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BOARD COMMUNICATIONS – DECEMBER 16, 2022

TO: Members of the Board of Education
FROM: Superintendent, Robert G. Nelson, Ed.D.

SUPERINTENDENT – Robert G. Nelson, Ed.D.

S-1 Robert G. Nelson Superintendent Calendar Highlights
S-2 Ambra O'Connor Winter Break Office Closures

BUSINESS AND FINANCIAL SERVICES – Patrick Jensen, Interim Chief Officer

BFS-1 Kim Kelstrom School Services Weekly Update Reports for
December 09, 2022
BFS-2 Kim Kelstrom December Legislative Committee Meeting

EQUITY AND ACCESS – Misty Her, Deputy Superintendent

EA-1 Andrew Scherrer Changes to the California Dashboard for 2022

INSTRUCTIONAL DIVISION – Dr. Natasha Baker, Chief Officer

ID-1 Dr. Tangee Pinheiro Speech Language Services
ID-2 Dr. Tangee Pinheiro Site Support for Addicott and Rata

Fresno Unified School District
Board Communication

BC Number S-1

From the Office of the Superintendent
To the Members of the Board of Education
Prepared by: Robert G. Nelson, Superintendent
Cabinet Approval:

Date: December 16, 2022

Phone Number: 457-3884

Regarding: Superintendent Calendar Highlights

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

- Held interviews for Director of Maintenance and Director of Operations
- Met with staff from John W. Garder Center and district staff
- Met with Executive Cabinet
- Participated in call with Fresno County Superintendents
- Met with labor partners
- Gave interview with Julianna Moreno, Fresno Bee, regarding The Foundation for Fresno Unified Schools and test scores
- Gave interview with Caitlynn Peetz, Education Week, for a story on how Superintendents are setting the tone and outlining priorities for the rest of the school year


Approved by Superintendent
Robert G. Nelson Ed.D.



Date: 12/16/2022

Fresno Unified School District
Board Communication

BC Number S-2

From the Office of the Superintendent
To the Members of the Board of Education
Prepared by: Ambra O'Connor, Chief of Staff
Cabinet Approval: 

Date: December 16, 2022

Phone Number: 457-3838

Regarding: Winter Break Office Closures

The purpose of this communication is to provide the Board information on planned office closures during Winter Break.

The Board Office and Superintendent's Office will be closed to the public December 19, 2022 through December 30, 2022, and will reopen on Monday, January 03, 2023. Although these offices will be closed to the public, several employees will be working on various days. Board packets will not be delivered during this time and regular packet delivery will resume on Friday, January 06, 2023.

Approved by Superintendent
Robert G. Nelson Ed.D.



Date: 12/16/2022

Fresno Unified School District
Board Communication


BC Number BFS-1

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

Date: December 16, 2022

Prepared by: Kim Kelstrom, Executive Officer 

Phone Number: 457-3907

Cabinet Approval: 

Regarding: School Services Weekly Update Reports for December 09, 2022

The purpose of this board communication is to provide the Board a copy of School Services of California's (SSC) Weekly Updates. Each week SSC provides an update and commentary on different educational fiscal issues. In addition, they include different articles related to education issues. The SSC Weekly Update for December 09, 2022 is attached and includes the following articles:

- Legislature Convenes the 2023-24 Legislative Session – December 07, 2022
- What Prop. 28 Funding Will Mean for Arts Education in California – December 05, 2022
- 'Sick and Tired' of High Gas Prices, California Seeks to Punish Oil Companies with New Penalty – December 05, 2022

If you have any questions pertaining to the information in this communication, or require additional information, please contact Kim Kelstrom at 457-3907.

Approved by Superintendent
Robert G. Nelson Ed.D.



Date: 12/16/2022



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DATE: December 9, 2022

TO: Robert G. Nelson
Superintendent

AT: Fresno Unified School District

FROM: Your SSC Governmental Relations Team

RE: *SSC's Sacramento Weekly Update*

Legislators Begin Introducing Bills

This past Monday, December 5, 2022, the Legislature officially convened the 2023-24 Legislative Session. Additionally, they also convened the special session called by Governor Gavin Newsom to consider legislation to tax or penalize oil company profits (see the “Legislature Convenes the 2023-24 Legislative Session” in the articles section below).

Monday’s convening was primarily organizational, designed to swear in the Assemblymembers and Senators that won their elections last month, elect house leadership, and approve resolutions that set the rules for the two-year session. After taking care of these housekeeping items, the Legislature adjourned for the rest of the month and will not return until January 4, 2023.

However, before departing for their districts, several members introduced legislation representing their highest priority issues. Additionally, the clerk’s desk remains open while the Legislature is adjourned, meaning members are permitted to introduce new bills even if they are not in Sacramento.

