings of approximately \$1M from the Adopted Budget
- Elimination of \$13B in state funding cash deferrals
 - *Does not impact budget, but helps with district cash flow*

45-Day Revised Budget - GF

FCUSD GF 2021-22 Budget Changes	Adopted Budget	45-Day Revise	First Interim	Second Interim	Projected Budget
Revenues					
LCFF/Revenue Limit Sources	\$ 193,507,621	\$ -			\$ 193,507,621
Federal Sources	\$ 11,725,086	\$ -			\$ 11,725,086
Other State Sources	\$ 34,231,630	\$ 1,700,000			\$ 35,931,630
Other Local Sources	\$ 5,441,680	\$ -			\$ 5,441,680
Total Revenues	\$ 244,906,017	\$ 1,700,000			\$ 246,606,017
Expenditures					
Certificated Salaries	\$ 103,602,473	\$ -			\$ 103,602,473
Classified Salaries	\$ 37,527,548	\$ -			\$ 37,527,548
Employee Benefits	\$ 58,978,703	\$ (1,044,362)			\$ 57,934,341
Books and Supplies	\$ 9,652,855	\$ -			\$ 9,652,855
Services and Other Operating Exp	\$ 22,517,867	\$ -			\$ 22,517,867
Capital Outlay	\$ 2,370,945	\$ -			\$ 2,370,945
Other Outgo	\$ 1,873,966	\$ -			\$ 1,873,966
Transfer of Indirect Costs	\$ (424,804)	\$ -			\$ (424,804)
Total Expenditures	\$ 236,099,553	\$ (1,044,362)			\$ 235,055,191
Excess (Deficiency) of Revenue over Expenditures	\$ 8,806,464	\$ 2,744,362			\$ 11,550,826
Net Interfund Transfers In/Out	\$ (1,021,865)	\$ -			\$ (1,021,865)
Net Increase (Decrease) in Fund Balance	\$ 7,784,599	\$ 2,744,362			\$ 10,528,961
Beginning Fund Balance	\$ 52,583,959				\$ 52,583,959
Ending Fund Balance	\$ 60,368,559	\$ 2,744,362			\$ 63,112,921
Designated Economic Uncertainties	\$ 7,450,000				\$ 7,450,000
NOTE: Ongoing Negotiated Increases in 2021-22 Not included in Expenses will be updated at 1st interim					\$ 7,648,642

Highlighted Changes to Charter Adopted Budget

- LCFF revenue net increase - \$0
 - *Mega COLA was already included at adoption*
- AB138 included funding to lower the unemployment insurance rate from 1.23% to 0.50% for 2021-22 and 2022-23 which creates an annual savings of approximately \$8,000 from the Adopted Budget

45-Day Revised Budget - Charter

FCUSD Charter 2021-22 Budget Changes	Adopted Budget	45-Day Revise	First Interim	Second Interim	Projected Budget
Revenues					
LCFF/Revenue Limit Sources	\$ 2,616,534	\$ -			\$ 2,616,534
Federal Sources	\$ -	\$ -			\$ -
Other State Sources	\$ 126,281	\$ -			\$ 126,281
Other Local Sources	\$ 6,866	\$ -			\$ 6,866
Total Revenues	\$ 2,749,681	\$ -			\$ 2,749,681
Expenditures					
Certificated Salaries	\$ 970,659	\$ -			\$ 970,659
Classified Salaries	\$ 82,638	\$ -			\$ 82,638
Employee Benefits	\$ 423,133	\$ (7,794)			\$ 415,339
Books and Supplies	\$ 71,600	\$ -			\$ 71,600
Services and Other Operating Exp	\$ 322,968	\$ -			\$ 322,968
Capital Outlay	\$ -	\$ -			\$ -
Other Outgo	\$ -	\$ -			\$ -
Transfer of Indirect Costs	\$ -	\$ -			\$ -
Total Expenditures	\$ 1,870,998	\$ (7,794)			\$ 1,863,204
Excess (Deficiency) of Revenue over Expenditures	\$ 878,683	\$ 7,794			\$ 886,477
Net Interfund Transfers In/Out	\$ -	\$ -			\$ -
Net Increase (Decrease) in Fund Balance	\$ 878,683	\$ 7,794			\$ 886,477
Beginning Fund Balance	\$ 384,293				\$ 384,293
Ending Fund Balance	\$ 1,262,976	\$ 7,794			\$ 1,270,771
Designated Economic Uncertainties	\$ -				\$ -
NOTE: Ongoing Negotiated Increases in 2021-22 Not included in Expenses will be updated at 1st interim					\$ 99,769



New Programs Funded in Enacted State Budget

- **A plethora of new programs and funding... Requirements and timelines are still to come...**
- Additional Special Education funding for Early Intervention (Preschool) and One-time COVID funds for learning loss and dispute resolution
- Universal Transitional Kindergarten (TK) Expansion
 - *2022-23 expands eligibility by two months, this will continue each year until all four-year-olds are offered TK*
 - 12:1 class size ratio in 2022-23 and 10:1 starting in 2023-24
- Prekindergarten Planning & Implementation Grant
 - *Onetime funds for planning and professional development for expanded TK*
- Preschool, TK, and Full-Day Kindergarten Facilities Grant
 - *Competitive Grant which prioritizes underserved and high social economically disadvantaged communities*

New Programs Funded in Enacted State Budget (cont.)

