

**CHIEF FISCAL OFFICERS MEETING
AGENDA**

**Wednesday, January 20, 2021
1:00 p.m. – 3:30 p.m.**

- 1) **Introductions and What's New**
 - a) **Additions to the agenda**

- 2) **Reminders**
 - a) **Interest due quarterly on federal funds if over \$500. See CDE website for list of Federal Resources that may be EXCLUDED from the calculation. <https://www.cde.ca.gov/fg/ac/co/reimbursableprograms.asp>**
 - b) **AB1200 Public Disclosure-include copy of TA and MYP when submitting**
 - **Form should be signed by BOTH Superintendent and CBO before submitting**
 - **Disclosure of a settlement is required even if no salary/benefit change**
 - c) **AB2197 disclosure required for non-voter approved debt**
 - d) **Document wages charged to federal/state programs (CSAM Procedure 905: Personnel Activity Reports (PARs))**
 - e) **Complete Admin to Teacher ratio form. (Retain for your audit records)**
 - f) **Reconcile payroll liability accounts**
 - g) **Abatements: Please notify your Business Advisor if you are abating revenues or expenditures. This will ensure that budgets and Cash Flow projections are accurate.**

- 3) **Date Reminders**
 - a) **January 29th – CALPADS 2020-2021 Fall 1 Amendment Window closes**
 - b) **January 31st – Second Interim Period Ends**
 - c) **January 31st – Federal Cash Management Deadline for Reporting Period 3**
 - d) **January 31st – UI LEC Charge Transfer Due, if applicable**
 - e) **March 7th – Second Interims Due**
 - **County office of education (COE) Second Interim due to the State Superintendent of Public Instruction (SSPI) (Education Code Section [EC §] 1240[I][1][A] and [B])**
 - **District Second Interim due to COE (also to SSPI and State Controller's Office [SCO] if qualified or negative) (EC § 42131[a][1] and [2])**
 - f) **March 31st – Audits Due**
 - **COE prior-year audit due to SSPI and SCO (EC § 41020[h])**
 - **District prior-year audit due to COE, SSPI, and SCO (EC § 41020.9[b])**
 - **Charter school prior-year audit due to chartering authority, COE, SSPI, and SCO (EC § 47605[m], 41020[h], and 41020.9[b])**

- 4) **Special Education Maintenance of Effort (MOE)**
 - a) **SACS Special Education Maintenance of Effort: Report SEMAI (pgs. 3-12)**
 - b) **Special Ed Maintenance of Effort Exemption Forms (pgs. 13-17)**

- 5) **District Sharing**

- 6) **LCAP Update**
 - a) **New 3 year LCAP due June 30th – Systems of Support scheduled**
 - b) **Annual Update x 2 due June 30th**

- 7) **Payroll**
 - a) **Minimum Wage Increases Effective January 1, 2021 (pg. 19)**

- 8) **CARES Act Funds Update**
 - a) **ESSER II (pgs. 21-24)**
 - b) **CRF Expenditure Deadline Discussion**

- 9) **2021-22 Governor's Budget (pgs. 25-44)**
 - a) **SSC Dartboard for 2021–22 Governor's Budget (pgs. 45)**

10) LCFF Calculator V21.2a (pgs. 47-49)

- a) COLA Estimates (pgs. 51-52)

11) ESSCO: External Services Subcommittee

12) Articles (pgs. 53-72)

- a) *SSC Fiscal Report: Governor's Proposals for the 2021–22 State Budget and K–12 Education*
- b) *SSC Fiscal Report: Ask SSC . . . With Deferral Buy Downs, Should We Stop Our TRANs?*
- c) *SSC Fiscal Report: New Laws for 2021*
- d) *SSC Fiscal Report: Congress Reaches Agreement on Stimulus and 2021 Spending Plan*
- e) *SSC Fiscal Report: Ask SSC . . . How Does the New Stimulus Package Impact the Families First Coronavirus Act (FFCRA)?*
- f) *SSC Fiscal Report: Newsom's Reopening Schools Proposal—More Details Emerge*
- g) *SSC Fiscal Report: Critical Deadlines and Funding Opportunities*

13) Workshops/Webinars (pgs. 73-77)

- a) SSC Webinars & Workshops
- b) CASBO Webinars & Workshops

14) Next Meeting

- a) February 24th – Board Room/Zoom

First Interim
Special Education Maintenance of Effort
2020-21 Projected Expenditures vs. Actual Comparison Year
2020-21 Projected Expenditures by LEA (LP-1)

Object Code	Description	Special Education, Unspecified (Goal 5001)	Regionalized Services (Goal 5050)	Regionalized Program Specialist (Goal 5060)	Special Education, Infants (Goal 5710)	Special Education, Preschool Students (Goal 5730)	Spec. Education, Ages 5-22 (Goal 5760)	Adjustments*	Total
UNDUPLICATED PUPIL COUNT									
TOTAL PROJECTED EXPENDITURES (Funds 01, 09, & 62; resources 0000-9999)									
1000-1999	Certificated Salaries	0.00	0.00	0.00	0.00	0.00	0.00		0.00
2000-2999	Classified Salaries	0.00	0.00	0.00	0.00	0.00	0.00		0.00
3000-3999	Employee Benefits	0.00	0.00	0.00	0.00	0.00	0.00		0.00
4000-4999	Books and Supplies	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5000-5999	Services and Other Operating Expenditures	0.00	0.00	0.00	0.00	0.00	0.00		0.00
6000-6999	Capital Outlay	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7130	State Special Schools	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7430-7439	Debt Service	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Direct Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7310	Transfers of Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7350	Transfers of Indirect Costs - Interfund	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL COSTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
STATE AND LOCAL PROJECTED EXPENDITURES (Funds 01, 09, & 62; resources 0000-2999, 3385, & 6000-9999)									
1000-1999	Certificated Salaries	0.00	0.00	0.00	0.00	0.00	0.00		0.00
2000-2999	Classified Salaries	0.00	0.00	0.00	0.00	0.00	0.00		0.00
3000-3999	Employee Benefits	0.00	0.00	0.00	0.00	0.00	0.00		0.00
4000-4999	Books and Supplies	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5000-5999	Services and Other Operating Expenditures	0.00	0.00	0.00	0.00	0.00	0.00		0.00
6000-6999	Capital Outlay	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7130	State Special Schools	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7430-7439	Debt Service	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Direct Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7310	Transfers of Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7350	Transfers of Indirect Costs - Interfund	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL BEFORE OBJECT 8980	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8980	Contributions from Unrestricted Revenues to Federal Resources (Resources 3310-3400, except 3385, all goals; resources 3000-3178 & 3410-5810, goals 5000-5999)								0.00
	TOTAL COSTS								0.00

First Interim
Special Education Maintenance of Effort
2020-21 Projected Expenditures vs. Actual Comparison Year
2020-21 Projected Expenditures by LEA (LP-1)

Object Code	Description	Special Education, Unspecified (Goal 5001)	Regionalized Services (Goal 5050)	Regionalized Program Specialist (Goal 5060)	Special Education, Infants (Goal 5710)	Special Education, Preschool Students (Goal 5730)	Spec. Education, Ages 5-22 (Goal 5760)	Adjustments*	Total	
LOCAL PROJECTED EXPENDITURES (Funds 01, 09, & 62; resources 0000-1999 & 8000-9999)										
1000-1999	Certificated Salaries	0.00	0.00	0.00	0.00	0.00	0.00		0.00	
2000-2999	Classified Salaries	0.00	0.00	0.00	0.00	0.00	0.00		0.00	
3000-3999	Employee Benefits	0.00	0.00	0.00	0.00	0.00	0.00		0.00	
4000-4999	Books and Supplies	0.00	0.00	0.00	0.00	0.00	0.00		0.00	
5000-5999	Services and Other Operating Expenditures	0.00	0.00	0.00	0.00	0.00	0.00		0.00	
6000-6999	Capital Outlay	0.00	0.00	0.00	0.00	0.00	0.00		0.00	
7130	State Special Schools	0.00	0.00	0.00	0.00	0.00	0.00		0.00	
7430-7439	Debt Service	0.00	0.00	0.00	0.00	0.00	0.00		0.00	
	Total Direct Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
7310	Transfers of Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00		0.00	
7350	Transfers of Indirect Costs - Interfund	0.00	0.00	0.00	0.00	0.00	0.00		0.00	
	Total Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
	TOTAL BEFORE OBJECT 8980	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
8980	Contributions from Unrestricted Revenues to Federal Resources (From State and Local Projected Expenditures section)									0.00
8980	Contributions from Unrestricted Revenues to State Resources (Resources 3385, 6500-6540, & 7240, all goals; resources 2000-2999 & 6010-7810, except 6500-6540, & 7240, goals 5000-5999)									0.00
	TOTAL COSTS									0.00

* Attach an additional sheet with explanations of any amounts in the Adjustments column.

Object Code	Description	Special Education, Unspecified (Goal 5001)	Regionalized Services (Goal 5050)	Regionalized Program Specialist (Goal 5060)	Special Education, Infants (Goal 5710)	Special Education, Preschool Students (Goal 5730)	Spec. Education, Ages 5-22 Severely Disabled (Goal 5750)	Spec. Education, Ages 5-22 Nonseverely Disabled (Goal 5770)	Adjustments*	Total
UNDUPLICATED PUPIL COUNT										
TOTAL ACTUAL EXPENDITURES (Funds 01, 09, & 62; resources 0000-9999)										
1000-1999	Certificated Salaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
2000-2999	Classified Salaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
3000-3999	Employee Benefits	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
4000-4999	Books and Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5000-5999	Services and Other Operating Expenditures	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
6000-6999	Capital Outlay	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7130	State Special Schools	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7430-7439	Debt Service	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Direct Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7310	Transfers of Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7350	Transfers of Indirect Costs - Interfund	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
PCRA	Program Cost Report Allocations (non-add)	0.00								0.00
	Total Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL COSTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
FEDERAL ACTUAL EXPENDITURES (Funds 01, 09, and 62; resources 3000-5999, except 3385)										
1000-1999	Certificated Salaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
2000-2999	Classified Salaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
3000-3999	Employee Benefits	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
4000-4999	Books and Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5000-5999	Services and Other Operating Expenditures	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
6000-6999	Capital Outlay	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7130	State Special Schools	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7430-7439	Debt Service	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Direct Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7310	Transfers of Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7350	Transfers of Indirect Costs - Interfund	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL BEFORE OBJECT 8980	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8980	Less: Contributions from Unrestricted Revenues to Federal Resources (Resources 3310-3400, except 3385, all goals; resources 3000-3178 & 3410-5810, goals 5000-5999)									0.00
	TOTAL COSTS									0.00

Object Code	Description	Special Education, Unspecified (Goal 5001)	Regionalized Services (Goal 5050)	Regionalized Program Specialist (Goal 5060)	Special Education, Infants (Goal 5710)	Special Education, Preschool Students (Goal 5730)	Spec. Education, Ages 5-22 Severely Disabled (Goal 5750)	Spec. Education, Ages 5-22 Nonseverely Disabled (Goal 5770)	Adjustments*	Total
STATE AND LOCAL ACTUAL EXPENDITURES (Funds 01, 09, & 62; resources 0000-2999, 3385, & 6000-9999)										
1000-1999	Certificated Salaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
2000-2999	Classified Salaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
3000-3999	Employee Benefits	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
4000-4999	Books and Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5000-5999	Services and Other Operating Expenditures	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
6000-6999	Capital Outlay	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7130	State Special Schools	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7430-7439	Debt Service	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Direct Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7310	Transfers of Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7350	Transfers of Indirect Costs - Interfund	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
PCRA	Program Cost Report Allocations (non-add)	0.00								0.00
	Total Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL BEFORE OBJECT 8980	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8980	Contributions from Unrestricted Revenues to Federal Resources (From Federal Actual Expenditures section)									0.00
	TOTAL COSTS									0.00
LOCAL ACTUAL EXPENDITURES (Funds 01, 09, & 62; resources 0000-1999 & 8000-9999)										
1000-1999	Certificated Salaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
2000-2999	Classified Salaries	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
3000-3999	Employee Benefits	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
4000-4999	Books and Supplies	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
5000-5999	Services and Other Operating Expenditures	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
6000-6999	Capital Outlay	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7130	State Special Schools	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7430-7439	Debt Service	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Direct Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7310	Transfers of Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
7350	Transfers of Indirect Costs - Interfund	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00
	Total Indirect Costs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL BEFORE OBJECT 8980	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8980	Contributions from Unrestricted Revenues to Federal Resources (From Federal Actual Expenditures section)									0.00
8980	Contributions from Unrestricted Revenues to State Resources (Resources 3385, 6500, 6510, & 7240, all goals; resources 2000-2999 & 6010-7810, except 6500, 6510, & 7240, goals 5000-5999)									0.00
	TOTAL COSTS									0.00

* Attach an additional sheet with explanations of any amounts in the Adjustments column.

SELPA: (??)

This form is used to check maintenance of effort (MOE) for an LEA, whether the LEA is a member of a SELPA or is a single-LEA SELPA.

Per the federal Subsequent Years Rule, in order to determine the required level of effort, the LEA must look back to the last fiscal year in which the LEA maintained effort using the same method by which it is currently establishing the compliance standard. To meet the requirement of the Subsequent Years Rule, the LMC-I worksheet has been revised to make changes to sections 3.A.1, 3.A.2, 3.B.1, and 3.B.2. The revised sections allow the LEA to compare the 2020-21 projected expenditures to the most recent fiscal year the LEA met MOE using that method, which is the comparison year.

There are four methods that the LEA can use to demonstrate the compliance standard. They are (1) combined state and local expenditures; (2) combined state and local expenditures on a per capita basis; (3) local expenditures only; and (4) local expenditures only on a per capita basis.

The LEA is only required to pass one of the tests to meet the MOE requirement. However, the LEA is required to show results for all four methods.

SECTION 1 Exempt Reduction Under 34 CFR Section 300.204

If your LEA determines that a reduction in expenditures occurred as a result of one or more of the following conditions, you may calculate a reduction to the required MOE standard. Reductions may apply to combined state and local MOE standard, local only MOE standard, or both.

1. Voluntary departure, by retirement or otherwise, or departure for just cause, of special education or related services personnel.
2. A decrease in the enrollment of children with disabilities.
3. The termination of the obligation of the agency to provide a program of special education to a particular child with a disability that is an exceptionally costly program, as determined by the SEA, because the child:
 - a. Has left the jurisdiction of the agency;
 - b. Has reached the age at which the obligation of the agency to provide free appropriate public education (FAPE) to the child has terminated; or
 - c. No longer needs the program of special education.
4. The termination of costly expenditures for long-term purchases, such as the acquisition of equipment or the construction of school facilities.
5. The assumption of cost by the high cost fund operated by the SEA under 34 CFR Sec. 300.704(c).

Provide the condition number, if any, to be used in the calculation below:	<u>State and Local</u>	<u>Local Only</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
Total exempt reductions	<u>0.00</u>	<u>0.00</u>

SELPA: (??)

SECTION 2

Reduction to MOE Requirement Under IDEA, Section 613 (a)(2)(C) (34 CFR Sec. 300.205)

IMPORTANT NOTE: Only LEAs that have a "meets requirement" compliance determination and that are not found significantly disproportionate for the current year are eligible to use this option to reduce their MOE requirement.

Up to 50% of the increase in IDEA Part B Section 611 funding in current year compared with prior year may be used to reduce the required level of state and local expenditures. This option is available only if the LEA used or will use the freed up funds for activities authorized under the Elementary and Secondary Education Act (ESEA) of 1965. Also, the amount of Part B funds used for early intervening services (34 CFR 300.226(a)) will count toward the maximum amount by which the LEA may reduce its MOE requirement under this exception [P.L. 108-446].

	<u>State and Local</u>	<u>Local Only</u>
Current year funding (IDEA Section 611 Local Assistance Grant Award - Resource 3310)	_____	
Less: Prior year's funding (IDEA Section 611 Local Assistance Grant Award - Resource 3310)	_____	
Increase in funding (if difference is positive)	<u>0.00</u>	
Maximum available for MOE reduction (50% of increase in funding)	<u>0.00</u> (a)	
Current year funding (IDEA Section 619 - Resource 3315)	_____	
Maximum available for early intervening services (EIS) (15% of current year funding - Resources 3310 and 3315)	<u>0.00</u> (b)	

If (b) is greater than (a).		
Enter portion to set aside for EIS (cannot exceed line (b), Maximum available for EIS)	_____	(c)
Available for MOE reduction. (line (a) minus line (c), zero if negative)	<u>0.00</u>	(d)
Enter portion used to reduce MOE requirement (cannot exceed line (d), Available for MOE reduction).	_____	_____

If (b) is less than (a).		
Enter portion used to reduce MOE requirement (first column cannot exceed line (a), Maximum available for MOE reduction, second and third columns cannot exceed (e), Portion used to reduce MOE requirement).	_____	(e) _____
Available to set aside for EIS (line (b) minus line (e), zero if negative)	<u>0.00</u>	(f) _____

Note: If your LEA exercises the authority under 34 CFR 300.205(a) to reduce the MOE requirement, the LEA must list the activities (which are authorized under the ESEA) paid with the freed up funds:		

SELPA: (??)

