



Fresno Unified
School District

2020/21
Special Board Meeting
Exploring Budget Solutions

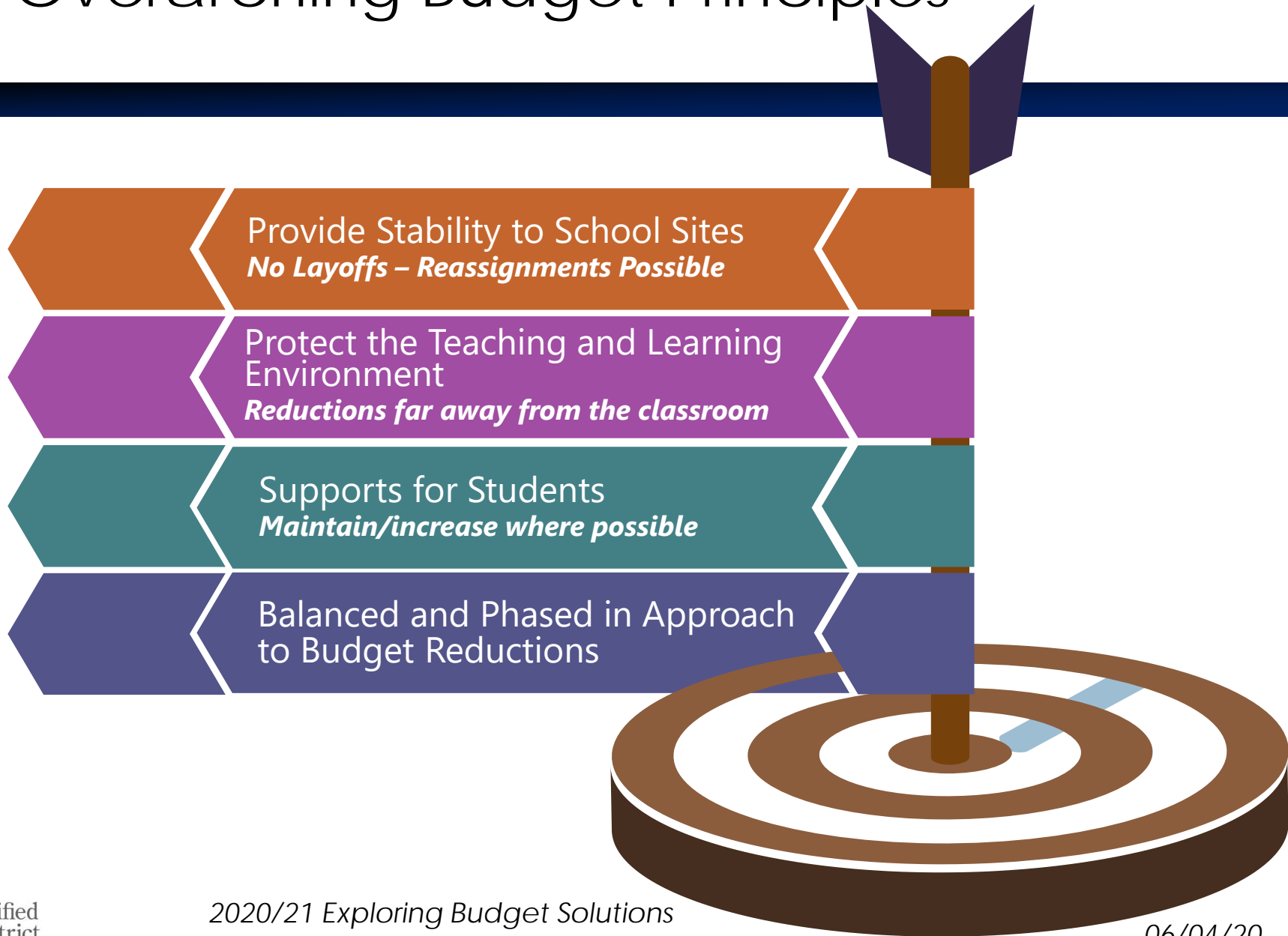
Board of Education
June 04, 2020



Outline

- Overarching Budget Principles
- Fresno Unified Strategic Budget Development
 - Collaborative Approach and Results
 - Exploratory Multi-year Scenarios
- Focus on Solutions
- Next Steps

