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INTERIM SUPERINTENDENT

Mao Misty Her

BOARD COMMUNICATIONS – DECEMBER 06, 2024

TO: Members of the Board of Education
FROM: Interim Superintendent, Mao Misty Her

OFFICE OF THE SUPERINTENDENT – Mao Misty Her, Interim Superintendent

S-1 Mao Misty Her Interim Superintendent Calendar Highlights

BUSINESS & FINANCIAL SERVICES – Patrick Jensen, Chief Officer

BFS-1 Kim Kelstrom School Services Weekly Update Reports
for November 22, 2024

INSTRUCTIONAL DIVISION – Natasha Baker, Ed.D., Chief Officer

ID-1 Tangee Pinheiro Fresno Unified Special Olympics
ID-2 Marie Williams, Ed.D. Ratify Agreement with California Department of
Social Services

Fresno Unified School District
Board Communication

BC Number S-1

From the Office of the Superintendent
To the Members of the Board of Education
Prepared by: Mao Misty Her, Interim Superintendent
Cabinet Approval:

Date: December 06, 2024

Phone Number: 457-3884

Regarding: Interim Superintendent Calendar Highlights

The purpose of this communication is to inform the Board of notable calendar items:

- Met with labor partners
- Met with Dr. Gurvinder Kaur and Ivonne Der Torosian from Saint Agnes Hospital to discuss the St. Agnes health system related to employee health
- Attended the Sweatshirt Drive event
- Met with Executive Cabinet team
- Attended the California State University Fresno California Guidance Initiative Meeting
- Attended the United Way Board Meeting
- Attended the California School Board Association (CSBA) Annual Education Conference
- Attended the Urban School District Luncheon at CSBA Annual Education Conference



Approved by Interim Superintendent

Mao Misty Her  _____

Date: 12/06/24

Fresno Unified School District
Board Communication

BC Number BFS-1

From the Office of the Superintendent
To the Members of the Board of Education
Prepared by: Kim Kelstrom, Chief Executive 
Cabinet Approval: 

Date: December 06, 2024

Phone Number: 457-3907

Regarding: School Services Weekly Update Reports for November 22, 2024

The purpose of this communication is to provide the Board a copy of School Services of California's (SSC) Weekly Updates. Each week SSC provides an update and commentary on different educational fiscal issues. In addition, they include different articles related to education issues. The SSC Weekly Updates for November 22, 2024 are attached and include the following articles:

- LAO's Fiscal Outlook for Education – Positive, but Modest – November 21, 2024
- Trump's Education Secretary Pick Is Linda McMahon, Former WWE CEO – November 19, 2024
- California Looking at \$2 billion Deficit After Lawmakers, Newsom Slashed Spending – November 20, 2024

If you have any questions pertaining to the information in this communication, or require additional information, please contact Kim Kelstrom at 457-3907.

Approved by Interim Superintendent

Mao Misty Her 

Date: 12/06/24



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DATE: November 22, 2024

TO: Misty Her
Interim Superintendent

AT: Fresno Unified School District

FROM: Your SSC Governmental Relations Team

RE: ***SSC's Sacramento Weekly Update***

It was a busy week in education news in California and nationally. The Department of Finance (DOF) released its final *Finance Bulletin (Bulletin)* prior to the Governor releasing his 2025-26 State Budget proposal, the Legislative Analyst's Office (LAO) released its *Fiscal Outlook for Education* report, and the State Auditor released a report on custodial staffing in schools. Nationally, President-elect Trump announced that he is tapping Linda McMahon to serve as the U.S. Secretary of Education.

DOF Bulletin

According to the November DOF *Bulletin*, the U.S. unemployment rate remained unchanged at 4.1%, while California's unemployment rate increased by 0.1 percentage points to 5.4%. The data shows that although California's unemployment rate increased, the state's labor force increased by 8,000 participants, which should lead to an increase in the tax base once those individuals find work.

For housing, the *Bulletin* finds that year to date, based on a seasonally adjusted annualized rate (SAAR), California has permitted nearly 104,000 housing units. This is comparable with the previous month's SAAR, but down 6.7% from a year earlier. The 104,000 housing units consisted of 61,000 single-family units and 43,000 multi-family units, up 16.6% and down 28.2% from the previous year, respectively. The increase in single-family unit production bodes well for Californians looking to purchase a home.