There have already been a number of bills introduced by legislators that would have implications for local educational agencies (LEAs) should they make it through the arduous legislative process and be signed into law by Governor Newsom. Several of these measures are “spot bills,” which are essentially placeholders that include a kernel of the issue the legislator wishes to address, but without any substance. Some of the more noteworthy education measures that have been introduced include:

- Assembly Bill (AB) 5 (Zbur, D-West Hollywood) is currently a spot bill that will look to equip teacher and school staff with the tools and training they need to support LGBTQ+ students
- AB 10 (Lowenthal, D-Long Beach) is currently a spot bill that will look to create state-recommended guidelines and require the Instructional Quality Commission to create policies and curriculum around body-shaming to be implemented by school districts

- AB 19 (Patterson, R-Fresno) would require public schools to maintain at least two doses of naloxone hydrochloride or another opioid antagonist on campus in case of a fentanyl overdose
- Senate Bill (SB) 10 (Cortese, D-San Jose) would require LEAs to embed opioid overdose prevention and treatment in their School Safety Plans and distribute opioid antagonist training and school resource guides to all LEAs regarding the emergency use of opioid antagonists on school campuses
- SB 28 (Glazer, D-Contra Costa) would place a preschool through higher education statewide school facilities bond before voters on the March 2024 primary ballot

Legislators have until Friday, February 17, 2023, to introduce bills for the 2023 legislative year. We will continue to track and analyze the education bill introduced throughout the year. Stay tuned.

Assembly Democrats Release 2023-24 Budget Blueprint

On Wednesday, Assembly Budget Committee chairman Phil Ting (D-San Francisco), released his house's [2023-24 State Budget Blueprint](#), which identifies the Assembly's State Budget priorities for the 2023-24 fiscal year. The document's information is based on the Legislative Analyst's Office's recent fiscal outlook report projecting a \$25 billion budget deficit.

While previous blueprints have signaled where the Assembly would like to make additional investments, this year's document is much more about preservation of programs and previous investments. In fact, the blueprint states that the 2023 Budget should look to protect previous investments and preserve the gains made over the last decade. Specifically on K-12 education, the document highlights the following successes over the past ten years:

- Per pupil funding is currently at \$22,000, which is more than double what it was in 2012 when it was at \$,9541 per pupil
- Transitional kindergarten, which began in 2012 with 20,000 students, will be universal by 2025 with 340,000 students
- Investing \$4.4 billion annually in universal afterschool for all TK-6 children through the Expanded Learning Opportunities Program

To protect the investments made over the past decade, the blueprint suggests a budget balancing approach, which includes the following:

- Using the state balance sheet to continue key investments by shifting, temporarily and whenever possible, spending to special funds and considering low-cost borrowing from special funds, particularly if the revenue situation gets worse
- Reevaluating the timing of planned one-time expenditures by expediting key infrastructure investments that are ready to go; adjusting budget plans to more accurately reflect the timing of other expenditures; and potentially shifting billions of 2020-2023 expenditures to later years
- Use reserves as intended to preserve all core programs as planned, including classroom funding
- Evaluate inflation cost adjustments for state expenditures when appropriate

The document specifies that the Assembly intends to protect Proposition 98, provide certainty for school districts to make the needed investments to reverse learning loss from the COVID-19 pandemic, and to continue their emphasis on educator retention and compensation.

The release of the blueprint comes weeks ahead of the January 10, 2023, expected release of Governor Newsom's 2023-24 State Budget proposal. The Senate is also expected to reveal its spending priorities in the next several weeks, all of which will set the stage for next year's State Budget negotiations.

Leilani Aguinaldo

Legislature Convenes the 2023-24 Legislative Session

By Kyle Hyland
School Services of California Inc.'s *Fiscal Report*
December 7, 2022

On Monday, December 5, 2022, the California State Legislature officially convened the 2023-24 Legislative Session.

While Monday's floor session was primarily organizational, designed to swear in the 80 Assemblymembers and 20 Senators elected this past November, several lawmakers used this opportunity to introduce legislation that represents their highest priorities.

The Legislature also convened the special session called by Governor Gavin Newsom to consider legislation to tax or penalize oil company profits. While a handful of legislators introduced bills related to the special session, no substantive debate or discussion occurred. This was by design as Assembly and Senate leadership decided to delay special session hearings and sessions to January 2023 (see "[Governor Newsom Releases Special Session Proclamation](#)" in the December 2022 *Fiscal Report* for more information on the special session).

Going into the new session, Senate and Assembly Democrats retain their strong supermajority status in both of their respective houses. In the Senate, Democrats control at least 31 of the 40 seats, which is the same advantage they ended with at the close of the previous session. On the Assembly side, Democrats picked up two seats since the end of last session and control at least 62 of the 80 seats.

However, Democrats can gain another seat in each house depending on the final results of two close races that have yet to be called. Those seats are Senate District (SD) 16 and Assembly District (AD) 47, both of which are too close to call, with fewer than 100 votes in both races separating the candidates. County election officials must report their final official results to the Secretary of State by Friday, December 9, 2022, which means we will know the outcomes of SD 16 and AD 47, and thus the complete makeup of the California Legislature, shortly.

With a supermajority in both houses retained, Democrats can conceivably pass any legislation requiring a higher two-thirds vote threshold, such as tax increases, constitutional amendments, or urgency measures, without having to reach across the aisle for Republican votes. However, the varied (and sometimes conflicting) interests among members of the Democratic caucuses could make rallying the necessary votes difficult for any supermajority-vote measures, especially for any measures that increase taxes. This situation will likely play out more during the special session, where moderate Democrats from purple districts may show reluctance to increase taxes on oil companies.

