

# Gold Oak Union School District

## Board of Trustees

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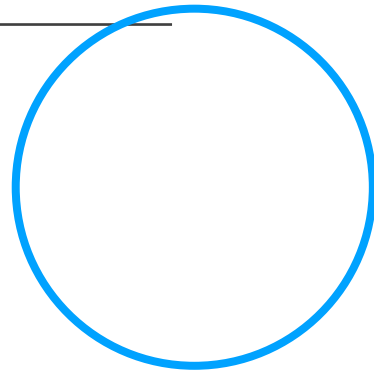
## Principal

Deborah Atkins

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2022-23 BUDGET – 45-DAY REVISION

● AUGUST 15<sup>TH</sup>, 2022

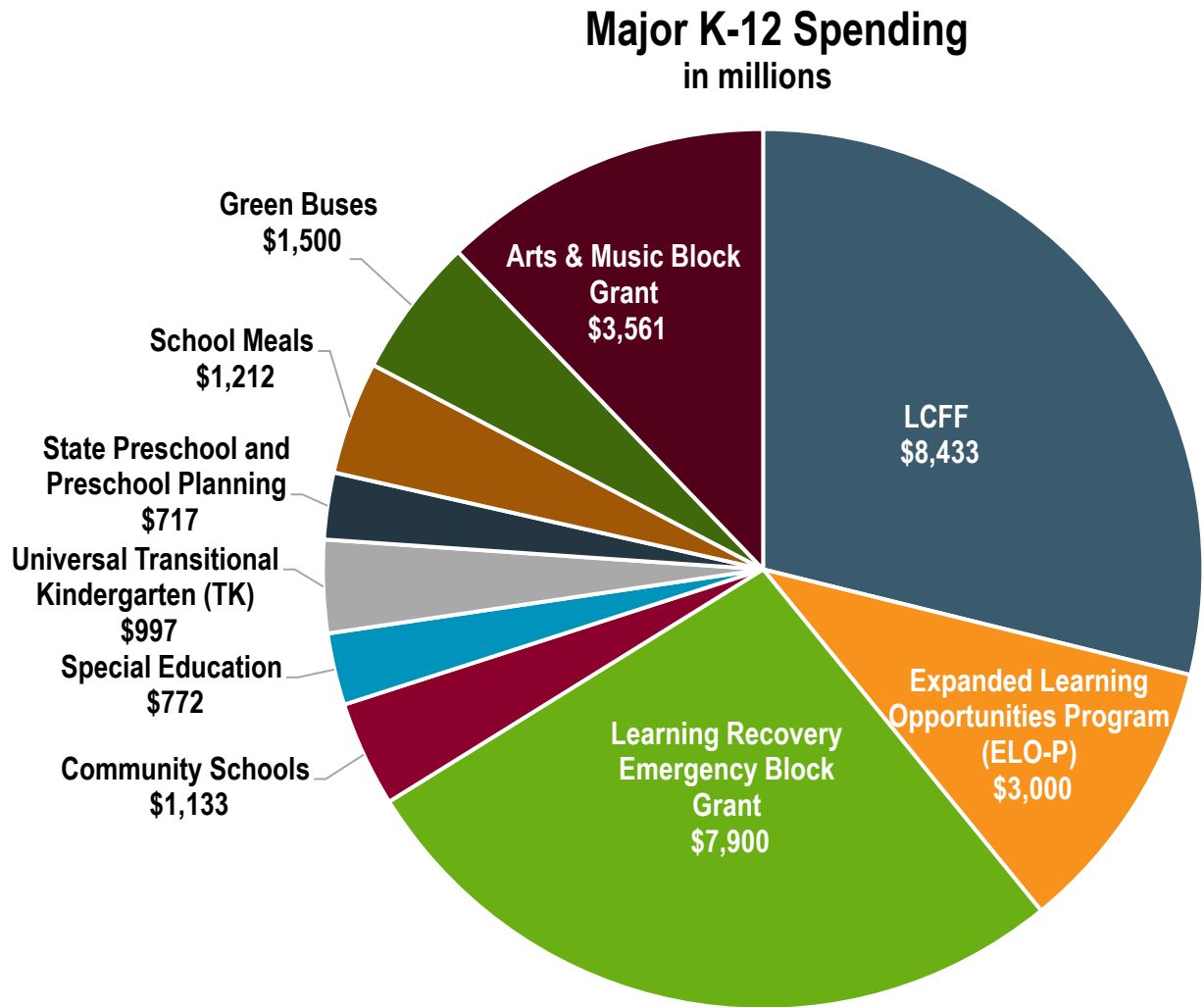


# Themes for the 2022-23 Enacted State Budget

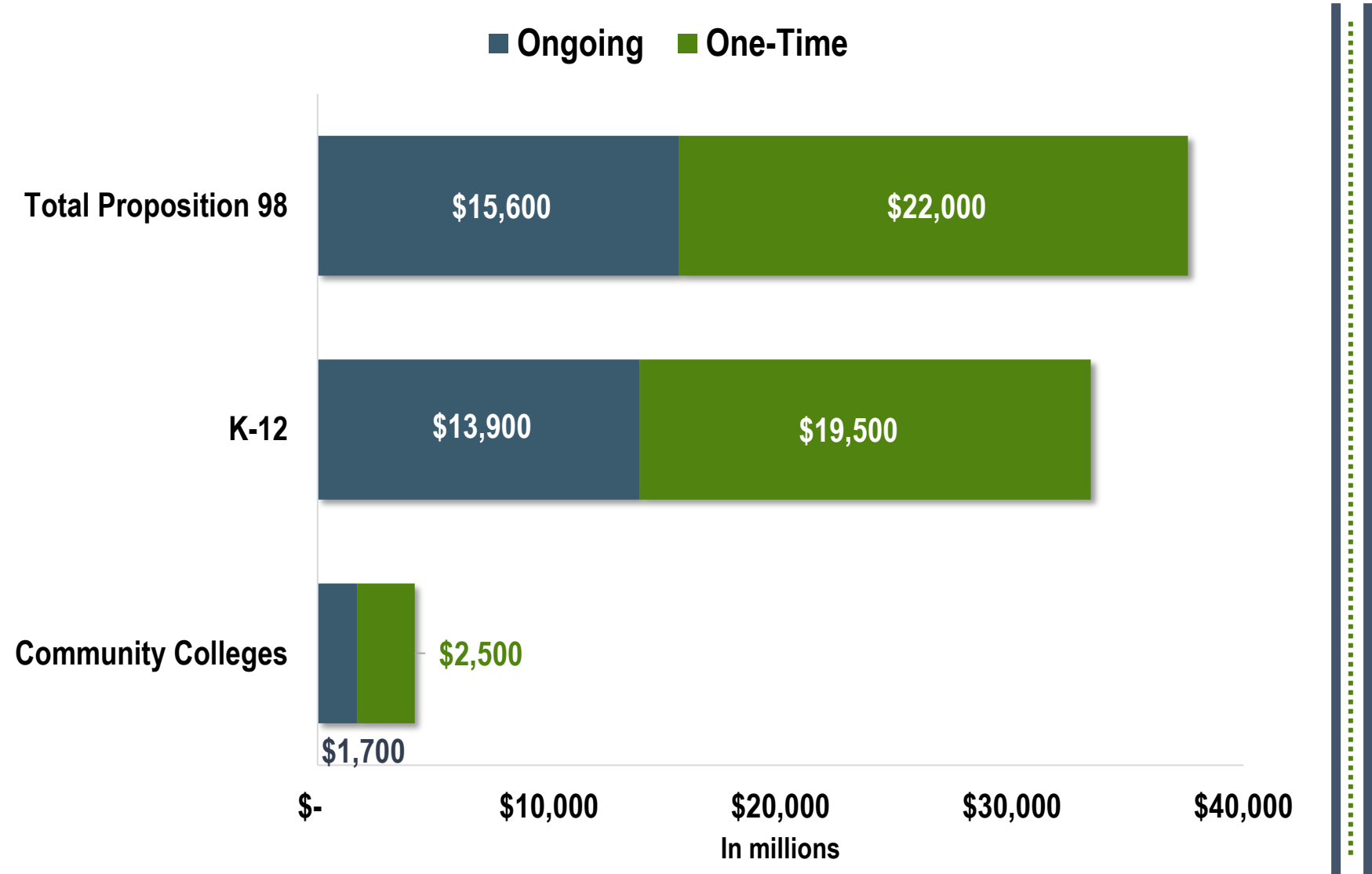
- The final negotiations for education spending this year came down to the usual debate of one-time versus ongoing spending
  - While the state is recognizing dramatic revenues above the 2021-22 Enacted Budget level, Proposition 98 is expected to plateau in 2022-23
    - The Legislature probed the Administration's figures to flesh out whether significant amounts of ongoing revenues were going to one-time purposes in order use them to boost Local Control Funding Formula (LCFF) investments
- Ultimately, Governor Gavin Newsom and the Legislature attempted to strike a balance between ongoing spending commitments and planning for an “uncertain future” by bolstering the state’s reserves and allocating 93% of the state’s total discretionary surplus for one-time purposes



# Proposition 98 Spending: Major K-14 Investments



# Proposition 98 Spending: One-Time versus Ongoing



- Approximately 60% of new total Proposition 98 funding, as well as K-12 and community college new funding, is used for one-time investments
