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Mao Misty Her

BOARD COMMUNICATIONS – JANUARY 17, 2025

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 Financial Officer

BFS-1 Kim Kelstrom School Services Weekly Update Reports
for January 09, 2025
BFS-2 Kim Kelstrom January Legislative Committee Meeting
BFS-3 Kim Kelstrom Charter School 2023/24 Audit Reports

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: January 17, 2025
Phone Number: 457-3884

Regarding: Interim Superintendent Calendar Highlights

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

- Site visits at Bakman, Burroughs, Calwa, Centennial, Duncan, Easterby, Ericson, Ewing, Greenberg, Herrera, Jefferson, Lawless, Malloch, McLane, Olmos, Rowell, Slater, Sunnyside, Tehipite, Terronez, Thomas, Turner, Vinland and Winchell
- Walked 27 classrooms during site visits
- Held working sessions on Interim Goals and Guardrails with district leaders
- Attended the CART Board Meeting
- Met with labor partners
- Participated in the K-12 Education Panel at Leadership Fresno Education Day
- Joint teachers at the Amplify training on early literacy at Tehipite
- Attended the Make-A-Wish event at Sunnyside High School
- Met with Chancellor Goldsmith, County Superintendent Copher, Central Unified Superintendent Davis and Clovis Unified Superintendent Folmer to discuss dual enrollment
- Attended the Martin Luther King Community Awards Program



Approved by Interim Superintendent

Mao Misty Her 

Date: 01/17/25

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: January 17, 2025
Phone Number: 457-3907

Regarding: School Services Weekly Update Reports for January 09, 2025

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 January 09, 2025 are attached and include the following articles:

- Ask SSC... Can My District Continue to Serve Students Whose Parents are Deported? – January 06, 2025
- Gov. Gavin Newsom Announced a \$322.2 Billion Budget with no Deficit. Here's What's in it – January 06, 2025
- Can California Keep ICE Away from Schools? Lawmakers Want to Try as Crackdowns Loom – January 03, 2025

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: 01/17/25



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DATE: January 9, 2025

TO: Misty Her
Interim Superintendent

AT: Fresno Unified School District

FROM: Your SSC Governmental Relations Team

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

Legislature Returns from Holiday Break

The Legislature returned from its holiday break on Monday, January 6, 2025, but this week's floor sessions were brief and non-substantive. When legislators return to Sacramento next week, they will have a chance to respond to Governor Gavin Newsom's 2025-26 State Budget proposal and continue to introduce legislation. They likely will not begin to do any significant policy committee or budget subcommittee work until February. The last day to introduce legislation for 2025 is Friday, February 21, 2025.

We do expect that that within the next couple of weeks the Legislature will conclude the special session convened by Governor Newsom by sending the Governor a bill to provide \$25 million to the Department of Justice (DOJ) to preempt the legal battles that California is expected to have with the incoming Trump Administration. Governor Newsom has asked the Legislature to send him a measure appropriating the additional DOJ funds before President-elect Donald Trump takes office on January 20, 2025.

Governor Newsom Previews State Budget Proposal

At a press event on Monday, Governor Newsom provided a preview of his 2025-26 State Budget proposal.

Governor Newsom said that his \$322.2 billion proposal is fully balanced with no budget deficits and state revenues exceeding 2024 State Budget Act projections by \$16.5 billion. The Governor said his proposal does not predict any shortfalls for the budget year.

Below we provide a summary of some of the top-line budget areas that the Governor highlighted during the press conference of relevance to local educational agencies.

Proposition 98

While he did not provide the updated Proposition 98 numbers for 2023-24 and 2024-25, he said that his budget projects that the minimum guarantee will grow

to \$118.9 billion for 2025-26. This is a \$3.6 billion increase from the \$115.3 billion that was included for the 2024-25 fiscal year in the 2024 State Budget Act. The Governor noted the Proposition 98 reserve is \$1.5 billion.

Cost-of-Living Adjustment

The Governor's Budget proposal projects a 2.43% cost-of-living adjustment (COLA) for 2025-26, which is slightly lower than what the Legislative Analyst's Office projected in its November *Fiscal Outlook* report (2.46%).

It is important to note that there are still two data points outstanding in order to calculate the final statutory COLA. One of those data points will be released at the end of January and the other will be available at the end of April.

The statutory COLA is applied to the Local Control Funding Formula (LCFF) rates and to a number of other education programs funded outside of the LCFF.

Other Education Investments

The Governor also highlighted the following ongoing education investments for 2025-26:

- \$4.4 billion for the Expanded Learning Opportunities Program
- \$2.4 billion for Universal Transitional Kindergarten implementation
- \$2.0 billion for the Universal School Meals Program
- \$1.0 billion for arts and music funding pursuant to Proposition 28 (2022)
- \$311 million for the LCFF Equity Multiplier

Next Steps

Originally, Governor Newsom was going to be in Washington, D.C., for former President Jimmy Carter's funeral when his budget proposal was set to be officially released this Friday, January 10, 2025. However, with the ongoing Los Angeles-area wildfires, the Governor has canceled his D.C. trip. At this point we do not know if the Governor will be holding his traditional press conference Friday morning when his budget proposal is released or if the Department of Finance staff will brief the public as previously planned.

We will provide more information about what is in the Governor's Budget proposal in subsequent *Sacramento Updates* over the next several weeks and will provide updates on the proposals as they begin to be vetted by legislative budget subcommittees. Stay tuned.

Leilani Aguinaldo

Ask SSC . . . Can My District Continue to Serve Students Whose Parents are Deported?

By Megan Baier, Patti F. Herrera, EdD, and Wendi McCaskill
School Services of California Inc.'s *Fiscal Report*
January 6, 2025

There is growing concern in my community about the potential impact that federal immigration policies may have on students from mixed-status families. If one of our students and/or their parent(s) are detained or deported by immigration agents, is there any way for my district to continue to provide support to them?

First, thank you for your question as we believe this issue is rising to the top for many school leaders as they anticipate what they may encounter after the winter holiday and in early 2025. The short answer to your question is: *Yes*, there is a way you can continue to support your student. We provide a more detailed explanation below.

Establishing Residency

The first important thing to know is that Education Code Section (EC §) 48204.4 provides a way for a student to establish and maintain California and school district residency requirements when their parent(s), who were state residents, depart California against their will and the student moved out of the state as a result.

Specifically, EC § 48204.4 requires two conditions to be met in order for a student to establish and maintain residency:

1. The student's parent(s) or guardian(s) depart California against their will, including that they were removed or permitted to depart voluntarily under federal immigration law.
2. The student moved out of the state because of the unwilful departure of their parent(s) or guardian(s) and the student lived in California and was enrolled in a public school immediately before leaving the state.

If a student meets both conditions, the student may seek admission to a school of a school district. Under these conditions, the governing board of the school district shall admit them regardless of their current residency status. The same law requires documentation substantiating the unwilful departure of the student's parent(s) or guardian(s) and evidence of their enrollment in a California public school prior to moving out of state.

Instructional Continuity

Now that we have identified a lawful way for a student who moved out of California to (re)establish residency under certain conditions, we attend to the ways a school district can provide instructional continuity and academic support for them.

In-Person Instruction

One option would be for the student to physically attend school to which they requested admission after having met the aforementioned residency requirements. Importantly, the law does not place geographic limits on where a student, under these circumstances, may request residency and admission to a public school. For

example, a student, who formerly may have been a resident of and attended a public school in northern California who now lives out of state near the southern border, may request residency in and admission to a school in southern California. The law bars school districts from charging fees of any kind for admission or attendance in school or for the student's participation in educational activities. Prohibitions on fees would apply to students who establish residency under EC § 48204.4 in the same way they apply to all students enrolled in the school district.

Independent Study

If in-person instruction is not a viable option for the student, the school district may, at the request of the student or their parent(s) or guardian(s), enroll them in the district's independent study program. EC § 51747.3(c) specifies that students who are *residents of the county or adjacent county* in which an apportionment is claimed may generate average daily attendance (ADA) for the school district. Under the circumstances covered in this article, the student would have established residency in the school district at which they are requesting to be admitted and enrolled and would thus meet the residency requirements of independent study.

All statutory and regulatory requirements of independent study participation for students covered by this article would apply, including but not limited to:

- That participation in independent study is at the student's discretion; students may not be compelled to participate in independent study
- Students participating in long-term independent study must be offered the minimum opportunities for live interaction and synchronous instruction for their appropriate grade level and shall be subject to tiered reengagement when conditions are met that includes the timely transfer back to in-person instruction when appropriate
- Students generate ADA under existing independent study provisions
- School districts must obtain signed written agreements (electronic signatures are permitted) for participating students in compliance with law depending on the duration of their participation in independent study
- Not more than 10% of students enrolled in a continuation high school or opportunity school may generate ADA credit under independent study

Independent study may be a viable way for school districts to provide instructional continuity and continued academic support for students who have moved out of state due to the unwilful departure of their parent(s) or guardian(s) while avoiding funding losses due to reduced ADA.

Importantly, EC § 48204.4 applies only to school districts. It does not authorize students to establish residency in and request admission to a public school administered by county offices of education or charter schools when their parent(s) or guardian(s) depart California unwilfully.

Note: During his press conference on Monday, Governor Newsom urged major reforms for Proposition 2 (2014) and Proposition 4 (1979), which he said hampered the state's ability to save money during surplus years.

Gov. Gavin Newsom Announced a \$322.2 Billion Budget with no Deficit. Here's What's in it

By Lia Russell
The Sacramento Bee
January 6, 2025

California no longer faces a budget deficit, Gov. Gavin Newsom said Monday, two months after budget officials projected a \$2 billion deficit that had left little room for additional government spending.

Newsom teased his \$322.2 billion budget proposal, which includes \$228.9 billion in general fund spending and \$17 billion in total reserves, at a press conference at Cal State Stanislaus in Turlock.

The proposal, which includes \$16.5 billion in projected revenue, does not anticipate any major cuts, and includes previously published proposals such as Newsom's plan to double the state film industry tax credit to \$750 million. The Department of Finance will unveil the full proposal Friday for the upcoming fiscal year, which starts July 1 and ends on June 30, 2026.

Gov. Gavin Newsom prepares to speak at a California Jobs First press conference at California State University, Stanislaus on Monday where he previewed budget topline. Renée C. Byer rbyer@sacbee.com

It's strikingly different from last year, when lawmakers and Newsom had to negotiate how to rectify a \$47 billion shortfall.

Newsom attributed Monday's improved economic situation to a healthier stock market. He also said the state had saved \$1.2 billion by cutting 6,500 vacant jobs over the last two years. But he warned the state's financial health could change greatly by the spring, when he submits his May Revise, and declined to give a specific number when asked how much money he thought was in what he called the state's "modest surplus."

"The bottom could completely fall out," the governor said, referring to the potential fallout from proposals incoming President Donald Trump has floated, such as huge tariffs on imported goods and mass deportations of undocumented immigrants.