Monday's agenda included the election of Senate and Assembly leadership positions, with Senate President pro Tempore Toni Atkins (D-San Diego) and Assembly Speaker Anthony Rendon (D-Lakewood) swiftly reelected to their leadership posts. However, Rendon will only serve as the Assembly leader until the end of the fiscal year, after which Assemblymember Robert Rivas (D-Salinas) will take over as Speaker. This midyear transition plan was the result of a compromise reached by the Assembly Democratic Caucus in a meeting held last month.

After the Legislature approved a couple of housekeeping resolutions they adjourned for the month and will not return to Sacramento until Wednesday, January 4, 2023.

Note: The 2023-24 State Budget will include nearly \$1 billion for K-12 schools to spend on arts and music programs due to the passage of Proposition 28 (2022) in November.

What Prop. 28 Funding Will Mean for Arts Education in California

By Carolyn Jones
EdSource
December 5, 2022

On Nov. 8, Californians overwhelmingly passed Proposition 28, which will bring a windfall of arts education funding to California schools. Advocates say the investment is long overdue, as arts education has declined in most districts — particularly those in low-income areas — for decades. While the state requires arts education in grades one to six and a year of arts education in high school, it's up to districts to decide how to fund and implement it. The result has been an inconsistent patchwork of arts programs that leave many children with little exposure to music, dance, art and other creative forms of expression.

Proposition 28 funds will be distributed according to enrollment, with 70% based on overall enrollment and 30% based on Title 1 enrollment. In all, districts will receive an additional 1% of their funding allotment to spend on the arts. School boards must certify districts' Prop. 28 budgets annually, post the expenses on the district's website and submit the information to the state Department of Education, where it will be available to the public.

Schools must spend 80% of the money on teachers and aides, which should help alleviate California's teacher shortage, with the remainder of the funds earmarked for art supplies and materials.

We talked to former Los Angeles Unified Superintendent Austin Beutner, a chief backer of Proposition 28, about what students, families and schools can expect when the measure goes into effect in 2023.

What, specifically, will Proposition 28 do for California schools?

Prop. 28 will provide about \$1 billion each year in funding to California public schools, so all 6 million students in pre-K through 12th grade can participate in arts and music at school.

Where will the money come from?

The funds will come from the state's general fund. There will be no new taxes or increase in tax rates.

Why is arts education important to you, personally?

As a shy kid entering a new school in fifth grade during the middle of a school year, my concern was not literacy or math. It was who was I going to have lunch with my first day of school since I didn't know anyone. Fortunately, a music teacher invited me to a lunchtime class. Cello became bass and then guitar. Along with it came a sense of agency and confidence. I could play in front of thousands of people before I could speak in front of tens. But it all started with a group of friends and a sense of belonging in that fifth grade class.

Everyone who has had the opportunity to participate in arts and music has a story like mine.

The arts are universal, and they're the glue that bonds together literacy and math in a good education. I want to make sure every child in every classroom has the opportunity to participate in arts and music and experience their own story.

What's the status of arts education in California schools currently?

Unfortunately, barely 1 in 5 California public schools has a full-time arts or music teacher.

That's not acceptable.

What kinds of arts activities and projects can students and families expect to see come out of this?

Proposition 28 will provide funding for traditional forms of creative expression like music, theater, dance and visual arts, as well as more contemporary areas including filmmaking, animation and graphic design. A novel feature of Prop. 28 is each school community will get to decide how the funds are used. We didn't want the bureaucrats in Sacramento or school districts to dictate any particular approach. Families can help decide what they want for their children.

Will there be a broader impact in California?

The impact will be seen in schools and communities, where Prop. 28 will create more than 15,000 additional jobs for teachers and teachers' aides as well as in community arts organizations. This will help prepare California school children for good-paying jobs, not just in the arts but in other sectors where the creative-thinking and problem-solving skills they learn can be applied.

Longer term, Prop. 28 will lead to greater diversity in the technology, media and entertainment industries as a broader population of students in California public schools find the doors of opportunity open for them with their newfound skills and experiences.

What's the benefit of arts education generally for students?

Research shows children who participate in the arts have better attendance in school and higher achievement in academic subjects. In addition, the arts help students with their social and emotional well-being. That's timely and important as school communities and the children they serve recover from the effects of the COVID-19 pandemic.

With the passage of Proposition 28, how will California compare to other states in arts education?

The passage of Prop. 28 makes California a leader in arts education and will lead to the largest investment in arts and music in our nation's history. My hope is this will start a movement which other states join to provide all 55 million children in public schools the opportunity to participate in arts and music at school.

Prop. 28 passed by a wide margin. What does that tell you?

Proposition 28 passed with more than 64% of the vote, the largest margin of victory ever for an education initiative in California. The state Voter Guide showed our arguments for the initiative while the opposing page was blank but for the words, “No Argument was Submitted in Opposition to Prop. 28.” Because there are none.

For the first time in a long, long time, teachers and school staff were joined by artists and entrepreneurs along with business, labor and community organizations to support public education. Proposition 28 is the first guaranteed increase in funding for California public schools in 34 years. I hope we can build on this and continue to advocate for the best possible education for the children in California’s public schools.

Note: On Monday, Senate Budget Chair Nancy Skinner (D-Berkeley) introduced legislation to penalize oil companies for alleged price gouging as part of the special session called by the Governor.

