

Fresno Unified School District
Board Agenda Item

BOARD MEETING DATE: January 28, 2026

ACTION REQUESTED: APPROVE

TITLE AND SUBJECT: Approve Budget Revision No. 2 for Fiscal Year 2025/26

ITEM DESCRIPTION: Included in the Board material is Budget Revision No. 2 for fiscal year 2025/26. Periodic updates to the district's budget are presented to the Board of Education for approval. Budget Revision No. 2 includes adjustments for updated information regarding carryover, actual beginning balances, and necessary adjustments to support the acceptance of various grant awards.

The following items are included in Budget Revision No. 2 for fiscal year 2025/26:

- Expense changes to reflect items reported in the First Interim Financial Report approved by the Board on December 10, 2025
- Program adjustments
- Grant Revisions
- Other Funds

FINANCIAL SUMMARY: As a result, the Unrestricted General Fund Reserve for Economic Uncertainties is estimated at approximately \$97.2 million at June 30, 2026.

PREPARED BY: Chief Executive, Kim Kelstrom

DIVISION: Business and Financial Services

CABINET APPROVAL PHONE: (559) 457-6226

CABINET APPROVAL: Chief Financial Officer, Patrick Jensen



Unrestricted General Fund Adjustments and Revisions

As presented in the 2025/26 First Interim Financial Report approved by the Board on December 10, 2025, the following adjustments are being made for a net impact of \$1.0 million in increased costs:

- Increase in Local Control Funding Formula revenue of \$2.9 million mainly due to higher Unduplicated Pupil Percentage
- Decrease in transportation state revenue of \$2.2 million
- Decrease costs in salaries and benefits of \$400,000
- Decrease in indirect by \$2.1 million due to grant adjustments

Additional Adjustments to 2025/26 Unrestricted General Fund Recommended for Approval

The following items are included for the Board’s consideration and approval for a net impact of \$601,000 in increased costs:

- Increase contribution to Special Education due to increased contract obligations for special education private placements of \$500,000
- Increase in police contract costs of \$151,000 due to updated contract
- Increase in nurse contract costs of \$100,000 to support vacancies
- Increase in indirect due to grant adjustments of \$150,000

Grant Revisions

The charts below, and on the following pages, new grants, revisions to existing grants and entitlements:

Name	2025/26 Current Budget Allocation	2025/26 Adjusted Award Amount	Revised Budget Allocation
Apprenticeship Program	\$2,048,632	\$81,921	\$2,130,553
Indian Education ^(A)	46,580	(5,053)	41,527
Edison Green Energy Academy	79,996	3,600	83,596
Nourishing Neighborhoods	-	3,722	3,722
Wallace Foundation	1,686,350	118,295	1,804,645
After School Education & Safety Program (ASES)	15,324,901	1,531,411	16,856,312
Action for Healthy Kids	-	6,381	6,381
Lucille Packard Children Center Grant	865,932	36,401	902,333
Total	\$20,052,391	\$1,776,678	\$21,829,069

(A) Indian Education Federal Funds reduced award amount of \$5,053

Adult Education Fund – Budget Revision No. 2 reflects an increase in expenses of \$259,487 for adjustments in various grant awards:

Name	2025/26 Current Budget Allocation	2025/26 Adjusted Award Amount	Revised Budget Allocation
Adult Education: Secondary Education	\$411,992	\$290,107	\$702,099
Adult Education: ESL/Citizenship	527,764	2,227	529,991
Adult Education: English Literacy & Civics	202,716	(11,448)	191,268
Adult Education: Perkins – Vocational Programs	139,658	(21,399)	118,259
Total	\$1,282,130	\$259,487	\$1,541,617

Children’s Center Fund – Budget Revision No. 2 reflects an increase in expenses of \$2,537,660 for adjustments in various grant awards:

Name	2025/26 Current Budget Allocation	2025/26 Adjusted Award Amount	Revised Budget Allocation
California State Preschool Program (CSPP)	\$24,803,770	\$2,537,660	\$27,341,430
Total	\$24,803,770	\$2,537,660	\$27,341,430

Cafeteria Fund – Budget Revision No. 2 reflects an increase in expenses of \$87,723 for adjustments in various grant awards:

Name	2025/26 Current Budget Allocation	2025/26 Adjusted Award Amount	Revised Budget Allocation
Child Nutrition: Fresh Fruits and Vegetables Program	\$2,299,174	\$87,723	\$2,386,897
Total	\$2,299,174	\$87,723	\$2,386,897

Bond Interest and Redemption Fund – Budget Revision No. 2 recognizes increases in Bond Cost expenses based on the updated Debt Service Schedule that includes Measure H Series A and the 2025 GO Refunding Series A and B.