Newsom also urged major reform or doing away entirely with Propositions 2 and 4, which he said hampered the state's ability to save money during surplus years. Proposition 2 (2014) governs how much the state can put in its rainy day fund, and Proposition 4 (1979) limits spending levels.

Gov. Gavin Newsom spoke at a California Jobs First press conference at California State University Stanislaus in Turlock on Monday where he proposes a \$322.2 billion spending plan. Renée C. Byer rbyer@sacbee.com

"Both contribute to our inability to set aside more money during the good years," he said. "Just as we would, for those very familiar with atmospheric rivers, you want to collect as much water as you can so you can use it during the dry years."

Senate President Pro Tempore Mike McGuire, D-Healdsburg, said the governor's budget proposal reflected California's "much stronger financial footing" as the Legislature returned for a special session Monday to shore up California's response to the incoming Trump administration.

"We look forward to taking a close look at the governor's full proposal later this week," he said in a statement. "The major work will happen in the months ahead, when we'll get down to brass tacks and craft a responsible and balanced budget which will help make California more livable and affordable."

Assembly Speaker Robert Rivas, D-Hollister, emphasized the Legislature's need to focus on affordability for California residents.

In an interview, Senate Budget Committee Vice Chair Roger Niello, R-Fair Oaks, called for a "robust analysis" of existing government programs, especially those proposed in the "last four or five years". He pointed to a report from last year as an example that said the state had failed to account for billions of dollars spent on programs addressing homelessness.

Assembly Budget Committee Vice Chair Heath Flora, R-Ripon, said while he and his fellow Republicans "welcomed" the deficit news, he would wait until Friday, when the full proposal is published, to pass judgment.

"The governor has used a lot of words, and not a lot to show for it," Flora said in an interview. "We'll have more to say Friday."

Note: One of the hottest legislative issues for Democratic lawmakers in 2025 is trying to keep U.S. Immigration and Customs Enforcement from detaining students or their families on or near school property.

Can California Keep ICE Away from Schools? Lawmakers Want to Try as Crackdowns Loom

By Carolyn Jones
CalMatters
January 3, 2025

California lawmakers are proposing steps to protect K-12 students and families from mass deportations — although the real value of those proposals may be symbolic.

A pair of bills in the Legislature — AB 49 and SB 48 — aim to keep federal agents from detaining undocumented students or their families on or near school property without a warrant. The bills are a response to President-elect Donald Trump's threat to deport undocumented immigrants, a move which could have major consequences for schools in California, which funds its schools based on attendance and where 12% of students have at least one undocumented parent.

Both bills would make it harder and more time-consuming for agents to enter schools or day care centers. But they can only delay, not stop, arrests.

“In no way can these bills override federal law,” said Kevin Johnson, a law professor at UC Davis. “But the bills respond to a great concern in the community that it’s not safe to take your children to school. ... I can’t emphasize enough how important this is, how vulnerable undocumented immigrants feel right now.”

AB 49, proposed by Assemblymember Al Muratsuchi, a Democrat from Torrance, would require immigration agents to obtain written permission from the superintendent before coming onto school property. It also bars agents from being in rooms where children are present. SB 48, introduced by Sen. Lena Gonzalez, a Democrat from Long Beach, would prohibit local police from cooperating with federal agents — such as assisting in arrests or providing information about families’ immigration status — within one mile of a school. It also bars schools from sharing student and family information with federal authorities.

School districts have also doubled down on their efforts to protect students and families. Los Angeles Unified has partnered with legal aid organizations to assist families and instructed schools not to ask students about their immigration status. San Francisco Unified has similar policies.

“(San Francisco Unified) is a safe haven for all students regardless of citizenship status,” Superintendent Maria Su wrote to the community after the November election. “SFUSD restates our position that all students have the right to attend school regardless of their immigration status or that of their family members.”

Schools as safe havens

Schools have long been safe havens for immigrant students. Under a 1982 Supreme Court ruling, public schools must enroll all students regardless of their immigration status and can’t charge tuition to students who aren’t legal residents. And since 2011, federal guidelines discourage agents from making immigration arrests at schools, hospitals, churches, courthouses and other “sensitive locations.”

But Trump said he plans to eliminate the “sensitive locations” guidelines, and the Heritage Foundation, which published the right-leaning Project 2025 manifesto, is encouraging states to charge tuition to undocumented K-12 students. That could set up the possible overturn of the Supreme Court decision guaranteeing access to school for undocumented students. The foundation’s rationale is that government agencies such as schools are already overburdened and need to prioritize services for U.S. citizens.

“The (Biden) administration’s new version of America is nothing more than an open-border welfare state,” Lora Ries, director of the Heritage Foundation’s Border Security and Immigration Center, wrote. “No country can sustain or survive such a vision.”

Muratsuchi, chair of the Assembly Education Committee, said he was inspired to author AB 49 just after the election, when he listened to the concerns of immigrant students in the political science class he teaches at El Camino Community College in Torrance.

“It became clear there was more and more fear among my students, not only for themselves but for their families. The fear of families being torn apart is very real,” Muratuschi said. “We want to send a strong message to our immigrant students that we’re going to do everything we can to protect them.”

‘Too scared to speak up’

For most undocumented families, deportation would mean a plunging into poverty and in many cases, violence. Nahomi, a high school senior in Fresno County whom CalMatters is identifying by her middle

name because of her immigration status, described the threat of deportation as “a major worry for my family and I. Our lives could change completely in a blink of an eye.”

Nahomi and her parents arrived in California in 2011 from the city of Culiacan in Sinaloa, Mexico, an area plagued by widespread violence. They initially planned to stay until Sinaloa became safer, but once they settled in the Central Valley they decided the risks of returning outweighed the risk of deportation, so they stayed. Nahomi’s father works in construction and her mother is a homemaker, raising Nahomi and her younger sister.

While she and her family fear deportation, Nahomi is not afraid to attend school. She said schools can help families know their rights and help children feel safe.

“I feel very welcomed and safe there,” she said. “It is a very diverse high school and I just feel like any other student. ... (But) a lot of these families are probably too scared to speak up about doubts they might have.”

Politically unpopular?

Patricia Gándara, an education professor and co-director of the Civil Rights Project at UCLA, said the risk of federal agents arresting students at schools is probably small. It’s unclear how many children in K-12 schools are undocumented, but it’s probably a relatively small number, she said. In any case, immigration enforcement that affects children almost always sparks public outcry from both parties, she said.

“Some people might say they’re anti-immigrant, but it’s another thing entirely when the family up the street, whom they’ve known for 20 years, suddenly gets deported, or your kid’s best friend gets deported,” said Gándara, who’s studied the topic extensively. “It’s politically very unpopular.”

Still, the proposed bills could send a powerful message that schools are safe places, she said. Immigration crackdowns can have a significant impact on student attendance, a Stanford study found, which can lead to less funding for schools, particularly low-income schools that enroll large numbers of immigrant children.

Immigration crackdowns can also lead to an increase in bullying, anxiety and general uncertainty on campus, not just for immigrant children but for everyone, Gándara said. Teachers, in particular, experience high levels of stress when their students’ safety is endangered, she said.

Schools can’t rely solely on state laws to protect immigrant families, though, she added. They should partner with local nonprofits to provide legal services and other support to families who need assistance, Gándara said.

“Schools are one of the last places immigrant families feel safe,” she said. “But as soon as (federal agents) move into schools, they’re not so safe any more. These bills say, ‘We’re not going to sit back and let this happen. Not all of government is against you.’”

California ‘one of the best places to be’

Both bills are awaiting hearings in the Legislature. Tammy Lin, supervising attorney with the University of San Diego Immigration Clinic, expects California to continue to take steps to protect undocumented families, but political conflicts will be inevitable.

The incoming Trump administration is likely to battle California and other left-leaning states over immigration matters. Even within California, conflicts are likely to erupt between state leaders and those in more conservative regions, or even between agencies in the same area. In San Diego County, for example, the Board of Supervisors ordered the sheriff's office to not notify federal immigration officers when it releases suspected undocumented inmates from jail, but the sheriff refused to comply.

Lin also said she wouldn't be surprised if there's an attempt to overturn the Supreme Court ruling guaranteeing education to undocumented children, potentially paving the way for other immigrants' rights to be reversed.

"It's a slippery slope," Lin said. "Immigrants know this, which is why there's immense fear and uncertainty right now. But bills like these show that California is still one of the best places you can be."


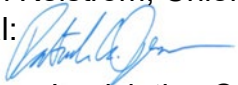
Suriyah Jones, a member of the CalMatters Youth Journalism Initiative, contributed to this story.

Fresno Unified School District
Board Communication

BC Number BFS-2

From the Office of the Superintendent
To the Members of the Board of Education

Date: January 17, 2025

Prepared by: Kim Kelstrom, Chief Executive 
Cabinet Approval: 

Phone Number: 457-3907

Regarding: January Legislative Committee Meeting

The purpose of this communication is to provide the Board with information shared at the January 15, 2025, Legislative Committee Meeting.

Budget and Economic Update

Ms. Aguinaldo provided a budget update from the Governor's office presentation on the Proposed Adopted budget for 2025/26 on January 10, 2025. The main proposals include:

- A Cost-of-Living Adjustment of 2.43% (previous projections were 2.93%)
- Increase reserves to the Rainy-Day Fund with an increase from \$1.2 billion to \$1.5 billion
- Increase funding for TK expansion for final year and support lower class size from 12:1 to 10:1 class size
- LCFF equity multiplier will continue to be funded, however it is estimated approximately 200 schools will no longer be eligible
- Allocate a discretionary block grant of \$1.8 billion to support rising cost, professional development, teacher recruitment and retention, and career pathways
- Restore some of the Learning Recovery Block Grant restoration that was reduced in 2023
- Allocate one-time funds to support TK-12 Literacy and Mathematics

Legislative Update – The following bill proposals were discussed:

AB 49 (Muratsuchi) – Support – Protects immigrant children from actions by US Immigration and Customs Enforcement officers who enter school sites or childcare facilities.

SB 48 (Gonzalez) – Support – Prohibits schools and personnel from granting a United States Immigration and Customs Enforcement officer or other federal official engaging in immigration related investigations permission to access a school campus without a judicial warrant.

The School Services Legislative Committee January 2025 report is attached. The next Legislative Committee meeting is scheduled for February 06, 2025.