‘Sick and Tired’ of High Gas Prices, California Seeks to Punish Oil Companies with New Penalty

By Maggie Angst and Lindsey Holden
The Sacramento Bee
December 5, 2022

California lawmakers on Monday introduced legislation to penalize oil companies for alleged price gouging, setting up a showdown with an industry that has long wielded political influence in the Golden State.

At the urging of Gov. Gavin Newsom, California Senate Budget Chair Nancy Skinner, D-Berkeley, proposed a new bill that would levy a penalty on oil companies when their profits exceeded a legally-established threshold. The money raised by the penalty would then be placed in a fund that would be directed back to taxpayers in the form of rebates.

But the initial bill language is vague, failing to define the profit threshold that oil companies would be penalized for exceeding and lacking an explanation of who would be eligible for the rebates. Newsom said those specifics will be sorted out over the course of the special session.

The move comes two months after the Democratic governor first unveiled a plan to levy a windfall profits tax on oil companies that were running up record earnings while Californians were getting squeezed at the pump. He subsequently called for a special session beginning to hammer out the plan.

“These guys have been gaming the system for decades,” Newsom said Monday about the oil and gas industry. “... I think we’ve got a lot of remarkable legislative leaders here that get it and they’re sick and tired of paying the price in terms of dirty air.”

Getting a first-of-its-kind penalty like this through the Legislature and to the governor’s desk will not be without its challenges.

Along with the opening of the special session, Monday also marked the first day of the regular legislative session. This meant a new class of lawmakers were sworn into office — some of whom were elevated to a state office with backing from the oil industry and its associated trade unions. One oil-funded political action committee spent more than \$8 million this year backing candidates it thought might be helpful in fending off a possible windfall penalty.

CALIFORNIA DEALS WITH HIGH GAS PRICE SPIKES

Newsom proposed the tax when Californians were paying \$2.60 per gallon more than the national average — an unprecedented margin even in a state known for its high gas prices.

Although California’s high taxes and environmental fees factor into the disparity, Newsom and proponents of the penalty say that doesn’t completely explain what was happening at the time. California gas prices kept climbing as the price of crude oil dropped. Newsom said that’s because oil companies were taking advantage of California drivers to rake in unprecedented profits.

California gas prices have dropped significantly since then, but Newsom argues the price-gouging measure is still needed to deter future price spikes.

Newsom did not say how much money Californians could expect to receive if an oil company still decided to hike up the price of gasoline above the state-designated threshold.

And as for how the refunds would be distributed, he suggested it could be done in a similar fashion as this year’s inflation relief checks and the 2021 Golden State Stimulus.

In both cases, leaders used the Franchise Tax Board to send taxpayers money through direct deposit or mailed debit cards.

“I hope we never have to go there,” Newsom said. “Because I hope the oil companies change their ways.”

The bill also calls for expanding the powers of the California Energy Commission and the state Department of Tax and Fee Administration to allow them to investigate and obtain information from oil companies on their costs, supply levels and operations.

Oil companies hoped to see more specific language on the penalty proposal after months of discussion, said Kevin Slagle, a spokesman for the Western States Petroleum Association. He said market forces, environmental regulations and public policy are responsible for high gas prices.

“Overall, it’s still the wrong approach to driving lower energy costs in the state,” Slagle said.

PRICE-GOUGING PENALTY VERSUS TAX

Over time, the Democratic governor has changed his rhetoric around the proposal, retiring the term “windfall tax” and instead referring to it as a “price gouging penalty.”

It’s a shift that could help win over more moderate Democrats and provide more wiggle room for the votes needed to pass the measure. Passing a tax in the Legislature would require two-thirds support while a cap or penalty only needs a simple majority.

When asked about the deviation, Newsom said his proposal “went down a different path, a much better path.” He said the legislative vote threshold was “not a part of my consciousness.”

Democratic lawmakers were hopeful about the new penalty’s chances in the Legislature. But Republicans suggested the move will do little to change gas prices, and lawmakers are better off suspending the state’s gas tax and increasing statewide oil production.

Assemblyman Alex Lee, D-San José, who floated a similar idea last year, was optimistic about getting a proposal passed but acknowledged there would likely be a difficult road ahead.

“I think in times of crisis, we have more momentum,” Lee said. “Now we’re talking about the future and being proactive, so it might be harder.”

Assemblyman Vince Fong, R-Kern County, said the penalty will do nothing to lower gas prices and that it will actually “have the opposite effect.”

“If we are going to really hone in on energy, let’s have the debate,” Fong said. “But what the governor’s proposal is going to do, is it’s going to increase the cost of energy production in California. And that’s going to make us more dependent on foreign countries, like Saudi Arabia, Iraq, Ecuador — countries that don’t share our values.”

Fong suggested the Legislature should instead suspend the gas tax and backfill the lost revenue with general fund dollars, a proposal Republicans repeatedly pushed during the previous legislative session.

“The governor always says that the budget reflects values and priorities,” Fong said. “If the governor’s No. 1 priority is to reduce the price of gasoline on hardworking Californians, prioritize it — make it No. 1.”