The November *Bulletin* finds that actual tax collections for October exceeded projections by \$1.1 billion, or 11.2%. The October activity results in 2024-25 year-to-date revenues exceeding projections by \$5.2 billion, or 11.0%. The Governor, Legislature, and other state departments are hopeful that the trend continues as education will receive first dibs on excess revenues as the state must repay the maintenance factor that was created due to the suspension of the 2023-24 Proposition 98 minimum guarantee.

The November *Bulletin* is the final one published by the DOF before Governor Gavin Newsom releases his 2025-26 State Budget proposal.

LAO Fiscal Outlook

On Wednesday, the LAO released its 2025-26 State Budget *Fiscal Outlook* report that includes a specific forecast for Proposition 98 affecting TK-12 and community college agencies. This annual report offers an updated multiyear forecast of the State Budget condition, including economic and revenue assumptions that impact the annual State Budget and the programs that rely on it, such as public education.

We provide our analysis of the LAO *Fiscal Outlook* in the *Fiscal Report* article below entitled “LAO’s Fiscal Outlook for Education—Positive, but Modest.”

Custodial Staffing Auditor Report

On Tuesday, the California State Auditor released a report on custodial staffing at public schools. The report contends that the School Accountability Report Cards (SARCs) from the 18 schools that were reviewed did not accurately reflect current conditions of the maintenance and cleanliness of the schools.

The audit inspection most commonly assigned the schools *poor* or *fair* scores in the Safety and Interior categories. The audit also said that many schools exhibited deficiencies that they did not report in their SARCs. For example, several of the roofs the Auditor’s Office inspected appeared to be in need of replacement. The report also found that schools frequently report inaccurate Facility Inspection Tool (FIT) scores in their SARCs, which results in incomplete information for parents or guardians about the conditions of the schools their students attend.

The report acknowledges that the Local Control Funding Formula (LCFF) does not provide dedicated funding for maintenance, and schools often cited the need for additional funding to address day-to-day maintenance concerns.

Despite the critiques of the 18 schools inspected, none of the audit recommendations are aimed at local educational agencies. Two key recommendations from the report are:

- The Legislature should consider providing funding to school districts that is separate from the LCFF and dedicated specifically to day-to-day maintenance activities
- The Department of General Services should update the FIT to include a broader range of deficiency ratings and additional types of classroom environments to more accurately reflect school conditions

You can find the full audit report [here](#).

Trump Selects Linda McMahon for Secretary of Education

Earlier this week, President-elect Donald Trump announced that he has tapped Linda McMahon to be the Secretary of Education. McMahon has experience in the Trump Administration as head of the Small Business Administration during Trump’s first turn in the White House.

McMahon has less experience directly in K-12 education, having served on the Connecticut Board of Education for about a year. The Secretary of Education will be tasked with implementing Trump’s education platform at the federal level.

We have included an article from Education Week below for more information on McMahon.

No Sacramento Update Next Week

Due to the Thanksgiving Holiday, we will not be publishing the Sacramento *Update* next week unless there is significant breaking news. The next Sacramento *Update* will be sent out the week of December 2, 2024. Happy Thanksgiving from all of us at School Services of California Inc.

Leilani Aguinaldo

LAO's Fiscal Outlook for Education—Positive, but Modest

By Megan Baier and Patti F. Herrera, EdD
School Services of California Inc.'s *Fiscal Report*
November 21, 2024

Yesterday, November 20, 2024, the Legislative Analyst's Office (LAO) released its *2025-26 Budget Fiscal Outlook (Fiscal Outlook)* report that includes a specific forecast for Proposition 98 affecting TK-12 and community college agencies. This annual report offers an updated multiyear forecast of the State Budget condition, including economic and revenue assumptions that impact the annual State Budget and the programs that rely on it, such as public education.

Yesterday's report predicts that, while better-than-expected General Fund revenues are offset by higher spending, the state can anticipate a relatively balanced budget for the 2025-26 fiscal year. The LAO warns, however, that the state is likely to face deficits in the outyears due to anomalously high spending obligations that lawmakers would need to address either through program reductions or increased revenue vis a vis tax increases.