- A significant minority is spent (just over 40%) on a few major ongoing investments
  - Unrestricted funding
  - Core programs and services

# Governor's Budget vs. May Revision vs. Enacted Budget

Item	Governor's Budget	May Revision	Enacted Budget
LCFF Funding Increase	\$3.3 billion	\$6.1 billion	\$8.9 billion <sup>1</sup>
Proposition 98 Minimum Guarantee			
2020-21	\$95.9 billion	\$96.1 billion	\$96.1 billion
2021-22	\$99.1 billion	\$110.2 billion	\$110.2 billion
2022-23	\$102.0 billion	\$110.3 billion	\$110.4 billion
Discretionary Block Grant Funding	\$0	\$8 billion	\$3.6 billion <sup>2</sup>
Learning Recovery Emergency Block Grant	\$0	\$0	\$7.9 billion

<sup>1</sup>Reflects an increase of \$772 million in funding for districts and charter schools, \$2.82 billion for declining enrollment protections, \$997 million to support TK expansion and TK adult-to-student ratios, and a \$4.32 billion base increase

<sup>2</sup>Arts, Music, and Instructional Materials Discretionary Block Grant

# 2022-23 LCFF Funding Factors

In total, LCFF is increased by \$5.3 billion over 2021-22<sup>1</sup>

Base grants increased by the 6.56% statutory cost-of-living adjustment (COLA)—an increase in funding per average daily attendance (ADA), not total funding