SECTION 3

	<u>Column A</u>	<u>Column B</u>	<u>Column C</u>
	Projected Exps. (LP-I Worksheet) FY 2020-21	FY must be entered Actual Expenditures Comparison Year	Difference (A - B)
A. COMBINED STATE AND LOCAL EXPENDITURES METHOD			
1. Under "Comparison Year," enter the most recent year in which MOE compliance was met using the actual vs. actual method based on state and local expenditures.			
a. Total special education expenditures	0.00		
b. Less: Expenditures paid from federal sources	0.00		
c. Expenditures paid from state and local sources	0.00		
Add/Less: Adjustments and/or PCRA required for MOE calculation			
Comparison year's expenditures, adjusted for MOE calculation		0.00	
Less: Exempt reduction(s) from SECTION 1		0.00	
Less: 50% reduction from SECTION 2		0.00	
Net expenditures paid from state and local sources	0.00	0.00	0.00

If the difference in Column C for the Section 3.A.1 is positive or zero, the MOE eligibility requirement is met based on the combination of state and local expenditures.

	Projected Exps. FY 2020-21	FY must be entered Comparison Year	Difference
2. Under "Comparison Year," enter the most recent year in which MOE compliance was met using the actual vs. actual method based on the per capita local expenditures.			
a. Total special education expenditures	0.00		
b. Less: Expenditures paid from federal sources	0.00		
c. Expenditures paid from state and local sources	0.00		
Add/Less: Adjustments and/or PCRA required for MOE calculation			
Comparison year's expenditures, adjusted for MOE calculation		0.00	
Less: Exempt reduction(s) from SECTION 1		0.00	
Less: 50% reduction from SECTION 2		0.00	
Net expenditures paid from state and local sources	0.00	0.00	
d. Special education unduplicated pupil count			
e. Per capita state and local expenditures (A2c/A2d)	0.00	0.00	0.00

If the difference in Column C for the Section 3.A.2 is positive or zero, the MOE eligibility requirement is met based on the per capita state and local expenditures.

SELPA: (??)

B. LOCAL EXPENDITURES ONLY METHOD

	Projected Exps. FY 2020-21	FY must be entered Comparison Year	Difference
1. Under "Comparison Year," enter the most recent year in which MOE compliance was met using the actual vs. actual method based on local expenditures only.			
a. Expenditures paid from local sources	0.00		
Add/Less: Adjustments required for MOE calculation			
Comparison year's expenditures, adjusted for MOE calculation		0.00	
Less: Exempt reduction(s) from SECTION 1		0.00	
Less: 50% reduction from SECTION 2		0.00	
Net expenditures paid from local sources	0.00	0.00	0.00

If the difference in Column C for the Section 3.B.1 is positive or zero, the MOE eligibility requirement is met based on the local expenditures.

	Projected Exps. FY 2020-21	FY must be entered Comparison Year	Difference
2. Under "Comparison Year," enter the most recent year in which MOE compliance was met using the actual vs. actual method based on the per capita local expenditures only.			
a. Expenditures paid from local sources	0.00		
Add/Less: Adjustments required for MOE calculation			
Comparison year's expenditures, adjusted for MOE calculation		0.00	
Less: Exempt reduction(s) from SECTION 1		0.00	
Less: 50% reduction from SECTION 2		0.00	
Net expenditures paid from local sources	0.00	0.00	
b. Special education unduplicated pupil count	0		
c. Per capita local expenditures (B2a/B2b)	0.00	0.00	0.00

If the difference in Column C for the Section 3.B.2 is positive or zero, the MOE eligibility requirement is met based on the per capita local expenditures only.

Amounts must be entered in Column B for both sections 3.A and 3.B; if no costs, enter 0.

Contact Name

Telephone Number

Title

Email Address

SELPA: (??)

Object Code	Description	Adjustments*	Total
TOTAL PROJECTED EXPENDITURES - All Sources			
1000-1999	Certificated Salaries		0.00
2000-2999	Classified Salaries		0.00
3000-3999	Employee Benefits		0.00
4000-4999	Books and Supplies		0.00
5000-5999	Services and Other Operating Expenditures		0.00
6000-6999	Capital Outlay		0.00
7130	State Special Schools		0.00
7430-7439	Debt Service		0.00
	Total Direct Costs	0.00	0.00
7310	Transfers of Indirect Costs		0.00
7350	Transfers of Indirect Costs - Interfund		0.00
	Total Indirect Costs	0.00	0.00
	TOTAL COSTS	0.00	0.00
PROJECTED EXPENDITURES - State and Local Sources			
1000-1999	Certificated Salaries		0.00
2000-2999	Classified Salaries		0.00
3000-3999	Employee Benefits		0.00
4000-4999	Books and Supplies		0.00
5000-5999	Services and Other Operating Expenditures		0.00
6000-6999	Capital Outlay		0.00
7130	State Special Schools		0.00
7430-7439	Debt Service		0.00
	Total Direct Costs	0.00	0.00
7310	Transfers of Indirect Costs		0.00
7350	Transfers of Indirect Costs - Interfund		0.00
	Total Indirect Costs	0.00	0.00
	TOTAL BEFORE OBJECT 8980	0.00	0.00
8980	Contributions from Unrestricted Revenues to Federal Resources		0.00
	TOTAL COSTS	0.00	0.00

SELPA: (??)

Object Code	Description	Adjustments*	Total
PROJECTED EXPENDITURES - Local Sources			
1000-1999	Certificated Salaries		0.00
2000-2999	Classified Salaries		0.00
3000-3999	Employee Benefits		0.00
4000-4999	Books and Supplies		0.00
5000-5999	Services and Other Operating Expenditures		0.00
6000-6999	Capital Outlay		0.00
7130	State Special Schools		0.00
7430-7439	Debt Service		0.00
	Total Direct Costs	0.00	0.00
7310	Transfers of Indirect Costs		0.00
7350	Transfers of Indirect Costs - Interfund		0.00
	Total Indirect Costs	0.00	0.00
	TOTAL BEFORE OBJECT 8980	0.00	0.00
8980	Contributions from Unrestricted Revenues to Federal Resources (From PROJECTED EXPENDITURES - State and Local Sources section)		0.00
8980	Contributions from Unrestricted Revenues to State Resources		0.00
	TOTAL COSTS	0.00	0.00
UNDUPLICATED PUPIL COUNT			0

* Attach an additional sheet with explanations of any amounts in the Adjustments column.

EXEMPT REDUCTIONS TO MAINTENANCE OF EFFORT

IDEA Regulations 34 *Code of Federal Regulations* § 300.204

Local Education Agency (LEA) Name	Special Education Local Plan Area (SELPA)
	Sutter County SELPA
Name of Person Completing Report	Telephone & Fax Numbers
Maintenance of Effort (MOE) Shortfall from LEA MOE Calculation (LMC-A or LMC-B) Worksheet	

The LEA may reduce the level of expenditures below the level of the preceding fiscal year if the reduction is attributable to any of the following reasons. Provide specific details and dollar amounts. If the total justifications equal/exceed the MOE shortfall, fiscal effort has been maintained for the reporting year.

1. The voluntary departure, by retirement or otherwise, or departure for just cause, of certificated and/or classified special education or related services personnel (does not include contract non-renewal or staff lay-off due to budget shortfall). **\$0.00**

ENTER INFORMATION on the *detail reduction 1* tab; totals will carry forward to this section

2. A decrease in enrollment of children with disabilities.

ENTER INFORMATION on the *detail reduction 2* tab; totals will carry forward to this section

3. The termination of the obligation to provide a program of special education to a particular child with a disability that is an exceptionally costly program because: **\$0.00**

- A. Child has left the jurisdiction of the agency; OR**
- B. Child has reached the age at which the obligation of the agency to provide free appropriate public education (FAPE) to the child has**
- C. No longer needs the program of special education**

ENTER INFORMATION on the *detail reduction 3* tab; totals will carry forward to this section

4. The termination of costly expenditures for long-term purchases, such as the acquisition of equipment or the construction of school facilities (must have per unit cost of \$5,000 or more). **\$0.00**

ENTER INFORMATION on the *detail reduction 4* tab; totals will carry forward to this section

TOTAL ALLOWABLE EXEMPTIONS TO MOE **\$0.00**

(must equal amount of total exemption reductions entered in Section 1 of the LMC-A or LMC-B)

CDE Use Only

California Department of Education, Special Education Division, April 23, 2015

Local Education Agency (LEA) Name 0	Special Education Local Plan Area (SELPA) Sutter County SELPA
--	--

EXEMPT REDUCTIONS TO MAINTENANCE OF EFFORT

1. The voluntary departure, by retirement or otherwise, or departure for just cause, of certificated and/or classified special education or related services personnel (does not include contract non-renewal or staff lay-off due to budget shortfall).

DEPARTING

No.	Position Title	Employee Name	Reason for Leaving	Salary	Benefits	Total
1.						\$0.00
2.						\$0.00
3.						\$0.00
4.						\$0.00
5.						\$0.00
6.						\$0.00
7.						\$0.00
8.						\$0.00
9.						\$0.00
10.						\$0.00
11.						\$0.00
12.						\$0.00
13.						\$0.00
14.						\$0.00
15.						\$0.00
16.						\$0.00
17.						\$0.00
18.						\$0.00
19.						\$0.00
20.						\$0.00
21.						\$0.00
22.						\$0.00
23.						\$0.00
24.						\$0.00
25.						\$0.00
26.						\$0.00
27.						\$0.00
28.						\$0.00
29.						\$0.00
30.						\$0.00
Departing Total				\$0.00	\$0.00	\$0.00

REPLACED BY

No.	Position Title	Employee Name	Salary	Benefits	Total	
1.					\$0.00	
2.					\$0.00	
3.					\$0.00	
4.					\$0.00	
5.					\$0.00	
6.					\$0.00	
7.					\$0.00	
8.					\$0.00	
9.					\$0.00	
10.					\$0.00	
11.					\$0.00	
12.					\$0.00	
13.					\$0.00	
14.					\$0.00	
15.					\$0.00	
16.					\$0.00	
17.					\$0.00	
18.					\$0.00	
19.					\$0.00	
20.					\$0.00	
21.					\$0.00	
22.					\$0.00	
23.					\$0.00	
24.					\$0.00	
25.					\$0.00	
26.					\$0.00	
27.					\$0.00	
28.					\$0.00	
29.					\$0.00	
30.					\$0.00	
Replacement Total				\$0.00	\$0.00	\$0.00
1. Departure Net Difference				\$0.00	\$0.00	\$0.00

Local Education Agency (LEA) Name

0

Special Education Local Plan Area (SELPA)

Sutter County SELPA

EXEMPT REDUCTIONS TO MAINTENANCE OF EFFORT**2. A decrease in enrollment of children with disabilities.**

A. Current Year Special Ed. Unduplicated Pupil Count (SEMA or SEMB, Section 3, Line A4, Column A)	
B. Prior Year Special Ed. Unduplicated Pupil Count (SEMA or SEMB, Section 3, Line A4, Column B)	
C. Difference (only applicable if negative)	not applicable
D. Fractional decline (Line 2C (expressed as positive) divided by Line 2B)	0.00000%
E. Prior Year Expenditures from State and Local Sources (SEMA or SEMB, Section 3, Line A3, Column B)	
F. Allowable decline in expenditures related to decline in pupil count (Line D x Line E)	\$0.00
2. Decrease in Enrollment	\$0.00

California Department of Education, Special Education Division, April 23, 2015

Local Education Agency (LEA) Name

0

Special Education Local Plan Area (SELPA)

Sutter County SELPA

EXEMPT REDUCTIONS TO MAINTENANCE OF EFFORT

3. The termination of the obligation to provide a program of special education to a particular child with a disability that is an exceptionally costly program because:

- A. *Child has left the jurisdiction of the agency; OR*
 B. *Child has reached the age at which the obligation of the agency to provide free appropriate public education (FAPE) to the child has terminated; OR*
 C. *No longer needs the program of special education*

Student Name	Reason (indicate A, B, or C)	Total
1.		\$0.00
2.		\$0.00
3.		\$0.00
4.		\$0.00
5.		\$0.00
6.		\$0.00
7.		\$0.00
8.		\$0.00
9.		\$0.00
10.		\$0.00
11.		\$0.00
12.		\$0.00
13.		\$0.00
14.		\$0.00
15.		\$0.00
16.		\$0.00
17.		\$0.00
18.		\$0.00
19.		\$0.00
20.		\$0.00
21.		\$0.00
22.		\$0.00
23.		\$0.00
24.		\$0.00
25.		\$0.00
26.		\$0.00
27.		\$0.00
28.		\$0.00
29.		\$0.00
30.		\$0.00

3. Total of Termination of Obligation**\$0.00**

California Department of Education, Special Education Division, April 23, 2015

EXEMPT REDUCTIONS TO MAINTENANCE OF EFFORT

4. The termination of costly expenditures for long-term purchases, such as the acquisition of equipment or the construction of school facilities (must have per unit cost of \$5,000 or more).

Description of Expenditure	Total
1.	\$0.00
2.	\$0.00
3.	\$0.00
4.	\$0.00
5.	\$0.00
6.	\$0.00
7.	\$0.00
8.	\$0.00
9.	\$0.00
10.	\$0.00
11.	\$0.00
12.	\$0.00
13.	\$0.00
14.	\$0.00
15.	\$0.00
16.	\$0.00
17.	\$0.00
18.	\$0.00
19.	\$0.00
20.	\$0.00
21.	\$0.00
22.	\$0.00
23.	\$0.00
24.	\$0.00
25.	\$0.00
26.	\$0.00
27.	\$0.00
28.	\$0.00
29.	\$0.00
30.	\$0.00

4. Total Termination of Costly Expenditures**\$0.00**

[Click Here for COVID-19 Related Resources](#)

FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Minimum Wage Increases Effective January 1, 2021

 [BY DANYEL CONOLLEY](#)

 [BY CHARLENE QUILAO](#)

 [BY SUZANNE SPECK](#)

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posted January 11, 2021

Starting January 1, 2021, the state minimum wage increases once again—this time to \$14 per hour for employers with more than 25 employees. Employers with 25 employees or fewer are required to comply with the \$13 per hour minimum wage starting January 1, 2021. An increase in the state minimum wage also increases the minimum salary for employees in certain positions to be exempt from the Fair Labor Standards Act.

Here is the minimum wage implementation schedule, along with the minimum salary for exempt employees:

Minimum Wage	Effective Date: > 25 Employees	Effective Date: ≤ 25 Employees	Exempt Minimum Salary (Weekly)	Exempt Minimum Salary (Monthly)	Exempt Minimum Salary (Annually)
\$12.00/hour	January 1, 2019	January 1, 2020	\$960	\$4,160	\$49,920
\$13.00/hour	January 1, 2020	January 1, 2021	\$1,040	\$4,507	\$54,080
\$14.00/hour	January 1, 2021	January 1, 2022	\$1,120	\$4,853	\$58,240
\$15.00/hour	January 1, 2022	January 1, 2023	\$1,200	\$5,200	\$62,400

Even with the scheduled increases above, as specified in statute, state policy makers can choose to suspend the minimum wage increase for any year in which there are concerns about the state's fiscal condition, but this is not currently expected.

Note that, depending on your location, your agency may be required to comply with a higher local minimum wage—there are many cities and counties in California that have an ordinance requiring a higher minimum wage than the state. Also keep in mind that under the current remote working conditions of many employees across the state, it is important to note that local ordinances are based on where the employee is working. For example, if an employer has an hourly employee working remotely and they reside in a city with a local ordinance, the employer may be subject to that ordinance, only if the local ordinance hourly wage exceeds the employee's regular hourly wage. This, of course, has significant salary implications since local educational agencies are subject to uniform salary schedule rules. In order to conduct an audit to determine the potential impacts, we recommend that you run a report of employee address lists in comparison with the list of city ordinances that can be found [here](#). It is also prudent that you work closely with an attorney in determining the potential impact.

Remember that the minimum wage is an obligation of the employer and cannot be waived by any agreement, including collective bargaining agreements. So even if you find yourselves in the middle of negotiations regarding salary, as employers, you are still obligated to comply with the minimum wage rate for the effective year.