**FRESNO UNIFIED SCHOOL DISTRICT
GENERAL FUND
BUDGET REVISION No. 2**

DESCRIPTION	2025/26 ADOPTED BUDGET	2025/26 CURRENT BUDGET	01/28/2026 2025/26 BUDGET REVISION No. 2	DIFFERENCE BETWEEN CURRENT AND BR No. 2	DIFFERENCE BETWEEN ADOPTED AND BR No. 2
Revenues					
LCFF Sources	\$ 1,006,168,792	\$ 1,006,168,792	\$ 1,009,080,846	\$ 2,912,054	\$ 2,912,054
Federal Revenues	128,566,762	149,660,227	149,655,174	(5,053)	21,088,412
Other State Revenues	299,828,923	307,151,248	306,568,180	(583,068)	6,739,257
Other Local Revenues	49,040,868	48,671,596	48,856,326	184,730	(184,542)
Total Revenues	\$ 1,483,605,345	\$ 1,511,651,863	\$ 1,514,160,526	\$ 2,508,663	\$ 30,555,181
Expenditures					
Certificated Salaries	\$ 612,071,529	\$ 619,705,524	\$ 619,935,438	\$ 229,914	\$ 7,863,909
Classified Salaries	256,257,605	259,863,576	258,960,801	(902,775)	2,703,196
Employee Benefits	448,786,888	452,801,009	453,040,170	239,161	4,253,282
Book and Supplies	115,575,876	121,918,345	121,163,571	(754,774)	5,587,695
Services & Operating	238,010,837	250,287,376	253,036,543	2,749,167	15,025,706
Capital Outlay	17,037,568	21,195,293	21,280,436	85,143	4,242,868
Other Outgo	5,452,026	5,287,026	5,776,868	489,842	324,842
Direct/Indirect Costs	(5,372,154)	(5,646,764)	(3,703,851)	1,942,913	1,668,303
Total Expenditures	\$ 1,687,820,175	\$ 1,725,411,385	\$ 1,729,489,976	\$ 4,078,591	\$ 41,669,801
Other Sources/(Uses)					
Transfers In	\$ 3,391,720	\$ 3,226,720	\$ 3,726,720	\$ 500,000	\$ 335,000
Transfers Out	(2,861,720)	(2,696,720)	(3,196,720)	(500,000)	(335,000)
Other Sources	-	-	-	-	-
Other Uses	7,900,000.00	-	-	-	(7,900,000.00)
Restricted Contribution	-	-	-	-	-
Total Sources/(Uses)	\$ (8,370,000)	\$ (470,000)	\$ (470,000)	\$ -	\$ 7,900,000
Net Increase/Decrease in Fund Balance	\$ (212,584,830)	\$ (214,229,522)	\$ (215,799,450)	\$ (1,569,928)	\$ (3,214,620)
Beginning Fund Balance - Unaudited Audit Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -
Balance - Unaudited	\$ 464,073,848	\$ 482,101,779	\$ 482,101,779	\$ -	\$ 18,027,931
Audit Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -
Beginning Balance	\$ 464,073,848	\$ 482,101,779	\$ 482,101,779	\$ -	\$ 18,027,931
Restatement of Beginning Balance	\$ -	\$ -	\$ -	\$ -	\$ -
Ending Fund Balance	\$ 251,489,018	\$ 267,872,257	\$ 266,302,329	\$ (1,569,928)	\$ 14,813,311
Components of Ending Balance					
Revolving Cash	\$ 66,128	\$ 65,223	\$ 65,223	\$ -	\$ (905)
Stores	2,296,649	3,832,693	3,832,693	-	1,536,044
Prepaid Expense	3,451,535	2,364,031	2,364,031	-	(1,087,504)
Other Commitments	50,800,000	55,600,000	55,600,000	-	4,800,000
Assigned: Other Assignments	20,000,000	20,000,000	20,000,000	-	-
Restricted	88,316,685	87,247,931	87,247,931	-	(1,068,754)
Reserve for Economic Uncertainties	86,558,020	98,762,379	97,192,451	(1,569,928)	10,634,431
Reserve Level %	5.14%	5.72%	5.61%		
Total Ending Fund Balance	\$ 251,489,017	\$ 267,872,257	\$ 266,302,329	\$ (1,569,928)	\$ 14,813,312

Per Education Code section 42127(a)(2)(B) the minimum recommended reserve for economic uncertainties is 2% or \$34,613,032

As shown above the reserve for economic uncertainties is \$87,247,931 with an assigned and committed ending balance of \$75,600,000 set aside for future year expenses