Proposition 98: Outlook for TK-12 and Community College Funding

Within the broader context of the multiyear State Budget condition, the *Fiscal Outlook* revises estimates of the Proposition 98 minimum guarantee for 2024-25, issues an estimate for 2025-26, projects a statutory cost-of-living adjustment (COLA) for 2025-26 of 2.46%, and explains why the state will be required to make a deposit into the Proposition 98 reserve and will *not* be required to make a restoration (or maintenance factor) payment to public education. Following the shifting pieces of Proposition 98 can be difficult, so below we provide a brief summary of the LAO's report as it relates to public education.

- **2024-25 Minimum Guarantee up \$3.0 Billion**

Due to upward revisions in General Fund revenues and local property taxes, the LAO estimates that the current-year minimum guarantee will be \$3.0 billion higher than the 2024-25 Budget Act estimates from June, now totaling \$118.3 billion (up from \$115.3 billion). However, this increased revenue will not be available as the state will be required to deposit the funds into the Proposition 98 reserve. This is because the State Constitution requires deposits into the reserve when robust revenues are due largely to increases in capital gains. The *Fiscal Outlook* assumes a revised 2024-25 required deposit of \$3.7 billion (\$1.1 billion of which was already included in the June budget). This higher deposit will once again trigger caps on local school district reserves in fiscal year 2025-26 for those local educational agencies (LEAs) that are subject to the requirement.

- **\$2.8 Billion Proposition 98 Surplus in 2025-26**

Based on the constitutional formulas to calculate Proposition 98, the *Fiscal Outlook* estimates that the minimum guarantee for 2025-26 will be \$116.8 billion, which is notably lower than the LAO's revised 2024-25 level of \$118.3 billion. This funding level is driven by Test 1 remaining operative (meaning, K-14 education receives approximately 40 cents of every General Fund dollar) and a constitutional provision that protects the state from unsustainable Proposition 98 obligations when there are temporary spikes in revenue (referred to as "spike protection").

Despite the year-over-year modest decline in the minimum guarantee levels, the LAO estimates that Proposition 98 will enjoy a \$2.8 billion surplus in 2025-26, resulting from the net of \$3.7 billion freed up from expired, one-time costs, offset by an ongoing cost of a 2.46% COLA.

- **No Required Restoration (Maintenance Factor) Payment in 2025-26, but New Obligation Created in 2026-27**

The state’s decision to use their constitutional authority to suspend Proposition 98 in fiscal year 2023-24 creates an obligation to restore funding for TK-12 and community colleges to the level the state *should* have provided, an obligation known as the “maintenance factor.” The 2024-25 Budget Act included a \$4.1 billion maintenance factor payment based on June revenue assumptions. According to the LAO’s revised revenue estimates in the *Fiscal Outlook*, the maintenance factor and payment obligation to TK-12 and community college agencies increases by \$761 million, leaving an outstanding obligation at the end of the current fiscal year of \$3.3 billion.

However, because the LAO’s broader economic assumptions include robust capital gains revenues, the *Fiscal Outlook* assumes that the state will not be required to make a restoration payment in 2025-26. This is because the State Constitution requires maintenance factor payments only in fiscal years in which General Fund revenue growth outpaces per capita personal income growth. Finally, the LAO estimates that the Proposition 98 minimum guarantee will be determined by Test 3 in fiscal year 2026-27, which will create a new maintenance factor obligation of approximately \$2.0 billion, totaling \$5.9 billion at the end of 2026-27 when added to the existing obligation. Any remaining balance in the state’s obligation to restore education funding is adjusted each year for changes in average daily attendance and per capita personal income. At the end of the *Fiscal Outlook’s* forecast period in 2028-29, the total maintenance factor obligation is estimated to be \$6.5 billion.

- **Minimum Guarantee Experiences Moderate Increases After 2025-26—up \$17.4 Billion by 2028-29**

Finally, tracking with the LAO’s larger state economic and revenue forecast, the *Fiscal Outlook* projects that, after a sluggish 2025-26, education funding will enjoy annual increases averaging \$5.8 billion over the three-year period. It assumes that the minimum guarantee will benefit from increases in both state General Fund revenue and local property taxes.