[Click Here for COVID-19 Related Resources](#)

FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Estimated ESSER Allocations

 [BY MATT PHILLIPS, CPA](#)

 [BY DAVE HECKLER](#)

 [BY LEILANI AGUINALDO](#)

 [BY BRIANNA GARCÍA](#)

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posted January 5, 2021

There's no catchy title, but the latest round of federal stimulus that was signed into law by the President on December 27, 2020, provides additional funding for schools nationwide. As reported in the December 2020 Fiscal Report article "[Congress Reaches Agreement on Stimulus and 2021 Spending Plan](#)," the federal stimulus includes \$54.3 billion for the Elementary and Secondary School Emergency Relief (ESSER) Fund, which was established with the Coronavirus Aid, Relief and Economic Security (CARES) Act. Funding will once again be allocated to states who are then required to allocate the funds to schools in proportion to their Title I, Part A funding. Similar to the first round, this second round of funding also requires the state to allocate no less than 90% of the overall allocation to local educational agencies (LEAs), though the state does have discretion of the final 10%, which could impact the actual funding received by LEAs.

Although official numbers for the latest round of ESSER funding have not been released, the first round of ESSER funding was \$13.5 billion, with California receiving nearly \$1.65 billion (12.2%). Using the same methodology, California is estimated to receive approximately \$6.64 billion, which equates to four times more funding than the first round.

The allowable uses for the second round of ESSER funding will be the same as the [first round](#) with two explicit additions:

- School facility repairs and improvements to enable operation of schools to reduce risk of virus transmission and exposure to environmental health hazards, and to support student health needs
- Inspection, testing, maintenance, repair, replacement, and upgrade projects to improve the indoor air quality in school facilities, including mechanical and non-mechanical heating, ventilation, and air conditioning systems, filtering, purification and other air cleaning, fans, control systems, and window and door repair and replacement

School Services of California Inc. has prepared a look-up tool (see below) so that LEAs may search for their estimated allocation determined using the methodology above. The tool uses 2020–21 Title I, Part A allocations so not all LEAs will see a four-fold increase, as the first round of funding was based on 2019–20 Title I, Part A

allocations. Once official numbers are published, the look-up tool will be replaced with a link to the final allocation schedule.

Filter

ESSER Funding Estimate

LEA

(None)



[Go to Tableau Public](#)

Under

FACT SHEET
ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF FUND II
CORONAVIRUS RESPONSE AND RELIEF SUPPLEMENTAL APPROPRIATIONS ACT, 2021

This chart outlines the primary differences between the Elementary and Secondary School Emergency Relief (ESSER) Fund under the Coronavirus Aid, Relief, and Economic Security (CARES) Act enacted on March 27, 2020, and the ESSER II Fund under the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, 2021, Public Law 116-260, enacted on December 27, 2020.

Topic	ESSER Fund (CARES Act)	ESSER II Fund (CRRSA Act)
Authorizing Legislation	Section 18003 of Division B of the Coronavirus Aid, Relief, and Economic Security (CARES) Act	Section 313 of the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act, 2021
Period of Funds Availability	May be used for pre-award costs dating back to March 13, 2020, when the national emergency was declared. Available for obligation by State educational agencies (SEAs) and subrecipients through September 30, 2022.	Same as ESSER Fund (CARES Act): May be used for pre-award costs dating back to March 13, 2020, when the national emergency was declared. Available for obligation by SEAs and subrecipients through September 30, 2023.
SEA Deadline for Awarding Funds	SEA must award the funds within one year of receiving them, which will be April through June 2021, depending on an SEA's award date.	SEA must award the funds within one year of receiving them, which will be January 2022.
Definition of "Awarded"	For the 90 percent of funds for local educational agencies (LEAs), funds are generally considered "awarded" when the SEA subgrants the funds to an LEA. For the SEA reserve (see section 18003(e) of the CARES Act), funds are "awarded" when the SEA awards a contract or subgrant, or when it retains funds to provide direct services.	Same as ESSER Fund (CARES Act): For the 90 percent of funds for LEAs, funds are generally considered "awarded" when the SEA subgrants the funds to an LEA. For the SEA reserve (see section 313(e) of the CRRSA Act), funds are "awarded" when the SEA awards a contract or subgrant, or when it retains funds to provide direct services.
Uses of Funds	The CARES Act includes allowable uses of funds related to preventing, preparing for, and responding to COVID-19. Note that the "additional" LEA allowable uses of funds under the CRRSA Act already were permitted under the CARES Act.	Same as ESSER Fund (CARES Act): Note that the "additional" LEA allowable uses of funds under the CRRSA Act (addressing learning loss, preparing schools for reopening, and testing, repairing, and upgrading projects to improve air quality in school buildings) already are permitted under the CARES Act.
Equitable Services	An LEA that receives ESSER funds under the CARES Act (Section 18005) must provide equitable services to non-public school	The CRRSA Act includes a separate program of Emergency Assistance for Non-Public Schools for which eligible non-public

Topic	ESSER Fund (CARES Act)	ESSER II Fund (CRRSA Act)
	students and teachers in the same manner as provided under section 1117 of Title I, Part A of the ESEA.	schools may apply to an SEA to receive services or assistance. Consequently, LEAs are not required to provide equitable services under ESSER II.
Maintenance of Effort (MOE)	Under the CARES Act, a State that receives ESSER funds must maintain support for elementary and secondary education and State support for higher education in each of fiscal years (FY) 2020 and 2021 at least at the level of such support that is the average of the support for elementary and secondary education and higher education provided in the three fiscal years preceding the date of enactment of the CARES Act (FYs 2017, 2018, 2019).	Under the CRRSA Act, a State that receives ESSER II funds must maintain support for elementary and secondary education and higher education in FY 2022 based on the proportional share of the State’s support for elementary and secondary education and higher education relative to the State’s overall spending averaged over FYs 2017, 2018, and 2019.
Reporting	Under the CARES Act, each SEA that receives ESSER funds must meet the reporting requirements of section 15011 of the CARES Act, which are satisfied through the Federal Funding Accountability and Transparency Act (FFATA) reporting, and other reporting as the Secretary may require (Annual Reporting).	Under the CRRSA Act, each SEA that receives ESSER II funds must meet the CARES Act reporting requirements that apply to ESSER funds and submit a report to the Secretary within six months of award that contains a detailed accounting of the use of ESSER II funds, that includes how the State is using funds to measure and address learning loss among students disproportionately affected by the coronavirus and school closures, including: low-income students, children with disabilities, English learners, racial and ethnic minorities, students experiencing homelessness, and children and youth in foster care.
Tracking of Funds	ESSER funds must be tracked separately from ESSER II funds.	ESSER II funds must be tracked separately from ESSER funds.

K-12 EDUCATION

California provides academic instruction and support services to nearly six million students in grades kindergarten through twelve in more than 10,000 schools throughout the state. A system of 58 county offices of education, approximately 1,000 local school districts, and more than 1,200 charter schools provides instruction in English, mathematics, history, science, and other core competencies to provide students with the skills they will need upon graduation to either enter the workforce or pursue higher education.

The upward revision of General Fund revenues has resulted in significant increases in the Proposition 98 Guarantee. Proposition 98 funding for K-12 schools and community colleges for 2021-22 is \$85.8 billion. This represents an increased investment of \$14.9 billion in schools and community colleges above the level funded in the 2020 Budget Act, and the highest level of funding for K-14 schools ever. When combined with a one-time supplemental allocation of \$2.3 billion and the benefit of CalSTRS and CalPERS rates (\$1.1 billion), the state funding available to schools increases to \$89.2 billion.

ADDRESSING IMMEDIATE NEEDS TO REOPEN SCHOOLS SAFELY

Since March 2020, as a result of the COVID-19 Pandemic, a majority of the state's school-age children have not had access to in-person instruction. These conditions are affecting children's learning, health, and social-emotional well-being. Additionally, a November 2020 report from the federal Centers for Disease Control and Prevention

reported that nationally the proportion of mental health–related visits (to hospital emergency departments) for children aged 5–11 years and adolescents aged 12–17 years increased by approximately 24 percent and 31 percent, respectively, compared with those in 2019.

The 2020 Budget Act included significant investments of more than \$6.7 billion to enable schools to mitigate COVID-19 Pandemic impacts on students, and provided schools with guidance and resources to maximize safe in-person services to students. The Administration continues to respond to the needs of the state's public education system in real time, recognizing that impacts of the pandemic on student learning and mental health continue. As part of these efforts, the Administration is working with the Legislature to take early action that will provide resources to address some of the most pressing needs of schools and students so that additional resources will be available for in-person learning in the 2020-21 school year.

IN-PERSON INSTRUCTION GRANTS

COVID-19 Pandemic-related disruptions to student learning and support services are best mitigated by providing students with access to in-person instruction. This is most important for students with other barriers to distance learning, especially those with disabilities, those struggling with behavioral health issues, and the state's youngest learners. It is the expectation of the Administration that as many of these students as possible have the option to receive in-person instruction in the 2020-21 school year, subject to public health directives, and that all students have access to in-person instruction in 2021-22.

To that end, the Budget includes \$2 billion one-time Proposition 98 General Fund available beginning in February 2021, to augment resources for schools to offer in-person instruction safely. This funding will be available on a per-pupil basis for all county schools, school districts, and charter schools (with the exception of non-classroom based charters schools and independent study programs) that are open for in-person instruction by specified dates. For schools that continue offering or begin offering in-person instruction for at least all TK-2nd grade students, all students with disabilities, youth in foster care, homeless youth, and students without access to technology or high-speed Internet by February 16, and all 3rd-6th grade students by March 15, base grant amounts will be \$450, increasing to more than \$700 per pupil for schools with a high enrollment of low-income students, youth in foster care, and English language learners. Schools with later start dates will qualify for a proportionally lower base grant, except those in counties with high rates of community spread. Schools in

counties with high rates of community spread will be eligible for the full February grant amount if they open for in-person instruction pursuant to state and local health guidance once their rates of community spread sufficiently decline. Funds may be used for any purpose that supports in-person instruction, including:

- Enhancing and expanding COVID-19 testing
- Purchasing personal protective equipment
- Improving ventilation and the safety of indoor or outdoor learning spaces
- Teacher or classified staff salaries for those providing and supporting in-person instruction
- Social and mental health support services provided in conjunction with in-person instruction

As a condition of receiving grant funds, schools will be required to complete a COVID-19 School Safety Plan in compliance with state Department of Public Health and occupational health safety requirements, and will be required to adopt and implement a plan for COVID-19 surveillance testing for staff and students that aligns with state public health guidance.

EXPANDED LEARNING TIME AND ACADEMIC INTERVENTIONS GRANTS

K-12 students have had significant educational disruptions related to the COVID-19 Pandemic school closures. Although the state has allocated significant additional funding to schools, including \$4.4 billion from the Coronavirus Relief Funds allocated to the state. These funds have helped districts distribute computers and mobile hot spots and support to improve on-line instruction. Nevertheless, the pandemic and distance learning poses challenges to student achievement and well-being, especially for the youngest students, students in special education, and students in jeopardy of not completing graduation requirements.

To address learning loss due to the pandemic, the Administration proposes to allocate \$4.6 billion in one-time Proposition 98 General Fund for early action by the Legislature. This will provide districts with time to design targeted interventions that focus on students from low-income families, English language learners, youth in foster care, and homeless youth, including an extended school year or summer school. These funds will be eligible for targeted strategies that address learning loss related to the pandemic, including community learning hubs.

FEDERAL COVID-19 RELIEF FUNDS

The recent federal COVID-19 relief bill provides \$54.3 billion Elementary and Secondary Schools Emergency Relief Fund (ESSER) for public K-12 schools and \$4 billion Governor's Emergency Education Relief Fund (GEER) for both public and private pre-kindergarten through higher education institutions. Based on prior allocations, California could receive more than \$6 billion ESSER (of which 90 percent would go directly to Title I schools) and \$400 million GEER. These resources will assist schools in reopening and remaining open for in-person instruction and addressing the immediate needs of students.

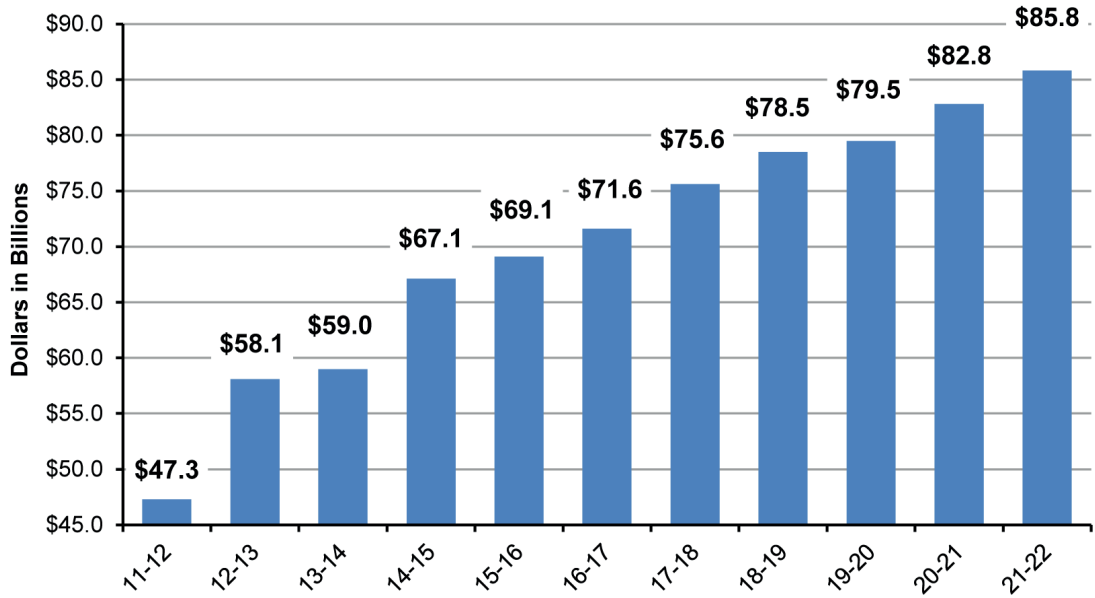
PROPOSITION 98

The annual funding level for K-12 schools and community colleges is determined by the Proposition 98 formula, a constitutional initiative approved by California voters in 1988 that guarantees K-12 schools and community colleges a minimum level of funding from state and local property taxes. Proposition 98 is designed to increase education funding each year by either: (1) funding K-14 education at its 1986-87 proportion of General Fund (known as Test 1), (2) applying growth in average daily attendance (ADA) and growth in per capita personal income to the prior year Proposition 98 funding level (known as Test 2), or (3) applying growth in ADA and growth in per capita General Fund to the prior year Proposition 98 funding level (known as Test 3). Largely due to projected increases in revenues and year-over-year declines in ADA, Test 1 is projected to be operative for all fiscal years 2019-20 through 2021-22.

Proposition 98 funding for K-12 schools and community colleges for 2021-22 is \$85.8 billion, the highest level of funding for K-14 schools ever (Proposition 98 Funding). This represents an increase of \$14.9 billion over the 2020-21 level funded in the 2020 Budget Act. The Proposition 98 funding levels for the 2019-20 and 2020-21 fiscal years increased from 2020 Budget Act levels by \$1.9 billion and \$11.9 billion, respectively, due almost exclusively to increased General Fund revenues in all fiscal years.

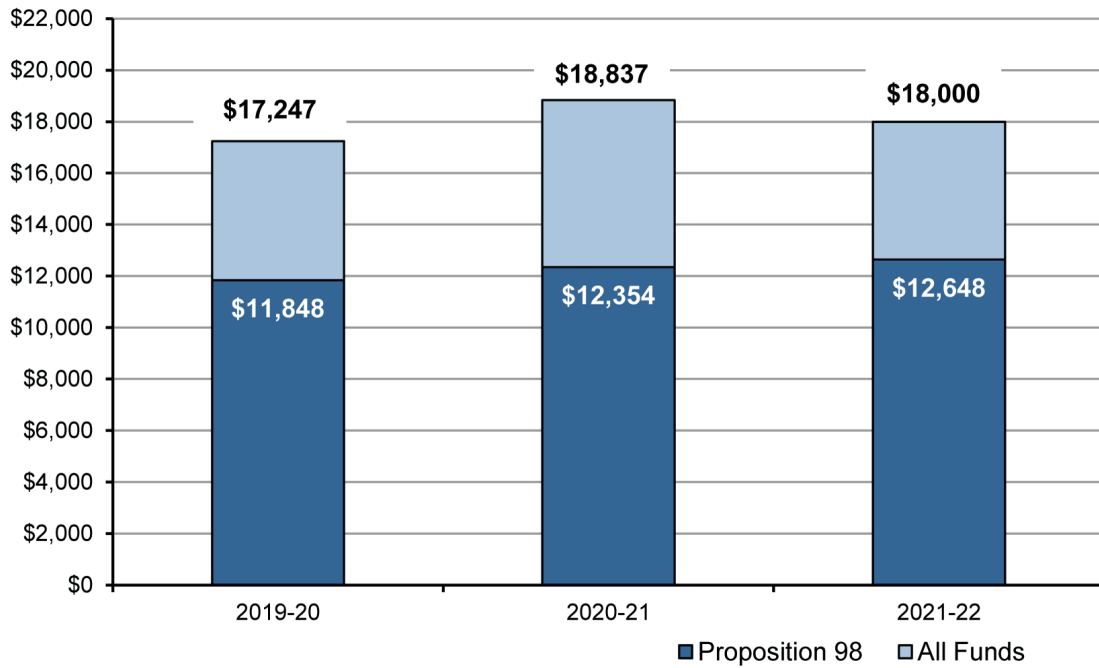
Reflecting the changes to Proposition 98 funding levels noted above, total K-12 per-pupil expenditures from all sources are projected to be \$18,837 in 2020-21 and \$18,000 in 2021-22—the highest levels ever (K-12 Education Spending Per Pupil). The decrease between 2020-21 and 2021-22 reflects the significant allocation of one-time federal funds in 2020-21. Ongoing K-12 per-pupil expenditures of Proposition 98 funds

Proposition 98 Funding 2011-12 to 2021-22



are \$12,648 in 2021-22, an increase of \$1,994 per pupil over the level provided in the 2020 Budget Act.

