

Fresno Unified School District
Board Agenda Item

Board Meeting Date: April 15, 2020

AGENDA ITEM A-9

AGENDA SECTION: A

(A – Consent, B – Discussion, C – Receive, Recognize/Present)

ACTION REQUESTED: Approve

(Adopt, Approve, Discuss, Receive, etc.)

TITLE AND SUBJECT: Approve Budget Revision No. 4 for Fiscal Year 2019/20

ITEM DESCRIPTION: Included in the Board binders is Budget Revision No. 4 for fiscal year 2019/20. Periodic updates to the district's budget are presented to the Board of Education for approval. Budget Revision No. 4 includes adjustments for updated information and necessary adjustments to support the acceptance of various grant awards.

The following items are included in Budget Revision No. 4 for fiscal year 2019/20:

- Expense changes to reflect items reported in the Second Interim Financial Report approved by the Board on March 04, 2020
- Program adjustments
- Grant Revisions
- Other Funds

FINANCIAL SUMMARY: As a result, the Unrestricted General Fund Reserve for Economic Uncertainties is estimated at approximately \$97.6 million at June 30, 2020.

PREPARED BY: Kim Kelstrom
Executive Officer, Fiscal Services

CABINET APPROVAL: Ruth F. Quinto
Deputy Superintendent/CFO

DIVISION: Administrative Services
PHONE NUMBER: (559) 457-6226

SUPERINTENDENT APPROVAL:



Unrestricted General Fund Adjustments and Revisions

As presented in the 2019/20 Second Interim Financial Report approved by the Board on March 04, 2020, the following adjustments are being made:

- Decrease of \$205,000 Local Control Funding Formula (LCFF) revenue to recognize an increase in the Unduplicated Pupil Percentage (UPP) based on certification on January 23, 2020 from 87.90% to 89.11% offset by lower projected Average Daily Attendance (ADA)
- Increase of \$700,000 for Medi-Cal Administrative Activity (MAA) reimbursement for 2017/18 recognized as one-time revenue
- Decrease of \$200,000 in salaries and benefits based on current vacancies
- Decrease of \$700,000 in supplies due to projected school site and CTE savings
- Decrease of \$600,000 in contribution due to a reduction in Special Education private placements of \$400,000; and, increased mental health revenue of \$200,000
- Assigned Fund Balance of \$5.3 million in one-time expenses anticipated to be expensed in 2020/21 which include: Design Science Facility \$2.6 million; Routine Restricted Maintenance one-time \$2.2 million; Textbook Adoption \$300,000; and \$200,000 for Donation carryover

Revisions to the 2019/20 Budget Recommended for Approval

The following items are included for the Board's consideration and approval:

- Increase \$108,000 to recognize the actual 2019/20 lottery allocation due to actual ADA
- Increase \$50,000 for lead testing as discussed in Board Communication dated February 21, 2020
- Increase \$200,000 for Student Neighborhood Resource Officer (SNRO) contract – pending Board approval April 01, 2020
- Increase \$55,000 for one-time expenses related to Measure M election costs
- Increase of \$83,000 for the Board of Education to support professional development
- As a result of the revision to existing grants and entitlements, Budget Revision No. 4 recognizes \$75,000 in an increase of indirect cost

Grant Revisions

The chart below shows new grants, revisions to existing grants, and entitlements as follows:

Name	2019/20 Current Budget Allocation	2019/20 Adjusted Award Amount	Revised Budget Allocation
California Partnership Academies-CTE Initiative	\$165,084	\$167,656	\$2,572
Children's Center: Local	501,224	509,624	8,400
EF+ Math Program	0	90,000	90,000
Fansler Foundation	52,098	52,590	492
Fresh Fruit & Vegetables Grant ^(A)	2,173,014	0	(2,173,014)
Hewlett Foundation	0	60,000	60,000
Idea Alternative Dispute Resolution	63,112	45,983	(17,129)
Lottery: Instructional Materials	4,052,893	4,073,251	20,358
Partnership Academies Program	472,752	483,102	10,350
Restricted Routine Maintenance	41,776,391	39,585,716	(2,190,675)
Special Education	117,960,612	117,373,890	(586,722)
Title I	69,772,590	70,190,347	417,757
Title II – Teacher Quality	6,920,415	6,918,087	(2,328)
Total	\$243,910,185	\$239,550,246	(\$4,359,939)

^(A) Transfer from the Restricted General Fund to the in the Child Nutrition Fund

Other Funds

Children's Center Fund – Budget Revision No. 4 reflects a decrease in expenses of \$204,347 for adjustments in various grant awards.