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: 01/17/25

Fresno Unified School District

**LEGISLATIVE COMMITTEE MEETING
JANUARY 15, 2025**

2025-2026 Legislative Session

Prepared By:

**Leilani Aguinaldo
Director, Governmental Relations**



Public Education's Point of Reference for Making Educated Decisions



School Services of California, Inc.
Legislative and Economic Update Prepared for:
Fresno Unified School District
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January 15, 2025

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Governor's 2025 January Budget Proposal

January 15, 2025

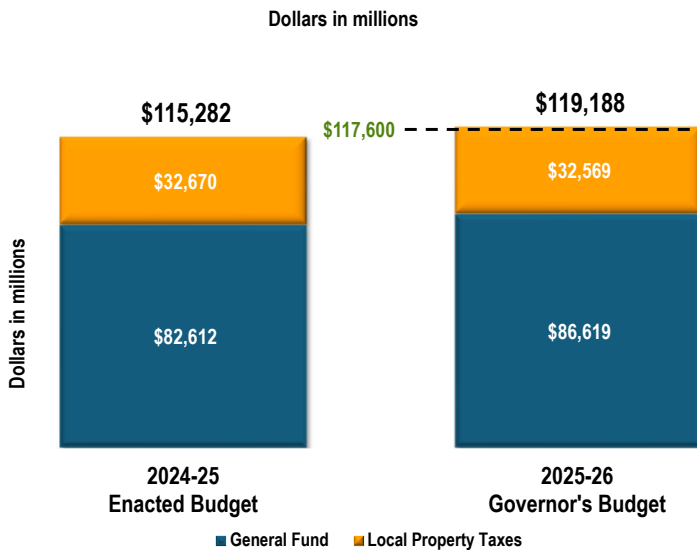
Proposition 98



- Proposition 98 is the bright spot of the Governor’s Budget
 Within the state’s spending limit, Proposition 98 funding encumbers over half of available revenue
 Eliminates reliance on one-time funding to support the Local Control Funding Formula (LCFF) and other ongoing costs
 Provides significant one-time discretionary resources to help local educational agencies (LEAs) with rising costs and other liabilities
 Fully funds a 2.43% cost-of-living adjustment (COLA)
- But we will be mindful that the state meets its minimum funding obligation to public education every year—including 2024-25

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2024-25 Proposition 98 Minimum Guarantee



Due to unanticipated General Fund revenues, the 2024-25 minimum guarantee is revised upward by \$3.9 billion

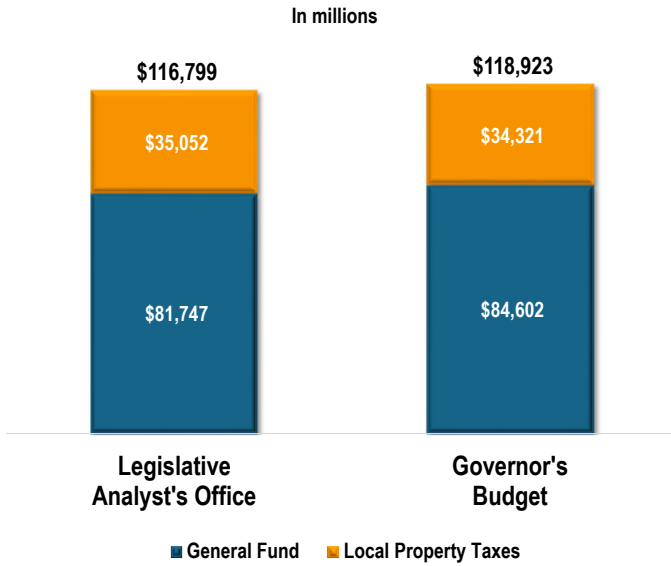
“[T]he Budget proposes to appropriate the Guarantee at \$117.6 billion, instead of at the currently calculated level of \$119.2 billion...”

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Governor's 2025 January Budget Proposal

January 15, 2025

2025-26 Proposition 98 Minimum Guarantee



- Compared to the LAO's November 2024 *Fiscal Outlook*, the Governor's estimates for the 2025-26 minimum guarantee are only modestly higher
 - General Fund revenues are \$2.9 billion higher while local property tax revenue is \$731 million lower
- Both estimate the budget year level to be lower than 2024-25

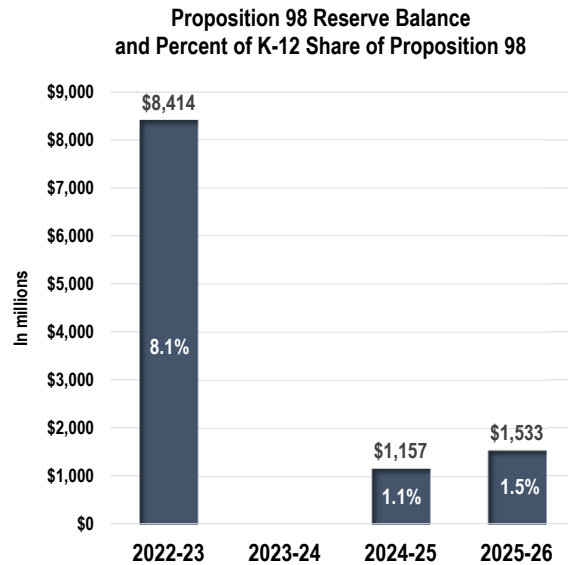
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Proposition 98 Rainy Day Fund

Proposition 2 (2014) Public School System Stabilization Account

- Required deposit amounts are calculated based on above average capital gains revenue
- At the end of 2022-23, the account balance was \$8.4 billion
- The 2024-25 Enacted Budget reflected:
 - Withdrawal of entire balance in 2023-24
 - Discretionary deposit of \$1.1 billion in 2024-25
- The 2025-26 Governor's Budget includes:
 - Converting the 2024-25 discretionary deposit to a mandatory deposit (with an increase in the deposit amount) and an additional required deposit of \$376 million in 2025-26



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Governor's 2025 January Budget Proposal

January 15, 2025

2025-26 LCFF Funding Factors

Grade Span	TK-3	4-6	7-8	9-12
2024-25 Base Grant per ADA	\$10,025	\$10,177	\$10,478	\$12,144
2.43% COLA	\$244	\$247	\$255	\$295
2025-26 Base Grant per ADA	\$10,269	\$10,424	\$10,733	\$12,439
GSA	\$1,068	–	–	\$323
2025-26 Adjusted Base Grant per ADA	\$11,337	\$10,424	\$10,733	\$12,762
20% Supplemental Grant per ADA ¹	\$2,267	\$2,085	\$2,147	\$2,552
65% Concentration Grant per ADA ²	\$3,316	\$3,049	\$3,139	\$3,733
TK³ Add-On per ADA (inclusive of COLA)	\$6,404⁴	–	–	–

¹Maximum amount per ADA—to arrive at LEA's grant amount, multiply adjusted base grant per ADA by 20% and UPP

²Maximum amount per ADA—to arrive at LEA's grant amount, multiply adjusted base grant per ADA by 65% and UPP above 55%

³Transitional kindergarten

⁴Inclusive of an additional \$3,252 for the student-to-adult ratio reduction from 12:1 to 10:1

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LCFF Equity Multiplier

Eligibility

Schools with prior-year nonstability rates greater than 25% and prior-year socioeconomically disadvantaged pupil rates greater than 70%

- In 2023-24, there were 968 eligible schools
- In 2024-25, SSC projects there will be 1,012 eligible schools¹
 - 246 newly eligible schools
 - 195 schools from 2023-24 are no longer eligible

The Governor's Budget applies the estimated statutory COLA to Equity Multiplier funds, bringing the total state investment to \$311 million in 2025-26

Allocation

Funding allocated per student, using school's total prior-year adjusted cumulative enrollment

- In 2023-24, the per pupil rate was \$1,052.61
- In 2024-25, SSC projects the per pupil rate will be \$933.73¹
- Minimum of \$50,535 per eligible school in 2024-25 and \$51,763² in 2025-26

Equity Multiplier funds must be used for evidence-based services and supports for students at Equity Multiplier schools and the funds must be included in the LCAP

¹CDE is expected to publish the list of Equity Multiplier schools and the per pupil rate in February; ²Adjusted for COLA beginning in 2024-25

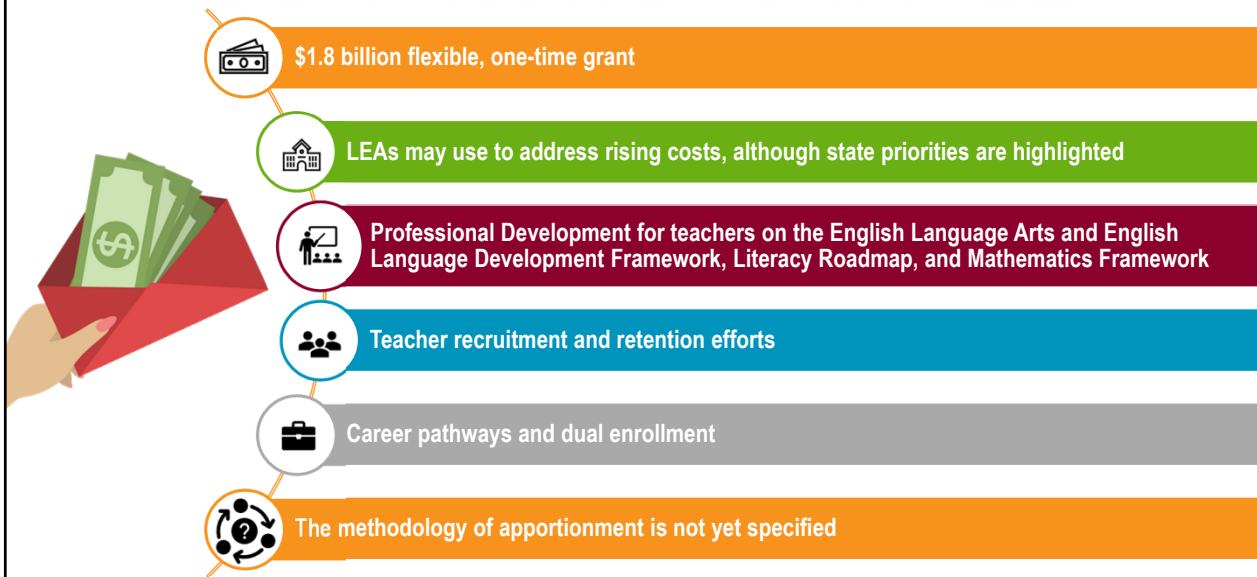
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Governor's 2025 January Budget Proposal




January 15, 2025

Student Support and Professional Development Discretionary Block Grant



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Universal Transitional Kindergarten—Proposals

Current Law		Governor's Budget Proposal
In 2025-26, TK available to four-year-olds whose fourth birthday occurs by September 1 of the school year		Includes a total of \$2.4 billion ongoing (inclusive of prior years' investments) for full implementation of universal TK in 2025-26, including funds for the final eligibility expansion of the birthdate to September 1
Includes an intent to fund the 10:1 student-to-adult ratio that is required starting in 2025-26		Provides a total of \$1.5 billion ongoing Proposition 98 funds for the ratio requirement
TK students are exempt from taking the English Language Proficiency Assessments of California (ELPAC)		Invests \$10 million one-time Proposition 98 funding for the state to provide a new English language screener for TK students