K-12 Education Spending Per Pupil



LOCAL CONTROL FUNDING FORMULA (LCFF)

The Administration is committed to funding public schools through the LCFF to support all students, with greater support for students from low-income families, English language learners, and youth in foster care. The formula responds to research and practical experience that indicates that these students often require supplemental services and support to be successful in school. The formula includes the following major components:

- A base grant for each local educational agency per unit of ADA, including an adjustment of 10.4 percent to the base grant to support reducing class sizes in grades K-3, and an adjustment of 2.6 percent to reflect the cost of operating career technical education programs in high schools.
- A 20-percent supplemental grant for English learners, students from low-income families, and youth in foster care to reflect increased costs associated with educating those students.
- An additional concentration grant of up to 22.5 percent of a local educational agency's base grant, based on the number of English learners, students from low-income families, and youth in foster care served by the local educational agency that comprise more than 55 percent of enrollment.

The county office of education formula includes: (1) a base grant for each county office of education per unit of ADA to support instruction of students who attend community schools and juvenile court schools, and (2) unrestricted funding, inclusive of the resources necessary for administrative and technical support of local educational agencies in developing and approving local accountability plans based on the ADA of all students in the county.

Due to a significant reduction in available revenues, the 2020 Budget Act did not provide a statutory cost-of-living adjustment for the LCFF in 2020-21. To make up for this, the Budget funds the LCFF in 2021-22 with both the 2020-21 cost-of-living adjustment (2.31 percent) and the 2021-22 cost-of-living adjustment (1.5 percent), creating a compounded combined cost-of-living adjustment of 3.84 percent, and increasing ongoing LCFF funding by \$2 billion Proposition 98 General Fund, when adjusted for declining ADA. This increase brings total LCFF funding to \$64.5 billion, and funds all local educational agencies at their full LCFF target level.

PUBLIC SCHOOL SYSTEM STABILIZATION ACCOUNT

Proposition 2, enacted by voters in 2014, established the Public School System Stabilization Account, also referred to as the Proposition 98 Rainy Day Fund, within the Proposition 98 Guarantee as a mechanism to lessen the impact of volatile state revenues on K-14 schools. A deposit is made into the Account in a fiscal year when all of the following conditions are met:

- State General Fund revenues from capital gains exceed 8 percent of total revenues;
- Proposition 98 Test 1 is operative;
- Proposition 98 maintenance factor obligations created prior to 2014-15 have been paid;
- The Proposition 98 required minimum funding level is not suspended; and
- The Proposition 98 funding level is greater than the prior year's funding level less any deposits into the Account, adjusted for attendance growth and inflation.

The Budget projects that deposits into the Account are required in 2020-21 and 2021-22. Pursuant to Proposition 2, the amount deposited into the Account is the difference between the Test 1 funding level and the prior year funding level adjusted for growth and inflation, but not more than the amount of capital gains revenues in excess of 8 percent of total revenues. This results in required deposits of \$747 million in 2020-21 and \$2.2 billion in 2021-22, for a projected Account balance of \$3 billion.

Under current law, there is a cap of 10 percent on school district reserves in fiscal years immediately succeeding those in which the balance in the Account is equal to or greater than 3 percent of the total K-12 share of the Proposition 98 Guarantee (approximately \$2.3 billion). The balance of \$3 billion in 2021-22 triggers school district reserve caps beginning in 2022-23.

DEFERRALS

Pandemic-driven revenue reductions anticipated at the 2020 Budget Act created the need to defer LCFF apportionments, in the amounts of \$1.9 billion in 2019-20, growing to more than \$11 billion in 2020-21. The Budget pays off the full K-12 deferral in 2019-20 and \$7.3 billion of the K-12 deferral in 2020-21, leaving an ongoing K-12 deferral balance of \$3.7 billion in 2021-22. At this new lower level, local educational agencies will experience only a few weeks of delay in receiving apportionment in 2021-22 (as

opposed to ten-months of delay in 2020-21), as it will only impact their June 2022 apportionment, which will be delayed into July 2022.

ADDITIONAL FUNDING FOR K-14 EDUCATION

The Budget reflects \$3.4 billion in non-Proposition 98 General Fund for K-14 education. In addition, K-14 schools are expected to receive billions of additional federal funds from the recently approved federal COVID-19 relief bill.

SUPPLEMENTAL PAYMENT

The 2020 Budget Act included a multi-year plan to supplement Proposition 98 and mitigate projected declines due to revenue reductions. Specifically, the 2020 Budget Act projected that the Proposition 98 funding levels in 2019-20 and 2020-21 would drop below the target funding level (Test 2), by a total of approximately \$12.4 billion. To accelerate the recovery from this anticipated funding reduction, the 2020 Budget Act included annual supplemental appropriations above the constitutionally required Proposition 98 funding level, beginning in 2021-22, in an amount equal to one and one-half percent of General Fund revenues per year, up to \$12.4 billion. The 2020 Budget Act also proposed to increase K-14 schools' share of the General Fund from approximately 38 percent of the General Fund in Test 1 years to 40 percent of General Fund.

Instead of a \$12.4 billion drop in Proposition 98 funding in 2019-20 and 2020-21, the Budget now projects a decline of \$511 million and the Guarantee is now at a level that, under previous projections, would have taken years to reach. As a result, the Budget proposes to remove the supplemental payment from statute. However, in recognition of the extraordinary needs of students and the public school system related to the COVID-19 Pandemic, the Budget includes a one-time supplementary payment to K-14 schools of \$2.3 billion in 2021-22.

CALPERS/CALSTRS CONTRIBUTIONS

The 2019 Budget Act included \$850 million one-time General Fund to buy down local educational agency employer contribution rates for the California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS) in 2019-20 and 2020-21, as well as \$2.3 billion one-time General Fund to pay down the employers' share of long-term unfunded liability. To provide local educational agencies with increased fiscal relief, the 2020 Budget redirected the \$2.3 billion General Fund paid to CalSTRS and CalPERS towards long-term unfunded liabilities to instead

further reduce employer contribution rates in 2020-21 and 2021-22. For 2021-22, CalSTRS will apply \$820 million to reduce the employer rate from 18.1 percent to approximately 15.92 percent, and CalPERS will apply \$330 million to reduce the Schools Pool employer contribution rate from 24.9 percent to 23 percent.

OTHER POLICY ISSUES

AVERAGE DAILY ATTENDANCE (ADA) COLLECTION

The 2020 Budget Act included several policies designed to support funding stability for local educational agencies given the COVID-19 Pandemic. These policies included:

- An ADA hold-harmless for 2020-21 apportionment calculation.
- Requirements for distance learning supports for students with exceptional needs, English language learner students, youth in foster care, youth experiencing homelessness, and students in need of mental health supports.
- Requirements for minimum daily interaction with students in distance learning.
- Requirements for documenting student participation and engagement, and for creating and implementing tiered re-engagement strategies for students who do not participate.

Building on lessons learned from the 2020-21 school year, the Budget establishes new expectations for local educational agencies in how they serve students and how the state funds them. Specifically:

- The Budget assumes that in-person instruction is the default mode of instruction in 2021-22. In specific circumstances, and as a result of health and safety concerns, there may continue to be a need to offer alternative models of instruction for some students. The Administration is committed to working with the Legislature and stakeholders throughout the spring on the frameworks for out-of-classroom instruction, including the independent study program, to support more efficient and effective models of instruction, and allow local educational agencies to use well-designed models of instruction if in-person instruction is suspended temporarily for health and safety reasons in 2021-22 and beyond.
- The Budget does not include a new ADA hold harmless in 2021-22. However, because of the ADA hold harmless provided in the 2020 Budget Act, local educational agencies that experience enrollment declines in 2021-22 will retain the

ability to receive apportionment based on the higher of their 2019-20 or 2020-21 ADA, pursuant to the existing hold harmless provisions included in LCFF statute.

FISCAL ACCOUNTABILITY

As previously discussed, a critical component of the LCFF is the additional funding provided to local educational agencies through supplemental and concentration grants. The Administration remains focused on equity and ensuring that funds are allocated to support services for those students with the greatest need. The 2020 Budget Act provided funding for initiatives to increase transparency around local educational agencies' use of these funds, through the creation of an online local control and accountability plan (LCAP) portal and co-location of school accountability documents on a single website. These resources are currently under development and will complement recent changes to the LCAP template that provide additional information on the actual expenditure of supplemental and concentration grant funds.

To build on this work, the Budget includes statutory changes to address concerns that some local educational agencies allocate funds for increased and improved services and then leave them unspent, reallocating them for other purposes in future years. This statutory language requires that, once established, a local educational agency's responsibility to increase and improve services continues until fulfilled, and increases the specificity required of county offices of education in their review of local educational agencies' LCAPs.

ADULTS IN CHARTER SCHOOLS

State law does not allow charter schools to receive state apportionment funding for students above 19 years of age, unless a student has been continuously enrolled and is making satisfactory progress towards a high school diploma, or the charter school provides instruction exclusively in partnership with a specified state or federal job-training program. However, there is inconsistency in how some charter schools interpret the phrase "exclusively in partnership with" a state or federal job-training program. This has resulted in tens of millions of dollars in LCFF funding, at a rate that is increasing every year, being allocated for adult students in charter school programs that do not align with the intent of the existing statute. The Budget clarifies the existing law, eliminates any uncertainty, and provides the Department of Education with the authority to collect information from charter schools that receive funding for adult students and validate their compliance with the governing statutes. The proposal would preserve existing programs funded in 2019-20 after a review of the program.

ADDRESSING EQUITY

INVESTING IN EDUCATORS

The demands on teachers, administrators, and classified staff during the COVID-19 Pandemic have been intense and unprecedented. These essential workers have balanced the challenges of developing and delivering curriculum in a distance learning or hybrid context, providing intensive and targeted in-person instruction in small groups for those students most disadvantaged by distance learning, and addressing the acute needs of students and families experiencing elevated levels of stress and economic insecurity. Educators will continue to contend with a wide range of challenges as students return to campus. Additionally, in some cases the pandemic has accelerated retirements, reduced the number of prospective teachers, and otherwise led to changes exacerbating existing educator shortages.

The Administration is committed to providing educators with the tools they need, both in the short term and long term, to successfully meet the needs of students. The Budget includes a comprehensive \$315.3 million package for educator professional development, with emphases on developing quality training in high-need areas and providing timely access to training, specifically:

- \$250 million one-time Proposition 98 General Fund for the Educator Effectiveness Block Grant to provide local educational agencies with resources to expedite professional development for teachers, administrators, and other in-person staff, in high-need areas including accelerated learning, re-engaging students, restorative practices, and implicit bias training.
- \$50 million one-time Proposition 98 General Fund to create statewide resources and provide targeted professional development on social-emotional learning and trauma-informed practices (also referenced in the Student Health and Well-Being section below).
- \$8.3 million one-time Proposition 98 General Fund for the California Early Math Initiative to provide teachers with professional development in mathematics teaching strategies for young children pre-K through third grade through the statewide system of support.
- \$7 million one-time non-Proposition 98 General Fund to the University of California Subject Matter Projects to create high-quality professional development

on learning loss in core subject matter content areas like reading and math, and in ethnic studies (also referenced in the Higher Education Chapter).

- \$5 million one-time Proposition 98 General Fund to fund professional development and instructional materials for local educational agencies who are offering, or would like to offer, courses on ethnic studies.

The Administration is also committed to increasing the number of well-prepared teachers in the public school system. A well-prepared educator workforce is a significant factor in improving student achievement and in closing the achievement gap. This is especially true post-pandemic, as students deal with the long-term academic impacts of COVID-19. Current teacher shortages, further exacerbated by retirements and teachers leaving the profession due to the pandemic, require efforts to strengthen the teacher pipeline. The Budget includes \$225 million to improve the state's teacher pipeline, specifically:

- \$100 million one-time non-Proposition 98 General Fund for continued investment in the Golden State Teacher Grant Program, which provides grants to students enrolled in teacher preparation programs who commit to working in high-need fields and at schools with high rates of under-prepared teachers (also referenced in the Higher Education Chapter).
- \$100 million one-time Proposition 98 General Fund to expand the Teacher Residency Program, which supports clinical teacher preparation programs dedicated to preparing and retaining teachers in high-need communities and subject areas, including special education, bilingual education, and STEM.
- \$25 million one-time Proposition 98 General Fund to expand the Classified School Employees Credentialing Program, which provides grants to local educational agencies to recruit non-certificated school employees to become certificated classroom teachers.

Additionally, the Budget creates new pathways for prospective teachers to establish basic skills and subject matter competency, through coursework and upgrades to existing examinations.

FREE APPLICATION FOR FEDERAL STUDENT AID (FAFSA)

Historical data from the California Student Aid Commission indicate that underrepresented students are less likely to complete the FAFSA, thereby causing many

Pell grant-eligible students to forego available state and federal financial aid funding. Recent data trends indicated that FAFSA filings among underrepresented student populations have decreased this year.

To address these concerns, the Budget requires local educational agencies to confirm that all high school seniors complete a FAFSA or California Dream Act Application beginning in the 2021-22 academic year.

SPECIAL EDUCATION

Nationwide, local educational agencies are required by federal law to provide appropriate and comprehensive educational programs for students with disabilities, from ages 3 through 22. However, federal funding for support services for these students does not reflect the rising cost of special education services. Congress has set a goal of 40 percent for the federal share of costs of special education services, but averages only about 10 percent of costs in California. Additionally, the federal government provides the state with only a fraction of the funding necessary to support mandated services for preschool-age children with disabilities. Recognizing the federal funding deficiencies, the state significantly augments federal funding to local educational agencies for special education services, providing approximately \$3.9 billion in 2020-21, compared to the federal allocation of \$1.4 billion.

It is a priority of the Administration to improve local educational agencies' ability to effectively support students with disabilities. The achievement gap is most pronounced for children with disabilities. Many of California's children with disabilities are also English learners, come from low-income families, and/or are served by the foster care system, compounding equity challenges that have been exacerbated by the COVID-19 Pandemic. While investments described earlier in this section will provide local educational agencies with critical resources to address the acute needs of students with disabilities in the near term, the Administration remains dedicated to continuing to build out systemic supports to close the achievement gap of students with disabilities. Over the last two years, the Administration has worked with the Legislature to augment special education funding by more than \$1.5 billion, including adding \$545 million ongoing Proposition 98 General Fund to the special education base funding formula. These investments were targeted to effective strategies to address the complex needs of students with disabilities and their educators, including:

- Providing additional resources to local educational agencies for direct services for students,

- Investing in educators' professional development and expanding the educator pipeline,
- Expanding and improving supportive services for students and families, and
- Investing in improved collaboration and coordination among state and local agencies.

The Budget builds on these strategies by further investing in early interventions, which research suggests provide the best outcomes for students and long-term savings for local educational agencies, and improving the ability of local educational agencies to draw down federal funds for medical interventions. Specifically, the Budget provides:

- \$300 million ongoing Proposition 98 General Fund for the Special Education Early Intervention Grant to increase the availability of evidence-based services for infants, toddlers, and preschoolers.
- \$5 million one-time Proposition 98 General Fund to establish professional learning networks to increase local educational agency capacity to access federal Medi-Cal funds, and \$250,000 for a lead county office of education to provide guidance for Medi-Cal billing within the statewide system of support. The Administration will continue to evaluate the need for additional resources to support local educational agencies in accessing Medi-Cal reimbursement.
- \$500,000 one-time Proposition 98 General Fund for a study to examine certification and oversight of non-public school special education placements.