Name	2019/20 Current Budget Allocation	2019/20 Adjusted Award Amount	Revised Budget Allocation
Child Development: California State Preschool Program (CSPP)	\$16,387,905	\$16,168,994	(\$218,911)
CD: Federal General (CCTR) and State Preschool (CSPP)	399,446	414,010	14,564
Total	\$16,787,351	\$16,583,004	(\$204,347)

Child Nutrition Fund – Budget Revision No. 4 reflects Fresh Fruit & Vegetables Grant recognition in Child Nutrition Fund instead of Restricted Fund of \$2.2 million.

Health Fund – Budget Revision No. 4 reflects a decrease in the fund balance of \$4.6 million to recognize the Joint Health Management Board's (JHMB) revised adopted budget approved by the JHMB on December 12, 2019.

Defined Benefits Fund – Budget Revision No. 4 reflects an increase in expenses of \$230,000 related to an increase in 2019/20 defined benefits payments.

**FRESNO UNIFIED SCHOOL DISTRICT
GENERAL FUND
BUDGET REVISION #4**

DESCRIPTION	2019/20 ADOPTED BUDGET	2019/20 CURRENT BUDGET	1/29/2020 2019/20 BUDGET REVISION #4	DIFFERENCE BETWEEN CURRENT AND BR#4	DIFFERENCE BETWEEN ADOPTED AND BR#4
Revenues					
LCFF Sources	\$ 778,979,477	\$ 780,330,472	\$ 780,125,351	\$ (205,121)	\$ 1,145,874
Federal Revenues	107,785,729	114,457,342	113,371,019	(1,086,323)	5,585,290
Other State Revenues	101,717,629	114,685,912	114,807,038	121,126	13,089,409
Other Local Revenues	15,897,035	18,522,085	18,680,977	158,892	2,783,942
Total Revenues	\$ 1,004,379,870	\$ 1,027,995,811	\$ 1,026,984,385	\$ (1,011,426)	\$ 22,604,515
Expenditures					
Certificated Salaries	\$ 423,742,224	\$ 433,236,971	\$ 433,056,971	\$ (180,000)	\$ 9,314,747
Classified Salaries	136,593,522	139,793,668	139,773,668	(20,000)	3,180,146
Employee Benefits	292,459,761	294,798,763	294,798,763	-	2,339,002
Book and Supplies	70,040,458	67,757,866	62,638,143	(5,119,723)	(7,402,315)
Services & Operating	100,616,585	108,029,403	105,473,771	(2,555,632)	4,857,186
Capital Outlay	16,736,979	23,638,625	23,638,625	-	6,901,646
Other Outgo	3,748,803	3,748,803	3,748,803	-	-
Direct/Indirect Costs	(2,961,136)	(2,921,215)	(2,995,292)	(74,077)	(34,156)
Total Expenditures	\$ 1,040,977,196	\$ 1,068,082,884	\$ 1,060,133,452	\$ (7,949,432)	\$ 19,156,256
Other Sources/(Uses)					
Transfers In	\$ 3,385,329	\$ 11,104,705	\$ 11,104,705	\$ -	\$ 7,719,376
Transfers Out	(5,137,523)	(12,856,899)	(12,856,899)	-	(7,719,376)
Other Sources	-	-	-	-	-
Other Uses	-	-	-	-	-
Restricted Contribution	-	-	-	-	-
Total Sources/(Uses)	\$ (1,752,194)	\$ (1,752,194)	\$ (1,752,194)	\$ -	\$ -
Net Increase/Decrease in Fund Balance	\$ (38,349,520)	\$ (41,839,267)	\$ (34,901,261)	\$ 6,938,006	\$ 3,448,259
Beginning Fund Balance - Unaudited Audit Adjustment	\$ - \$ 137,470,473	\$ - \$ 156,251,109	\$ - \$ 156,251,109	\$ - \$ -	\$ - \$ 18,780,636
Beginning Balance	\$ 137,470,473	\$ 156,251,109	\$ 156,251,109	\$ -	\$ 18,780,636
Ending Fund Balance	\$ 99,120,953	\$ 114,411,842	\$ 121,349,848	\$ 6,938,006	\$ 22,228,895
Components of Ending Balance					
Revolving Cash	\$ 84,215	\$ 78,366	\$ 78,366	\$ -	\$ (5,849)
Stores	1,613,205	996,740	996,740	-	(616,465)
Prepaid Expense	374,792	636,102	636,102	-	261,310
Assigned: Other Assignments	14,815,737	16,700,000	22,037,975	5,337,975	7,222,238
Restricted	1	1	1	-	-
Reserve for Economic Uncertainties	82,233,003	96,000,633	97,600,664	1,600,031	15,367,662
Reserve Level %	7.86%	8.88%	9.10%		
Total Ending Fund Balance	\$ 99,120,953	\$ 114,411,842	\$ 121,349,848	\$ 6,938,006	\$ 22,228,895