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

**UNRESTRICTED GENERAL FUND
BUDGET REVISION No. 2**

DESCRIPTION	2025/26	2025/26	01/28/2026	DIFFERENCE	DIFFERENCE
	ADOPTED BUDGET	CURRENT BUDGET	2025/26 BUDGET REVISION No. 2	BETWEEN CURRENT AND BR No. 2	BETWEEN ADOPTED AND BR No. 2
	UNRESTRICTED	UNRESTRICTED	REVISION No. 2	AND BR No. 2	AND BR No. 2
Revenues					
LCFF Sources	\$ 1,006,168,792	\$ 1,006,168,792	\$ 1,009,080,846	\$ 2,912,054	\$ 2,912,054
Federal Revenues	-	\$ -	-	-	-
Other State Revenues	28,024,734	\$ 28,123,509	25,923,509	(2,200,000)	(2,101,225)
Other Local Revenues	27,535,901	\$ 27,535,901	27,555,832	19,931	19,931
Total Revenues	\$ 1,061,729,427	\$ 1,061,828,202	\$ 1,062,560,187	\$ 731,985	\$ 830,760
Expenditures					
Certificated Salaries	\$ 435,640,097	\$ 437,554,886	\$ 437,784,800	\$ 229,914	\$ 2,144,703
Classified Salaries	\$ 148,346,635	\$ 149,544,140	148,642,969	(901,171)	296,334
Employee Benefits	\$ 264,465,956	\$ 265,733,443	265,974,457	241,014	1,508,501
Book and Supplies	\$ 48,067,337	\$ 48,783,955	47,981,409	(802,546)	(85,928)
Services & Operating	\$ 80,448,804	\$ 82,629,383	83,648,432	1,019,049	3,199,628
Capital Outlay	\$ 1,815,077	\$ 3,354,257	3,439,400	85,143	1,624,323
Other Outgo	\$ 1,802,668	\$ 1,802,668	1,792,510	(10,158)	(10,158)
Direct/Indirect Costs	(35,748,368)	\$ (36,405,383)	(34,464,715)	1,940,668	1,283,653
Total Expenditures	\$ 944,838,206	\$ 952,997,349	\$ 954,799,262	\$ 1,801,913	\$ 9,961,056
Other Sources/(Uses)					
Transfers In	\$ 30,000	30,000	\$ 30,000	\$ -	\$ -
Transfers Out	500,000	500,000	500,000	-	-
Other Sources	-	-	-	-	-
Other Uses	7,900,000	-	-	-	(7,900,000)
Restricted Contribution	\$ (188,686,891)	\$ (193,094,468)	\$ (193,594,468)	\$ (500,000)	\$ (4,907,577)
Total Sources/(Uses)	\$ (197,056,891)	\$ (193,564,468)	\$ (194,064,468)	\$ (500,000)	\$ (4,907,577)
Net Increase/Decrease in Fund Balance	\$ (80,165,670)	\$ (84,733,615)	\$ (86,303,543)	\$ (1,569,928)	\$ (6,137,873)
Beginning Fund					
Balance - Adopted	\$ 243,338,003	\$ 265,357,941	\$ 265,357,941	\$ -	\$ 22,019,938
Audit Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -
Beginning Balance	\$ 243,338,003	\$ 265,357,941	\$ 265,357,941	\$ -	\$ 22,019,938
Ending Fund Balance	\$ 163,172,333	\$ 180,624,326	\$ 179,054,398	\$ (1,569,928)	\$ 15,882,065