STUDENT HEALTH AND WELL-BEING

Conditions associated with poverty, including food insecurity, housing and employment instability, and inadequate health care, create substantial and compounding barriers to learning. These barriers have been further exacerbated by the COVID-19 Pandemic, which has increased economic challenges, particularly for low-income families. Approximately 3.7 million students, or 60 percent of the K-12 student population, are from socioeconomically disadvantaged households.

In order to stem the long-term effects of the pandemic, the Budget includes the following investments aimed at equipping schools and educators with the resources necessary to effectively partner with other governmental entities in addressing the overall well-being of the children they serve.

COMMUNITY SCHOOLS

Community school programs can help to mitigate the educational disadvantages associated with poverty and improve students' attendance, behavior, and achievement by making schools a hub for community resources. These programs offer a unique model to more efficiently and effectively provide integrated educational, health, and mental health services to students with a wide range of needs. Currently, some county offices of education and school districts support community school initiatives that offer coordinated access to a range of community services, on- or off-campus, including before and after school care.

The 2020 Budget Act included \$45 million in federal funds to county offices of education to support existing community school programs. The Budget builds on this investment with an additional \$264.9 million one-time Proposition 98 General Fund to enable local educational agencies to expand existing networks of community schools and establish new community schools, and to coordinate a wide range of services to these schools, with priority given to schools in high-poverty communities. This funding will be available to develop new and expand existing models of community schools.

STUDENT MENTAL HEALTH

Isolation and uncertainty caused by the COVID-19 Pandemic have impacted children as well as adults. Preliminary data suggest that depression and anxiety may have increased in children during the pandemic. These issues are complex and require the collaborative work of many across several state and local agencies.

To support children and families with behavioral health challenges and promote wellness on school campuses, the Budget includes several initiatives to increase services to children and improve coordination between county behavioral health departments and public school systems. As discussed in the Health and Human Services Chapter, the Budget provides \$400 million one-time in a mix of federal funds and General Fund, available over multiple years, for the Department of Health Care Services to implement an incentive program through Medi-Cal Managed Care Plans, administered by county behavioral health departments and schools. This innovative effort would build infrastructure, partnerships, and statewide capacity to increase the number of students receiving preventive and early intervention behavioral health services from schools, providers in schools, or school-based health centers.

The Budget also includes an additional \$25 million one-time Mental Health Services Fund, available over multiple years, to expand the Mental Health Student Services Act Partnership Grant Program, which funds partnerships between county behavioral health department and schools. Priority for the grants will be given to high-poverty and rural schools, with funds supporting suicide and drop-out prevention services, outreach to high-risk youth, and other strategies that respond to the mental health needs of students.

The Budget provides \$25 million ongoing Proposition 98 General Fund to fund innovative partnerships with county behavioral health to support student mental health services. This funding would be provided to local educational agencies to match funding in county Mental Health Services Act spending plans dedicated to the mental health needs of students.

SCHOOL CLIMATE SURVEYS

To support widespread access and use of school climate surveys, the Budget includes \$10 million one-time Proposition 98 General Fund for a county office of education to:

- Make information available on valid, reliable, and appropriate school climate surveys for purposes of helping local educational agencies better assess community needs stemming from the COVID-19 Pandemic and distance learning, including surveys for students, families, and educators.
- Provide grants to local educational agencies to implement enhanced survey instruments and support start-up costs associated with conducting annual school climate surveys.
- Provide training for local educational agencies on interpreting data and using responses collected to inform continuous improvement efforts.

EARLY LEARNING

Since 2019, the state has invested approximately \$400 million ongoing to expand early education and child care. The COVID-19 Pandemic has disrupted the child care system and federal funding has been critical to reducing long-term losses in this system. The Budget focuses on avoiding further loss in this system and builds on the recommendations made in the Master Plan for Early Learning and Care.

As discussed in the Health and Human Services Chapter, the Master Plan for Early Learning and Care was released on December 1, 2020, and provides recommendations and a multi-year plan for transforming the state's child care and early education systems. Specific to pre-kindergarten education programs, the Master Plan's recommendations include:

- Promoting school readiness by providing access to transitional kindergarten (TK) for all four-year-olds and to public preschool for all income-eligible three-year-olds, in full-inclusion settings;
- Improving quality of care by increasing access to full-day, full-year preschool programs, and enhancing educator competencies and providing affordable and accessible pathways for workforce advancement;
- Supporting equity by eliminating bias through practices and training, with specific focus on children with disabilities and dual language learners; and
- Expanding early learning and care infrastructure.

The Budget begins the implementation of the Master Plan by expanding access to TK. TK is the first year of a two-year kindergarten program, and is available to all children who turn five on or between September 2 and December 2 of each calendar year. Additionally, at their own discretion, many local educational agencies currently offer TK to children who turn five after December 2. These local educational agencies do not receive state funding for these students until they turn five.

To encourage more local educational agencies to offer TK to younger children (thereby expanding access to publicly-funded preschool), the Budget includes \$250 million one-time Proposition 98 General Fund, available over multiple years, to provide grants to local educational agencies that offer early access to TK, to help them cover up-front costs associated with expanding their TK programs. Additionally, to increase the number of highly qualified teachers available to serve TK students, the Budget includes \$50 million one-time Proposition 98 General Fund to support the preparation of TK teachers and provide both TK and kindergarten teachers with training in providing instruction in inclusive classrooms, support for English language learners, social-emotional learning, trauma-informed practices, restorative practices, and mitigating implicit biases.

Access to appropriate facilities is also essential to expanding access to TK, as well as full-day early education programming. The state has made significant recent investments in the development of kindergarten facilities, with the goal of moving more

programs from part-day to full-day to improve educational outcomes for children and to better accommodate working parents. The 2018 Budget Act included a total of \$100 million one-time General Fund for eligible school districts to construct new, or retrofit existing, facilities for full-day kindergarten programs. Building upon this investment, and consistent with the goal of converting existing part-day kindergarten programs to full-day programs, the Budget includes \$200 million one-time General Fund for school districts to construct and retrofit existing facilities to support TK and full-day kindergarten programs.

CRADLE-TO-CAREER DATA SYSTEM

California is developing a comprehensive longitudinal data system—the infrastructure that enables policymakers, practitioners, and the public to understand how individuals use state programs to move along a path to achievement. Accordingly, the state established the California Cradle-to-Career Data System Act in 2019 to guide the planning for, and development of, a longitudinal data system.

Since enactment, over a dozen state agencies, numerous data experts, and a wide range of stakeholders have engaged in an intensive and collaborative planning process involving over 50 public meetings. The process resulted in consensus regarding a series of concrete plans and proposals to connect information from early education providers, K-12 schools, higher education institutions, employers, other workforce entities, and health and human services agencies.

Learning lessons from other states and leveraging advances in technology, California's data system will lead the nation in multiple ways. First, the system will incorporate design principles that promote “futureproofing” to the greatest extent possible, avoiding challenges associated with outdated technical infrastructure. Second, the system will reflect a “whole child” approach to serving Californians from cradle to career, incorporating data from education-adjacent programs and institutions such as health and human services. Third, the system will focus not only on what can be learned from integrated data, such as insights about obstacles facing students transitioning from K-12 to postsecondary institutions, but also on what can be done with integrated data, such as developing tools for students and families to navigate those same institutions.

The COVID-19 Pandemic has underscored the importance of implementing the state's vision for the Cradle-to-Career Data System. Preliminary evidence on the adverse mental health impacts of the pandemic—and corresponding solutions—can be informed by actual data linked between educational and health systems. Furthermore,

as the state accelerates its economic recovery, the data system can support tools that empower students and families to plan for and pursue careers.

To support the continued development of the Cradle-to-Career Data System, the Budget provides \$15 million General Fund, of which \$3 million is one-time, to establish an office within the Government Operations Agency to provide support and resources for:

- The acquisition, development, and maintenance of the system's analytical tools, including data storage and querying functions;
- The administration and maintenance of the data system;
- Updating the K-12 California Longitudinal Pupil Achievement Data System (CalPADS) data system software to facilitate smoother system compatibility;
- Expanding eTranscript functionality to additional colleges and universities;
- The hiring of management level data system coordinators at the University of California, California State University, California Student Aid Commission, and California Community Colleges Chancellor's Office; and
- Governance and operational costs.

Additionally, the Budget provides \$3.8 million ongoing Proposition 98 General Fund to support the California Career Guidance Initiative (CCGI). CCGI provides an interface for student data between high schools, students, and families that will be integrated into the Cradle-to-Career Data System.

SCHOOL FACILITIES

The Kindergarten through Community College Public Education Facilities Bond Act of 2016 (Proposition 51)—approved by voters in November 2016—authorized \$7 billion in state General Obligation bonds to support K-12 school facilities construction. These funds support new construction, modernization, retrofitting, career technical education, and charter school facility projects. The Budget continues to allocate \$1.5 billion Proposition 51 bond funds to support school construction projects, which is more than double the amount allocated in 2018-19.

OTHER K-12 BUDGET ADJUSTMENTS

Other significant adjustments include:

- **Local Property Tax Adjustments**—An increase of \$54.1 million ongoing Proposition 98 General Fund for school districts and county offices of education in 2020-21 as a result of decreased offsetting property tax revenues, and a decrease of \$1.2 billion ongoing Proposition 98 General Fund for school districts and county offices of education in 2021-22 as a result of increased offsetting property taxes.
- **Cost-of-Living Adjustments**—An increase of \$85.7 million ongoing Proposition 98 General Fund to reflect a 1.5-percent cost-of-living adjustment for categorical programs that remain outside of the Local Control Funding Formula, including Special Education, Child Nutrition, State Preschool, Youth in Foster Care, Mandates Block Grant, Adults in Correctional Facilities Program, American Indian Education Centers, and the American Indian Early Childhood Education Program.
- **County Offices of Education**—An increase of \$10.2 million ongoing Proposition 98 General Fund to reflect a 1.5-percent cost-of-living adjustment and ADA changes applicable to the LCFF.
- **Instructional Quality Commission**—An increase of \$206,000 one-time non-Proposition 98 General Fund for the Instructional Quality Commission to continue its work on the development of model curriculum and frameworks.

SSC School District and Charter School Financial Projection Dashboard 2021–22 Governor’s Budget

This version of School Services of California Inc.’s (SSC) Financial Projection Dashboard is based on the 2021–22 Governor’s Budget proposal. We have updated the cost-of-living adjustment (COLA), Consumer Price Index (CPI), and ten-year T-bill planning factors per the latest economic forecasts. We have also updated the Local Control Funding Formula (LCFF) factors. We rely on various state agencies and outside sources in developing these factors, but we assume responsibility for them with the understanding that they are general guidelines.

LCFF PLANNING FACTORS					
Factor	2020–21	2021–22	2022–23	2023–24	2024–25
Department of Finance (DOF) Estimated Statutory COLA	2.31%	1.50% ¹	2.98%	3.05%	N/A
DOF Estimated Funded COLA	0.00%	3.84% ²	2.98%	3.05%	N/A
SSC Estimated Statutory COLA ³	0.00%	3.84%	1.28%	1.61%	1.90%

LCFF GRADE SPAN FACTORS FOR 2021–22				
Entitlement Factors per ADA*	K–3	4–6	7–8	9–12
2020–21 Base Grants	\$7,702	\$7,818	\$8,050	\$9,329
Compounded COLA at 3.84%	\$296	\$300	\$309	\$358
2021–22 Base Grants	\$7,998	\$8,118	\$8,359	\$9,687
Grade Span Adjustment Factors	10.4%	–	–	2.6%
Grade Span Adjustment Amounts	\$832	–	–	\$252
2021–22 Adjusted Base Grants ⁴	\$8,830	\$8,118	\$8,359	\$9,939

*Average daily attendance (ADA)

OTHER PLANNING FACTORS						
Factors		2020–21	2021–22	2022–23	2023–24	2024–25
California CPI		1.44%	1.57%	1.82%	2.12%	2.40%
California Lottery	Unrestricted per ADA	\$150	\$150	\$150	\$150	\$150
	Restricted per ADA	\$49	\$49	\$49	\$49	\$49
Mandate Block Grant (District)	Grades K–8 per ADA	\$32.18	\$32.66	\$33.08	\$33.61	\$34.25
	Grades 9–12 per ADA	\$61.94	\$62.87	\$63.67	\$64.70	\$65.93
Mandate Block Grant (Charter)	Grades K–8 per ADA	\$16.86	\$17.11	\$17.33	\$17.61	\$17.94
	Grades 9–12 per ADA	\$46.87	\$47.57	\$48.18	\$48.96	\$49.89
Interest Rate for Ten-Year Treasuries		0.98%	1.48%	1.65%	1.90%	2.10%
CalSTRS Employer Rate ⁵		16.15%	15.92%	18.00%	18.00%	18.00%
CalPERS Employer Rate ⁵		20.70%	23.00%	26.30%	27.30%	27.80%

STATE MINIMUM RESERVE REQUIREMENTS	
Reserve Requirement	District ADA Range
The greater of 5% or \$71,000	0 to 300
The greater of 4% or \$71,000	301 to 1,000
3%	1,001 to 30,000
2%	30,001 to 400,000
1%	400,001 and higher

¹Applies to Special Education, Child Nutrition, Preschool, Foster Youth, American Indian Education Centers/American Indian Early Childhood Education, and Mandate Block Grant.

²Amount represents the 2020–21 unfunded statutory COLA of 2.31% compounded with the 2021–22 estimated statutory COLA of 1.50%.

³Estimated Statutory COLAs in 2022-23 and beyond are estimated using an independent economist and represent an alternative more closely aligned with the changes in consumer price index.

⁴Additional funding is provided for students who are designated as eligible for free or reduced-price meals, foster youth, and English language learners. A 20% augmentation is provided for each eligible student with an additional 50% for each eligible student beyond the 55% identification rate threshold.

⁵California State Teachers’ Retirement System (CalSTRS) and California Public Employees’ Retirement System (CalPERS) rates in 2020–21 and 2021–22 were bought down by a \$2.3 billion payment from state of California. Rates in the following years are subject to change based on determination by the respective governing boards.

LCFF Calculator Caveats

v21.2a 1/12/2021

Every effort was made to make the calculator as accurate as possible. However, because the calculator is based on estimates and assumptions, actual Local Control Funding Formula (LCFF) funding may differ from the amounts generated by the calculator. Moreover, due to detailed complexities that exist for a small percentage of local educational agencies (LEAs), every unique situation is not modeled in the calculator, and the calculator may not be useful for all LEAs.

The following bullets highlight these assumptions, and some of the unique situations and known issues that could be identified.

General

The calculator is based on the LCFF statute as currently written, unless otherwise noted in these caveats.

Beginning in projection year 2020-21 a proration factor assumption has been added in the assumptions tab. This assumption is to be used in the event of a potential deficit factor applied to the LCFF funding.

Important note: The proration factor methodology and application is subject to change should the State choose to apply a proration factor in the future.

Per the 2020-21 State Budget, 2020-21 ADA will be based on reported 2019-20 ADA. The calculator has been updated with a formula to reference 2019-20 ADA where appropriate. The school district prior year guarantee for charter shift for 2020-21 has been predefined to 0.00 ADA, per guidance from the CDE. Details on applying the 2021-22 adjustment is still to be determined.

LEAs funded on the prior year guarantee in 2019-20 may experience a funding decrease in 2021-22 under the ADA hold harmless provision.

Please note that 2020-21 ADA should not be updated for most LEAs. Following are the known exceptions:

Charter schools that are newly authorized prior to June 2, 2020 or approved by the SBE at the July 2020 meeting may need to update the prefilled formula based on special provisions.

The calculator reflects COLA as estimated by the DOF.

The calculator prefills certified PASE exhibit data based on Excel documents provided by the CDE. Independent verification of prefilled data should be completed and adjustments entered as necessary.

The Education Protection Account (EPA) proportionate share percentage is based on estimates of statewide numbers that are not yet finalized by the CDE. Therefore, the percentage will change from what is shown in the calculator through final calculation in February of the following fiscal year. To see LCFF state aid net of the EPA apportionment, view the EPA tab.

LCFF Calculator Caveats

v21.2a 1/12/2021

Every effort was made to make the calculator as accurate as possible. However, because the calculator is based on estimates and assumptions, actual Local Control Funding Formula (LCFF) funding may differ from the amounts generated by the calculator. Moreover, due to detailed complexities that exist for a small percentage of local educational agencies (LEAs), every unique situation is not modeled in the calculator, and the calculator may not be useful for all LEAs.

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School District

For districts with **necessary small schools** (NSS), the calculator models different combinations of NSS and regular ADA to determine the overall maximum funding available. Districts are encouraged to independently select their funding options and evaluate the results to determine which funding method they will elect to follow.