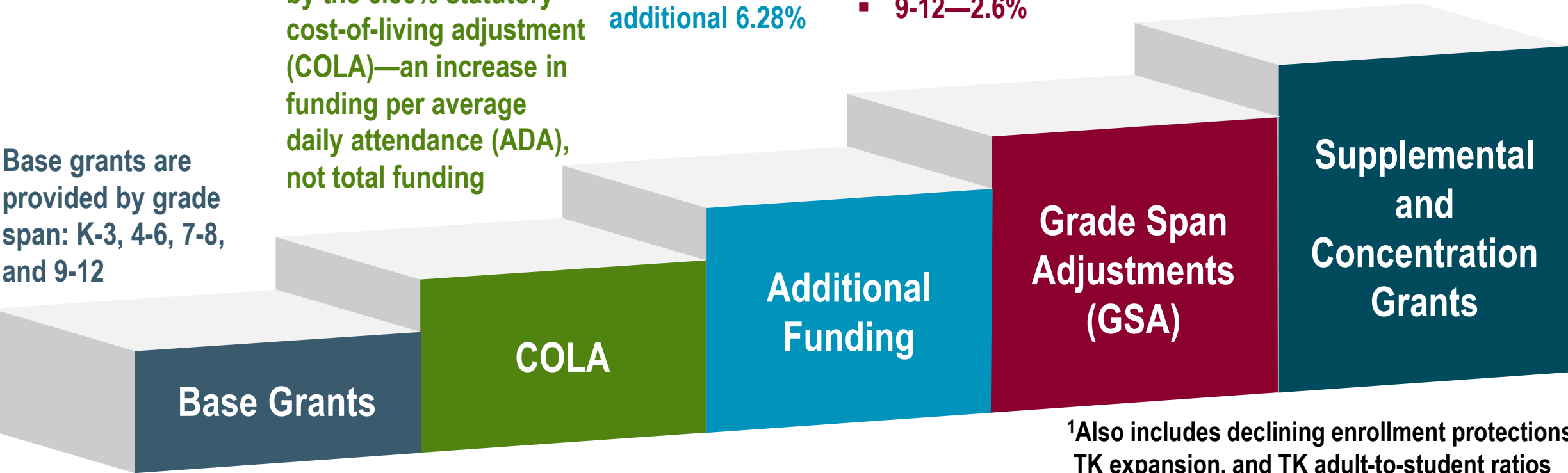
Base grants increased by an additional 6.28%

Applied as percentage increases to the base grants:

- K-3—10.4%
- 9-12—2.6%

Based on unduplicated pupil percentage (UPP) of enrolled students who are English learners, eligible for free or reduced-price meals, or foster youth

Base grants are provided by grade span: K-3, 4-6, 7-8, and 9-12



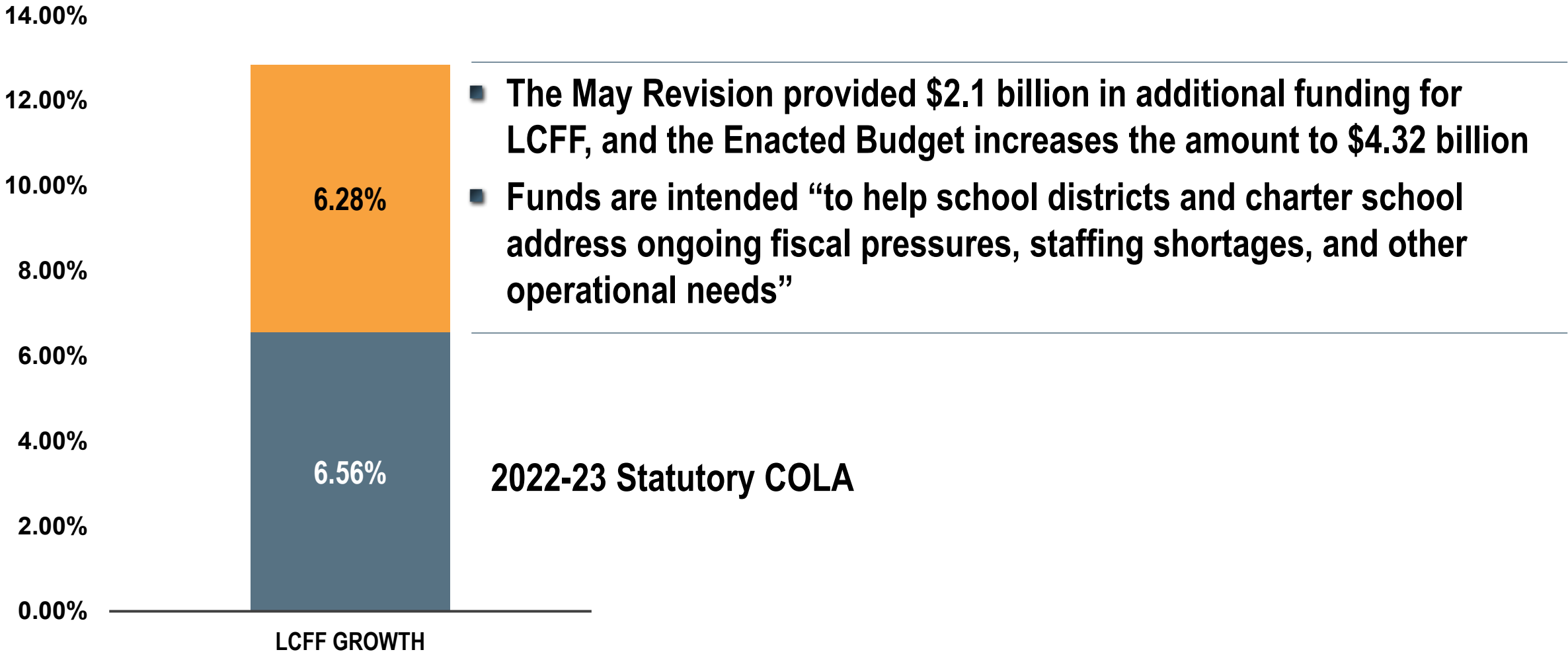
<sup>1</sup>Also includes declining enrollment protections, TK expansion, and TK adult-to-student ratios

# 2022-23 LCFF Funding Factors

Grade Span	K-3	4-6	7-8	9-12
2021-22 Base Grant per ADA	\$8,093	\$8,215	\$8,458	\$9,802
6.56% COLA	\$531	\$539	\$555	\$643
<i>Additional LCFF Investment of 6.28%<sup>1</sup></i>	\$508	\$516	\$531	\$616
2022-23 Base Grant per ADA	\$9,132	\$9,270	\$9,544	\$11,061
GSA	\$950	—	—	\$288
2022-23 Adjusted Base Grant per ADA	\$10,082	\$9,270	\$9,544	\$11,349
20% Supplemental Grant per ADA (Multiplied by Total UPP)	\$2,016	\$1,854	\$1,909	\$2,270
65% Concentration Grant per ADA (Multiplied by UPP Above 55%)	\$6,553	\$6,026	\$6,204	\$7,377