Proposition 98 Minimum Guarantee
 Dollars in billions

	2024-25	2025-26	2026-27	2027-28	2028-29
General Fund	\$ 84.8	\$ 81.7	\$ 85.2	\$ 89.7	\$ 94.1
Local Property Taxes	33.5	35.1	36.1	38.1	40.1
Total	\$ 118.3	\$ 116.8	\$ 121.3	\$ 127.8	\$ 134.2

- **Proposition 98 Reserve**

As noted earlier, better-than-expected revenues resulting from strong capital gains increase the required deposit into the Proposition 98 reserve in 2024-25. Under the LAO’s forecast assumptions, there would be no required deposits into, nor withdrawals from, the fund in 2025-26. However, the state would be required to make a \$2.0 billion and a \$1.7 billion withdrawal in fiscal years 2026-27 and 2027-28,

respectively. The \$1.7 billion account balance at the end of 2026-27 and the depletion of the account the following year would make the cap on local school district reserves inoperative beginning in 2027-28 through the remainder of the forecast period.

- Annual Statutory COLA Increases**

The LAO’s forecast of the statutory COLA increases to above-average trends of 3.00% beginning in 2026-27 through the 2028-29. The Proposition 98 costs associated with estimated outyear COLAs are \$3.2 billion, \$4.0 billion, and \$4.3 billion in 2026-27, 2027-28, and 2028-29, respectively.

Statutory COLA			
2025-26	2026-27	2027-28	2028-29
2.46%	3.10%	3.80%	4.00%

The LAO concludes its forecast cautioning its susceptibility to over- and under-projections, depending on state General Fund revenue performance. Consistent with its broader concern about budget headwinds in the outyears, the LAO recommends that the Legislature consider using its modest \$2.8 billion Proposition 98 surplus to build resiliency in the education budget, which could include retiring deferrals and using the surplus to fund one-time investments. They note, however, that lawmakers could also consider providing funding for TK-12 general apportionments beyond the statutory COLA or use the excess revenues to modify the Local Control Funding Formula (see “[Assembly Kicks Off Discussion of LCFE Modifications](#)” in the October 2024 *Fiscal Report*). Each fiscal policy decision comes with trade-offs, of course, which the LAO begins to outline for lawmakers in advance of spring budget hearings.

Those hearings will begin in the weeks following the release of Governor Gavin Newsom’s 2025-26 January State Budget proposal, which he must release no later than January 10, 2025. His proposed budget will lay the fiscal framework for the budget discussion and negotiations, as well as highlight his priorities for California and public education.

We will provide an in-depth analysis of the Governor’s education policy proposals and their impacts on LEA budgets and programs at our Governor’s Budget Workshops in Sacramento on January 21, 2025, and in Anaheim on January 22, 2025. For more information about or to register for the workshop, click [here](#).

We hope to see you all there!

Note: Unless President-elect Trump makes a recess appointment, McMahon will have to get a majority vote in the U.S. Senate to serve as the Secretary of Education.

Trump's Education Secretary Pick Is Linda McMahon, Former WWE CEO

By Brooke Schultz
EducationWeek
November 19, 2024

Linda McMahon, the co-chair of President-elect Donald Trump's transition team who spent much of her career as a pro-wrestling executive, is the incoming president's choice to serve as secretary of education, the transition team announced Tuesday.

McMahon, 76, is a longtime friend and early supporter of Trump's who served as head of the Small Business Administration during the Republican's first term. She stepped down from the SBA in 2019 to lead the America First Action PAC in support of Trump's reelection. She was reportedly in the running to serve as commerce secretary before Trump chose McMahon's fellow transition co-chair, Howard Lutnick, for that post.

"Linda will use her decades of Leadership experience, and deep understanding of both Education and Business, to empower the next Generation of American Students and Workers, and make America Number One in Education in the World," Trump said in a statement announcing her selection. "We will send Education BACK TO THE STATES, and Linda will spearhead that effort."

CNN reported McMahon's expected selection first.

While she has executive branch experience, McMahon will be tackling education policy at the highest level after only scattered experience with it in the past. Still, McMahon has proven herself to be an ideological ally to Trump with her long-standing interest in school choice.

In the announcement, Trump said McMahon will "fight tirelessly to expand 'Choice' to every State in America, and empower parents to make the best Education decisions for their families."

The decision drew immediate backlash from the nation's largest teachers' union, which called for the Senate to reject her nomination.

Linda McMahon has some experience in K-12 policy

She studied in college to be a French teacher but went on to work alongside her husband as a co-founder and CEO of World Wrestling Entertainment, where she grew the brand for years into a multibillion-dollar enterprise.