The calculator does not take into account the following funding adjustments for **basic aid school districts**:

- Basic Aid 'Choice'
- Basic Aid Court-Ordered Voluntary Pupil Transfer
- Basic Aid Open Enrollment
- Basic Aid Supplement Charter School Adjustment

The calculator does not take into account the impact of district reorganizations that have not been certified by the CDE via the PASE system. We recommend working with your county office, the CDE and FCMAT to adapt the calculator.

Charter School

The calculator is not designed to directly calculate budget estimates for "all-charter school districts" due to the unique options selected at the time the district converted. It is recommended all-charter school districts contact the CDE to determine the best method for estimating LCFF revenues.

LCFF Calculator Caveats

v21.2a 1/12/2021

Every effort was made to make the calculator as accurate as possible. However, because the calculator is based on estimates and assumptions, actual Local Control Funding Formula (LCFF) funding may differ from the amounts generated by the calculator. Moreover, due to detailed complexities that exist for a small percentage of local educational agencies (LEAs), every unique situation is not modeled in the calculator, and the calculator may not be useful for all LEAs.

The following bullets highlight these assumptions, and some of the unique situations and known issues that could be identified.

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LEAs funded on the prior year guarantee in 2019-20 may experience a funding decrease in 2021-22 under the ADA hold harmless provision.

Please note that 2020-21 ADA should not be updated for most LEAs. Following are the known exceptions:

Charter schools that are newly authorized prior to June 2, 2020 or approved by the SBE at the July 2020 meeting may need to update the prefilled formula based on special provisions.

The calculator reflects COLA as estimated by the DOF.

The calculator prefills certified PASE exhibit data based on Excel documents provided by the CDE. Independent verification of prefilled data should be completed and adjustments entered as necessary.

The Education Protection Account (EPA) proportionate share percentage is based on estimates of statewide numbers that are not yet finalized by the CDE. Therefore, the percentage will change from what is shown in the calculator through final calculation in February of the following fiscal year. To see LCFF state aid net of the EPA apportionment, view the EPA tab.

Charter schools that are funded under different funding methodologies due to their pupil population are not included as a single scenario within the calculator. These schools are mainly those authorized by a county board of education ('county-authorized').

The calculator is designed for a district to calculate the in lieu taxes and as such, charter schools should contact their sponsoring authority for in lieu tax amounts to ensure accuracy.

The calculator does not take into account the following:

District reorganizations that include a charter school(s) newly authorized by one or more districts affected by the reorganization.

Charter schools that operated in the prior year but have been reauthorized by a different agency in the current year and have not been certified within the PASE system.

If either of these situations apply, we recommend working with the CDE and FCMAT to adapt the calculator.

LCFF Calculator Universal Assumptions
New LEA

LEA: **New LEA**
Charter

No
 2020-21

5 digit District code or 7 digit School code (from the CDS code)
Did the CDS code exist in 2012-13? (for calculation of EPA only)
First LCFF certification year (clears prior years on the Calculator tab)

Projection Title:

Projection Date:

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
Statutory COLA & Augmentation/Suspension <i>(prefilled as calculated by the Department of Finance, DOF)</i>	3.70%	3.26%	0.00%	3.84%	2.98%	3.05%	0.00%
Statutory COLA	2.71%	3.26%	2.31%	3.84%	2.98%	3.05%	
Augmentation/(COLA Suspension)	0.99%	0.00%	-2.31%	0.00%	0.00%	0.00%	
Base Grant Proration Factor		0.00%	0.00%	0.00%	0.00%	0.00%	
Add-on, ERT & MSA Proration Factor		0.00%	0.00%	0.00%	0.00%	0.00%	
LCFF Gap Closed Percentage <i>(prefilled as calculated by the Department of Finance, DOF)</i>	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
Statewide 90th percentile rate <i>(used in Economic Recovery Target, ERT, calculation only)</i>	---	---	---	---	---	---	---
EPA Entitlement as % of statewide adjusted Revenue Limit (Annual)	30.74345708%	16.08698870%	36.47%	19.00%	19.00%	19.00%	19.00%
EPA Entitlement as % of statewide adjusted Revenue Limit (P-2)	30.50770954%	16.08698870%	36.47%	19.00%	19.00%	19.00%	19.00%
<i>Historical Difference in EPA Rates between Annual & P-2</i>		0.2357%					
Local EPA Accrual			\$ -	\$ -	\$ -	\$ -	\$ -

PER ADA FUNDING LEVELS (calculated at TARGET)

Base, Supplemental and Concentration Rate per ADA

Grades TK-3	\$ 8,235.00	\$ 8,503.00	\$ 8,503.00	\$ 8,830.00	\$ 9,093.00	\$ 9,370.00	\$ 9,370.00
Grades 4-6	\$ 7,571.00	\$ 7,818.00	\$ 7,818.00	\$ 8,118.00	\$ 8,360.00	\$ 8,615.00	\$ 8,615.00
Grades 7-8	\$ 7,796.00	\$ 8,050.00	\$ 8,050.00	\$ 8,359.00	\$ 8,608.00	\$ 8,871.00	\$ 8,871.00
Grades 9-12	\$ 9,269.00	\$ 9,572.00	\$ 9,572.00	\$ 9,939.00	\$ 10,235.00	\$ 10,547.00	\$ 10,547.00

Base Grants

Grades TK-3	\$ 7,459	\$ 7,702	\$ 7,702	\$ 7,998	\$ 8,236	\$ 8,487	\$ 8,487
Grades 4-6	\$ 7,571	\$ 7,818	\$ 7,818	\$ 8,118	\$ 8,360	\$ 8,615	\$ 8,615
Grades 7-8	\$ 7,796	\$ 8,050	\$ 8,050	\$ 8,359	\$ 8,608	\$ 8,871	\$ 8,871
Grades 9-12	\$ 9,034	\$ 9,329	\$ 9,329	\$ 9,687	\$ 9,976	\$ 10,280	\$ 10,280

Grade Span Adjustment

Grades TK-3	\$ 776	\$ 801	\$ 801	\$ 832	\$ 857	\$ 883	\$ 883
Grades 9-12	\$ 235	\$ 243	\$ 243	\$ 252	\$ 259	\$ 267	\$ 267

Prorated Base, Supplemental and Concentration Rate per ADA

Grades TK-3	\$ 8,503	\$ 8,830	\$ 9,093	\$ 9,370	\$ 9,370
Grades 4-6	\$ 7,818	\$ 8,118	\$ 8,360	\$ 8,615	\$ 8,615
Grades 7-8	\$ 8,050	\$ 8,359	\$ 8,608	\$ 8,871	\$ 8,871
Grades 9-12	\$ 9,572	\$ 9,939	\$ 10,235	\$ 10,547	\$ 10,547

Prorated Base Grants

Grades TK-3	\$ 7,459	\$ 7,702	\$ 7,702	\$ 7,998	\$ 8,236	\$ 8,487	\$ 8,487
Grades 4-6	\$ 7,571	\$ 7,818	\$ 7,818	\$ 8,118	\$ 8,360	\$ 8,615	\$ 8,615
Grades 7-8	\$ 7,796	\$ 8,050	\$ 8,050	\$ 8,359	\$ 8,608	\$ 8,871	\$ 8,871
Grades 9-12	\$ 9,034	\$ 9,329	\$ 9,329	\$ 9,687	\$ 9,976	\$ 10,280	\$ 10,280

Prorated Grade Span Adjustment

Grades TK-3	\$ 776	\$ 801	\$ 801	\$ 832	\$ 857	\$ 883	\$ 883
Grades 9-12	\$ 235	\$ 243	\$ 243	\$ 252	\$ 259	\$ 267	\$ 267

Necessary Small School Selection (if applicable)

NSS #1	LCFF	LCFF	LCFF	LCFF	LCFF	LCFF	LCFF
NSS #2	LCFF	LCFF	LCFF	LCFF	LCFF	LCFF	LCFF
NSS #3	LCFF	LCFF	LCFF	LCFF	LCFF	LCFF	LCFF
NSS #4	LCFF	LCFF	LCFF	LCFF	LCFF	LCFF	LCFF
NSS #5	LCFF	LCFF	LCFF	LCFF	LCFF	LCFF	LCFF

LCFF Calculator Universal Assumptions
New LEA

LEA: **New LEA**
Charter

5 digit District code or 7 digit School code (from the CDS code)
Did the CDS code exist in 2012-13? (for calculation of EPA only)
First LCFF certification year (clears prior years on the Calculator tab)

Projection Title:

Projection Date:

	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23</u>	<u>2023-24</u>	<u>2024-25</u>
Supplemental Grant	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%	20.00%
Maximum - 1.00 ADA, 100% UPP							
Grades TK-3	\$ 1,647	\$ 1,701	\$ 1,701	\$ 1,766	\$ 1,819	\$ 1,874	\$ 1,874
Grades 4-6	\$ 1,514	\$ 1,564	\$ 1,564	\$ 1,624	\$ 1,672	\$ 1,723	\$ 1,723
Grades 7-8	\$ 1,559	\$ 1,610	\$ 1,610	\$ 1,672	\$ 1,722	\$ 1,774	\$ 1,774
Grades 9-12	\$ 1,854	\$ 1,914	\$ 1,914	\$ 1,988	\$ 2,047	\$ 2,109	\$ 2,109
Actual - 1.00 ADA, Local UPP as follows:	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Grades TK-3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grades 4-6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grades 7-8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grades 9-12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Concentration Grant (>55% population)	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%	50.00%
Maximum - 1.00 ADA, 100% UPP							
Grades TK-3	\$ 4,118	\$ 4,252	\$ 4,252	\$ 4,415	\$ 4,547	\$ 4,685	\$ 4,685
Grades 4-6	\$ 3,786	\$ 3,909	\$ 3,909	\$ 4,059	\$ 4,180	\$ 4,308	\$ 4,308
Grades 7-8	\$ 3,898	\$ 4,025	\$ 4,025	\$ 4,180	\$ 4,304	\$ 4,436	\$ 4,436
Grades 9-12	\$ 4,635	\$ 4,786	\$ 4,786	\$ 4,970	\$ 5,118	\$ 5,274	\$ 5,274
Actual - 1.00 ADA, Local UPP >55% as follows:	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%	0.0000%
Grades TK-3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grades 4-6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grades 7-8	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grades 9-12	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

[Click Here for COVID-19 Related Resources](#)

FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Governor's Proposals for the 2021–22 State Budget and K–12 Education



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posted January 8, 2021

Preface

Given where we were some nine months ago, Governor Gavin Newsom's State Budget—and specifically the education budget—offers us a collective sigh of relief, if not feelings of jubilation. The economy has recovered from the pandemic much faster than originally anticipated and state revenues are much more robust than what was projected just six months after the 2020 Budget Act was enacted. As a result, public education funding has increased year-over-year, allowing Governor Newsom to meet the state's yearly obligations to K–12 and community college agencies while proposing sizeable investments across a plethora of priorities mostly aimed at continuing to combat COVID-19 and its devastating impact on student learning. These state investments are augmented by a significant infusion of federal aid from the second tranche of COVID-19 relief funds from Washington, D.C. that will put money in the hands of local educational agencies (LEAs) for use across a myriad educational programs and \$1 billion to protect and stabilize the child care and early learning system while it continues to meet the needs of parents and young children across California.

Unsurprisingly, the Governor's 2021–22 State Budget proposes investments and innovations to address the immediate and longer-term impacts of the pandemic on student learning and achievement. He is calling on state partners in the California Legislature to act swiftly to enact and appropriate funds for his Safe Schools for All plan that incentivizes K–12 school agencies to offer and provide in-person instruction for the state's youngest and most vulnerable students. He calls on the Legislature to act expeditiously to help K–12 agencies accelerate or expand learning opportunities in an effort to recover from the loss of learning spawned by COVID-19. And these proposals are accompanied by investments in teacher training and preparation that not only continue to address the state's teacher shortage crisis but aim to improve pedagogy in this new era of instruction and learning.

Overview of the Governor's Budget Proposals

Recognizing the vast change in economic fortunes from the 2020 State Budget Act as a result of the historic health pandemic, the State's Budget went from a planned \$5.6 billion surplus to a \$54.3 billion deficit in the same year. With revenue growth surpassing original expectations early in the pandemic, the Governor's

Budget Proposal forecasts a dramatic restoration of funding including growth in programs, reserves, and a cost-of-living adjustment (COLA). The state's General Fund continues to enjoy stronger than estimated revenue from the "Big Three" taxes. The 2021–22 Budget Proposal includes revenue forecasts over \$4.2 billion more than the 2020–21 May Revision. Personal income tax is up by \$5 billion, corporation tax is down by \$312 million, and revenue from the sales and use tax is projected to be \$583 million down from Enacted Budget levels. When compared against pre-recession expectations, revenues in the Governor's 2021–22 proposal exceed last year's by \$2.8 billion. Personal income tax is higher by \$4.5 billion, corporation tax is up by \$629 million, and revenue from the sales and use tax is projected to be lower by \$2.3 billion respectively.

The Economy and Revenues

Economic Outlook

With federal stimulus 2.0 approved by Congress and signed by the President just before the new year, concerns persist about food insecurity, eviction moratoriums, and the looming commercial real estate crash—all of which provide a dramatic contrast when compared to the situation for those at the upper end of the economic spectrum, who have far better weathered the pandemic. The Governor's Budget focuses on restoring programs that were negatively impacted in the prior year budget, paying down debt obligations, and addressing the needs of California's most vulnerable as the nation and state move toward exiting the pandemic.

The roll-out of COVID-19 vaccinations started last month but it will take substantial time to provide multiple doses for over 330 million people across the nation. Many believe that this will cause a slower economic recovery in the fourth quarter of 2020 and first quarter of 2021. However, higher than normal personal savings and lower personal debt rates leave the economy well situated to launch into robust recovery in the second quarter of 2021. Precursor metrics, such as business-to-business shipping via domestic train cargo has increased substantially and purchasing manager confidence is at a historic high. As the world's fifth largest economy, California is especially reliant on import-export business and while both measures have been negatively impacted in the recession, exports have been more so, widening the trade deficit.

As we monitor micro- and macro-economic trends, we continue to follow potential risks to the rate of recovery as we move into the second quarter of the new year and beyond.

Proposition 98, the Supplemental Payment, and the Public School System Stabilization Account

In 2021–22, the Proposition 98 Minimum Guarantee increases to \$85.8 billion. This includes the state's annual constitutional obligation to fund K–12 and community college districts. In addition, the Governor's Budget proposes a one-time non-Proposition 98 supplemental payment of \$2.3 billion. Recall that the 2020 State Budget Act included a requirement for the state to make one-time supplemental payments equal to 1.5% of General Fund revenues, up to \$12.4 billion, beginning in 2021–22 and then subsequently increasing the minimum guarantee, beginning in 2022–23, to 4.0% of General Fund revenues when K–14 education funding

is determined by Test 1. The Governor's Budget proposes to repeal the supplemental payment obligations in their entirety and instead proposes a 2021–22 one-time payment of \$2.3 billion in recognition of the exorbitant costs LEAs have borne as a result of COVID-19 and distance learning.

Annually, the state “trues up” K–14 state spending for the prior and current fiscal years to ensure that it continues to meet its legal obligations. The minimum guarantee for both 2019–20 and 2020–21 increase from their June 2020 Enacted State Budget levels by \$1.9 billion and \$11.9 billion, respectively, to \$79.5 billion and \$82.8 billion.

Due to economic conditions and other factors, the Governor's Budget assumes that the state is required to make a deposit into the Public School Systems Stabilization Account (PSSSA)—or education's rainy day fund—totaling \$3 billion. Specifically, the proposal projects required deposits in fiscal years 2020–21 and 2021–22 of \$747 million and \$2.2 billion, respectively. The total balance in the PSSSA would trigger the condition that caps the amount that school districts can maintain in their local reserves beginning in fiscal year 2022–23.

Deferrals

The 2020–21 Enacted Budget included almost \$13 billion in K–12 deferrals—\$1.9 billion of Local Control Funding Formula (LCFF) funding from June 2019–20 to July in 2020–21, and an additional approximately \$11 billion from 2020–21 to 2021–22.

The Governor's Budget proposal pays down \$9.2 billion of the K–12 LCFF deferrals, which effectively eliminates the ongoing deferrals scheduled for February 2022 through May 2022. Note that this pay down does not impact the deferrals currently scheduled for February through June 2021. The repayment schedule for these deferrals remains, with LEAs receiving these apportionments from July through November 2021.

Cost-of-Living Adjustment and Average Daily Attendance

The proposed COLA for the LCFF in 2021–22 is 3.84%—a compounded amount that encompasses a 2.31% COLA for 2020–21 and an additional 1.5% for 2021–22—and is applied to the LCFF base grants. The other education programs that are funded outside of the LCFF—Special Education, Child Nutrition, Preschool, Foster Youth, American Indian Education Centers, the American Indian Early Childhood Education program, and the Mandate Block Grant—will only receive the 1.5% COLA designated for 2021–22, as well as community colleges.