Fresno Unified School District
Board Communication

BC Number BFS-2

From the Office of the Superintendent
To the Members of the Board of Education
Prepared by: Kim Kelstrom, Executive Officer
Cabinet Approval:

Date: December 16, 2022

Phone Number: 457-3907

Regarding: December Legislative Committee Meeting

The purpose of this board communication is to provide the Board information shared at the December 08, 2022, Legislative Committee Meeting.

Economic and Budget Update – Ms. Aguinaldo provided a budget legislative update. Assembly Member Joaquin Arambula and his staff, Felicia Mattosz and Maria Lemus, joined the Legislative Committee meeting.

The Legislative Analyst Office (LAO) forecasts a \$25 billion deficit in 2023/24 with consistent months of lower state revenue projections. The 2022/23 budget was crafted utilizing one-time funds to anticipate future declines in state revenue and the Rainy Day Fund will assist to protect Proposition 98 funding for school districts. In addition, the LAO has estimated the Cost-of-Living Adjustment (COLA) at 8.73%, however they recommend reducing the funded COLA.

The Legislative Committee discussed with Assembly Member Arambula the new Expanded Learning Program and how Fresno Unified is implementing. Recommendations were discussed to further community-based opportunities for Fresno Unified students including visiting the San Joaquin River and teaching water safety. Additional topics included support for English learners, the upcoming January Governor's Budget Proposal, getting students safely to school, meal quality, and taking advantage of central valley produce.

Proposition 28 will provide K-12 schools an annual allocation for arts and music programs beginning in 2023/24 and is in addition to Proposition 98. Funding will be allocated based on attendance as well as low-income students and will be required to spend 80% on additional staff and 20% on materials without supplanting.

The School Services Legislative Committee December 2022 report is attached. The next Legislative Committee meeting is scheduled for January 12, 2022.

If you have any questions pertaining to the information in this communication, or require additional information, please contact either Kim Kelstrom at 457-3907 or Patrick Jensen at 457-6226.

Approved by Superintendent
Robert G. Nelson Ed.D.



Date: 12/16/2022

Fresno Unified School District

**LEGISLATIVE COMMITTEE MEETING
DECEMBER 8, 2022**

2023-2024 Legislative Session

Prepared By:

**Leilani Aguinaldo
Director, Governmental Relations**



Public Education's Point of Reference for Making Educated Decisions



School Services of California, Inc.
Legislative and Economic Update Prepared for:
Fresno Unified School District
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December 8, 2022

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LAO Issues Forecast for Economy and Education Funding

By: Patti F. Herrera, EdD

November 16, 2022

Each November, the Legislative Analyst's Office (LAO)—the California Legislature's budget and policy advisor—issues its *Fiscal Outlook* report with an updated analysis of the state's economic and budget condition, which has significant funding implications for public K-12 and community colleges agencies.

Economic Trends Drive Forecast

Unsurprisingly, overarching the LAO's *2023-24 Budget Fiscal Outlook* is the dampening state and national economies driven in large part by broad, high, and persistent inflation despite efforts to tame spending, which has driven costs of goods and services up through the COVID-19 recovery period. The LAO assumes that inflation will continue to be a drag on the state's economy, reducing General Fund revenues significantly, but falls short of forecasting an economic recession.

Given larger economic trends, the LAO projects that California faces a \$25 billion budget deficit heading into the 2023-24 fiscal year with annual (but diminishing) deficits through their forecast period ending in 2026-27. They caution that their budget year forecast may underestimate the state's budget problem if inflationary costs for all programs funded by the General Fund are accounted for (the LAO's cost estimate only accounts for inflation for programs that have statutory cost adjustment mechanisms).

If the state's economy should go into a recession, the LAO notes that their forecasted budget deficit could worsen significantly.

Lower state revenues also reduce the contribution amount the state is required to make into the Budget Stabilization Account (BSA), or state reserve. The LAO's revised revenue estimates suggest that the state's BSA obligation is reduced by \$5 billion across 2021-22, 2022-23, and 2023-24. This leaves California with a sizeable (\$22 billion) rainy day fund. This, the LAO notes, is sufficient to cover the anticipated budget-year deficit but would be insufficient if California enters a recession. Nevertheless, the LAO recommends that, given the level of economic and revenue uncertainty for the remainder of the fiscal year, the Legislature begin budget deliberations without using reserves.

Proposition 98 Forecast and Reserve

The Proposition 98 minimum guarantee is directly related to the overall health of the California economy, and particularly the performance of state revenues. Consequently, the LAO's revised estimates for education funding are sobered by larger economic trends. In fact, revenues that affect the calculation of the minimum guarantee are now estimated to be over \$15 billion *below* 2022-23 State Budget estimates for fiscal years 2021-22 and 2022-23. The downward revenue adjustments require corresponding adjustments to the minimum guarantee, although changing actual K-14 expenditures included in the 2022-23 Enacted Budget requires legislative action.

Notably, local property tax estimates are slightly higher than State Budget projections (up \$237 million); however, those gains are lost as a result of lower General Fund revenues contributing to the minimum guarantee equal to approximately \$5.87 billion across the current and prior fiscal year.