McMahon was appointed to the Connecticut board of education in 2009 by a Republican governor. State lawmakers there confirmed her for the post, but questioned her knowledge of education and whether having a WWE executive serve in the post would send the right message, the CTNewsJunkie reported at the time.

She resigned from the state board a year later to make the first of two unsuccessful bids to represent Connecticut in the U.S. Senate. In the first campaign, which she lost to Democratic Sen. Richard Blumenthal, McMahon called for more “choice and competition” through the expansion of charter schools, Education Week reported at the time.

McMahon said previously she was involved with Teach For America and charter schools. She was complimentary of teaching and the profession in an interview with Leaders Magazine in 2014, saying that she watched “masterful teachers” help students gain ground. She said the country had a “very good system with public and private schools,” while also saying she was a proponent of charter schools.

Ahead of the 2016 presidential election, she wrote in a newspaper op-ed about the importance of education policy at the federal level. “One of the issues most important to me is the question of school choice,” she wrote.

“I don’t believe charter schools take anything away from traditional public schools; rather, I think they can be centers for innovation and models for best practices,” she wrote in the August 2015 essay.

She also serves on the board of Connecticut’s Sacred Heart University, a Catholic university.

While McMahon is light on experience in education policy, she’s proven herself a Trump loyalist—and Trump historically has favored supporters.

Trump appeared in WWE programs over the years, and she donated to his first campaign, the Associated Press reported. After serving in his administration, she resigned from her role to lead a main super PAC supporting his reelection and raised millions. She also serves as chair of the board for the America First Policy Institute, an organization formed after Trump’s 2020 loss that seeks to advance the former president’s public policy agenda.

As education secretary, McMahon would be tasked with dismantling the department she leads if Trump follows through with his campaign promise. He’s also pledged to cut federal funding to schools “pushing critical race theory” and “transgender insanity.” (During her time leading the SBA, the agency was criticized for the removal of resources for LGBTQ+ business owners; the webpage was later restored, the Washington Post reported.)

Education advocates call for protecting public schools after nomination

The decision is teeing up clashes to come with public education advocates and the Trump administration.

National Education Association President Becky Pringle called on the Senate to reject McMahon’s nomination, calling Trump’s proposed education policies “harmful, outlandish, and insulting.”

“By selecting Linda McMahon, Donald Trump is showing that he could not care less about our students’ futures,” Pringle said.

National Parents Union President Keri Rodrigues said the group was “optimistic” that McMahon would stay out of the political fray and instead focus on literacy and persistent learning loss from the pandemic.

Rodrigues emphasized the importance of a Department of Education that “safeguards the rights of students, addresses systemic inequities, and lays the foundation for achieving measurable academic results.” She

pressed for McMahon to ensure “every child has great public school options, districts are held accountable for student outcomes, and the rights and funding for children with special needs are protected and prioritized.”

Education observers anticipate Trump, in his second term, will double down on efforts from the first. This time, with internal skeptics mostly out of the way and Democrats losing control of the Senate, there will be fewer guardrails.

In his first term, Trump repeatedly sought deep cuts to the Department of Education’s bottom line, including to popular programs that help districts offer after-school programs and hire and train teachers. He also came into office with a big focus on private school choice and rolled back Obama-era protections for transgender students.

Trump’s 1776 Commission sought to generate momentum around teaching “patriotic” U.S. history. President Joe Biden ended it immediately upon taking office, but it’s credited with breathing life into a wave of state laws restricting how teachers can discuss race, racism, and gender identity in classrooms.

Unless Trump makes a recess appointment, McMahon will have to clear a Senate vote to serve as education secretary. She’s been through a Senate confirmation vote before, however, winning confirmation as SBA administrator in 2017 in an 81-19 vote.

This time around, Sen. Bill Cassidy, R-La., who is the incoming chairman of the Senate’s health, education, labor, and pensions committee, will be responsible for steering the nomination.

McMahon’s tenure as a WWE executive came under fire recently in a lawsuit that alleged the organization’s leaders were aware of and didn’t stop a longtime ringside announcer from sexually abusing young boys who helped the ring crew, *The Hill* reported last month. The lawsuit named McMahon and her husband Vince, whose attorney called the claims “absurd, defamatory and utterly meritless,” according to *USA Today*.