Statewide, average daily attendance (ADA) is expected to continue declining. The Governor's Budget Proposal acknowledges that in-person instruction will likely continue to be a challenge due to health and safety concerns and, therefore, there will be continued need to offer alternative instruction models. The Governor's Budget proposal does not, however, include an ADA hold harmless for 2021–22, though it does note that school districts in declining enrollment have the statutory ability to utilize higher, prior-year ADA.

Local Control Funding Formula

The 2021–22 Governor's Budget proposal includes an increase of \$2 billion in Proposition 98 for the LCFF reflecting the 3.84% COLA. This brings LCFF funding to \$64.5 billion.

LCFF Target Entitlements for School Districts and Charter Schools

The target base grants by grade span for 2021–22 are increased over 2020–21 by 3.84% to reflect the unfunded COLA of 2.31% in 2020–21, and an estimated statutory COLA of 1.5% in 2021–22:

Grade Span	2020–21 Base Grant Per ADA	3.84% COLA	2021–22 Base Grant Per ADA
TK–3	\$7,702	\$296	\$7,998
4–6	\$7,818	\$300	\$8,118
7–8	\$8,050	\$309	\$8,359
9–12	\$9,329	\$358	\$9,687

The Transitional Kindergarten (TK)–3 grant increase for the class-size reduction (CSR) grade span adjustment is \$832 per ADA in 2021–22, and the grade 9–12 base grant per ADA is increased by \$252 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 50% per-pupil increase is provided as a concentration grant for each percentage of eligible students enrolled beyond 55% of total enrollment.

LCFF Fiscal Accountability

Assembly Bill 1835 (Weber, D-San Diego) worked its way through the legislative process last year and would have required LEAs to annually identify and report unspent LCFF supplemental and concentration grant funds and also clarified that those unspent funds needed to continue to be used to increase or improve services for unduplicated pupils in future years. The bill was vetoed by Governor Newsom wherein he noted that there was a simpler way to address the bill's objectives and that he would direct the Department of Finance to propose language as part of the 2021–22 budget process—the Governor's Budget proposal delivers on this promise.

The proposal includes language that will require LEAs to maintain supplemental and concentration grant funds to increase and improve services to unduplicated pupils until the funds are fully spent for those purposes and not allow the monies to be carried over in an unrestricted fashion—to be used for other General

Fund purposes—from one fiscal year to the next. In addition, further requirements will be placed on county offices of education (COEs) when reviewing Local Control and Accountability Plans as it pertains to the continued use of these funds.

Special Education

Building on last year's investment and simplification of the special education base formula, Governor Newsom proposes \$300 million in ongoing funds for the Special Education Early Intervention Grant. The intent is to increase the availability of evidence-based services for infants, toddlers, and preschoolers.

Special Education Early Intervention Grants were provided in the 2019–20 State Budget to LEAs based on the number of preschoolers being provided special education and outside of the special education base funding formula. It is unclear at this time whether all grant details would remain the same under this proposal.

Student Learning During COVID-19

As detailed in previous Fiscal Report articles, Governor Newsom proposes to use at least \$2 billion to encourage schools to reopen for in-person instruction (see "[Newsom Proposes Incentive Grants to Reopen Schools](#)" in the December 2020 *Fiscal Report* and "[Newsom's Reopening Schools Proposal—More Details Emerge](#)" in the January 2021 *Fiscal Report*). Under the Governor's Safe Schools for All proposal, grants would be available as early as February for LEAs that continue offering or begin offering in-person instruction for elementary school students and vulnerable students in all grades, defined as students with disabilities, foster youth, homeless youth, and students without access to technology for online learning. LEAs that open by February 16 are eligible to receive grants of at least \$450 per ADA as long as specified requirements are met, with additional funds for LEAs that receive LCCFF supplemental and concentration grant funds. A summary, from the Administration, of the reopening grant proposal is available [here](#).

In addition, the proposal sets aside \$4.6 billion in one-time Proposition 98 General Funds for unspecified interventions to address learning loss, such as an extended school year or summer school. This investment would be targeted for students from low-income families, English language learners, youth in foster care, and homeless youth. We will provide additional details about this proposal when available.

Educator Investments

The Governor's Budget proposal includes over \$540 million in one-time Proposition 98 funds in educator investments which recognizes the extraordinary challenges teachers, administrators, and classified staff have, and will continue to experience during the COVID-19 pandemic. These challenges are addressed by committing proposed investments in educator effectiveness, professional development, and the continuance of programs that provide pathways to the teacher pipeline. Specifically, \$315.3 million is proposed to support educator professional learning and teacher effectiveness. An additional \$225 million in continued support and expansion of existing teacher pipeline programs such as the Teacher Residency program and the Classified School Employee Credentialing program.

Early Childhood Education

Governor Newsom proposes budget-year investments to begin implementing the state's Master Plan for Early Learning and Care, which was released on December 1, 2020. Specifically, his 2021–22 Budget proposal provides \$250 million in one-time Proposition 98 funds to incentivize LEAs over multiple years to provide expanded TK and cover the upfront costs associated with it. Additionally, Governor Newsom proposes a one-time Proposition 98 investment of \$50 million to provide training for TK and kindergarten teachers in providing inclusive instruction for students with disabilities; support for English learners; and to help address the social-emotional needs of students, including training in trauma-informed practices, restorative practices, and implicit bias.

To address the facilities impact of TK expansion and to promote the conversion of part-day TK and kindergarten programs to full-day, the budget includes \$200 million in one-time non-Proposition 98 General Funds to construct or retrofit existing facilities.

Finally, the proposal includes a 1.5% COLA to provide reimbursement rates for general childcare and state preschool.

Community Schools/Mental Health/School Climate Surveys

Recognizing that the COVID-19 pandemic has exacerbated poverty, basic needs, and mental health issues for students and their families, Governor Newsom proposes several investments to support community school programs, respond to mental health needs, and expand school climate surveys.

Community Schools

Building on the \$45 million investment in federal funds from the 2020 State Budget Act, the Governor proposes \$264.9 million in one-time Proposition 98 funding to support LEAs in expanding their existing networks of community schools and to establish new community schools with priority given to those in high-poverty communities. The investment is consistent with the Governor leveraging the infrastructure of community schools as a way to provide wraparound services to students and their families.

Mental Health

The Governor proposes \$400 million (mix of federal funds and non-Proposition 98 General Fund) in one-time funds to implement an incentive program that would build infrastructure, partnerships, and capacity to increase the number of students receiving preventive and early intervention behavioral health services from schools.

Additionally, the Administration proposes to use \$25 million (one-time) from the Mental Health Services Fund to expand the Mental Health Student Services Act Partnership Grant Program, which funds partnerships between county behavioral health departments and schools.

The Governor also proposes a third investment of \$25 million in ongoing Proposition 98 funding for innovative partnerships with county behavioral health to support student mental health services. The funding would be provided to LEAs to match funding in county Mental Health Services Act spending plans dedicated to the mental health needs of students.

School Climate Surveys

The Administration proposes to provide a COE with a one-time investment of \$10 million in Proposition 98 funding to support the widespread access and use of school climate surveys. The COE chosen will use the funding to support the development of surveys that assist LEAs in assessing community needs stemming from COVID-19 and distance learning, provide grants to LEAs to implement enhanced survey instruments and support start-up costs for conducting annual school climate surveys, and provide trainings to LEAs on interpreting the data derived from the surveys.

Federal Programs

In his 2021–22 State Budget summary, the Governor makes reference to the \$900 billion Coronavirus Response and Relief Supplemental Appropriations Act that was signed into law by President Donald Trump on Sunday, December 27, 2020.

The relief package earmarks \$82 billion for education providers that will be allocated similarly to the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The \$82 billion includes the following:

- \$54.3 billion for the Elementary and Secondary School Emergency Relief (ESSER) Fund
 - California is estimated to receive approximately \$6.8 billion of this funding
- \$22.7 billion for the Higher Education Emergency Relief Fund
 - California is estimated to receive approximately \$2.9 billion of this funding
- \$4.1 billion for the Governor's Emergency Education Relief (GEER) Fund (\$2.75 billion is mandated as emergency assistance to non-public schools)
 - California is estimated to receive approximately \$400 million of this funding

The federal relief bill stipulates that at least 90% of the ESSER funding received needs to be allocated to LEAs in proportion to their Title I, Part A funding, while the state has direction over how to spend the remaining 10% of those dollars (see "[Estimated ESSER Allocations](#)" in the January 2021 *Fiscal Report*). The Governor has not provided a proposal on how he intends to use the remaining 10% of the ESSER dollars.

The federal legislation gives Governor Newsom discretion on how to spend the GEER dollars. The bill states that the money can be used for LEAs and higher education institutions that have been "most significantly impacted by coronavirus." As a reminder, Governor Newsom chose to use the state's GEER funds from the CARES Act for the students with disabilities portion of the learning loss mitigation initiative in the 2020 State Budget Act. However, the Governor did not specify how he intends to use the GEER funding that the state will receive from this most recent relief package.

In Closing

In closing, while we certainly appreciate the restored and stable resources for public education in the Governor's Budget proposal, we understand that this news is sobered by the fact that all of us are still in the throes of the health pandemic that has consumed our lives since last March. In the meanwhile, we are working diligently to meet the learning and nonacademic needs of our students and their families while planning for the future—a daunting but important endeavor. We appreciate Governor Newsom's attention on the critical needs of public education as a cornerstone in society and the economy at large and his willingness to address our challenges head on with the caution that the innovations and initiatives we champion can be fully realized with the resources at hand.

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.

[Click Here for COVID-19 Related Resources](#)

FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Ask SSC . . . With Deferral Buy Downs, Should We Stop Our TRAns?

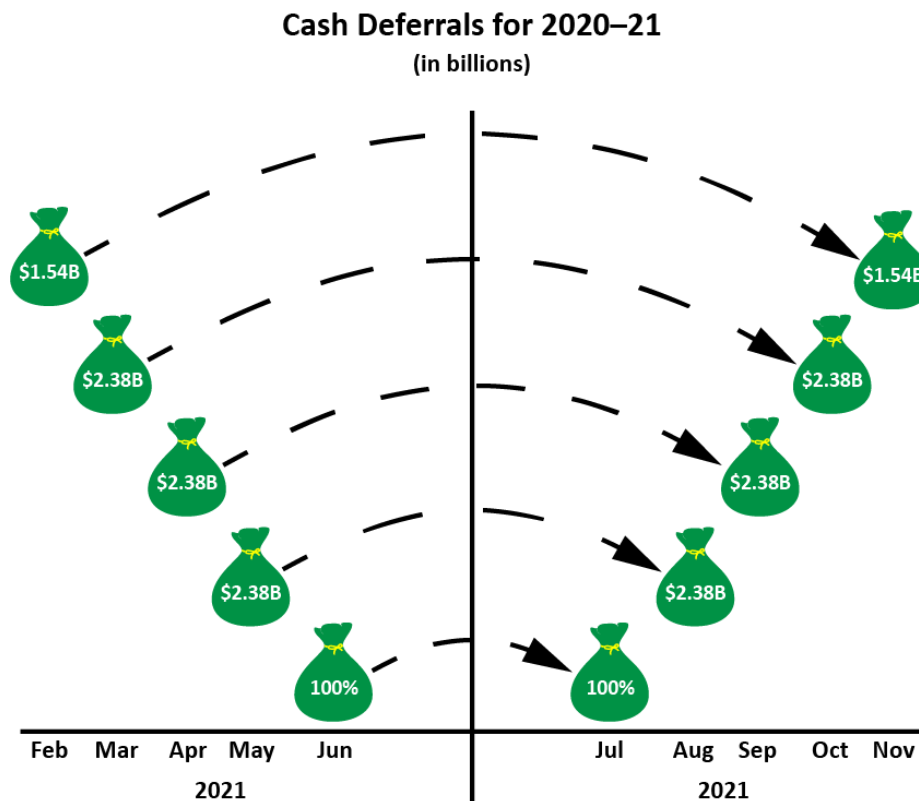
 **BY BRIANNA GARCÍA**

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posted January 9, 2021

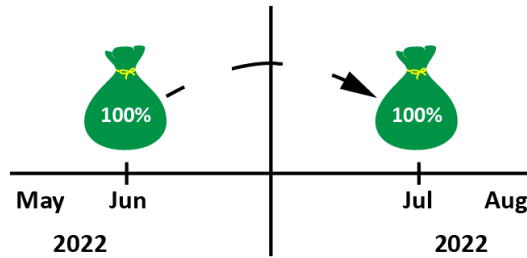
Q. Since Governor Gavin Newsom’s State Budget proposal for 2021–22 includes a buy down of cash deferrals, should we pull the plug on our Tax and Revenue Anticipation Notes (TRAns) for this year?

A. No, because the cash deferrals for 2020–21 starting next month (February 2021) are not affected by the Governor’s Budget. These deferrals are still in place:



The Governor’s Budget would not affect the cash deferrals until 2021–22, which would begin in February of 2022. If his proposal makes its way into the final State Budget Act for 2021–22, the cash deferral schedule would like this:

Cash Deferrals for 2021–22



In the meantime, continue your cash borrowing procedures if needed given that the deferrals are in effect this year. Also, remember that the buy down of the deferrals is only a proposal at this point, so when projecting your cash needs for next year, we recommend that you assume all of the deferrals are ongoing until legislation is enacted to buy them down.

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FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

New Laws for 2021

 [BY SSC GOVERNMENTAL RELATIONS TEAM](#)

Copyright 2021 School Services of California, Inc. posted January 6, 2021

Over the fall, School Services of California Inc. highlighted the most important bills signed by Governor Gavin Newsom in his second year of office that will affect education in 2021 and beyond. As a refresher as we enter into the new year, here are some of the most significant bills affecting education operations that went into effect on January 1, 2021:

- Assembly Bill (AB) 685 (Chapter 84/2020) requires employers to provide written notice and instructions to employees who may have been exposed to COVID-19 at their worksite and enhances California Occupational Safety and Health Administration's (Cal/OSHA's) ability to enforce health and safety standards to prevent workplace exposure to and spread of COVID-19 (see "[Governor Newsom Signs Workers' Compensation and Family Leave Bills into Law](#)" in the September 2020 *Fiscal Report*)
- AB 1350 (Chapter 66/2020) authorizes a local educational agency to retroactively grant a high school diploma to a senior in high school during the 2019–20 school year that was in good academic standing, and on track to graduate, but was unable to complete the statewide graduation requirements because of COVID-19
- AB 2101 (Chapter 275/2020) specifies that paid administrative leave be included in the "leave of absences" that earn creditable compensation in the California State Teachers' Retirement System (CalSTRS) (see "[By the Way . . . CalSTRS Fix to Paid Administrative Leave](#)" in the August 2020 *Fiscal Report*)
- AB 2234 (Chapter 48/2020) authorizes a merit-based school or community college district's personnel commission to select its own attorney, rather than having to use the district's attorney, if a majority of the commission declares that a conflict of interest exists between the commission and the district or the district's governing board
- AB 3308 (Chapter 199/2020) allows school districts to build affordable housing for teachers and school employees on district-owned land, using low-income tax credits
- Senate Bill (SB) 860 (Chapter 231/2020) requires each county office of education Foster Youth Services Coordinating Program to ensure the students they serve in foster care fill out the forms necessary to

receive financial aid for college

- SB 1383 (Chapter 86/2020) expands the California Family Rights Act to allow employees to use unpaid job protected leave to care for a domestic partner, grandparent, grandchild, sibling, or parent-in-law who has a serious health condition and reduces the employer threshold for this leave from 50 to 5 employees (see “[Governor Newsom Signs Workers’ Compensation and Family Leave Bills into Law](#)” in the September 2020 *Fiscal Report*)

Some measures, such as urgency bills, take effect immediately upon the governor’s signature. The following bills signed by Governor Newsom last fall went into effect immediately:

- AB 908 (Chapter 64/2020) authorizes a school district to extend a student’s probationary period to demonstrate satisfactory progress through the conclusion of the 2020–21 school year for purposes of extracurricular and cocurricular activities; authorizes documentation required for purposes of student work permits to be submitted electronically during an extended school closure; and prohibits a work permit from being denied based on a student’s grades, grade point average, or school attendance when the student’s school has been physically closed for an extended time
- SB 1159 (Chapter 85/2020) establishes a disputable presumption that an employee who becomes ill from COVID-19 contracted the virus at their workplace and is thus eligible for Workers’ Compensation (see “[Governor Newsom Signs Workers’ Compensation and Family Leave Bills into Law](#)” in the September 2020 *Fiscal Report*)

The Legislature will return to Sacramento next Monday, January 11, 2021, to begin its work for the 2021 legislative year. We will cover bills as they are proposed and make their way through the legislative process in our “Top Legislative Issues” series.