<sup>1</sup>Applied to 2021-22 base grants

# LCFF Investments—Growth Over 2021-22 Rates





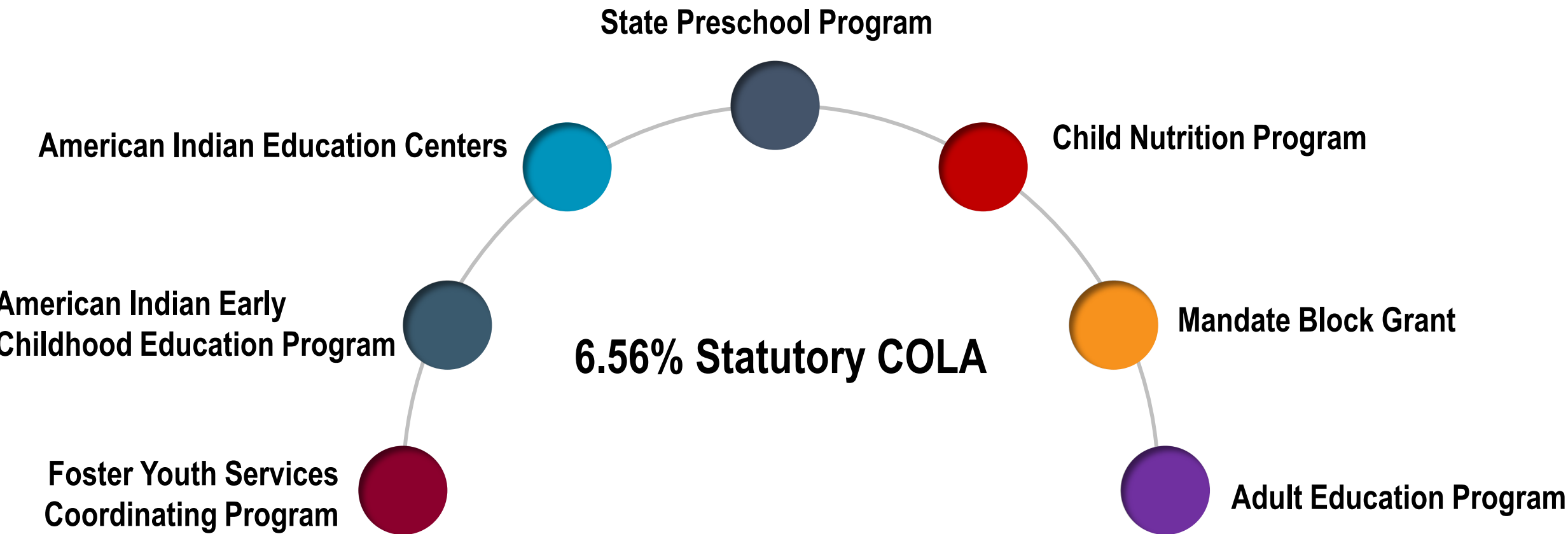
# What Does the LCFF Mean for Gold Oak Union School District?

Gold Oak Union School District —2022-23 <u>Original</u> Projection			
2022-23 LCFF avg. Per-ADA Funding	Projected 2022-23 Enrollment	Projected 2022-23 ADA (based on 3 yr avg.)	Projected 2022-23 LCFF Total Revenue
\$9,244	412	420.82	\$4,359,904

Gold Oak Union School District —2022-23 <u>Revised</u> Projection			
2022-23 LCFF avg. Per-ADA Funding	Projected 2022-23 Enrollment	Projected 2022-23 ADA (based on 3 yr avg.)	Projected 2022-23 LCFF Total Revenue
\$10,945	449	433.19	\$4,730,000

# Categorical Programs—COLA

In addition to the LCFF and special education, the following TK-12 categorical programs also receive the 6.56% statutory COLA:



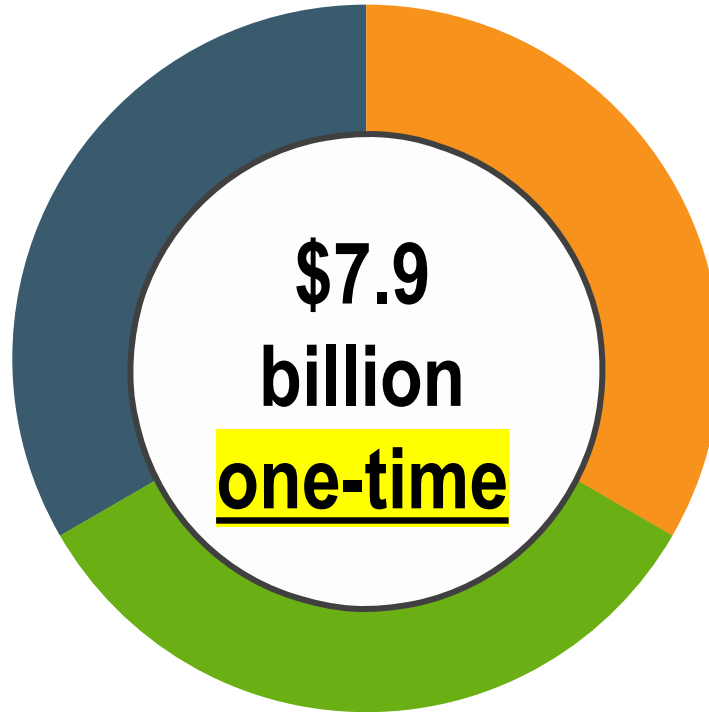
# Learning Recovery Emergency Block Grant

Assist school districts, county offices of education (COEs), and charter schools with long-term recovery from the COVID-19 pandemic