Overarching Budget Principles





Fresno Unified Approach to Revenue Impacts

Multi-year – With Supplemental Appropriations

All estimates are preliminary and subject to change

Exploratory Multi-year Scenario #1	2020/21	2021/22	2022/23
Total Estimated Revenue Loss	\$ (79.3) million	\$ (111.8) million	\$ (142.9) million
Multi-year Supplemental Appropriations	--	\$ 18.7 million	\$ 43.3 million
Additional Investments – New Instructional Delivery, Health & Safety	\$ (13.1) million	\$ (10.0) million	\$ (10.0) million
Total Impact – Losses and Investments	\$ (92.4) million	\$ (103.1) million	\$ (109.6) million
One-time Stimulus Funds – Estimated Available \$110 million (\$44m CARES/\$1m SB 117/ \$65m State CARES)	\$ 65.0 million	\$ 45.0 million	--
One-time Savings – Captured in 2019/20	--	--	\$ 17.5 million
One-time Ending Balances – Estimated Available \$18.4 million	--	\$ 7.2 million	\$ 11.2 million
Reserve for Economic Uncertainty Estimated Available \$45 million of \$98 million	--	\$ 5.0 million	\$ 20.0 million
Potential Ongoing Reductions	\$ 27.4 million	\$ 27.4 million	\$ 27.4 million
Additional Ongoing Reductions – 2021/22	--	\$ 18.5 million	\$ 18.5 million
Additional Ongoing Reductions – 2022/23	--	--	\$ 15.0 million
Total Budget Solutions	\$ 92.4 million	\$ 103.1 million	\$ 109.6 million

6 Fresno Unified Approach to Revenue Impacts Multi-year – No Supplemental Appropriations

All estimates are preliminary and subject to change

Exploratory Multi-year Scenario #2	2020/21	2021/22	2022/23
Total Estimated Revenue Loss	\$ (79.3) million	\$ (111.8) million	\$ (142.9) million
Multi-year Supplemental Appropriations	--	--	--
Additional Investments – New Instructional Delivery, Health & Safety	\$ (13.1) million	\$ (10.0) million	\$ (10.0) million
Total Impact – Losses and Investments	\$ 92.4) million	\$ (121.8) million	\$ (152.9) million
One-time Stimulus Funds – Estimated Available \$110 million (\$44m CARES/\$1m SB 117/ \$65m State CARES)	\$ 65 .0 million	\$ 45.0 million	--
One-time Savings – Captured in 2019/20	--	\$ 17.5 million	--
One-time Ending Balances – Estimated Available \$18.4 million	--	\$ 7.2 million	\$ 11.2 million
Reserve for Economic Uncertainty Estimated Available \$45 million of \$98 million	--	--	\$ 45.0 million
Potential Ongoing Reductions	\$ 27.4 million	\$ 27.4 million	\$ 27.4 million
Additional Ongoing Reductions – 2021/22	--	\$ 24.7 million	\$ 24.7 million
Additional Ongoing Reductions – 2022/23	--	--	\$ 44.6 million
Total Budget Solutions	\$ 92.4 million	\$ 121.8 million	\$ 152.9 million



Focus on Solutions: One-time

\$110.1 million

Federal and State Stimulus Funds

- CARES Act
 - State allocation to schools \$65.0 million
 - 2020/21
 - Federal funding to schools \$44.0 million
 - 2021/22
- SB 117 \$1.1 million
- Additional Federal stimulus unknown

\$17.5 million Mitigating Actions – One-time Savings

- 2019/20 Identified savings captured in the current year
 - ▣ Supplies \$8.4 million
 - ▣ Contracts and Services \$4.3 million
 - ▣ Transportation \$2.4 million
 - ▣ Utilities \$2.0 million
 - ▣ Travel and Conferences \$400,000

Focus on Solutions: One-time

\$18.4 million

Other One-time Sources and/or Ending Balances

- 2019/20 Ending balances potentially available
 - Reduce Workers' Compensation Reserve \$3.1 million
 - Current level approx. 76%; revised level (after reduction) approx. 66%
 - Adult Education Building Fund \$2.1 million
 - Delay OPEB Contribution (one-year) \$1.5 million
 - Delay New Textbook Adoption (planned in 2021/22) \$11.2 million