The *Fiscal Outlook* includes the following revisions for 2021-22 and 2022-23:

**Proposition 98 Minimum Guarantee
(in millions)**

	2021-22		2022-23	
	<i>June Budget Act</i>	<i>Fiscal Outlook</i>	<i>June Budget Act</i>	<i>Fiscal Outlook</i>
General Fund	\$83,677	\$83,306	\$82,312	\$76,811
Property Tax	26,560	26,727	28,042	28,112
Total	\$110,237	\$110,033	\$110,354	\$104,923

The reductions in the minimum guarantee cause prior- and current-year education spending to exceed revised estimates by \$620 million in 2021-22, and by \$1.8 billion in 2022-23. However, in its multiyear outlook, the LAO anticipates diminishing program costs, particularly in the Local Control Funding Formula. After revising the 2022-23 minimum guarantee to \$104.9 billion and accounting for \$1.8 billion in costs above the revised amount, the 2023-24 minimum guarantee is forecast to be \$108.2 billion, a 1.4% increase above revised 2022-23 estimates. Importantly, beginning in 2023-24, estimates of the minimum guarantee include projected education revenues on top of Proposition 98 obligations resulting from the passage of Proposition 28 (2022) to support arts and music instruction in K-12 public schools.

**Proposition 98 Minimum Guarantee Forecast
(in millions)**

	2022-23	2023-24	2024-25	2025-26	2026-27
General Fund	\$78,613	\$78,098	\$81,829	\$87,258	\$95,354
Property Tax	28,112	30,077	31,627	32,573	33,927
Total	\$106,724	\$108,175	\$113,456	\$119,831	\$129,281

Over the forecast period and by 2026-27, the LAO expects the minimum guarantee to be determined by Test 1 and to increase from the revised current levels by 21%.

Reduced state revenues cause the LAO’s forecast of the minimum guarantee to grow at a slower rate than increases in student attendance and inflation. Consequently, under the forecast, the LAO estimates that the state will be required to make withdrawals from the Proposition 98 reserve of \$2.4 billion, \$3.1 billion, and \$2.8 billion in 2023-24, 2024-25, and 2025-26, respectively. These withdrawals offset reductions in the minimum guarantee; however, based on updated estimates, the Proposition 98 reserve would be depleted by 2025-26 (at which point the local K-12 district reserve cap would become inoperable) before beginning to be restored in 2026-27.

K-12 and Community College Program Costs

Within the context of diminishing revenues, program costs of K-12 and community college agencies are expected to rise, due largely to inflationary pressures felt by the larger economy. The *Fiscal Outlook* revises the LAO’s estimated statutory cost-of-living adjustment (COLA) for K-12 and community college programs to 8.73% in 2023-24, up from 2022-23 State Budget predictions of 5.38% and the highest COLA since 1979-80. The estimated COLA is based on six of the eight quarters available that determine the COLA, with the final two being reported next January and April. The LAO further expects the COLA to remain high relative to historical trends through the forecast period due to persistent inflation across the economy.

Forecast K-14 COLA Estimates

2023-24	8.73%
2024-25	5.30%
2025-26	4.50%
2026-27	4.20%

In 2023-24, the LAO estimates that an 8.73% COLA would cost the minimum guarantee \$7.9 billion, which is approximately \$300 million more than what it estimates will be available in funding. To live with the means of the minimum guarantee, the COLA would need to be reduced to 8.38%—an authority granted to the director of the Department of Finance upon notification to the Legislature.

The estimated withdrawals from the Proposition 98 reserve help to address gaps in Proposition 98 revenues and costs in K-14 programs over the forecast period. In 2023-24, the reserve withdrawal reduces the shortfall and then fully compensates for shortfalls in the outyears across the forecast period.

LAO Recommendations for Education

The LAO makes a suite of recommendations for the Legislature to consider when planning for the upcoming budget. Across all spending, they recommend that the Legislature recoup appropriated but unspent funds, as well as consider reducing expenditures that are demonstrating little impact.

For K-14 education specifically, the LAO recommends reducing the COLA even below the 8.38% level that the minimum guarantee could afford in 2023-24, noting that every 1.00% reduction in the COLA lowers ongoing spending by approximately \$910 million. The LAO also recommends that the Legislature reduce and revise funding for K-12's Expanded Learning Opportunities Program and fund some community college programs that are under capacity based on actual enrollment.

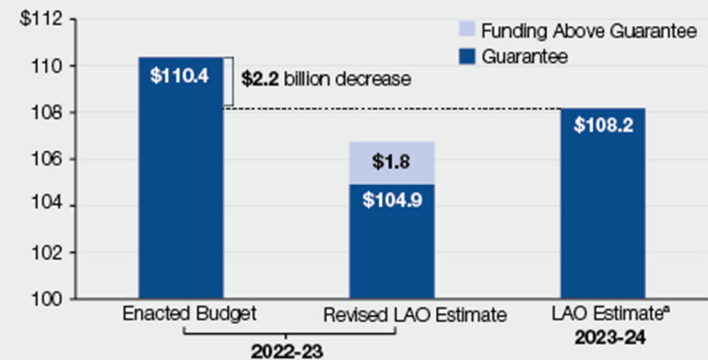
The Road Ahead

In many ways, the LAO's *Fiscal Outlook* report is unsurprising as trends in the economy change. We eagerly await the release of Governor Gavin Newsom's 2023-24 State Budget proposal on or before January 10, 2023, to elucidate his priorities for K-14 education. Even more, we look forward to seeing many, if not all, of you at our [Governor's Budget Workshops](#) in Sacramento and Long Beach.