Per Education Code section 42127(a)(2)(B) the minimum recommended reserve for economic uncertainties is 2% or \$21,459,807

As shown above the reserve for economic uncertainties is \$97,600,664 with an assigned ending balance of \$22,037,975 set aside for text book adoptions, \$1,400,000 for portable classrooms, \$1,000,000 for Fresno High CTE Facility, \$2,500,000 for Design Science Facility and \$600,000 for Extended Day Carryover

As outlined in Board Policy 3100, the Board recognizes the importance of maintaining reserve levels during stable and volatile economic times.

**UNRESTRICTED GENERAL FUND
ADJUSTMENT SUMMARY**

DESCRIPTION	2019/20 ADOPTED BUDGET UNRESTRICTED	2019/20 CURRENT BUDGET UNRESTRICTED	2019/20 BUDGET REVISION #4 UNRESTRICTED	DIFFERENCE BETWEEN CURRENT AND BR#4	DIFFERENCE BETWEEN ADOPTED AND BR#4
Revenues					
LCFF Sources	\$ 778,979,477	\$ 780,330,472	\$ 780,125,351	\$ (205,121)	\$ 1,145,874
Federal Revenues	-	2,316,024	3,004,415	688,391	3,004,415
Other State Revenues	14,559,815	19,619,087	19,706,933	87,846	5,147,118
Other Local Revenues	10,603,798	11,957,122	11,957,122	-	1,353,324
Total Revenues	\$ 804,143,090	\$ 814,222,705	\$ 814,793,821	\$ 571,116	\$ 10,650,731
Expenditures					
Certificated Salaries	\$ 334,957,300	\$ 341,038,724	\$ 340,858,724	\$ (180,000)	\$ 5,901,424
Classified Salaries	87,136,029	88,447,189	88,427,189	(20,000)	1,291,160
Employee Benefits	188,713,166	190,360,928	190,360,928	-	1,647,762
Book and Supplies	41,353,539	38,656,054	35,094,896	(3,561,158)	(6,258,643)
Services & Operating	73,127,495	73,855,660	73,930,599	74,939	803,104
Capital Outlay	11,470,039	8,849,899	8,849,899	-	(2,620,140)
Other Outgo	1,714,803	1,714,803	1,714,803	-	-
Direct/Indirect Costs	(12,678,649)	(12,864,938)	(12,768,212)	96,726	(89,563)
Total Expenditures	\$ 725,793,722	\$ 730,058,319	\$ 726,468,826	\$ (3,589,493)	\$ 675,104
Other Sources/(Uses)					
Transfers In	\$ 28,920	\$ 28,920	\$ 28,920	\$ -	\$ -
Transfers Out	(1,781,114)	(1,781,114)	(1,781,114)	-	-
Other Sources					
Other Uses					
Restricted Contribution	\$ (108,131,397)	\$ (108,958,626)	\$ (106,181,229)	\$ 2,777,397	\$ 1,950,168
Total Sources/(Uses)	\$ (109,883,591)	\$ (110,710,820)	\$ (107,933,423)	\$ 2,777,397	\$ 1,950,168
Net Increase/Decrease in Fund Balance	\$ (31,534,223)	\$ (26,546,434)	\$ (19,608,428)	\$ 6,938,006	\$ 11,925,795
Beginning Fund Balance - Adopted	\$ 130,655,175	\$ 140,958,275	\$ 140,958,275	\$ -	\$ 10,303,100
Audit Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -
Beginning Balance	\$ 130,655,175	\$ 140,958,275	\$ 140,958,275	\$ -	\$ 10,303,100
Ending Fund Balance	\$ 99,120,952	\$ 114,411,841	\$ 121,349,847	\$ 6,938,006	\$ 22,228,895