## Distribution

Funds allocated based on 2021-22  
Second Principal Apportionment (P-2)  
ADA multiplied by 2021-22 UPP

Estimated allocation amount for Gold  
Oak USD is about \$353k



## Deadline

Funds may be used through  
2027-28 school year

## Reporting

- Must report interim expenditures to the California Department of Education (CDE) by December 1, 2024, and December 1, 2027
- Must submit a final report on expenditures by December 1, 2029

# Learning Recovery Emergency Block Grant—Allowable Uses



# Arts, Music, and Instructional Materials Discretionary Block Grant

**\$3.6 billion one-time**

**Distribution**

Intend to distribute on a per-pupil basis using 2021-22 P-2 ADA

**Plan**

Governing board must discuss and approve plan for expenditure of funds at regularly scheduled public meeting

**Deadline**

Encumber through the 2025-26 school year

Estimated allocation amount for Gold Oak USD is about \$258k

# Arts, Music, and Instructional Materials Discretionary Block Grant

## Allowable Uses

Instructional materials and professional development aligned to best practices for improving school climate, digital literacy, physical education, and learning through play

Operational costs



# Special Education Funding

## Assembly Bill (AB) 602 Funding Model

- \$500 million ongoing increase for the special education funding formula



- Increases the base rate to \$820 per ADA, unless a Special Education Local Plan Area (SELPA) was previously funded at a higher rate
- Funding allocations now based on the ADA of each LEA and charter school that is an LEA for purposes of special education
  - Funds continue to flow to the SELPA
- Out-of-Home Care model updated—prior-year adjustment process at Annual in February 2023
  - If there are group homes in your LEA or SELPA, review your projections

# Other Special Education Items

## Special Education Early Intervention Preschool Grant

- \$260 million allocated to the district of residence based on count of eligible first grade students with disabilities (SWDs) with Individualized Education Programs (IEPs)

## IDEA Addendum to the LCAP and Parent Advisory Committee

- Individuals with Disabilities Education Act (IDEA) Addendum to the Local Control and Accountability Plan (LCAP) to be developed by January 31, 2025
- Designated LEAs must adopt with their LCAP by July 1, 2025
- LCAP Parent Advisory Committee must include parents/guardians of currently enrolled SWDs

## Special Education Resource Leads—SELPA and/or COE

- Building local and regional capacity in special education
  - One to lead development and implementation of high-quality IEPs
  - One for providing capacity building, training, and technical assistance on family support, conflict prevention and Alternative Dispute Resolution

## Diploma of Graduation for eligible SWDs participating in the California Alternative Assessment

- Awarded to eligible students who complete the required course of study
- Does not end their entitlement to special education supports and services

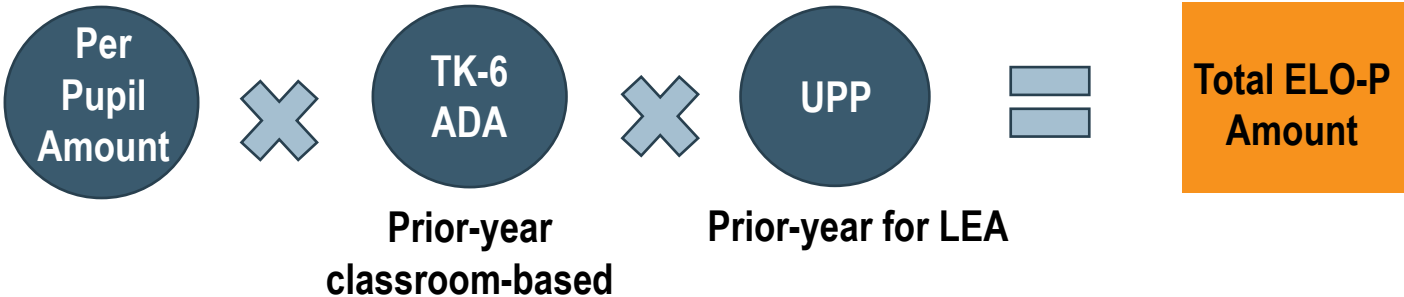


# Expanded Learning Opportunities Program Funding

- ➡
- Enacted Budget increases ongoing state funding for ELO-P to \$4 billion
  - Demonstrates state commitment to comprehensive before, after, and summer school opportunities for students at school districts and charter schools
  - Sets aside \$5 million for COE technical assistance