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Governor's 2025 January Budget Proposal

January 15, 2025

Expanded Learning Opportunities Program

	2021-22	Current Law	Governor's Budget Proposal
Total Funding	\$1.0 billion ongoing plus \$754 million one-time	\$4.0 billion ongoing	\$4.4 billion ongoing
Requirement to Offer the Program and Provide Access for Grades TK-6	Must offer the program to all unduplicated students and provide access to at least 50% of unduplicated students	<ul style="list-style-type: none"> • UPP ≥ 75% must offer and provide access to <u>all</u> students • UPP < 75% must offer and provide access to all <u>unduplicated</u> students 	<ul style="list-style-type: none"> • UPP ≥ 55% must offer and provide access to <u>all</u> students • UPP < 55% must offer and provide access to all <u>unduplicated</u> students
Per Pupil Amount	UPP ≥ 80%: \$1,170 UPP < 80%: \$672.19	UPP ≥ 75%: \$2,750.00 in 2024-25 UPP < 75%: \$1,579.55 ¹ in 2024-25	UPP ≥ 55%: \$2,750.00 in 2025-26 UPP < 55%: TBD in 2025-26

¹Subject to change at the First Principal and Second Principal Apportionments (P-1 and P-2)

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Learning Recovery Emergency Block Grant

The Governor's Budget restores \$378.6 million to the Learning Recovery Emergency Block Grant (LREBG), which supports learning recovery initiatives through the 2027-28 school year

- The LREBG, initially funded at \$7.9 billion, was cut by in the 2023 Budget Act leaving \$6.8 billion
- Recall, the LREBG requirements were changed in the 2024 Budget Act—beginning in the 2025-26 school year, to utilize these funds, LEAs must conduct a new student needs assessment and include expenditures and actions in the LCAP



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Governor's 2025 January Budget Proposal

January 15, 2025

Literacy Investments

Personal Finance Curriculum

- \$300,000 one-time
- Resources for the Instructional Quality Commission to develop a curriculum guide and resources in personal finance
- Fulfills requirements of AB 2927

Literacy Screening

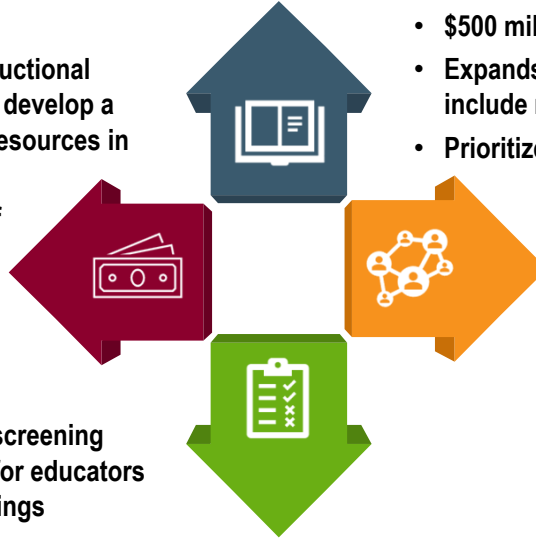
- \$40 million one-time
- Supports purchase of screening materials and training for educators who administer screenings

TK-12 Literacy and Mathematics Coaches

- \$500 million one-time
- Expands Literacy Coaches Program and include mathematics coaches
- Prioritizes high-poverty schools

Literacy Network

- \$5 million annually through 2029-30
- Create a statewide network to provide resources to LEAs, highlight high performing districts and best practices and provide support



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Overview of the Governor's Proposals for the 2025-26 State Budget and K-12 Education

By: SSC Team

Overview of the Governor's Budget Proposals

With California in a better financial position in 2025-26 compared to 2024-25, Governor Gavin Newsom's State Budget proposals emphasize fiscal stability and strategic investments to enhance the state's future. At this time last year, the state was facing a budget gap between \$38 billion and \$68 billion, depending on who you asked, and this year's proposal reflects an expectation that current-year revenues will beat projections by \$16.5 billion.

However, concerns are being raised about how the Governor proposes to fund Proposition 98 in the current year, providing proposals in January to spend less than he anticipates the current year's guarantee will ultimately be. This approach is unprecedented; debates this year may echo some of the arguments made against the Governor's initial proposal to solve last year's significant budget gap.

The good news for education: a respectable estimated statutory cost-of-living adjustment (COLA), though marginally lower than estimated last summer; discretionary funds; additional revenues to lower teacher student ratios in transitional kindergarten; additional eligibility for local educational agencies (LEAs) to Tier 1 Expanded Learning Opportunities Program (ELO-P) funds; and a potential upside in proposed revenues at the May Revision.

The Economy and Revenues

Governor Gavin Newsom assumes a stable economy for 2025-26 and budget documents note robust growth, cooling inflation, and slowing job growth. Uncertainty about federal policy is noted as the most immediate risk to the economic forecast. Additional risks to the economy include, but aren't limited to, revenue volatility, geopolitical tensions, climate change impacts, the high cost of living in California, and potential delayed tax deadlines due to disasters. The Governor's Budget assumes gross domestic product growth to slow to 2.1% in 2025 and to further decrease to 1.8% in 2026. California unemployment is projected at 5.2% for 2025, 5.1% for 2026, and is expected to gradually decline to 4.7% by 2028. National inflation is projected to drop to 2.3% in 2025 and 2.2% in 2026.

Director of Finance Joe Stephenshaw began the press conference emphasizing California's reliance on higher income earners for state revenue and vulnerability to a fluctuating stock market. The largest source of state General Fund revenues is derived from taxes on personal income, including capital gains. Personal income tax is estimated to make up over 67% of pre-transfer General Fund revenue for 2023-24. One percent of the state's highest income earners paid nearly 39% of all personal income taxes in 2022, an 11% reduction from the prior year. This reduction was due primarily to a weaker stock market and lessening impact from federal stimulus. Notably, according to the Governor's Budget Summary, "the tax liability of the top one percent is highly

volatile and often unconnected to the growth of the broader economy.” This can add difficulty to forecasting revenues.

Capital gains revenue as a percentage of annual General Fund revenues are projected to make up 8.4%, 7.7%, 8.5%, and 9.1% of total annual General Fund revenues for 2023, 2024, 2025, and 2026, respectively. The Newsom Administration assumes a stock market that is largely consistent with Wall Street’s mid-November 2024 levels and as such, projects capital gains realizations to increase 5% higher than anticipated in the 2024 forecast.

The Governor’s Budget recognizes a budget surplus of \$16.5 billion more General Fund revenue over the three-year budget window (2023-24, 2024-25, and 2025-26) than projected in the 2024 Budget Act. The increases are due primarily to personal income tax, corporation tax, and the Pooled Money Investment interest forecasts. The Budget also includes total reserve balances of approximately \$17 billion at the end of 2025-26.

The budget forecast recognizes stock market and asset price volatility and declines, geopolitical instability, federal policy changes, and stubborn inflation as risks to the economy, although they are not anticipated to lead to a recession if realized.

Proposition 98 Minimum Guarantee, Reserve, and Local Reserve Cap

Proposition 98 Minimum Guarantee

Proposition 98 funding remains strong in the Governor’s Budget but plateaus in 2025-26 at a near historic level of \$118.9 billion. The budget year estimate is just \$300 million lower than Proposition 98’s peak reached in 2024-25. Upward revisions to state General Fund revenues warrant increasing the 2024-25 Proposition 98 minimum guarantee by \$3.9 billion from the 2024-25 Enacted Budget estimate. Across the three-year budget window, Proposition 98 funding increases by \$7.5 billion above estimates from last July.

Proposition 98 Minimum Guarantee In billions				
2023-24		2024-25		2025-26
2024-25 Enacted Budget	2025-26 Governor’s Budget	2024-25 Enacted Budget	2025-26 Governor’s Budget	2025-26 Governor’s Budget
\$98.50	\$98.50	\$115.30	\$119.20	\$118.90
Test 2	Test 2	Test 1	Test 1	Test 1

Citing risks to—and recent volatility in—state General Fund revenue projections, the Governor’s Budget proposes to appropriate the 2024-25 (current year) Proposition 98 minimum guarantee at \$117.6 billion, or \$1.6 billion lower than the revised estimated level of \$119.2 billion. The proposal is designed to protect the state from appropriating more funding to K-12 and community college

agencies than constitutionally required. Presumably, this approach reflects the Governor's hesitancy to commit resources to public education that the state may not be able to recoup if budget revenue projections are too optimistic—a hard, multi-billion dollar lesson he learned during last year's budget negotiations that culminated in a deal struck between him and the California Teachers Association. Notwithstanding concerns that may arise from Governor Newsom's cautionary proposal, he notes that the estimates of the 2024-25 minimum guarantee will be reevaluated as part of the May Revision and before its final certification.

Like the Legislative Analyst's Office's Fiscal Outlook from November 2024, the Governor's Budget assumes that the state is not required to address the outstanding Maintenance Factor obligation created with the suspension of Proposition 98 in 2023-24 through a Maintenance Factor payment in 2025-26.

State Reserves, the PSSSA, and Local Reserves

The Governor's Budget maintains a planned \$7.1 billion withdrawal from the state's Budget Stabilization Account (BSA), which was included in the 2024-25 Enacted Budget. Additionally, Governor Newsom is proposing significant changes to the rules governing the BSA. Specifically, he proposes increasing the cap on annual deposits into the BSA from 10% to 20% of General Fund revenues and to exempt deposits from being included in the calculation of the State Appropriations Limit (or spending limit). These changes are necessary, according to the Governor, to increase California's budget resiliency.

Relative to public education's reserve—the Public School System Stabilization Account (PSSSA)—the Governor's Budget changes the \$1.1 billion discretionary deposit to a mandatory deposit increased by \$100 million for an account balance at the end of this fiscal year of \$1.2 billion. Additionally, in 2025-26, the Governor's Budget assumes an additional required deposit of \$376 million.

Based on the Governor's Budget estimates for the PSSSA, the end-of-year account balance in 2024-25 of \$1.2 billion does not meet the criteria to trigger capping local school district reserves for the 2025-26 fiscal year.

LCFF and COLA

After several years of one-time funding to support the Local Control Funding Formula (LCFF), the Governor's Budget proposes fully funding the LCFF for 2025-26 with ongoing dollars. The LCFF will receive the estimated statutory COLA of 2.43%, a decrease of 0.5 percentage points from what was projected at the 2024-25 Enacted Budget of 2.93%. When taking into consideration the estimated statutory COLA and adjustments due to population growth, which is negative due to declining enrollment, the Governor's Budget proposes an increase of approximately \$2.5 billion to the LCFF.

With this funding, the base grants by grade span for 2025-26 are increased over 2024-25 by the estimated statutory COLA of 2.43%.