LAO Fiscal Outlook

Figure 5

Proposition 98 Guarantee in 2023-24 Remains Below Previously Enacted Budget Level (In Billions)

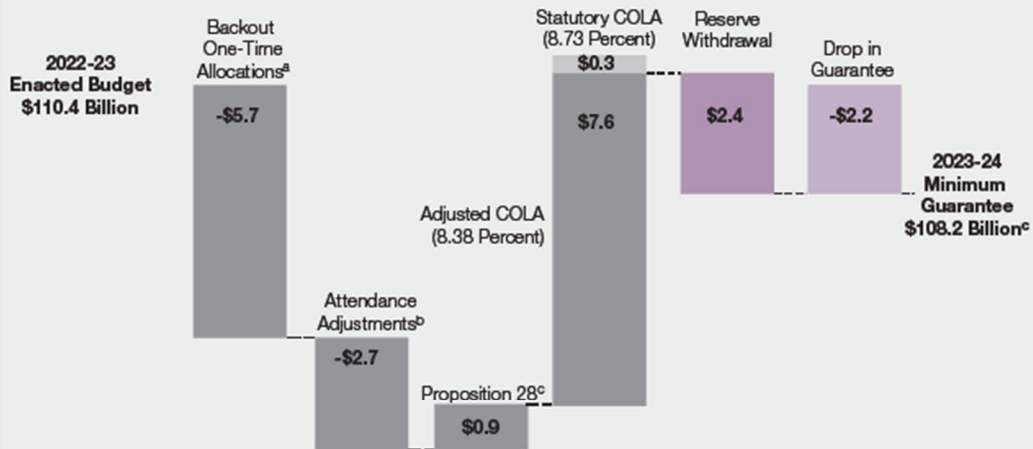


^a Includes adjustment for Proposition 28 (2022).

LAOA

Figure 7

State Could Cover Most of the Statutory COLA in 2023-24 Changes From 2022-23 Enacted Budget (In Billions)



^a Consists primarily of the reserve deposit amount estimated in June and the portions of the K-12 Learning Recovery Emergency Block Grant, K-12 community schools grant, and community college maintenance and equipment funds attributed to 2022-23.

^b Consists primarily of lower costs for the Local Control Funding Formula resulting from the phaseout of pre-pandemic attendance funding. Also reflects several smaller adjustments for other programs.

^c Proposition 28 (2022) establishes a program funding arts education in schools. As required by the measure, the estimate of the guarantee in 2023-24 includes a \$941 million increase to offset the cost of the program.

COLA = cost-of-living adjustment.

LAOA

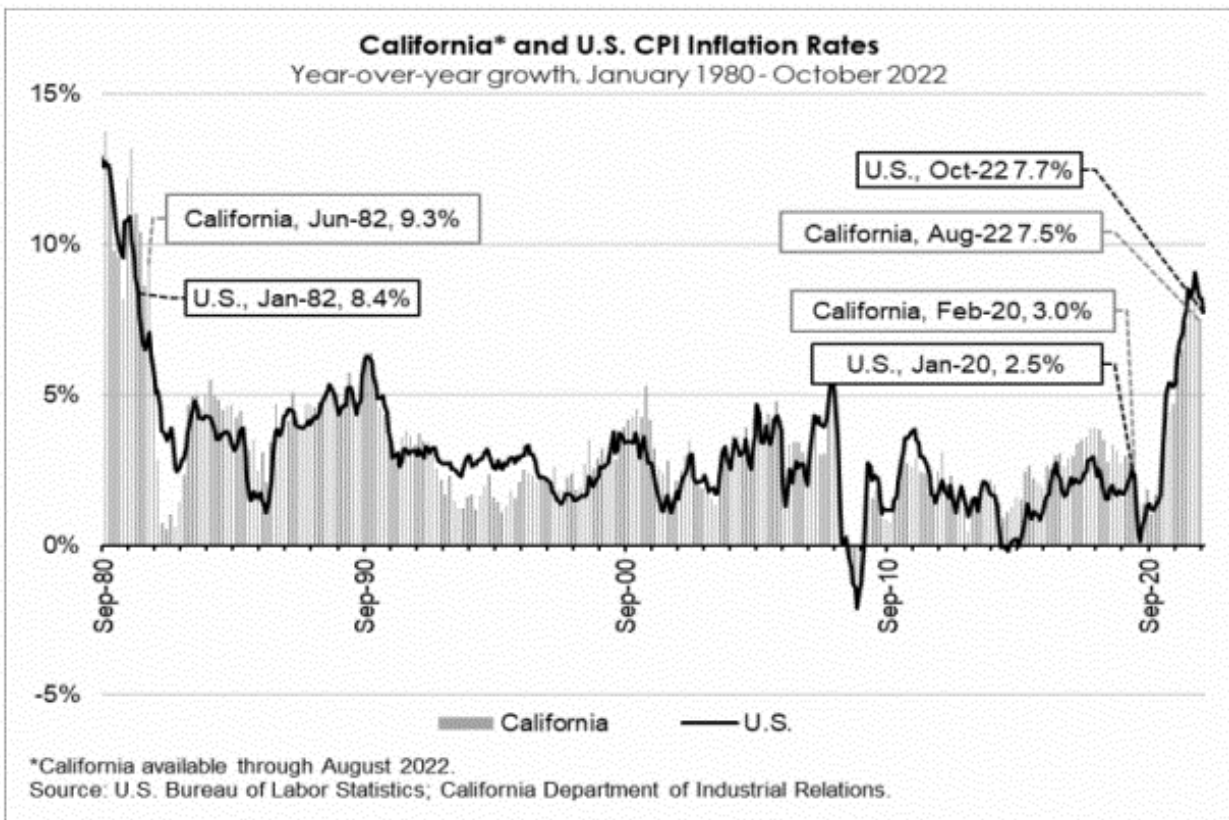
Source: Legislative Analyst's Office 2023