Note: The LAO Fiscal Outlook report estimates that lawmakers will have to fill a \$2 billion deficit during the next fiscal year, a dramatic improvement over the LAO’s report from last year that projected a \$68 billion shortfall.

California Looking at \$2 billion Deficit After Lawmakers, Newsom Slashed Spending

By Nicole Nixon
The Sacramento Bee
November 20, 2024

California lawmakers and Gov. Gavin Newsom may have to fill a \$2 billion deficit during the next fiscal year, according to a report released Wednesday by the nonpartisan Legislative Analyst’s Office that also contained warning signs for California’s economy.

Chief Legislative Analyst Gabriel Petek described the budget as “roughly balanced” and “in fair shape.”

It's a dramatic improvement over last year's budget picture, when the LAO initially projected a \$68 billion shortfall. Lawmakers and Newsom took early action to trim spending and draw from budget reserves, shrinking the deficit to about \$47 billion for the current fiscal year.

The turnaround is driven by a budget approved earlier this year, which cut about \$11 billion in spending and increased business taxes to bring an additional \$5.5 billion. It also assumes lawmakers will withdraw \$7 billion from the rainy day fund next year as previously planned.

The budget forecast released Wednesday morning provides an early look at the state's expected revenues during the current fiscal year, which ends June 30.

Democratic leaders signaled a willingness to maintain disciplined spending based on the analysis.

"We need to show restraint with this year's budget," Assembly Speaker Robert Rivas, D-Hollister, said in a statement.

"We need to continue to buckle down on spending and be incredibly strategic on any future fiscal expansion," Senate President pro Tem Mike McGuire, D-Healdsburg, said. "Folks are doing their best to make ends meet, and it's our responsibility to implement policies and secure investments that will make their lives more affordable."

The [report](#) warns state leaders that revenues are unlikely to keep up with recent spending growth, driven in part by more people enrolling in state health programs. It advises Newsom and the Democratic-led legislature against taking on new spending commitments next year.

"While the budget picture is fair for the upcoming year, our outlook suggests that the state faces double-digit operating deficits in the years to come," the report reads.

Assembly Republican Leader James Gallagher said the potential deficits in future years is concerning. "Democrats got us into this mess and I have no confidence in their ability to fix things without inflicting real pain on Californians," he said in a statement.

Another Republican lawmaker saw an opportunity in one of the report's few recommendations: increased legislative oversight of spending programs.

"We need a robust assessment of the effectiveness of existing programs to figure out if they're accomplishing what they're supposed to accomplish," Sen. Roger Niello, R-Fair Oaks said in an interview. "And if not, that's where the expense reductions can come from to begin to balance those deficits (projected) in the out years."

The report notes that these types of budget forecasts "are always highly uncertain." That's due largely to the structure of California's tax system, which relies heavily on wealthy earners and makes the state budget vulnerable to extreme volatility.

The report contained some alarm bells for California's economy, including a lackluster job market, decreased consumer spending and lower income for business owners during the first two quarters of the year. Petek said the higher forecasted revenue means the budget is "disconnected from the broader economy."

The revenue bounce is driven largely by stock market appreciation, particularly in the artificial intelligence sector, according to the report. Legislative analysts said during the first half of 2024, stock pay at four tech companies — Meta, Apple, Nvidia and Alphabet, which owns Google — accounted for 10 percent of income tax withholdings.

“That, to us, feels a little more gregarious than if it were built on more robust job growth” and consumer spending, Petek said during a call with reporters. “When it’s based on the markets, markets and sentiment can change very quickly and it’s very unpredictable.”

That could be particularly true for an emerging technology like AI, analysts said.

The Trump factor

Democrats in California are bracing for President-elect Donald Trump’s second term beginning in January, setting up another stretch of unfriendly or even hostile relations with the White House and a Republican-controlled Congress.

“We have the added uncertainty of dramatic changes in federal policy next year under a new administration,” Department of Finance spokesman H.D. Palmer said in an email. “Higher tariffs and changes in legal immigration could add additional costs that affect not only the California economy overall, but our bottom line as well.”

Trump has already threatened to withhold natural disaster aid unless Newsom diverts more water to farmers. His administration could reject waivers for Medi-Cal, the state’s Medicaid program, including one that lawmakers have recently used to pull more funding from insurance companies and the federal government.

These hypotheticals were not taken into account for the LAO’s analysis, however.