Grade Span	2024-25 Base Grant Per ADA	2.43% COLA	2025-26 Base Grant Per ADA
TK-3	\$10,025	\$244	\$10,269
4-6	\$10,177	\$247	\$10,424
7-8	\$10,478	\$255	\$10,733
9-12	\$12,144	\$295	\$12,439

The transitional kindergarten (TK)-3 base grant increase for the class-size reduction (CSR) grade span adjustment is \$1,068 per ADA in 2025-26 and the grades 9-12 base grant per average daily attendance (ADA) is increased by \$323 in recognition of the need for Career Technical Education (CTE) courses provided to students in the secondary grades.

School districts and charter schools are entitled to supplemental grant increases equal to 20% of the adjusted base grant (including CSR and CTE funding) for the percentage of enrolled students who are English learners, eligible for the free or reduced-price meals program, or in foster care. An additional 65% per-pupil increase is provided as a concentration grant for each percentage of eligible students enrolled beyond 55% of total enrollment, with 15% of the concentration grant to be used to increase the number of adults providing direct services (nurses, teachers, counselors, paraprofessionals, and others) to students.

Additionally, estimated statutory COLA will be applied not only to the LCFF, but to other categorical programs outside of the LCFF. The Governor’s Budget proposes \$204 million ongoing for the estimated statutory COLA for the LCFF Equity Multiplier, State Preschool, Special Education, Child Nutrition, Youth in Foster Care, Mandate Block Grant, Adults in Correctional Facilities Program, Charter School Facility Grant Program, American Indian Education Centers, and the American Indian Early Childhood Education Program.

Special Education

Special education will receive the 2.43% estimated statutory COLA increase applied to all components of Assembly Bill (AB) 602, and to special education adjacent, but non-restricted funding such as the State Mental Health Services, as shown below.

Program or Funding Source	2024-25 Rate	2025-26 Estimate
AB 602 Base Rate	\$896.89	\$918.68
Program Specialist Regionalized Services	\$20.00	\$20.48
Low Incidence ¹	\$3,688.11	\$3,777.73
Special Education Mental Health Services ¹	\$80.95	\$82.92

¹ Estimates do not include impact of shifting pupil counts or ADA

Expanded Learning Opportunities Program

For the first time since the 2022 Enacted Budget, the Governor’s Budget proposes to increase the state’s ongoing investment in the ELO-P. Currently, LEAs with an Unduplicated Pupil Percentage (UPP) of 75% or higher are required to offer ELO-P to all students in grades TK-6, and LEAs with a UPP below 75% must offer the program to all unduplicated students in grades TK-6. The Governor proposes to lower the threshold to 55%, such that LEAs with a UPP of 55% or higher must offer ELO-P to all students in grades TK-6. Funding for ELO-P is proposed to increase by \$435 million to support this change as well to continue providing ongoing support to LEAs that are below the 55% threshold.

Universal Transitional Kindergarten

In the 2025-26 school year, full implementation of universal TK is reached, such that all children who turn four years old by September 1 of the school year can enroll in TK. The Governor’s Budget includes \$2.4 billion ongoing Proposition 98 funds for universal TK, including all prior years’ investments, to accommodate the full complement of four-year-old students that may now access TK.

Full implementation of universal TK also includes a new requirement to lower the average student-to-adult ratio from 12:1 to 10:1 in all TK classrooms. The Governor’s Budget includes an additional ongoing investment of \$1.5 billion to support the lower TK ratio.

Nutrition

Governor Newsom continues to tout the implementation of the Universal Meals Program as a point of pride for his education platform.

As the program enters its fourth year, the Governor remains committed to ensuring that LEAs are reimbursed for the breakfasts and lunches they serve to their students. To fully fund the program, the Governor proposes to provide an additional \$106.3 million in ongoing funding for the 2025-26 school year.

The Governor also proposes to apply the 2.43% estimated statutory COLA to child nutrition and to provide \$150 million in one-time funding for specialized kitchen equipment, infrastructure, and training to support schools in providing more freshly prepared meals made with locally grown ingredients.

One-Time Funding

Student Support and Professional Development Discretionary Block Grant

The Governor’s Budget creates the Student Support and Professional Development Discretionary Block Grant, providing \$1.8 billion. Funds may be used for the following purposes: to address unspecified rising costs, professional development for teachers on the English Language Arts and English Language Development Framework and Literacy Roadmap, professional development for teachers on the Mathematics Framework, teacher recruitment and retention strategies, and career

pathways and dual enrollment. At this time, the methodology of apportioning these dollars to LEAs is unknown.

Learning Recovery Emergency Block Grant

The Governor’s Budget provides \$378.6 million to the Learning Recovery Emergency Block Grant. This block grant, initially established in the 2022 Budget Act, supports learning recovery initiatives through the 2027-28 school year.

Literacy Instruction Investments

In an augmentation of the existing Literacy Coaches and Reading Specialists Grant Program, the Governor’s Budget provides \$500 million one-time for TK-12 Literacy and Mathematics Coaches in high-poverty schools. To support implementation of literacy screenings, a \$40 million one-time commitment is included to support the purchase of screening materials and training for educators to administer literacy screenings. The Budget will establish a Literacy Network within the Statewide System of Support to provide literacy resources, highlight best practices, and support LEAs with literacy implementation with \$5 million annually through 2029-30. Finally, the Instructional Quality Commission will have \$300,000 one-time funds to develop a curriculum guide and resources in personal finance to fulfill new requirements of AB 2927.

Teacher Preparation and Professional Development

Governor Newsom has prioritized the teacher recruitment and retention programs over his tenure. The Governor’s Budget continues that trend and provides \$150 million to create the Teacher Recruitment Incentive Grant Program that will provide financial assistance to teacher candidates. Additionally, the Budget allocates \$100 million to support the existing National Board Certification Incentive Program to support National Board Certified teachers to serve in high poverty schools. Notably, the Budget does not restore last year’s \$60.2 million cut to the Golden State Teacher Grant Program.

Facilities

As part of the November 2024 General Election, voters approved Proposition 2—The Kindergarten Through Grade 12 Schools and Local Community College Public Education Facilities Modernization, Repair, and Safety Bond Act of 2024. Proposition 2 includes \$8.5 billion in funding for school facilities projects through the School Facility Program for TK-12 and \$1.5 billion for community colleges.

The Governor’s Budget proposes selling \$1.5 billion of the approved bonds for TK-12 and \$51.5 million for community colleges in the 2025-26 fiscal year.

Career Technical Education

Back in August 2023, Governor Newsom called for a new Master Plan for Career Education (Master Plan) through the Freedom to Succeed [Executive Order](#). Last month, his Administration released the executive summary of the Master Plan and is expected to release the full plan within

the coming weeks (see the article “[Governor Unveils Master Plan for Career Education Executive Summary](#)” in the December 2024 *Fiscal Report*).

To support the goals of the Master Plan, the Governor proposes to include dual enrollment and pathways programs as allowable expenditures for funds allocated through the aforementioned Student Support and Discretionary Block Grant. The Governor also proposes to provide an increase of \$3 million ongoing to support the California College Guidance Initiative and the Cradle-to-Career Data System.

Finally, the Governor is proposing the following new investments to implement key provisions of the Master Plan, with additional phases of implementation to be considered in future fiscal years:

- **Career Passport Program.** The Governor is proposing \$100 million in one-time Proposition 98 funding for the California Community Colleges to expand Credit for Prior Learning and begin building the infrastructure for the state’s first Career Passport System. The system will allow students to create formal documentation of their marketable skills and abilities developed through work, classes, apprenticeships, internships, or other experiences both inside and outside the classroom.
- **State Planning and Coordinating Body.** The Governor is proposing \$5 million ongoing (non-Proposition 98) for the Government Operations Agency to establish a state planning and coordinating body for TK-12 education, higher education, and state economic and labor agencies. The coordinating body would be tasked with improving the forecasting of needed skills and coordination of resources and initiatives across state government in alignment with recommendations from the Master Plan.
- **Regional Coordination for Career Education and Training.** The Governor proposes \$4 million one-time (non-Proposition 98) for the Labor and Workforce Development Agency to evaluate how regional coordination models can be expanded to create sustainable forums where educators, workforce training providers, and employers can work to align programs with employer needs. This work will be aligned with the State Economic Blueprint and 13 regional plans.

Early Childhood Education

The Governor’s Budget includes \$7.1 billion (\$4.6 billion General Fund) for Department of Social Services administered child care and development programs. The Budget maintains funding for the Cost of Care Plus Rate. The Budget also maintains prior commitments for the state to move to a single rate system based on cost of care.

In Closing

After experiencing years of revenue swings during good times and bad, the education world steadies itself with the Governor’s 2025-26 State Budget proposal. Education community members will rally to ensure the Proposition 98 minimum guarantee is free of manipulation and fully funded when the dust settles on the budget discussions. Between now and then, LEAs will begin to construct their local budgets with a bit of cautious optimism in hopes for a relatively normal budget year.

That said, we know there is nothing normal about the impacts of the unprecedented fires affecting the school community in the Greater Los Angeles area. As likely with many of you, the Greater Los Angeles education community is in our thoughts, and we have offered our unlimited support in their recovery. Throughout our 50-year history, we have found the education community to be relentlessly resilient in support of their students, families, staff, and each other.

We look forward to diving deep into the Governor's education budget with all of you and helping our local educational leaders and partners operationalize all of what this means for public agencies, staff, students, and local communities at our [Governor's Budget Workshop](#).

Funding Proposed for Reading Screeners

By: Anjanette Pelletier

January 13, 2025

Just in time to meet its statutory deadline, the Reading Difficulties Risk Screener Selection Panel released a short list of four approved reading difficulties screeners. This panel had been tasked with reviewing “evidence-based, culturally, linguistically, and developmentally appropriate screening instruments to assess all students in kindergarten and grades one and two for risk of reading difficulties, including possible neurological disorders such as dyslexia,” as noted by the California Department of Education on December 17, 2024. According to Education Code Section 53008, all local educational agencies serving students in these grades must adopt a screening instrument at a public board meeting before June 30, 2025, with screenings to begin in the 2025-26 school year. There is an informational [webpage](#) for information on the screeners for further details and information.

Fortunately, the 2025-26 Governor’s Budget proposal includes an additional \$40 million in one-time funding for purchase of screeners, materials, and professional development to ensure that educators can appropriately administer the screenings. In the 2024 State Budget Act, a one-time appropriation of [\\$25 million](#) was approved to support the training of educators to administer literacy screenings. You can find the allocation schedule for the \$25 million [here](#). The details of how the additional funding would be allocated should be forthcoming in trailer bill language, which will be released in early February. Stay tuned for more information as it arrives.

FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Cash Was Short, but We Are Still Ahead

By: Brianna García

January 9, 2025

The [December 2024 Finance Bulletin](#) was released by the Department of Finance on December 24, 2024. In a reversal of the trend of the last few months, cash receipts were \$1 billion below the 2024 Budget Act forecast for the month of November. This shortfall is being attributed to timing factors with personal income and sales tax—both of which were lower than expected. Further, higher refunds resulted in corporation tax receipts also coming in below forecast.