[Click Here for COVID-19 Related Resources](#)

FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Congress Reaches Agreement on Stimulus and 2021 Spending Plan



BY KYLE HYLAND

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posted December 21, 2020

On the evening of Sunday, December 20, 2020, congressional leaders announced that they had reached a deal on a \$900 billion COVID-19 relief package and a \$1.4 trillion omnibus spending plan that will keep the government funded through September 30, 2021, the end of the federal fiscal year.

The framework of the deal is similar to the relief package proposed by a bipartisan group of senators on December 14, 2020. A [summary](#) from the House Appropriations Committee says that the relief package earmarks \$82 billion for education providers and will be allocated similarly to the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The \$82 billion includes the following:

- \$54.3 billion for the Elementary and Secondary School Emergency Relief (ESSER) Fund
- \$22.7 billion for the Higher Education Emergency Relief Fund
- \$4.1 billion for the Governor's Emergency Education Relief Fund
 - Includes \$2.75 billion for emergency assistance to non-public schools

The deal also includes \$7 billion to expand broadband access, \$10 billion for childcare, and continued funding for school meal programs.

The additional money in the ESSER Fund will be distributed similarly to the CARES Act provisions that sent the money in proportion to a local educational agency's (LEA) share of Title I funds, and we will provide a more detailed analysis of the requirements when more information is available.

The relief package also includes an extension of the CARES Act Coronavirus Relief Fund (CRF) expenditure deadline from December 30, 2020 to December 31, 2021. As a reminder, the state allocated \$4.4 billion of its CRF share to the learning loss mitigation initiative in the 2020–21 State Budget Act and this extension should alleviate the concerns that LEAs were not going to be able to spend those dollars by December 30 (see "[Concerns Grow over Unspent Learning Loss Mitigation Funds](#)" in the October 2020 *Fiscal Report*).

The two biggest political sticking points during negotiations—aid for state and local governments (pushed by Democrats but opposed by Republicans) and liability protections for businesses (pushed by Republicans but opposed by Democrats)—were not included in the final agreement. It is unknown if the bill includes any liability measures for schools, but it is unlikely considering liability protections were being discussed broadly during negotiations.

The White House has indicated that President Donald Trump will sign the \$900 billion relief package and the \$1.4 trillion omnibus spending plan shortly after Congress approves those measures, which is expected to be sometime Monday, December 21, 2020.

The relief package will naturally become intertwined with the 2021–22 State Budget discussions, which will begin in January once Governor Gavin Newsom releases his proposed Budget. We will continue to provide further analysis on the new relief package and the implications it could have on State Budget negotiations.

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FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Ask SSC . . . How Does the New Stimulus Package Impact the Families First Coronavirus Act (FFCRA)?

 [BY DANYEL CONOLLEY](#)

 [BY SUZANNE SPECK](#)

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posted December 22, 2020

Q: Does the stimulus bill approved by Congress extend the Emergency Paid Sick Leave (EPSL) that was included as part of the FFCRA?

A: The short answer is, no. The federal stimulus bill does not extend the EPSL and employees, absent a local ordinance or a future change in existing state law, who are unable to work for COVID-19-related reasons will have to access any available leaves, paid or unpaid.

More specifically, the FFCRA requires all public agencies, regardless of size, to provide two types of leave: EPSL and Emergency Family and Medical Leave Expansion Act (EFMLEA). These leaves were effective April 1, 2020 and expire December 31, 2020. The Department of Labor [Ruling](#) indicates that no employer has an obligation to provide, and no employee or former employee has a right or entitlement to receive, financial compensation or other reimbursement for unused paid sick leave or unused expanded family and medical leave upon or after the expiration of both provisions on December 31, 2020.

The stimulus relief package announced by congressional leaders on December 20, 2020, extended some components of the FFCRA, such as extending the payroll tax credit to employers offering paid sick leave to employees, and additional federal support for unemployment payments. However, neither of those provisions provide support to local educational agencies (LEAs). Because the stimulus relief bill makes no mention of the extension of the EPSL and EFMLEA, both expire on December 31, 2020.

As the challenges related to the pandemic intensify, LEAs will be required to address employee COVID-19-related leave requests. Accrued leave, unpaid leave, and other statutory leave entitlements will apply. We recognize the difficulties experienced in managing FFCRA leave and encourage LEAs to work closely with legal counsel to ensure legally compliant application of leaves.

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FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Newsom's Reopening Schools Proposal—More Details Emerge

 [BY LEILANI AGUINALDO](#)

 [BY PATTI F. HERRERA, EDD](#)

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posted January 4, 2021

On December 30, 2020, Governor Gavin Newsom announced a proposal to encourage local educational agencies (LEAs) to resume in-person instruction as early as mid-February by providing incentive grants with a base rate of \$450 per average daily attendance (ADA) to pay for costs associated with classroom-based learning, such as cleaning, disinfecting, salaries and compensation, and COVID-19 testing for students and staff (see "[Newsom Proposes Incentive Grants to Reopen Schools](#)" in the December 2020 *Fiscal Report*). Since the unveiling of the Governor's plan, new details have emerged regarding the conditions that must be met for LEAs to access the grants, which are summarized below.

The Safe Schools for All Plan would open up rounds of grant funding beginning in February 2021. To qualify for the first round of funding, LEAs must meet the following requirements:

- Submit to their county office of education (COE) a COVID-19 Safety Plan (CSP) that complies with new school reopening guidance from the California Department of Public Health (CDPH) and emergency regulations for all employers issued by the California Division of Occupational Safety and Health (CalOSHA) no later than February 1, 2021. Governor Newsom indicated that new CDPH guidance for schools would be released on Friday, January 8, 2021, which will include testing cadences for students and staff to which grantees must adhere. LEAs also must post the CSP on their website homepages.
- Submit to their COE a ratified collective bargaining agreement or memorandum of understanding, if applicable, that implements the LEA's CSP no later than February 1, 2021. Districts in single-district counties are required to submit their documents to the California Department of Education.
- By February 16, 2021, offer in-person instruction to students in grades TK–2 and specialized cohorts across all grade spans, including students with disabilities, foster and homeless youth, and students who are unable to participate in distance learning, with a plan to adhere to asymptomatic testing requirements of students and staff consistent with the guidance from the state. LEAs that have already reopened for in-person instruction and meet these requirements will be able to access the incentive

grants.

- By March 15, 2021, expand in-person instructional offering to all TK–6 grade students served, if sixth grade is offered at the elementary school site.
- Continue to provide in-person instruction to all specified students through the 2020–21 school year unless otherwise required by state or local health orders or guidance.
- Certify to their COE that students who remain in distance learning have the necessary tools (computing devices and high-speed internet access) to participate in online education.

LEAs that are unable to meet the condition for funding under the initial round will have the opportunity to apply for lower grant amounts on a monthly basis. In order to be eligible to apply, they must meet the aforementioned requirements by the first day of the subsequent months (e.g., March 1, 2021) with in-person instruction for all TK–2 grade students and specialized cohorts on the first day of month and then to students through grade 6, if applicable, within the subsequent month.

LEAs that are unable to reopen for in-person instruction by February 16, 2020, due to local health conditions—specifically residing in areas where the average seven-day COVID-19 case rate exceeds 28 per 100,000 per day—are still eligible to apply for and receive funding from the initial round with base rates of \$450 per ADA. However, they must subsequently offer in-person instruction and meet all other requirements the month immediately following the case-rate level dropping below 28 per 100,000.

Finally, Governor Newsom's Administration has confirmed that the reopening incentive grants will be allocated based on an LEA's total ADA minus students enrolled in independent study. The requirement to offer in-person instruction covers all grade spans since cohorts of vulnerable students beyond sixth grade are included in the requirement. Therefore, all LEAs are eligible to apply, including high school districts.

We will provide updates on the anticipated new school reopening guidance and the reopening incentive grants once it becomes available.

[Click Here for COVID-19 Related Resources](#)

FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

Critical Deadlines and Funding Opportunities—January 14, 2021

 [BY MATT PHILLIPS, CPA](#)

 [BY CHARLENE QUILAO](#)

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posted January 14, 2021

Critical Deadlines—Reporting or Action Dates	
Deadline	Issue
1/29/21	<ul style="list-style-type: none"> • Fall 1 Amendment Window Deadline <ul style="list-style-type: none"> ◦ Any amendments to the records submitted as part of the Fall 1 reporting period in the California Longitudinal Pupil Achievement Data System must be complete
3/17/21 ¹	<ul style="list-style-type: none"> • Second Interim (January 31) <ul style="list-style-type: none"> ◦ County office of education (COE) Second Interim due to the State Superintendent of Public Instruction (SSPI) (Education Code Section [EC §] 1240[l][1][A] and [B]) ◦ District Second Interim due to COE (also to SSPI and State Controller's Office [SCO] if qualified or negative) (EC § 42131[a][1] and [2])
3/31/21	<ul style="list-style-type: none"> • Audit <ul style="list-style-type: none"> ◦ COE prior-year audit due to SSPI and SCO (EC § 41020[h]) ◦ District prior-year audit due to COE, SSPI, and SCO (EC § 41020.9[b])² ◦ Charter school prior-year audit due to chartering authority, COE, SSPI, and SCO (EC § 47605[m], 41020[h], and 41020.9[b])²
4/16/21 ¹	<ul style="list-style-type: none"> • Second Interim Status Report <ul style="list-style-type: none"> ◦ COE must notify SSPI and SCO of district Second Interim certifications (EC § 42131[c])

4/16/21 ¹	<ul style="list-style-type: none"> • District Qualified/Negative Interims <ul style="list-style-type: none"> ◦ COE must report to SSPI and SCO on district qualified or negative Second Interim Reports (EC § 42131[a][2])
<p>¹Date calculated as prescribed in law.</p> <p>²Notwithstanding EC § 41020(b), EC 41020(h), EC § 41020(k) and EC § 47605(m), for the 2019–20 fiscal year, the audit report and audit certification status due dates for local educational agencies are governed by EC § 41020.9 pursuant to Senate Bill 98 (Chapter 24/2020), Section 18.</p>	

Funding Opportunities (For program website, click program name.)		
Description	Amount	Deadline
<u>ESSA Comprehensive Support and Improvement County Office of Education</u>	Various	1/20/21
<u>ESSA Comprehensive Support and Improvement Local Educational Agency</u>	Various	1/20/21
<u>Education for Homeless Children and Youth Program (COE only)</u>	\$15,000– \$250,000	2/4/21
<u>Education for Homeless Children and Youth Program (District and Charter only)</u>	\$15,000– \$250,000	2/4/21
<u>Taste of CA Standardized Recipe Challenge</u>	\$8,500– \$24,000	2/11/21
<u>California Environmental Literacy Project</u>	\$120,000	2/12/21
<u>After School Education and Safety (ASES)</u>	Up to \$177,559 per eligible school	2/18/21

<u>ASES Frontier Transportation</u>	Up to \$15,000 per eligible school	2/18/21
<u>Public School Charter Schools Grant Program</u>	Various	2/23/21
<u>School Breakfast and Summer Meal Programs Start-Up and Expansion</u>	\$15,000 per site	3/1/21
<u>Fresh Fruit and Vegetable Program</u>	\$50–\$75 per student	3/5/21
<u>Learning Communities for School Success</u>	\$15,000–\$2,000,000	3/5/21
<u>Consolidated Application (ConApp)</u>	Various	3/31/21
<u>Classified School Employee Summer Assistance Program Fiscal Year 2020– <u>21</u></u>	Various	4/1/21
<u>Strengthening Career & Technical Education the 21st Century Act (Perkins <u>V</u>)</u>	Various	5/15/21

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Workshop Spotlight - January 8, 2021

UPCOMING WORKSHOPS

Workshop	Date(s)	Locations
<u>Governor's Budget Workshop</u>	Jan. 15, 2021	Webinar
<u>Planning for Reductions in Force—A Two-Hour Webinar</u>	Jan. 21, 2021	Webinar
<u>Declining Enrollment: Strategies for Success During Challenging Times —An Interactive Two-Part Webinar Series</u>	Feb. 2, 2021	Webinar

[Subscribe](#)[Past Issues](#)[Translate ▼](#)**[Negotiations—An Interactive Two-Part Webinar Series](#)****[Federal Compliance: How to Stay out of Trouble—An Interactive Two-Part Webinar Series](#)**

Mar. 2, 2021

Webinar

[Charter Schools—An Interactive Two-Part Webinar Series](#)

Mar. 16, 2021

Webinar

[The Audit Challenge—An Interactive Two-Part Webinar Series](#)

Apr. 20, 2021

Webinar

[Employee Complaints and Investigations—An Interactive Two-Part Webinar Series](#)

Apr. 27, 2021

Webinar

[Construction Basics and Accounting—An Interactive Two-Part Webinar Series](#)

May. 4, 2021

Webinar

[Employee Attendance and Leave Management—An Interactive Two-Part Webinar Series](#)

May. 25, 2021

Webinar

If you are interested in a topic, but are unable to attend the workshop, you can click on the workshop name and purchase the materials. SSC can also bring the workshop to your district or county office of education. Go to the [Workshop](#) page on our website and “Request A Workshop.”

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<u>Food Service & Child Nutrition - 1/15/2021 - ONLINE</u>	ONLINE	Friday - January 15, 2021
<u>2021 CBO Symposium Part II - VIRTUAL EVENT</u>	Virtual Event	Thursday - January 21, 2021
<u>Understanding the Child Nutrition Procurement Puzzle - 1/25/2021 - ONLINE</u>	ONLINE	Monday - January 25, 2021
<u>Emotional Intelligence: The Art of Personnel Management - 1/27/2021 - ONLINE</u>	ONLINE	Wednesday - January 27, 2021
<u>School Facilities & the CBO: Financial & Legal Aspects of Facility Programs - 2/5/2021 - ONLINE</u>	ONLINE	Friday - February 05, 2021
<u>Understanding RFP & Bidding Process - 2/8/2021 - ONLINE</u>	ONLINE	Monday - February 08, 2021
<u>Leaves of Absence - 2/10/2021 - ONLINE</u>	ONLINE	Wednesday - February 10, 2021
<u>Advanced Management and Supervision - 2/12/2021 - ONLINE</u>	ONLINE	Friday - February 12, 2021
<u>Pupil Attendance Accounting for Business Office Personnel - 2/16/2021 - ONLINE</u>	ONLINE	Tuesday - February 16, 2021
<u>Understanding the Child Nutrition Procurement Puzzle - 2/18/2021 - ONLINE</u>	ONLINE	Thursday - February 18, 2021
<u>Understanding RFP & Bidding Process - 2/22/2021 - ONLINE</u>	ONLINE	Monday - February 22, 2021
<u>Technology Summit - 02/26/2021 - VIRTUAL EVENT</u>	VIRTUAL EVENT	Friday - February 26, 2021
<u>Emotional Intelligence: The Art of Personnel Management - 2/26/2021 - ONLINE</u>	ONLINE	Friday - February 26, 2021
<u>Principles of School Law 2/26/2021 Online</u>	ONLINE	Friday - February 26, 2021

<u>Using Data Analytics to Maintain Fiscal Solvency - 3/3/2021 - ONLINE</u>	ONLINE	Wednesday - March 03, 2021
<u>Payroll Concepts - 3/5/2021 - ONLINE</u>	ONLINE	Friday - March 05, 2021
<u>Understanding RFP & Bidding Process - 3/8/2021 - ONLINE</u>	ONLINE	Monday - March 08, 2021
<u>Pupil Attendance Accounting for Business Office Personnel - 3/8/2021 - ONLINE</u>	ONLINE	Monday - March 08, 2021
<u>Leaves of Absence - 3/10/2021 - ONLINE</u>	ONLINE	Wednesday - March 10, 2021
<u>Collective Bargaining Basics - ONLINE</u>	ONLINE	Friday - March 12, 2021
<u>Pupil Attendance Accounting for Business Office Personnel - 3/18/2021 - ONLINE</u>	ONLINE	Thursday - March 18, 2021
<u>Pupil Attendance Accounting for Charter School Staff - 4/15/2021 - ONLINE</u>	ONLINE	Thursday - April 15, 2021
<u>Payroll Concepts - 4/23/2021 - ONLINE</u>	ONLINE	Friday - April 23, 2021
<u>School Facilities & the CBO: Comprehensive Master Planning of a School Facility Program - 5/7/2021 - ONLINE</u>	ONLINE	Friday - May 07, 2021
<u>Contracting With Confidence - 5/14/2021- ONLINE</u>	ONLINE	Friday - May 14, 2021