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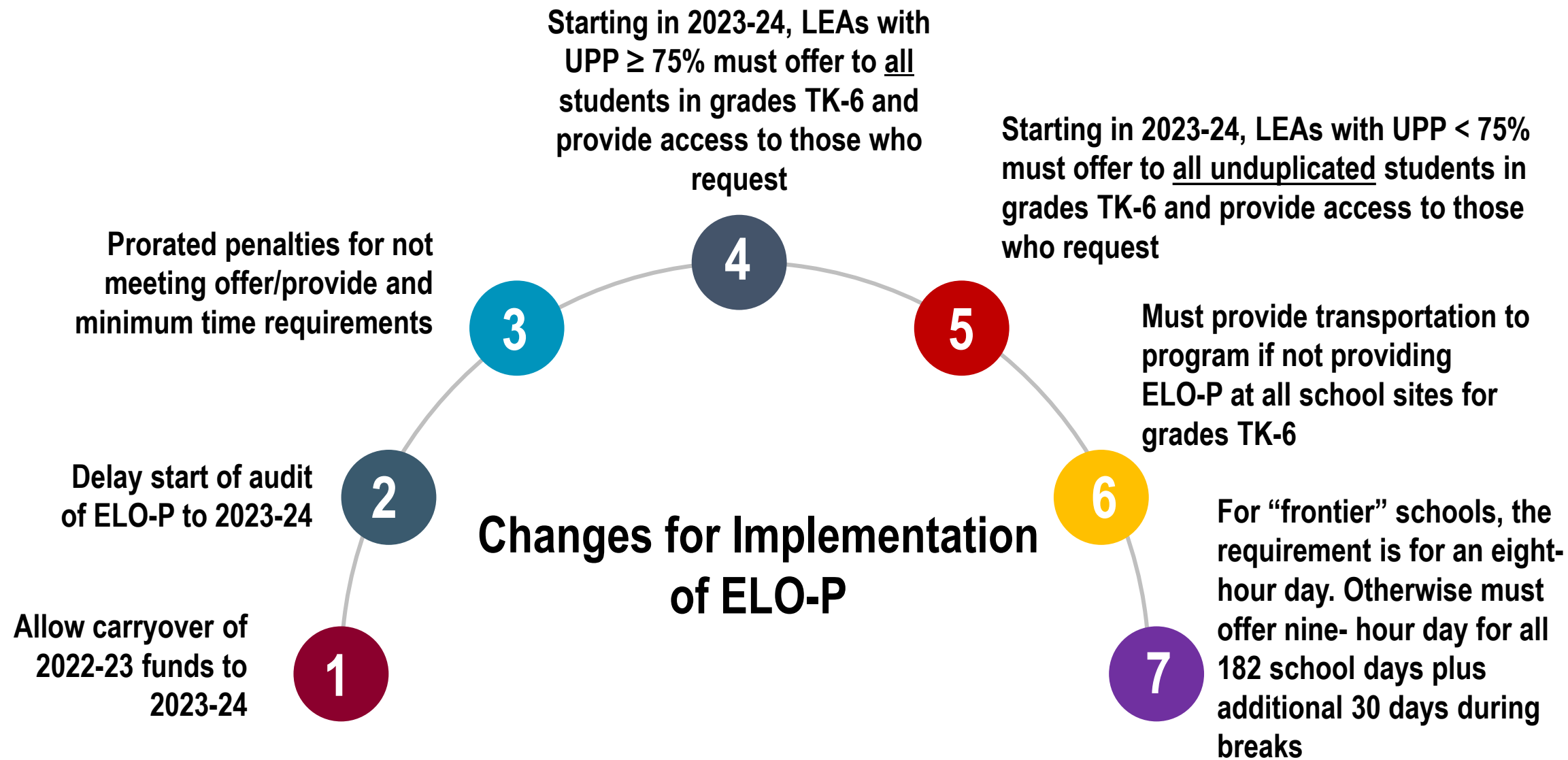
Same formula for distribution of funds



	2021-22 Law	Governor’s Budget Proposal	May Revision Proposal	Legislative Budget Proposal	Enacted Budget
Total State Funding Level	\$1 billion ongoing plus \$754 million one-time	\$4.4 billion ongoing	\$4.8 billion ongoing	\$4.4 billion ongoing	\$4.0 billion ongoing
Per Pupil Amount	UPP ≥ 80%: \$1,170 UPP < 80%: \$672	UPP ≥ 75%: \$2,500 UPP < 75%: \$2,027	UPP ≥ 75%: \$2,500 UPP < 75%: \$2,500	UPP ≥ 75%: \$3,000 UPP < 75%: \$1,500	UPP ≥ 75%: \$2,750 UPP < 75%: \$1,250 <sup>1</sup>

<sup>1</sup>The higher UPP funding rate is in statute. The lower UPP rate is a calculated rate, the figure listed is an estimate which is likely to change when entitlements are calculated.

# Expanded Learning Opportunities Program Changes



# Universal Transitional Kindergarten



Offer TK to four-year-olds whose fifth birthday occurs between September 2 and February 2; inclusive

Offer TK to four-year-olds whose fifth birthday occurs between September 2 and April 2; inclusive

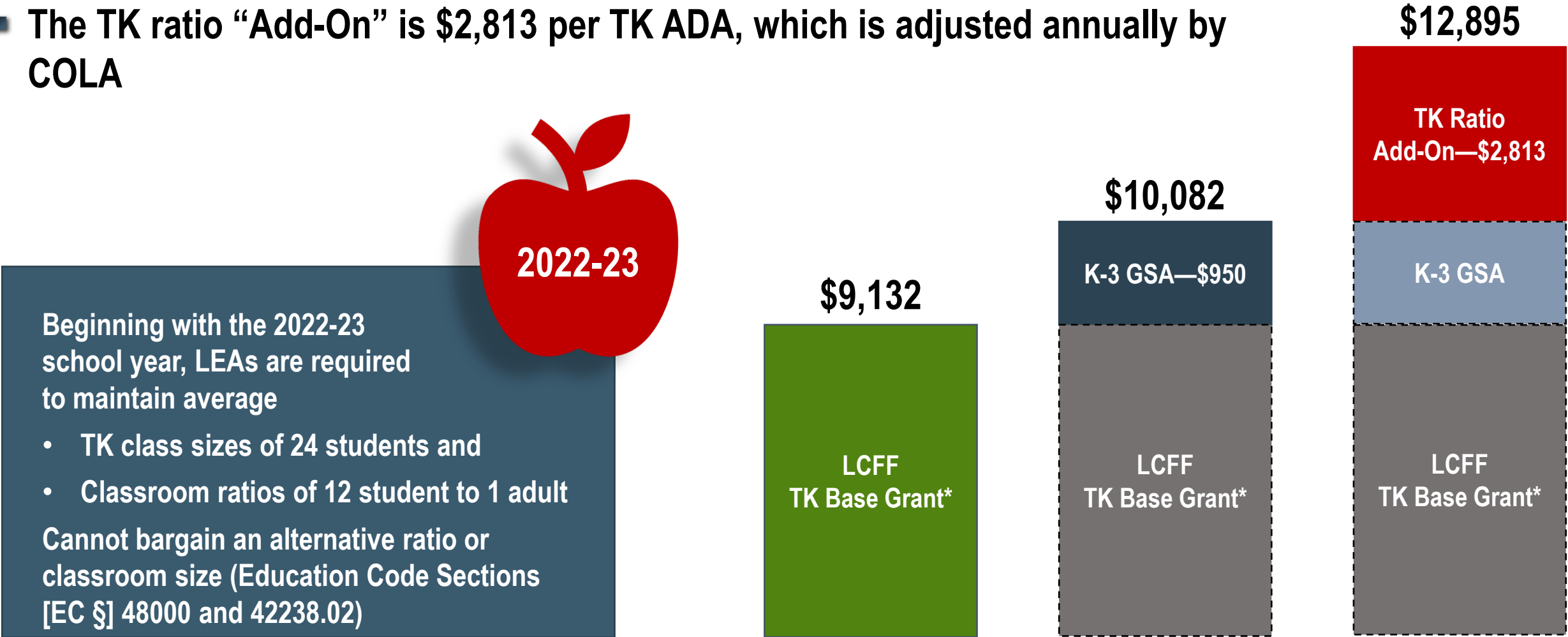
Offer TK to four-year-olds whose fifth birthday occurs between September 2 and June 2; inclusive