However, while this shortfall decreases the year-to-date surplus the state has accumulated—from the \$5.2 billion reported in the November 2024 *Finance Bulletin*—the current surplus of \$4.3 billion is still welcome news and is likely part of the reason Governor Gavin Newsom stated during his press event on January 6, 2025, that his administration is projecting a \$16.5 billion surplus when all is said and done (see “[Governor Newsom Previews 2025-26 State Budget Proposal](#)” in the January 2025 *Fiscal Report*).

(In Millions)	November 2024 YTD ¹ Forecast	November 2024 YTD Actual	Difference
Personal Income Tax	\$39,102	\$42,578	\$3,476
Corporation Tax	\$3,918	\$4,939	\$1,021
Sales and Use Tax	\$14,014	\$13,301	-\$713
Miscellaneous	\$3,428	\$3,928	\$500
Total	\$60,462	\$64,746	\$4,284

¹Year-to-date

Based on the growth in gross domestic product (GDP), he has reason to be optimistic. U.S. GDP grew at a seasonally adjusted annualized rate of 3.1% in the third quarter of 2024. That is up from the previous estimate of 2.8% and following a 3.0% growth in the second quarter. California’s GDP also experienced growth in both the second and third quarters, equivalent to that experienced by the nation as a whole. Further, California experienced growth in personal income (3.6%), as well as increases in wages and salaries and transfer receipts. And, while the U.S. unemployment rate increased ever so slightly to 4.2% in November, California’s unemployment rate remained unchanged, though it is 1.2% higher than the nation’s.

The budget proposal the Governor will release on Friday is expected to be free of shortfalls and provide a modest increase to Proposition 98, as well as continued funding for various programs implemented over the last several years. Assuming revenues continue to come in higher than projected, education will be able to breathe a sigh of relief at the end of June.

Ask SSC . . . Can My District Continue to Serve Students Whose Parents Are Deported?

By: Megan Baier, Patti F. Herrera, EdD, and Wendi McCaskill

January 6, 2025

Ask SSC . . . There is growing concern in my community about the potential impact that federal immigration policies may have on students from mixed-status families. If one of our students and/or their parent(s) are detained or deported by immigration agents, is there any way for my district to continue to provide support to them?

First, thank you for your question as we believe this issue is rising to the top for many school leaders as they anticipate what they may encounter after the winter holiday and in early 2025. The short answer to your question is: *Yes*, there is a way you can continue to support your student. We provide a more detailed explanation below.

Establishing Residency

The first important thing to know is that Education Code Section (EC §) 48204.4 provides a way for a student to establish and maintain California and school district residency requirements when their parent(s), who were state residents, depart California against their will and the student moved out of the state as a result.

Specifically, EC § 48204.4 requires two conditions to be met in order for a student to establish and maintain residency:

1. The student's parent(s) or guardian(s) depart California against their will, including that they were removed or permitted to depart voluntarily under federal immigration law.
2. The student moved out of the state because of the unwilful departure of their parent(s) or guardian(s) and the student lived in California and was enrolled in a public school immediately before leaving the state.

If a student meets both conditions, the student may seek admission to a school of a school district. Under these conditions, the governing board of the school district shall admit them regardless of their current residency status. The same law requires documentation substantiating the unwilful departure of the student's parent(s) or guardian(s) and evidence of their enrollment in a California public school prior to moving out of state.

Instructional Continuity

Now that we have identified a lawful way for a student who moved out of California to (re)establish residency under certain conditions, we attend to the ways a school district can provide instructional continuity and academic support for them.

In-Person Instruction

One option would be for the student to physically attend school to which they requested admission after having met the aforementioned residency requirements. Importantly, the law does not place geographic limits on where a student, under these circumstances, may request residency and admission to a public school. For example, a student, who formerly may have been a resident of and attended a public school in northern California who now lives out of state near the southern border, may request residency in and admission to a school in southern California. The law bars school districts from charging fees of any kind for admission or attendance in school or for the student's participation in educational activities. Prohibitions on fees would apply to students who establish residency under EC § 48204.4 in the same way they apply to all students enrolled in the school district.

Independent Study

If in-person instruction is not a viable option for the student, the school district may, at the request of the student or their parent(s) or guardian(s), enroll them in the district's independent study program. EC § 51747.3(c) specifies that students who are *residents of the county or adjacent county* in which an apportionment is claimed may generate average daily attendance (ADA) for the school district. Under the circumstances covered in this article, the student would have established residency in the school district at which they are requesting to be admitted and enrolled and would thus meet the residency requirements of independent study.

All statutory and regulatory requirements of independent study participation for students covered by this article would apply, including but not limited to:

- That participation in independent study is at the student's discretion; students may not be compelled to participate in independent study
- Students participating in long-term independent study must be offered the minimum opportunities for live interaction and synchronous instruction for their appropriate grade level and shall be subject to tiered reengagement when conditions are met that includes the timely transfer back to in-person instruction when appropriate
- Students generate ADA under existing independent study provisions
- School districts must obtain signed written agreements (electronic signatures are permitted) for participating students in compliance with law depending on the duration of their participation in independent study
- Not more than 10% of students enrolled in a continuation high school or opportunity school may generate ADA credit under independent study

Independent study may be a viable way for school districts to provide instructional continuity and continued academic support for students who have moved out of state due to the unwilful departure of their parent(s) or guardian(s) while avoiding funding losses due to reduced ADA.

Importantly, EC § 48204.4 applies only to school districts. It does not authorize students to establish residency in and request admission to a public school administered by county offices of education or charter schools when their parent(s) or guardian(s) depart California unwilfully.

Ask SSC . . . Independent Study—Meeting Student Needs Under Immigration Uncertainty

By: Megan Baier, Patti F. Herrera, EdD, and Wendi McCaskill

December 19, 2024

Ask SSC . . . Can our district offer independent study to students who are concerned about attending school due to fears of detainment or deportation by immigration agents? We have received independent study requests from some of our mixed-status families in response to recent media coverage of potential changes to immigration policy.

The short answer to your question is “Yes” your district can offer independent study to students who are afraid to attend school due to fears of detainment or deportation. However, your district must adhere to all independent study requirements when doing so.

First, it is important to remember that all students must be offered in-person classroom instruction under the immediate supervision of a certificated employee. All school districts may offer independent study as a voluntary alternative to classroom instruction to any or all grade levels it serves, including instances where families request participation due to detainment or deportation concerns. For students who are afraid to attend school out of fear of deportation or detention of themselves or their families, independent study can provide an opportunity to maintain learning continuity, support, engagement with teachers and staff, and resolve truancy concerns. Provided that independent study requirements are met, students can elect to participate in independent study and generate independent study average daily attendance (ADA) from as little as one day to as long as the entire school year.

A cornerstone of independent study programs is that they are voluntary. For the duration of their participation in independent study, students must have an in-person classroom option to which they may return if they so choose, and no student may be obligated to participate in independent study.

Importantly, local educational agencies (LEAs) must adhere to all applicable independent study program requirements, many of which are conditions of generating ADA and funding. Noncompliance with many programmatic requirements may result in a loss of funding. The details of independent study requirements can be found in [Education Code Sections 51744-51749.6](#). LEAs considering this option to serve students concerned about detainment or deportation should (re)acquaint themselves with independent study law to ensure full compliance.

In addition to the fact that a student’s participation in independent study must be voluntary, we highlight a few other requirements that are critical to know:

Eligibility Requirements

- Students with exceptional needs may participate in independent study as long as their Individualized Education Programs specifically provide for their participation, and no student with exceptional needs can be prohibited from participation on the basis that they cannot work independently or require additional supports.

- Students must be enrolled in a school within the school district.

Administrative Requirements

- Districts must have adopted and implemented an independent study board policy that is compliant with current law and regulations.
- Each student must have a signed written agreement.
 - a. Students who participate in independent study for more than 15 days must have the written agreement signed ***prior*** to participation.
 - b. Students who participate in independent study for 15 or fewer cumulative days (short-term independent study) must have the written agreement signed at some point during the year.

ADA Generation

- Traditional independent study ADA is generated based on the time value of student work product or combination of student work product and participation in synchronous instruction.
- Course-based independent study (CBIS) ADA is generated when students are making satisfactory progress and scheduled for at least a minimum day of instructional time.
- LEAs should be mindful of limits on ADA outlined in law.

Please note that the requirements above are not exhaustive. There are additional academic, recordkeeping, upper age limit, geographical, and programmatic requirements as well as requirements specific to traditional independent study and CBIS programs. The California Department of Education has posted frequently asked questions to its website that address both programmatic and fiscal issues [here](#) and [here](#).

Independent study programs can offer a viable way to support academic continuity for students. It would be important, however, for LEAs to carefully evaluate the academic and nonacademic needs of their students to ensure that they are supported in ways that will help them continue to thrive.

Ask SSC . . . Do Students Have to Fill Out the FAFSA?

By: Michelle McKay Underwood

December 17, 2024

Ask SSC . . . Starting in 2022-23, local educational agencies (LEAs) have been mandated to confirm that all high school seniors have completed financial aid applications. I just read your recent article [see “[Submit Claims for FAFSA and CADAA Mandate](#)” in the December 2024 *Fiscal Report*] that a process to provide LEAs with funding for this mandate is now underway. How is this requirement affected by recent guidance to refrain from completing a Free Application for Federal Student Aid (FAFSA) in some instances?

While the intention of the new mandate on LEAs is to increase widespread access to financial aid through required applications for high school seniors, options aside from the FAFSA exist. To meet the LEA mandate and for students to qualify for state financial aid *within* California, high school seniors can fill out the California Dream Act Application (CADAA). Students who are eligible to apply for financial aid under the CADAA include undocumented students, students who are a U visa holder, students who have valid or expired Deferred Action for Childhood Arrivals (DACA) status, students who have temporary protected status, and students who meet the non-resident exemption requirements under Assembly Bill (AB) 540, AB 2000, or Senate Bill 68.

A recent memo from the California Student Aid Commission (CSAC) notes, “Information provided on a [CADAA] is only used to determine eligibility for state financial aid. Information is never shared with the federal government or used for immigration enforcement.” For more information from CSAC, see the [Executive Office Memorandum](#).

Additionally, state law allows for a student’s parent or guardian, or the student themselves if they are over the age of 18, to opt out of this requirement by completing an opt-out form, which must be collected and retained by the student’s high school. According to a [study](#) by the Public Policy Institute of California released in October 2024, the opt-out process was confusing for district staff and students. So, as more students are potentially primed to opt out, it will be important for LEAs to revisit their procedures for students to opt out of both the FAFSA *and* CADAA. A model [opt-out form](#) was produced by CSAC when the requirement was first put in place.