\$98 million

Reserve for Economic Uncertainties

- Reserve Policy 2.0% to 4.0% in difficult economic times
 - Consider planned utilization for deficit spending *prior to COVID-19*
 - Plan utilization of \$45 million of reserve for economic uncertainties

Focus on Solutions: Ongoing

\$27.4 million

Potential Ongoing Reductions – Year One

- Low impact recommendations – \$11.1 million
 - Utilities savings \$1.0 million
 - Delay implementation of 4 new Designated Schools \$1.8 million
 - Maintain contribution to Routine Restricted Maintenance \$600,000
 - Maintain current year contribution to the Health Fund \$2.5 million
 - Set New Equipment Classroom budget based on actual spending \$250,000
 - Repurpose Unspent Lottery Funds \$1.2 million
 - Previously directed toward Textbook Adoption Reserve
 - Unused After-school Personalized Learning stipends \$1.1 million
 - Flexible Community Redevelopment funding \$1.5 million
 - Set non-public school residential placements \$1.2 million
 - Based on actual enrollment/need
- Central Office Administration and Other Programmatic Reductions – \$16.3 million
 - See Option #1 or Option #2

- **Option #1 – Total \$27.4 million**
 - Low Impact Recommendations - \$11.1 million
 - Central Office Administration - \$7.0 million
 - Target 2.5% – may include current vacancies, unspent budgets, and travel
 - Program Reductions - \$9.3 million

- **Option #2 – Total \$27.4 million**
 - Low Impact Recommendations - \$11.1 million
 - Central Office Administration - \$11.5 million
 - Target 4.0% – may include current vacancies, unspent budgets, travel, and deeper reductions for departments that historically spend allocations
 - Program Reductions - \$4.8 million



Collaborative Approach

Program / Investment
Extra/Co-Curricular Teacher on Special Assignment
Eliminating additional certificated FTE at each Designated School ★
Climate and Culture Specialists
Consideration of change to compensation: Furloughs, Step/Career, 1% ★
Reduce professional learning days at Designated Schools from 10 to 5 ★
Curriculum and Instruction/PL Instructional Coaches
Instructional Division Teacher on Special Assignment
Early Learning Teacher on Special Assignment and Instructional Coaches
College and Career Readiness Teachers on Special Assignment
Music Teachers on Special Assignment
Curriculum and Instruction Teacher on Special Assignment
Restorative Practice Counselors
Teacher Development TSAs and Instructional Coaches
Middle and High School Instructional Coaches
Technology Services Teachers on Special Assignment

★ *Bargaining required with Labor partners*

Collaborative Approach

Program / Investment	Positions (FTE)	Estimated Cost (millions)
Extra/Co-Curricular Teacher on Special Assignment	1.0	\$0.11
Eliminating additional certificated FTE at each Designated School ★	47.0	\$6.00
Climate and Culture Specialists	21.0	\$2.70
Consideration of change to compensation: Furloughs, Step/Career, 1% ★	All	\$6.00 each
Reduce professional learning days at Designated Schools from 10 to 5 ★	1,545	\$4.30
Curriculum and Instruction/PL Instructional Coaches	18.0	\$2.50
Instructional Division Teacher on Special Assignment	1.0	\$0.11
Early Learning Teacher on Special Assignment and Instructional Coaches	8.0	\$1.10
College and Career Readiness Teachers on Special Assignment	5.0	\$0.70
Music Teachers on Special Assignment	2.0	\$0.30
Curriculum and Instruction Teacher on Special Assignment	1.0	\$0.11
Restorative Practice Counselors	18.0	\$2.50
Teacher Development TSAs and Instructional Coaches	28.0	\$3.80
Middle and High School Instructional Coaches	11.0	\$1.50
Technology Services Teachers on Special Assignment	1.5	\$0.20