**FRESNO UNIFIED SCHOOL DISTRICT
RESTRICTED GENERAL FUND
BUDGET REVISION No. 2**

DESCRIPTION	2025/26 ADOPTED BUDGET RESTRICTED	2025/26 CURRENT BUDGET RESTRICTED	01/28/2026 BUDGET REVISION No. 2 REVISION No. 2	DIFFERENCE BETWEEN CURRENT AND BR No. 2	DIFFERENCE BETWEEN ADOPTED AND BR No. 2
Revenues					
LCFF Sources	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Revenues	\$ 128,566,762	149,660,227	149,655,174	(5,053)	21,088,412
Other State Revenues	\$ 271,804,189	279,027,739	280,644,671	1,616,932	8,840,482
Other Local Revenues	\$ 21,504,967	21,135,695	21,300,494	164,799	(204,473)
Total Revenues	\$ 421,875,918	\$ 449,823,661	\$ 451,600,339	\$ 1,776,678	\$ 29,724,421
Expenditures					
Certificated Salaries	\$ 176,431,432	\$ 182,150,638	\$ 182,150,638	\$ -	\$ 5,719,206
Classified Salaries	\$ 107,910,970	\$ 110,319,436	110,317,832	(1,604)	2,406,862
Employee Benefits	\$ 184,320,932	\$ 187,067,566	187,065,713	(1,853)	2,744,781
Book and Supplies	\$ 67,508,539	\$ 73,134,390	73,182,162	47,772	5,673,623
Services & Operating	\$ 157,562,033	\$ 167,657,993	169,388,111	1,730,118	11,826,078
Capital Outlay	\$ 15,222,491	\$ 17,841,036	17,841,036	-	2,618,545
Other Outgo	\$ 3,649,358	\$ 3,484,358	3,984,358	500,000	335,000
Direct/Indirect Costs	30,376,214	\$ 30,758,619	30,760,864	2,245	384,650
Total Expenditures	\$ 742,981,969	\$ 772,414,036	\$ 774,690,714	\$ 2,276,678	\$ 31,708,745
Other Sources/(Uses)					
Transfers In	3,361,720	3,196,720	3,696,720	500,000	335,000
Transfers Out	(3,361,720)	(3,196,720)	(3,696,720)	(500,000)	(335,000)
Other Sources	-	-	-	-	-
Other Uses	-	-	-	-	-
Restricted Contribution	188,686,891	193,094,468	193,594,468	500,000	4,907,577
Total Sources/(Uses)	\$ 188,686,891	\$ 193,094,468	\$ 193,594,468	\$ 500,000	\$ 4,907,577
Net Increase/Decrease in Fund Balance	\$ (132,419,160)	\$ (129,495,907)	\$ (129,495,907)	\$ -	\$ 2,923,253
Beginning Fund Balance - Adopted					
	\$ 220,735,845	\$ 216,743,838	\$ 216,743,838	\$ -	\$ (3,992,007)
Beginning Balance	\$ 220,735,845	\$ 216,743,838	\$ 216,743,838	\$ -	\$ (3,992,007)
Restatement of Beginng Balance			\$ -	\$ -	\$ -
Ending Fund Balance	\$ 88,316,685	\$ 87,247,931	\$ 87,247,931	\$ -	\$ (1,068,754)

FRESNO UNIFIED BUDGET AUGMENTATION

BOARD PRESENTATION DATE: January 28, 2026

FUND: **Adult Education Fund**

OBJECT	ACCOUNT TITLE	Adopted BUDGET	Current BUDGET	Revised BUDGET	Net Change BUDGET
APPROPRIATIONS:					
1000	Certificated Salaries	3,856,654	3,389,335	3,389,335	0
2000	Classified Salaries	2,279,892	2,279,892	2,279,892	0
3000	Employee Benefits	2,997,399	2,864,838	2,864,838	0
4000	Books and Supplies	622,102	1,202,887	1,483,773	280,886
5000	Services and Other Operating	1,195,592	1,405,309	1,384,870	(20,439)
6000	Capital Outlay	0	0	0	0
7000	Other Outgo	0	0	0	0
	TOTAL BEFORE INDIRECT	10,951,639	11,142,261	11,402,708	260,447
7300	INDIRECT COSTS	440,165	443,756	442,796	(960)
	TOTAL APPROPRIATIONS	11,391,804	11,586,017	11,845,504	259,487
REVENUES:					
	REVENUE LIMIT SOURCES	0	0	0	0
	FEDERAL REVENUES	1,282,130	1,282,130	1,541,617	259,487
	STATE REVENUES	7,721,595	7,713,101	7,713,101	0
	LOCAL REVENUES	635,770	635,770	635,770	0
	OTHER SOURCES	0	0	0	0
	TOTAL REVENUES	9,639,495	9,631,001	9,890,488	259,487
	Beginning Fund Balance	1,752,881	1,955,016	1,955,016	0
	Change to Fund Balance	(1,752,309)	(1,955,016)	(1,955,016)	0
	Ending Fund Balance	572	0	0	0

FRESNO UNIFIED BUDGET AUGMENTATION

BOARD PRESENTATION DATE:

January 28, 2026

FUND: Children Center Fund

OBJECT	ACCOUNT TITLE	Adopted BUDGET	Current BUDGET	Revised BUDGET	Net Change BUDGET
APPROPRIATIONS:					
1000	Certificated Salaries	10,717,656	10,494,785	10,624,785	130,000
2000	Classified Salaries	7,655,291	7,655,291	7,777,291	122,000
3000	Employee Benefits	12,713,276	12,662,907	12,821,880	158,973
4000	Books and Supplies	5,096,044	7,138,262	9,113,244	1,974,982
5000	Services and Other Operating	1,301,778	1,252,302	1,256,082	3,780
6000	Capital Outlay	663,612	663,612	663,612	0
7000	Other Outgo	0	0	0	0
	TOTAL BEFORE INDIRECT	38,147,657	39,867,159	42,256,894	2,389,735
7300	INDIRECT COSTS	2,279,594	2,386,029	2,533,954	147,925
	TOTAL APPROPRIATIONS	40,427,251	42,253,188	44,790,848	2,537,660
REVENUES:					
	REVENUE LIMIT SOURCES	0	0	0	0
	FEDERAL REVENUES	3,361,230	1,805,532	1,805,532	0
	STATE REVENUES	35,950,559	38,460,847	40,998,507	2,537,660
	LOCAL REVENUES	1,115,462	1,986,809	1,986,809	0
	OTHER SOURCES	0	0	0	0
	TOTAL REVENUES	40,427,251	42,253,188	44,790,848	2,537,660
	Beginning Fund Balance	0	0	0	0
	Change to Fund Balance	0	0	0	0
	Ending Fund Balance	0	0	0	0

FRESNO UNIFIED BUDGET AUGMENTATION

BOARD PRESENTATION DATE:

January 28, 2026

FUND: Cafeteria Fund

OBJECT	ACCOUNT TITLE	Adopted BUDGET	Current BUDGET	Revised BUDGET	Net Change BUDGET
APPROPRIATIONS:					
1000	Certificated Salaries	0	0	0	0
2000	Classified Salaries	20,383,414	20,519,414	20,519,414	0
3000	Employee Benefits	14,106,052	14,117,204	14,117,204	0
4000	Books and Supplies	33,904,304	33,908,894	33,995,439	86,545
5000	Services and Other Operating	4,294,682	4,296,722	4,297,900	1,178
6000	Capital Outlay	1,402,491	1,402,491	1,402,491	0
7000	Other Outgo	0	0	0	0
	TOTAL BEFORE INDIRECT	74,090,943	74,244,725	74,332,448	87,723
7300	INDIRECT COSTS	2,652,395	2,652,395	2,652,395	0
	TOTAL APPROPRIATIONS	76,743,338	76,897,120	76,984,843	87,723
REVENUES:					
	REVENUE LIMIT SOURCES	0	0	0	0
	FEDERAL REVENUES	59,354,046	59,358,636	59,446,359	87,723
	STATE REVENUES	12,419,448	12,419,448	12,419,448	0
	LOCAL REVENUES	1,306,508	1,306,508	1,306,508	0
	OTHER SOURCES	0	0	0	0
	TOTAL REVENUES	73,080,002	73,084,592	73,172,315	87,723
	Beginning Fund Balance	33,590,268	26,845,098	26,845,098	0
	Restatement of Fund Balance	0	0	0	0
	Change to Fund Balance	(3,663,336)	(3,812,528)	(3,812,528)	0
	Ending Fund Balance	29,926,932	23,032,570	23,032,570	0

FRESNO UNIFIED BUDGET AUGMENTATION

BOARD PRESENTATION DATE: January 28, 2026

FUND: Bond Interest and Redemption

OBJECT	ACCOUNT TITLE	Adopted BUDGET	Current BUDGET	Revised BUDGET	Net Change BUDGET
APPROPRIATIONS:					
1000	Certificated Salaries	0	0	0	0
2000	Classified Salaries	0	0	0	0
3000	Employee Benefits	0	0	0	0
4000	Books and Supplies	0	0	0	0
5000	Services and Other Operating	0	0	0	0
6000	Capital Outlay	0	0	0	0
7000	Other Outgo	44,478,613	44,478,613	67,840,089	23,361,476
	TOTAL BEFORE INDIRECT	44,478,613	44,478,613	67,840,089	23,361,476
7300	INDIRECT COSTS	0	0	0	0
	TOTAL APPROPRIATIONS	44,478,613	44,478,613	67,840,089	23,361,476
REVENUES:					
	REVENUE LIMIT SOURCES	0	0	0	0
	FEDERAL REVENUES	0	0	0	0
	STATE REVENUES	813,185	813,185	813,185	0
	LOCAL REVENUES	47,844,481	47,844,481	47,844,481	0
	OTHER SOURCES	0	0	0	0
	TOTAL REVENUES	48,657,666	48,657,666	48,657,666	0
	Beginning Fund Balance	66,361,275	67,173,120	67,173,120	(0)
	Restatement of Fund Balance	0	0	0	0
	Change to Fund Balance	4,179,053	4,179,053	(19,182,423)	(23,361,476)
	Ending Fund Balance	70,540,328	71,352,173	47,990,697	(23,361,476)