Ask SSC . . . Social Security Fairness Act

By: Danyel Conolley and Michelle McKay Underwood

January 7, 2025

Ask SSC . . . We have started to get some questions from employees about the Social Security Fairness Act of 2023. Our quick reading is that this will not affect most school employers or employees, just those receiving retirement benefits. Is there anything we need to do differently as a result?

The Social Security Fairness Act of 2023, which was signed into law by President Joe Biden on January 5, 2025, eliminates two provisions that have disadvantaged California State Teachers' Retirement System (CalSTRS) members in their retirement. Under the Windfall Elimination Provision, if a CalSTRS retiree has worked in a job in which they *did* pay into Social Security, their Social Security retirement or disability benefit is figured using a modified formula. Under the Government Pension Offset Provision, any Social Security spouse or widow(er) benefit to which a CalSTRS retiree becomes entitled was offset based on their work where they did not pay Social Security tax. Both of these provisions are eliminated with the Social Security Fairness Act.

This is great news for CalSTRS retirees and future retirees. It *does not* mean that CalSTRS members are now to be enrolled in and pay into Social Security. It *does* mean that any Social Security benefits they may have been or will be entitled to will no longer be reduced in the manner described above.

As an employer, the [Social Security Protection Act of 2004](#) requires you to disclose the effect of the Windfall Elimination Provision and the Government Pension Offset to employees hired on or after January 1, 2005, in jobs not covered by Social Security, like those eligible for CalSTRS. This existing law requires newly hired public employees to sign a statement that they are aware of a possible reduction in their future Social Security benefit entitlement; your district may be utilizing the Social Security Administration [form SSA-1945](#) for this purpose. We do not see that this existing requirement has been eliminated through the Social Security Fairness Act.

In response to this change in law, human resources (HR) departments should review onboarding materials and prepare to update new hire paperwork for certificated employees. Additionally, HR should inform existing employees who are CalSTRS members of this change, noting that specific questions regarding Social Security benefits should be directed to the Social Security Administration. We anticipate the form will be updated and/or guidance will be provided to discontinue its use. In the meantime, HR professionals should be aware that the Windfall Elimination Provision and the Government Pension Offset Provision are no longer effective as of January 1, 2024.

Certain CalPERS Retirees Also Benefit from Social Security Fairness Act

By: Danyel Conolley and Michelle McKay Underwood

January 8, 2025

While the overwhelming percentage of beneficiaries of the Social Security Fairness Act in the California education system are California State Teachers' Retirement System retirees (see "[Ask SSC . . . Social Security Fairness Act](#)" in the January 2025 *Fiscal Report*) California Public Employees' Retirement System (CalPERS) retirees may also be in line to benefit from the elimination of the Windfall Elimination Provision and the Government Pension Offset. These provisions negatively affected retirees in a public pension system who did not also pay into Social Security. We understand there is a subsection of CalPERS employees also in this situation who will consequently benefit from the repeal of these provisions.

If your local educational agency's classified employees do not participate in Social Security, our advice is the same as for your certificated employees: As an employer, the [Social Security Protection Act of 2004](#) requires you to disclose the effect of the Windfall Elimination Provision and the Government Pension Offset to employees hired on or after January 1, 2005, in jobs not covered by Social Security. This existing law requires newly hired public employees to sign a statement that they are aware of a possible reduction in their future Social Security benefit entitlement; your district may be utilizing the Social Security Administration [form SSA-1945](#) for this purpose. We do not see that this existing requirement has been eliminated through the Social Security Fairness Act.

In response to this change in law, human resources (HR) departments should review onboarding materials and prepare to update new hire paperwork for affected employees. Additionally, HR should inform existing employees who are CalPERS members and who are not paying into Social Security of this change, noting that specific questions regarding Social Security benefits should be directed to the Social Security Administration. We anticipate the form will be updated and/or guidance will be provided to discontinue its use. In the meantime, HR professionals should be aware that the Windfall Elimination Provision and the Government Pension Offset Provision are no longer effective as of January 1, 2024.

Governor Unveils Master Plan for Career Education Executive Summary

By: Kyle Hyland

December 20, 2024

On August 31, 2023, Governor Gavin Newsom signed [Executive Order N-11-23](#), launching the development of a new Master Plan on Career Education (Master Plan).

The Executive Order requires leaders of specified state agencies, including the President of the State Board of Education, and requests the leaders of other state agencies, including the State Superintendent of Public Instruction and the leaders of the three public higher education segments, to develop the Master Plan in collaboration with interest holders.

The work on the Master Plan has been going on for the past year and this past Monday, December 16, 2024, the Newsom Administration released the executive summary of the Master Plan. The executive summary includes the following six primary plans of action:

1. **Create a State Planning and Coordinating Body.** The state should create a new statewide planning and coordinating body that brings together the state's education segments, workforce training providers, and employers. The coordinating body should evaluate changing economic needs and demand for skills, develop sector-based and cross-sector strategies, create statewide goals, align federal and state plans, coordinate efforts to maximize funding, coordinate implementation of specific federal and state programs, codesign programs to address workforce opportunities, and connect with regions.
2. **Strengthen Regional Coordination.** The Governor's Office should evaluate how successful regional coordination models can be expanded to create sustainable forums in which educators, workforce training providers, and employers work together with a clear division of responsibilities across partners.
3. **Support Skills-Based Hiring Through a Career Passport.** State agencies and institutions of higher education should make it easier for employers to make hiring decisions based on individuals' skills in addition to their academic credentials.
4. **Develop Career Pathways for High School and College Students.** Pushing for universal availability and implementation of pathways programs would provide students from all backgrounds with clear roadmaps to gainful employment and career advancement. These pathways can be designed to provide experiential learning opportunities, shorten the time to a career, alleviate financial pressures, and empower individuals to actualize their dreams, all while contributing to social and economic mobility within communities.
5. **Strengthen Workforce Training for Young People and Adults.** For adults who need additional training and for opportunity youth, education and workforce development agencies should ensure access to education, workforce training, and jobs that allow them to advance in stable, well-paying career pathways.

- 6. Increase Access to and Affordability of Education and Workforce Training.** State agencies and institutions of higher education should ensure that eligible learners from all backgrounds and parts of the state can easily access education, workforce training, and public benefits that open doors to more rewarding, well-paying jobs.

During a press event in Shasta County the Governor said that the full Master Plan will be released early in the new year and hinted that there will be an investment for career education in his 2025-26 State Budget proposal, which will be released by January 10, 2025.

You can find the Master Plan executive summary [here](#).

FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Schools Eligible for Federal Support and Improvement in 2024-25

By: Leilani Aguinaldo and Brianna García

December 18, 2024

Under the Every Student Succeeds Act (ESSA), federal law requires states to determine school eligibility for Comprehensive Support and Improvement (CSI), Targeted Support and Improvement (TSI), and Additional Targeted Support and Improvement (ATSI). Schools eligible for support under these designations must collaborate with educational partners to develop and implement a school-level plan to improve student outcomes. On December 13, 2024, the California Department of Education (CDE) published the 2024-25 data file for schools that meet the criteria for CSI, TSI, and ATSI.

The California School Dashboard (Dashboard) (see “[2024 Dashboard Released](#)” in the November 2024 *Fiscal Report*) is the center of California’s accountability system, and as such, schools are eligible for CSI, TSI, and ATSI, based on performance on the Dashboard.

Timeline of ESSA Assistance Entry Determinations

2023 Dashboard (2023-24)	2024 Dashboard (2024-25)	2025 Dashboard (2025-26)	2026 Dashboard (2026-27)
CSI and ATSI	TSI	TSI	CSI and ATSI

As shown above, eligibility for CSI and ATSI is determined on a three-year cycle and schools were most recently identified in 2023-24 using the results of the 2023 Dashboard. The current year is year two of the three-year cycle, which means that schools are not newly identified for CSI or ATSI, but schools that were flagged for CSI or ATSI last year may be eligible to exit CSI or ATSI. Schools are determined to be eligible for TSI in years 2 and 3 of the three-year cycle and the 2024 Dashboard marks the first time that California schools have been identified for TSI.

In 2023-24, 829 schools met the criteria for CSI, and 2,363 schools met the criteria for ATSI. Based on the 2024 Dashboard, 481 of the CSI schools and 1,734 of the ATSI schools met the exit criteria. In addition, 306 schools are eligible for TSI based on the 2024 Dashboard. Of the schools eligible for CSI, ATSI, and TSI in 2024-25, charter schools represent 28.9% (99) of the CSI schools, 7.2% (45) of the ATSI schools, and 10.1% (31) of the TSI schools.

Local educational agencies (LEAs) with CSI schools are eligible to apply for federal funds to support the LEA in serving CSI schools. In addition, funding is provided to county offices of education (COEs) to support LEAs, with funding provided to COEs with at least one LEA in its county serving CSI-eligible schools. The CDE portal to apply for the federal funds will open in early 2025. Federal funds are only available to support CSI schools; there is no funding provided for ATSI or TSI schools.

More information about the federal ESSA support designations, including the list of CSI, TSI, and ATSI schools and details regarding selection, eligibility and exit criteria, and program

requirements, is available on the [CDE website](#). You will also find a list of webinars that the CDE is hosting to support the release of the 2024-25 data file. Finally, a [CDE memo](#) provides additional information about the CSI, TSI, and ATSI designation.

FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

School Expenditures and Rankings for 2022-23

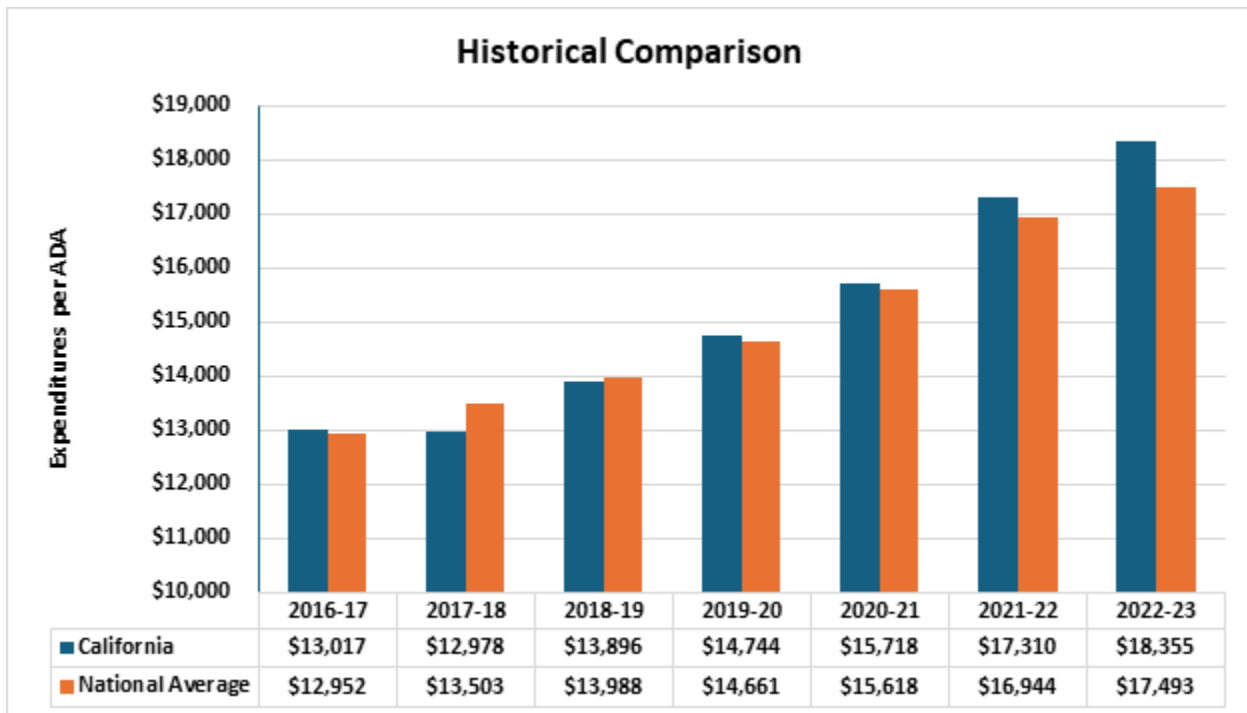
By: Kyle Hyland and Kathleen Spencer

December 9, 2024

A common question we are asked as the year closes is how California ranks in terms of state education spending and there are a handful of sources and ways to slice the data. The National Education Association (NEA) publishes a comprehensive report annually: [Rankings of the States](#) 2023 and [Estimates of School Statistics](#) 2024. This report includes data from the 2022-23 year and estimates for 2023-24.

School expenditures are calculated on per-average daily attendance (ADA) basis, with California ranking 17th in the nation at \$18,335 per ADA for 2022-23. California ranks above the national average of \$17,493. California's ranking improved from 19th in 2021-22 at \$17,310.

Starting in 2019-20, California has outpaced the national average in each year with the differential growing. Historical data is provided below.



Also of note are the rankings for average salaries of public school teachers. In 2022-23, California ranked 1st in the nation, at \$95,160, up significantly from \$88,508 in 2021-22 (ranked 3rd). The 2022-23 national average for teacher salaries in the United States was \$69,544, approximately 27% less than California's average. Nationwide average teacher salaries range from \$52,870 (West Virginia, ranked 50th) to \$92,307 (Massachusetts, ranked 2nd).

The 2024 estimates show that in 2023-24 California is projected to keep its first-place ranking with the estimated average teacher salary of \$100,789, a 5.92% increase. The national average is

projected to increase at a more modest 3.10% up to \$71,699 for 2023-24. Note that the salary data is not adjusted for regional cost differences. More information and statistics can be found in the [NEIA report](#). The next report will be published in spring of 2025.

PPIC Releases Their Evaluation of the LCFF

By: John Gray

December 12, 2024

The Public Policy Institute of California (PPIC) is a nonpartisan think tank whose mission is to inform and improve public policy in California through independent, objective, nonpartisan research. In its November 2024 report, the PPIC examined California's Local Control Funding Formula (LCFF) implemented over ten years ago. The report focused more specifically on recent policy changes and what appears to be a growing mismatch between free or reduced-price meals (FRPM) and other poverty indicators that may complicate the LCFF's ability to target resources based on student need effectively and equitably.

Some of the major themes noted in the report include:

- The gap between FRPM and other poverty measures has grown over time. While poverty rates have decreased in the last decade, FRPM enrollment has grown slightly.
- “FRPM remains a strong predictor of student test scores. But this is less true for non-test score outcomes like graduation, A–G completion, and absenteeism; broader socioeconomic measures are more highly associated with need across all dimensions.”
- “Equity implications of the LCFF formula changes depending on how concentrated poverty is funded. Targeting improves with formulas that provide additional funding for students who fall into multiple categories of disadvantage—such as English Learners (ELs)—and formulas that define low-income status automatically via participation in other social services like food assistance.”
- “FRPM does not always capture or reflect nuances in districts’ socioeconomic characteristics. Differences between FRPM and comparable Census-based income estimates can be partially explained by differences in the share of lower- to middle-income students just above the FRPM-eligibility cutoff.”

The timing of PPIC's latest analysis on the LCFF corresponds to the Assembly's fall discussion of its foundational tenets and deep look at its components, such as the reliability of FRPM as the LCFF's proxy for student poverty.

The full PPIC report can be found [here](#).

Senate Leader McGuire Announces Committee Assignments

By: Kyle Hyland

January 8, 2025

On Friday, January 3, 2025, Senate President pro Tempore Mike McGuire (D-North Coast) announced his committee chair and member assignments for the 2025-26 Legislative Session. We provide the committee chair and membership of the relevant education committees below.

Senate Education Committee

With last year's Senate Education Committee Chair Josh Newman (D-Fullerton) losing his reelection bid to Steven Choi (R-Irvine), the big question for the education community was whom McGuire would tap to fill the vacant seat.

The answer is freshman Senator Sasha Renée Pérez (D-Alhambra), who most recently served as mayor of Alhambra. She previously worked at the Campaign for College Opportunity and led efforts to expand financial aid.

The full committee membership is as follows (*italics denote that the member is new to the committee*):

- *Senator Sasha Renée Pérez (D-Alhambra), Chair*
- Senator Rosilicie Ochoa Bogh (R-Yucaipa), Vice Chair
- *Senator Christopher Cabaldon (D-Yolo)*
- *Senator Steven Choi (R-Irvine)*
- Senator Dave Cortese (D-San Jose)
- Senator Lena Gonzalez (D-Long Beach)
- *Senator Eloise Gómez Reyes (D-San Bernardino)*

Senate Budget Subcommittee No. 1 on Education

On the budget side, McGuire has reappointed Senator Scott Wiener (D-San Francisco) chair of the full Senate Budget and Fiscal Review Committee.

Additionally, Senator John Laird (D-Santa Cruz) retains his chairmanship of the Senate Budget Subcommittee No. 1 on Education, which is the Senate subcommittee tasked with vetting and approving the education issues in the State Budget.

The full membership of Senate Budget Subcommittee No. 1 is as follows (italics denote that the member is new to the committee):

- Senator John Laird (D-Santa Cruz), Chair
- Senator Rosilicie Ochoa Bogh (R-Yucaipa)
- *Senator Sasha Renée Pérez (D-Alhambra)*

Senate Appropriations Committee

McGuire has also retained Senator Anna Caballero (D-Merced) as chair of the powerful Senate Appropriations Committee, which is an important position considering that any bill deemed to have a fiscal impact must clear this committee.

The full membership of the committee is as follows (italics denote that the member is new to the committee):

- Senator Anna Caballero (D-Merced), Chair
- Senator Kelly Seyarto (R-Murrieta), Vice-Chair
- *Senator Christopher Cabaldon (D-Yolo)*
- *Senator Megan Dahle (R-Bieber)*
- *Senator Tim Grayson (D-Concord)*
- *Senator Laura Richardson (D-San Pedro)*
- Senator Aisha Wahab (D-Hayward)

It is important to note that chairs and committee membership are subject to change during the legislative session. Policy and budget committee hearings will not start to ramp up until later next month.

Speaker Rivas Appoints Committee Chairs

By: Kyle Hyland

January 6, 2025

On Friday, December 27, 2024, Assembly Speaker Robert Rivas (D-Salinas) announced his committee chair appointments for the 2025-26 Legislative Session.

On the budget side, Assemblymember Jesse Gabriel (D-Encino) will retain his chairmanship of the Assembly Budget Committee.

Additionally, Assemblymember David Alvarez (D-San Diego) has been reappointed to chair the Assembly Budget Subcommittee No. 3 on Education Finance, which is the subcommittee tasked with vetting and approving the education issues in the State Budget.

On the policy side, Speaker Rivas has tapped Assemblymember Al Muratsuchi (D-Torrance) to continue serving as chair of the Assembly Education Committee. This is the committee that considers policy bills related to K-12 education, certificated and classified staff, school finance, and school facilities.

Speaker Rivas has also retained Assemblymember Buffy Wicks (D-Oakland) as chair of the powerful Assembly Appropriations Committee, which is an important position considering that any bill deemed to have a fiscal impact must clear this committee.

While we know the committee chair appointments, as of this writing we still do not know the rest of the members that will sit on these committees, but we will be sure to provide the full committee membership in a subsequent article once it is announced. Stay tuned.

Fresno Unified School District
Board Communication

BC Number BFS-3

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

Date: January 17, 2025
Phone Number: 457-3907

Regarding: Charter School 2023/24 Audit Reports

The purpose of this communication is to provide the Board an update on the Charter School 2023/24 Audit Reports. Each charter school provided the district a copy of their audited financial statements for year ended June 30, 2024. All charters received an unmodified opinion, which is the desired opinion of a financial audit.

The table below shows the difference in ending fund balances between unaudited and audited actuals due to various receivable or liability adjustments:

	Unaudited Ending Fund Balance	Audited Ending Fund Balance	Difference
Aspen Meadow Charter	\$569,281	\$545,222	(\$24,059)
Aspen Ridge Public School	\$362,871	\$403,655	\$40,784
Aspen Valley Prep	\$3,303,108	\$3,302,972	(\$136)
Carter G Woodson Charter	\$2,188,288	\$2,188,288	\$0
Endeavor Charter School	\$2,033,807	\$2,053,033	\$19,226
Golden Charter Academy	\$1,622,349	\$1,646,734	\$24,385
Morris E Dailey Charter	\$7,141,911	\$7,141,911	\$0
School of Unlimited Learning	\$2,653,762	\$2,638,845	(\$14,917)
Sierra Charter	\$4,075,929	\$4,075,929	\$0
University High	\$5,916,222	\$5,916,222	\$0

The charter school below was the only charter that received an audit finding:

Morris E Dailey Charter did not return the Educator Effective Grant funds to the California Department of Education (CDE) by June 30, 2024. This finding was carried forward for the 2023-24 fiscal year audit. The California Department of Education received the funds in July 2024.

School of Unlimited Learning (SOUL) was notified by CDE that they will only be receiving 85% of their LCFF funding for the current and next fiscal year. SOUL's total revenue spent on instruction and related services was 72.95%, however needed to be above 80%. They have submitted a reconsideration request to CDE and included the lower funding in their First Interim submitted in December 2025.

The district continues to work with the charter schools to address changes in financial reporting to ensure compliance. Staff will continue to update the Board as information becomes available.

If you have any questions or require further information, please contact Patrick Jensen at 457-6226 or Kim Kelstrom at 457-3907.

Approved by Interim Superintendent

Mao Misty Her *Mao Misty Her*

Date: 01/17/25