★ *Bargaining required with Labor partners*

Collaborative Approach

Program / Investment	Positions (FTE)	Estimated Cost (millions)
Extra/Co-Curricular Teacher on Special Assignment	1.0	\$0.11
Eliminating additional certificated FTE at each Designated School ★	47.0	\$6.00
Climate and Culture Specialists	21.0	\$2.70
Consideration of change to compensation: Furloughs, Step/Career, 1% ★	All	\$6.00 each
Reduce professional learning days at Designated Schools from 10 to 5 ★	1,545	\$4.30
Curriculum and Instruction/PL Instructional Coaches	18.0	\$2.50
Instructional Division Teacher on Special Assignment	1.0	\$0.11
Early Learning Teacher on Special Assignment and Instructional Coaches	8.0	\$1.10
College and Career Readiness Teachers on Special Assignment	5.0	\$0.70
Music Teachers on Special Assignment	2.0	\$0.30
Curriculum and Instruction Teacher on Special Assignment	1.0	\$0.11
Restorative Practice Counselors	18.0	\$2.50
Teacher Development TSAs and Instructional Coaches	28.0	\$3.80
Middle and High School Instructional Coaches	11.0	\$1.50
Technology Services Teachers on Special Assignment	1.5	\$0.20
20% Reduction Scenario (Excludes ★ items)	23.1	\$3.2
30% Reduction Scenario (Excludes ★ items)	34.7	\$4.8

★ *Bargaining required with Labor partners*

Ongoing Reductions – Option #1

Total \$27.4 million

\$11.1 million Low Impact Recommendations

- Utilities savings
- Implement only 6 of 10 New Designated Schools
- Routine Restricted Maintenance
- Maintain contribution to the Health Fund
- Repurpose unexpended and flexible funding
- Residential Placements based on actuals

\$7.0 million Central Office Administration Reductions

- Target 2.5% for each Central Office department
- May include:
 - Positions not filled all year
 - Budget allocations historically unspent
 - Travel and conferences

\$9.3 million Programmatic Reductions

- Based on evaluation, rating and ranking
- Board of Education public discussion
- Principal's Advisory Budget Committee
- Executive Cabinet
- Collaboration with Labor Partners

Not included in above options:

- Delay implementation of 6 New Designated Schools - \$2.7 million

Ongoing Reductions – Option #2

Total \$27.4 million

\$11.1 million

Low Impact Recommendations

- Utilities savings
- Implement only 6 of 10 New Designated Schools
- Routine Restricted Maintenance
- Maintain contribution to the Health Fund
- Repurpose unexpended and flexible funding
- Residential Placements based on actuals

\$11.5 million

Central Office Administration Reductions

- Target 4.0% for each Central Office department
- May include:
 - Positions not filled all year
 - Budget allocations historically unspent
 - Travel and conferences
 - Deeper reductions for departments who historically expend budget allocations

\$4.8 million

Programmatic Reductions

- 30% across non-bargained TSAs and Instructional Coaches – or as directed by the Board
- Board of Education public discussion
- Principal's Advisory Budget Committee
- Executive Cabinet
- Maintain collaboration; bargaining not required

Not included in above options:

- Delay implementation of 6 New Designated Schools - \$2.7 million

Ongoing Reductions – Option #2b

Total \$27.4 million

\$11.1 million **Low Impact** **Recommendations**

- Utilities savings
- Implement only 6 of 10 New Designated Schools
- Routine Restricted Maintenance
- Maintain contribution to the Health Fund
- Repurpose unexpended and flexible funding
- Residential Placements based on actuals

\$10.4 million **Central Office** **Administration Reductions**

- Target 3.5% for each Central Office department
- May include:
 - Positions not filled all year
 - Budget allocations historically unspent
 - Travel and conferences
 - Deeper reductions for departments who historically expend budget allocations

\$5.9 million **Programmatic Reductions**

- Delay implementation of 6 New Designated Schools
- 20% across non-bargained TSAs and Instructional Coaches – or as directed by the Board
- Board of Education public discussion
- Principal's Advisory Budget Committee
- Executive Cabinet
- Maintain collaboration, but bargaining not required

Included in above options:

- Delay implementation of 6 New Designated Schools - \$2.7 million
- Decrease impacts to TSAs and Instructional Coaches from 30% to 20%
- Decrease to Central Office impacts from 4.0% to 3.5%

Upcoming Budget Discussions

□ June 10, 2020

- SPSA Approvals
- Public Hearing – Budget
- Adoption – Budget
- Approval – COVID 19 Operations Written Report