- Career Technical Education (CTE) state funding increased back to prior levels of \$300M annually
 - *New requirements for matching funds and application*
- Educator Effectiveness Block Grant (One-time)
 - *Funding for professional development for administrators, certificated, and classified staff who work with students*
 - *Plan must be approved by the Board by 12/31/21*
- Educator Investment Programs (Grant process – One-time)
 - *Series of grants for credentialing and professional development opportunities for certificated and classified*
- A-G Completion Improvement Grant Program (One-time)
 - *Estimated allocation of \$925k includes requirement to have plan created by January 1, 2022 describing how funds will increase or improve services for unduplicated pupils to improve A-G eligibility*



New Programs Funded in Enacted State Budget (cont.)

- Expanded Learning Opportunity (ELO) Grant – \$2.6M Est.
 - *Focused funding for low-income, foster youth, or English learners for grades K-6*
 - *In the 2021–22 school year, must offer expanded learning to all of its classroom-based unduplicated students in grades K–6 and must provide expanded learning to at least half of these students*
 - *In the 2022–23 school year, this requirement ramps up such that expanded learning must be offered to all classroom-based students in grades K–6 and must be provided to all students who request it*
 - *Not required to provide the expanded learning opportunities at all schools that participating students attend, but LEAs must prioritize the services in its schools in the lowest income communities.*
 - *LEAs may also charge pupil fees for the expanded learning program, but must waive the fee for students who are eligible for free or reduced-price meals, are homeless youth, or are foster youth*

New Programs Funded in Enacted State Budget (cont.)

- Expanded Learning Opportunity (ELO) Grant (Cont.)
 - *Expanded learning provided through this program must comply with the following requirements:*
 - On school days, before or after school expanded learning opportunities plus the instructional day must total at least nine hours.
 - During summer break or other intersessional periods, at least 30 days of 9 hour expanded learning opportunities days must be provided.
 - Programs that serve transitional kindergarten or kindergarten students must maintain a pupil-to-staff ratio of no more than 10:1. For all other students, the ratio must be no more than 20:1.
 - Educational enrichment and tutoring or homework assistance must be provided in accordance with the After School Education and Safety (ASES) Program.
 - A nutritious snack, meal, or both, must be provided.
 - *ELO will be need to be coordinated with current District ASES and Student Care programs*
 - *Staffing and facilities will be primary hurdle to implementation*



New Programs Funded in Enacted State Budget (cont.)

- After School Education & Safety (ASES) Programs (Ongoing - Grant)
 - *Increase in student funding per day*
 - *Expanded access to summer programs*
- Child Care and Preschool Programs
 - *Increased and expanded funding*
- Food Service Program Changes
 - *Universal School Meals (Potentially ongoing)*
 - 2021-22 FCUSD will offer free meals to all students regardless of Free/Reduced status due to state funding
 - State Budget includes proposal to continue program in 2022-23 and going forward
 - Will require that site provides two meals per day
 - *Kitchen infrastructure (One-time)*
 - Funding to provide upgrades to kitchen equipment
 - *Cafeteria staff professional development (One-time)*



New Programs Funded in Enacted State Budget (cont.)

- Additional items of note that were changed under the 2021-22 Enacted State Budget
 - *New LCAP Supplemental Section due by 02/28/22*
 - Provide additional mid-year outcome data and expenditure information along with updates on new funding
 - *AB 130 - Independent Study Changes*
 - At the 7/20/21 Special Board Meeting board policy was updated to reflect new changes for 2021-22
 - *AB 104 - Grade Level Retention/HS Grade Changes/Graduation Requirements*
 - Board Policy changes will be required for the 2021-22 school year



Next Step

Timeline for Budget Items

September 9, 2021	○ 2020-21 Unaudited Actuals
Prior to October 29, 2021	○ ESSER III Expenditure Plan
December 16, 2021	○ 2021-22 First Interim Report
Prior to December 31, 2021	○ Educator Effectiveness Block Grant Plan ○ A-G Completion Improvement Grant Plan
By February 28, 2022	○ LCAP Supplemental Section Due



A decorative vertical strip on the left side of the slide, featuring a green chalkboard texture. It includes two pieces of pink chalk, one standing upright and one lying down, and a white chalk arrow pointing upwards.

QUESTIONS