Offer TK to four-year-olds whose fourth birthday occurs by September 1; inclusive

- Enacted Budget includes \$614 million ongoing Proposition 98 dollars to fund the expanded eligibility for TK that starts in 2022-23
- Proposition 98 minimum guarantee is “rebenched” to account for the expanded universe of TK students
- LEAs that enroll TK students that turn five after the eligibility window, but before the P-2 reporting period, will receive partial ADA

# Universal Transitional Kindergarten Ratios

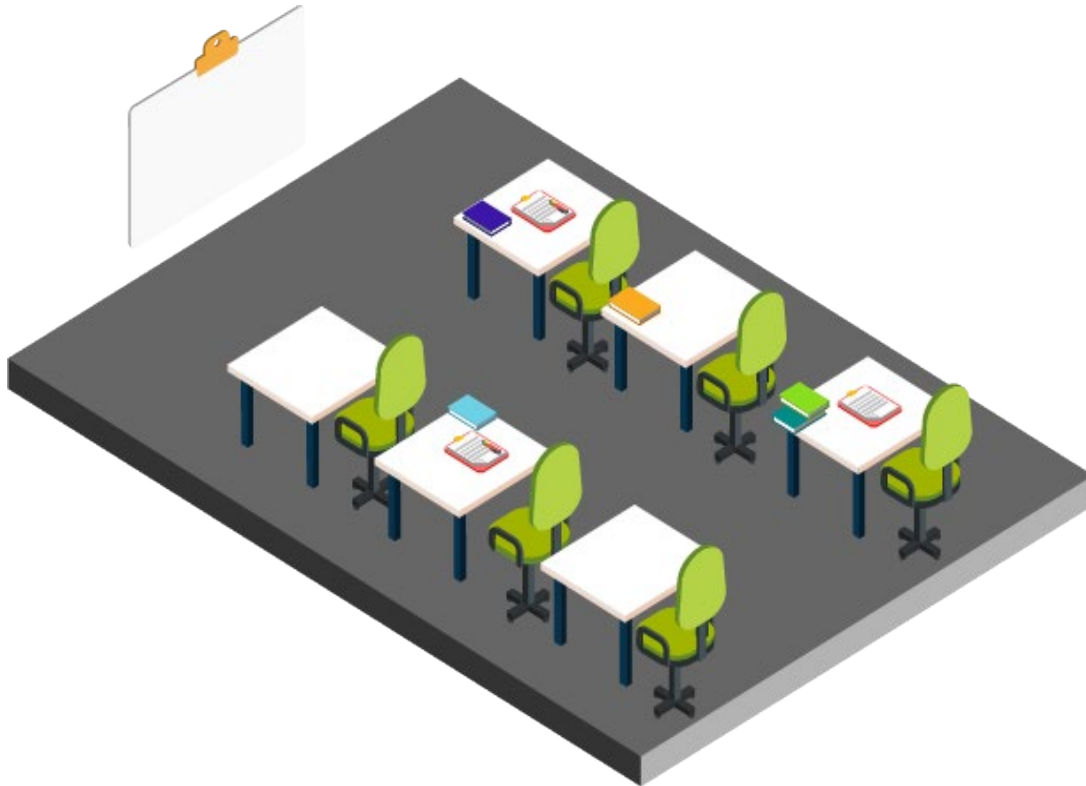
- Additional \$383 million ongoing for the new TK classroom ratio
- The TK ratio “Add-On” is \$2,813 per TK ADA, which is adjusted annually by COLA



\*Base grant calculated including COLA and additional \$4.3 billion LCFF investment

# TK Class Size Requirements

- TK class size maximums (24 students per class) is the average of the classes at each school site, but the TK classroom ratios are not averaged by each school site—each classroom must maintain strict 12:1 or 24:2 ratios



**EC § 48000 does not provide opportunity to negotiate alternative TK class sizes or ratios**

**The average maximum class size and ratios per school site cannot exceed 24 students and 12:1 ratios in TK classrooms**

- LEAs should review current TK class size requirements in the collective bargaining agreement
- Contracts should be in compliance with class sizes prescribed in the law
- Due to TK's proximity to kindergarten, the class size differences can impede an LEA's ability to maximize staffing resources through utilization of the combination classroom configuration (TK/K)

# California Prekindergarten Planning Implementation Grant

- AB 181 appropriates another \$300 million in one-time funds for the program calculated as follows:

## Minimum Base Grant for LEAs that offer Kindergarten

- \$25,000 to LEAs with 2020-21 kindergarten enrollment of 1 to 500 pupils
- \$50,000 to LEAs with 2020-21 kindergarten enrollment of 501 or more pupils
- \$15,000 to COEs for each LEA in their county that operates kindergarten programs to support countywide planning and capacity building

## Enrollment Grants

- 60% of available funds allocated based on LEA's share of 2021-22 kindergarten enrollment