“We know that there’s some potential, of course, for California to be in the bullseye but it’s not something we built into this forecast,” Petek said. “We aren’t trying to speculate here. We’re really trying to give the legislature as clear a picture as we can about the state’s financial position as it is now.”

State workforce savings unclear

The budget plan adopted earlier this year included a sweep of 10,000 vacant state jobs which would result in about \$2 billion in savings.

“We have not been able to get any information from the administration about how those efforts are going,” Petek said. The fiscal outlook “does not assume all of those efficiencies or reversions materialized as assumed.”

The Department of Finance is “still in the process of updating and assessing the progress that’s been made on this front, as well as other areas of efficiencies in the budget,” Palmer said, and that the administration would have more information in January.

Another question mark is how much the recent health care minimum wage hike will impact state coffers. According to the LAO, estimates range anywhere from the low hundreds of millions of dollars to the low billions of dollars annually.


State leaders closed a \$47 billion deficit in June by dipping into the rainy day fund, trimming the prison budget and cutting state operations and workforce positions. The state also delayed implementation of minimum wage hikes for health care industry workers, which took effect in October of this year.

The numbers are subject to change depending on several economic factors including the stock market, which fuels capital gains taxes, and income tax filing among the state's wealthiest earners.

Lawmakers and Gov. Gavin Newsom begin the six-month budget crafting process in January, when Newsom is constitutionally required to unveil his spending priorities for the following fiscal year.

Fresno Unified School District
Board Communication

BC Number ID-1

From the Office of the Superintendent
To the Members of the Board of Education
Prepared by: Tangee Pinheiro, Instructional Superintendent
Cabinet Approval: 

Date: December 06, 2024

Phone Number: 457-3225

Regarding: Fresno Unified Special Olympics

The purpose of this communication is to provide the Board with updates regarding Fresno Unified's Special Olympics. Fresno Unified's involvement in Special Olympics and Unified Sports has expanded significantly in recent years. In collaboration with Student Engagement, we currently offer three Unified Sports Seasons: Soccer, Basketball, and Track and Field, with plans to introduce a Unified Flag Football season within the next year or two. Participation increased from 310 students in the 2022/23 school year to 467 students in 2023/24. Our target for 2024/25 is to surpass 500 participants across all three sports, including both Unified Athletes and Unified Peers. Our successful partnership with Student Engagement has fostered inclusivity for all students.

Over the last two years, we've introduced a stipend for a Special Olympics Coordinator, significantly enhancing student and school engagement. This year, we are establishing a Memorandum of Understanding (MOU) with the Special Olympics to help fund this Coordinator position. The growth from 28 to 40 participating schools, 61 to 99 participating classes, and 310 to 467 student participants from 2022/23 to 2023/24 underscores this support's impact. Additionally, we've attracted over 1,700 spectators to our events, and we aim to continue this upward trend. The growth of Special Olympics in Fresno Unified is remarkable, and we are excited about future developments, especially with the MOU with Special Olympics.

If you have any additional questions pertaining to the information in this communication, or require additional information, please contact Michael Fletcher at 457-3308.


Approved by Interim Superintendent

Mao Misty Her 

Date: 12/06/24

Fresno Unified School District
Board Communication

BC Number ID-2

From the Office of the Superintendent
To the Members of the Board of Education
Prepared by: Marie Williams, Ed.D., Instructional Superintendent
Cabinet Approval: 

Date: December 06, 2024

Phone Number: 457-3731

Regarding: Ratify Agreement with California Department of Social Services

The purpose of this board communication is to provide the Board with information regarding an agreement with the California Department of Social Services that will be presented for ratification on December 11, 2024. The grant term is from 2024/25 through 2026/27 and extends the prior agreement that began in July 2021 and ended in June 2024. Fresno Unified School District's Early Learning Department will receive \$2,527,956.00 from the grant. The agreement is presented for ratification due to administrative protocols necessitating adherence to an adjusted timeline.

Fresno Unified School District will collaborate with the California Child Care Resource and Referral Network and Central Valley Children's Services Network to develop professional learning resources for dual language learners in early learning programs.

If you have any questions pertaining to the information in this communication or require additional information, please contact Maria Ceballos-Tapia at 457-3623.

Approved by Interim Superintendent

Mao Misty Her 

Date: 12/06/24