**FRESNO UNIFIED SCHOOL DISTRICT
RESTRICTED GENERAL FUND
ADJUSTMENT SUMMARY**

DESCRIPTION	2019/20 ADOPTED BUDGET RESTRICTED	2019/20 CURRENT BUDGET RESTRICTED	2019/20 BUDGET REVISION #4 RESTRICTED	DIFFERENCE BETWEEN CURRENT AND BR#4	DIFFERENCE BETWEEN ADOPTED AND BR#4
Revenues					
LCFF Sources	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Revenues	107,785,729	112,141,318	110,366,604	(1,774,714)	2,580,875
Other State Revenues	87,157,814	95,066,825	95,100,105	33,280	7,942,291
Other Local Revenues	5,293,237	6,564,963	6,723,855	158,892	1,430,618
Total Revenues	\$ 200,236,780	\$ 213,773,106	\$ 212,190,564	\$ (1,582,542)	\$ 11,953,784
Expenditures					
Certificated Salaries	\$ 88,784,924	\$ 92,198,247	\$ 92,198,247	\$ -	\$ 3,413,323
Classified Salaries	49,457,493	51,346,479	51,346,479	-	1,888,986
Employee Benefits	103,746,595	104,437,835	104,437,835	-	691,240
Book and Supplies	28,686,919	29,101,812	27,543,247	(1,558,565)	(1,143,672)
Services & Operating	27,489,090	34,173,743	31,543,172	(2,630,571)	4,054,082
Capital Outlay	5,266,940	14,788,726	14,788,726	-	9,521,786
Other Outgo	2,034,000	2,034,000	2,034,000	-	-
Direct/Indirect Costs	9,717,513	9,943,723	9,772,920	(170,803)	55,407
Total Expenditures	\$ 315,183,474	\$ 338,024,565	\$ 333,664,626	\$ (4,359,939)	\$ 18,481,152
Other Sources/(Uses)					
Transfers In	3,356,409	11,075,785	11,075,785	-	7,719,376
Transfers Out	(3,356,409)	(11,075,785)	(11,075,785)	-	(7,719,376)
Other Sources	-	-	-	-	-
Other Uses	-	-	-	-	-
Restricted Contribution	108,131,397	108,958,626	106,181,229	(2,777,397)	(1,950,168)
Total Sources/(Uses)	\$ 108,131,397	\$ 108,958,626	\$ 106,181,229	\$ (2,777,397)	\$ (1,950,168)
Net Increase/Decrease in Fund Balance	\$ (6,815,297)	\$ (15,292,833)	\$ (15,292,833)	\$ -	\$ (8,477,536)
Beginning Fund Balance - Adopted	\$ 6,815,298	\$ 15,292,834	\$ 15,292,834	\$ -	\$ 8,477,536
Beginning Balance	\$ 6,815,298	\$ 15,292,834	\$ 15,292,834	\$ -	\$ 8,477,536
Ending Fund Balance	\$ 1	\$ 1	\$ 1	\$ -	\$ (1)

FRESNO UNIFIED BUDGET AUGMENTATION

BOARD PRESENTATION DATE:

April 15, 2020

FUND: **Childrens' Center Fund**

OBJECT	ACCOUNT TITLE	Adopted BUDGET	Current BUDGET	Revised BUDGET	Net Change BUDGET
APPROPRIATIONS:					
1000	Certificated Salaries	5,621,543	5,757,442	5,757,442	0
2000	Classified Salaries	3,624,428	3,634,254	3,437,596	(196,658)
3000	Employee Benefits	7,196,701	7,224,657	7,224,657	0
4000	Books and Supplies	119,217	502,187	502,187	0
5000	Services and Other Operating	399,837	562,404	562,404	0
6000	Capital Outlay	0	0	0	0
7000	Other Outgo	0	0	0	0
	TOTAL BEFORE INDIRECT	16,961,726	17,680,944	17,484,286	(196,658)
7300	INDIRECT COSTS	727,004	672,865	665,176	(7,689)
	TOTAL APPROPRIATIONS	17,688,730	18,353,809	18,149,462	(204,347)
REVENUES:					
	REVENUE LIMIT SOURCES	0	0	0	0
	FEDERAL REVENUES	827,363	1,075,440	1,090,004	14,564
	STATE REVENUES	16,838,367	16,842,799	16,623,888	(218,911)
	LOCAL REVENUES	23,000	435,570	435,570	0
	OTHER SOURCES	0	0	0	0
	TOTAL REVENUES	17,688,730	18,353,809	18,149,462	(204,347)
	Beginning Fund Balance	0	0	0	0
	Change to Fund Balance	0	0	0	0
	Ending Fund Balance	0	0	0	0

FRESNO UNIFIED BUDGET AUGMENTATION

BOARD PRESENTATION DATE:

April 15, 2020

FUND: Cafeteria Fund

OBJECT	ACCOUNT TITLE	Adopted BUDGET	Current BUDGET	Revised BUDGET	Net Change BUDGET
APPROPRIATIONS:					
1000	Certificated Salaries	0	0	0	0
2000	Classified Salaries	13,641,244	13,641,244	13,641,244	0
3000	Employee Benefits	10,871,142	10,871,142	10,871,142	0
4000	Books and Supplies	24,657,113	24,657,113	26,748,361	2,091,248
5000	Services and Other Operating	3,284,387	3,284,387	3,284,387	0
6000	Capital Outlay	0	0	0	0
7000	Other Outgo	0	0	0	0
	TOTAL BEFORE INDIRECT	52,453,886	52,453,886	54,545,134	2,091,248
7300	INDIRECT COSTS	2,025,727	2,025,727	2,107,493	81,766
	TOTAL APPROPRIATIONS	54,479,613	54,479,613	56,652,627	2,173,014
REVENUES:					
	REVENUE LIMIT SOURCES	0	0	0	0
	FEDERAL REVENUES	50,291,792	50,291,792	52,464,806	2,173,014
	STATE REVENUES	3,402,183	3,402,183	3,402,183	0
	LOCAL REVENUES	997,982	997,982	997,982	0
	OTHER SOURCES	0	0	0	0
	TOTAL REVENUES	54,691,957	54,691,957	56,864,971	2,173,014
	Beginning Fund Balance	20,496,472	19,814,359	19,814,359	0
	Change to Fund Balance	212,344	212,344	212,344	0
	Ending Fund Balance	20,708,816	20,026,703	20,026,703	0

FRESNO UNIFIED BUDGET AUGMENTATION

BOARD PRESENTATION DATE:

April 15, 2020

FUND: **Health Fund**

OBJECT	ACCOUNT TITLE	Adopted BUDGET	Current BUDGET	Revised BUDGET	Net Change BUDGET
APPROPRIATIONS:					
1000	Certificated Salaries	0	0	0	0
2000	Classified Salaries	418,619	418,619	418,619	0
3000	Employee Benefits	219,972	219,972	219,972	0
4000	Books and Supplies	23,362	23,362	23,362	0
5000	Services and Other Operating	158,976,423	158,976,423	169,714,791	10,738,368
6000	Capital Outlay	0	0	0	0
7000	Other Outgo	0	0	0	0
	TOTAL BEFORE INDIRECT	159,638,376	159,638,376	170,376,744	10,738,368
7300	INDIRECT COSTS	0	0	0	0
	TOTAL APPROPRIATIONS	159,638,376	159,638,376	170,376,744	10,738,368
REVENUES:					
	REVENUE LIMIT SOURCES	0	0	0	0
	FEDERAL REVENUES	0	0	0	0
	STATE REVENUES	0	0	0	0
	LOCAL REVENUES	175,687,288	175,687,288	181,821,087	6,133,799
	OTHER SOURCES	0	0	0	0
	TOTAL REVENUES	175,687,288	175,687,288	181,821,087	6,133,799
	Beginning Fund Balance	38,603,555	27,023,130	27,023,130	0
	Change to Fund Balance	16,048,912	16,048,912	11,444,343	(4,604,569)
	Ending Fund Balance	54,652,467	43,072,042	38,467,473	(4,604,569)

FRESNO UNIFIED BUDGET AUGMENTATION

BOARD PRESENTATION DATE:

April 15, 2020

FUND: **Defined Benefits Fund**

OBJECT	ACCOUNT TITLE	Adopted BUDGET	Current BUDGET	Revised BUDGET	Net Change BUDGET
APPROPRIATIONS:					
1000	Certificated Salaries	0	0	0	0
2000	Classified Salaries	0	0	0	0
3000	Employee Benefits	0	0	0	0
4000	Books and Supplies	0	0	0	0
5000	Services and Other Operating	1,000,000	1,000,000	1,230,000	230,000
6000	Capital Outlay	0	0	0	0
7000	Other Outgo	0	0	0	0
	TOTAL BEFORE INDIRECT	1,000,000	1,000,000	1,230,000	230,000
7300	INDIRECT COSTS	0	0	0	0
	TOTAL APPROPRIATIONS	1,000,000	1,000,000	1,230,000	230,000
REVENUES:					
	REVENUE LIMIT SOURCES	0	0	0	0
	FEDERAL REVENUES	0	0	0	0
	STATE REVENUES	0	0	0	0
	LOCAL REVENUES	1,467,749	1,467,749	1,467,749	0
	OTHER SOURCES	0	0	0	0
	TOTAL REVENUES	1,467,749	1,467,749	1,467,749	0
	Beginning Fund Balance	10,863,706	10,874,429	10,874,429	0
	Change to Fund Balance	467,749	467,749	237,749	(230,000)
	Ending Fund Balance	11,331,455	11,342,178	11,112,178	(230,000)