## Supplemental Grants

- 40% of available funds allocated based on LEAs 2021-22 kindergarten enrollment multiplied by its LCFF UPP

**Remaining funds after base grant calculations  
available as enrollment grants and  
supplemental grants**

# California Prekindergarten Planning and Implementation Grant

## Allowable Use of funds (same as in 2021-22)

- Costs associated with creating or expanding California state preschool programs or TK programs
- Costs to establish or strengthen partnerships with other providers of prekindergarten (Pre-K) education within the LEA, to ensure that high-quality options for Pre-K education are available for 4-year-olds
- Classroom operating costs, planning costs, hiring and recruitment costs, staff training and professional development, classroom materials, and supplies

## Conditions

- Commit to providing program data to the CDE, as specified by the State Superintendent of Public Instruction, including, but not limited to, recipient information and participating in overall program evaluation.
- Ensure expenditures are consistent with the local plan
- Commit to planning with the county's local planning council and the California state preschool program and Head Start program providers in the region

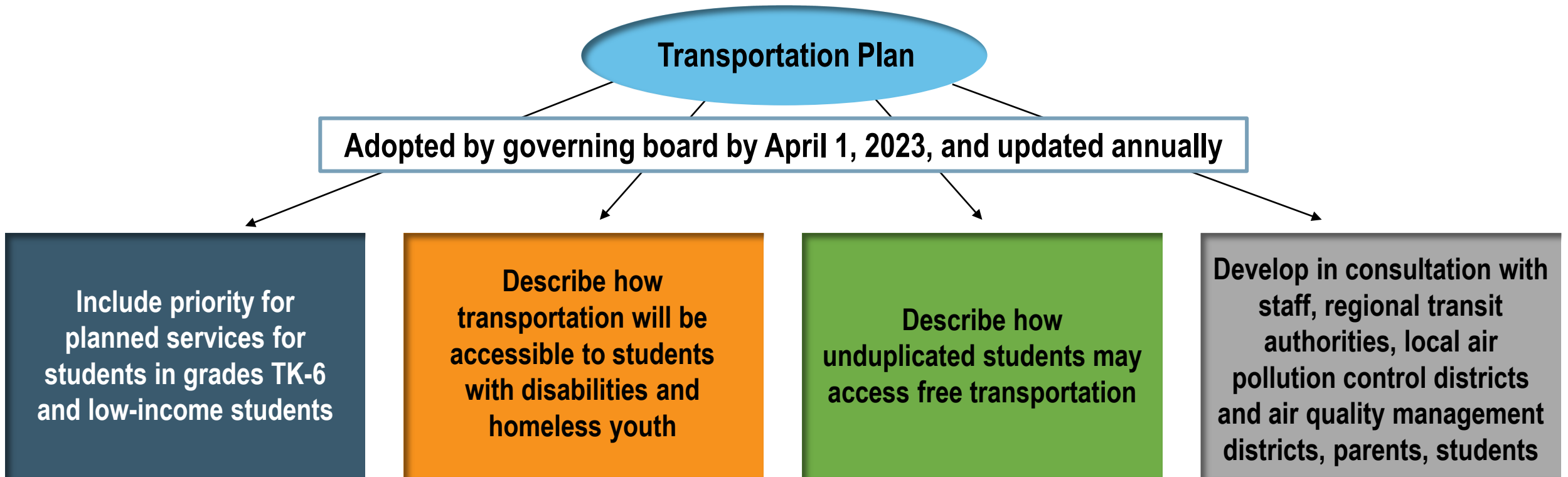
# Home to School Transportation

- Funding for Home-to-School Transportation increased by \$637 million ongoing
- Starting in 2022-23, school districts and COEs will receive the greater of:

Transportation add-on, plus annual COLA

 OR 

60% of reported transportation costs
- Subject to audit
- May charge fees for transportation but must waive fees for unduplicated students





# Transportation

## Home-to-School Transportation

There is no mandate to get students from home to school and back

However, if Home-to-School Transportation (HTST) is provided, the expectation from the state is that low-income students and students in grades TK-6 are prioritized

## Expanded Learning Opportunities Program

There may be a requirement to provide transportation as part of ELO-P

If ELO-P is not available at all school sites for the required students, then transportation must be provided so that the students may access ELO-P

ELO-P funds may be used to pay for ELO-P related transportation

## Special Education

Special education-related transportation costs are eligible for HTST reimbursement

If the transportation costs are reported to CDE through SACS<sup>1</sup> Function 3600, then the expenditure is reimbursable

The only exception is that capital outlay and nonagency expenditures are excluded from reimbursement

<sup>1</sup>Standardized Account Code Structure

# Minimum Wage—Future Forecast

- SSC projects that the minimum wage will continue to increase by the maximum amount allowed by law through 2024
  - Minimum wage will increase to \$15.50 starting January 1, 2023, triggered by soaring inflation
  - For subsequent years, beginning on January 1, 2025, minimum wage will increase by \$0.40

Minimum Wage	Effective Date: > 25 Employees	Effective Date: ≤ 25 Employees	Exempt Minimum Salary (Weekly)	Exempt Minimum Salary (Monthly)	Exempt Minimum Salary (Annually)
\$14.00/hour	January 1, 2021	January 1, 2022	\$1,120	\$4,853	\$58,240
\$15.00/hour	January 1, 2022	N/A	\$1,200	\$5,200	\$62,400
\$15.50/hour	January 1, 2023		\$1,240	\$5,373	\$64,480
\$16.00/hour	January 1, 2024		\$1,280	\$5,547	\$66,560
\$16.40/hour	January 1, 2025		\$1,312	\$5,685	\$68,224
\$16.80/hour	January 1, 2026		\$1,344	\$5,824	\$69,888
\$17.20/hour	January 1, 2027		\$1,376	\$5,963	\$71,552
\$17.60/hour	January 1, 2028		\$1,408	\$6,101	\$73,216