Inflation Decelerates While Downsides Continue

By: Anjanette Pelletier and Patti F. Herrera, EdD

November 23, 2022

According to the latest Department of Finance (DOF) bulletin, the annual headline and core inflation rate in the United States continued to slow with slight declines in the general price levels, particularly in transportation costs, which include gasoline. Deceleration of inflation, or deflation, occurs when prices broadly fall in an economy, and October marks the fourth month of slowing of inflation. Deflation is influenced by supply of goods being higher than demand and can be impacted by the buying power of money. The deceleration of inflationary pressures has been the goal of the Federal Reserve (Fed), which has been raising the federal funds rate to cool the economy. Higher borrowing rates typically lead to decreased spending and can incentivize people to save, which reduces the amount of money in circulation, and should lead to lower inflation. U.S. headline inflation, which had reached a peak of 9.1% in July of 2022, decreased to 7.7%, while core inflation, which excludes costs of food and energy, declined to 6.3%. As campaigns for the elections were hitting their fever pitch, transportation inflation declined to 11.2%. The chart below, from the U.S. Bureau of Labor Statistics, shows California's inflation rate keeping pace with overall U.S. rates for the period of 1980 through October of 2022.



Among the downsides of increasing interest rates is the potential impact on unemployment, which is seeing small increases in the U.S. and in California, with rates of 3.7% and 4.0%, respectively, according to the DOF. California continues to make small gains in some sectors, including

education, health, and professional services. However, the October data does not include the large number of technology layoffs that have occurred in November, which will influence upcoming unemployment numbers and the California economy. The slight increases in unemployment across the nation may influence the Fed to continue raising the federal funds rate, as the decelerations currently underway are not sufficient to meet the Fed’s goal for a low and steady inflation of 2.0%.

With respect to the state’s General Fund condition, following on the heels of below estimated receipts in September (see “[September Revenue Collections Down](#)” in the October 2022 *Fiscal Report*), California’s cash receipts for the month of October were well above the forecast for a variety of reasons. Personal income tax (PIT) refunds were lower than anticipated, which is likely related to a recent law allowing qualified taxpayers to claim pass-through entity (PTE) tax credits, resulting from corporation tax payments, as part of their PIT filings. This resulted in substantial PIT revenue differences for October over the 2022 Budget Act forecast. The DOF projects that much of the large gain may be due to a timing issue, as the PTE credits can be used in future tax years.

October’s “Big Three” revenue performance improves the state’s General Fund condition, which, according to the DOF bulletin, is a change from the first three months of the fiscal year. This may prove temporary, however, as the DOF notes that the PTE credit may reduce PIT revenues—the state’s single largest source of revenue—in the months to come.

California 2022-23 “Big Three” Taxes (Year-to-Date)
In millions

	2022 Budget Act	Actual	Difference
Personal Income Tax	\$30,292	\$33,012	\$2,720
Sales and Use Tax	\$10,827	\$9,914	-\$913
Corporation Tax	\$3,997	\$4,299	\$302

Proposition 28 Estimates for LEAs

By: Kyle Hyland and Dave Heckler

November 16, 2022

By a 26-point margin in last week's 2022 Midterm Election (63%-37%), voters approved [Proposition 28](#), which will provide K-12 public schools (including charter schools) an annual allocation for arts and music programs beginning with the 2023-24 fiscal year.

The funding will come from the General Fund side of the State Budget and will not come out of the Proposition 98 minimum guarantee. The annual funding for this measure is equal to 1% of the Proposition 98 funding that K-12 schools received in the prior fiscal year, which for 2022-23 is about \$95.5 billion. This means there will nearly \$1 billion available for the measure for the 2023-24 fiscal year.

The funding will be allocated directly to local educational agencies (LEAs), with 70% of the share based on 2022-23 LEA enrollment while the remaining 30% will go to LEAs based on their share of low-income students, defined as students who qualify for the National School Lunch Program. LEAs will then have to distribute those funds to their school sites based on the specified 70/30 split. LEAs are required to certify that at least 80% of the funding goes to hire staff for arts and music instruction; however, LEAs with less than 500 students are exempt from this requirement. Additionally, the California Department of Education is permitted to provide a waiver from the 80% staffing requirement to school sites upon written request from the principal. LEAs are also allowed to set aside 1% of their funding for administrative purposes.

The initiative empowers principals (or the program director of a preschool) to determine how to expand a site's arts programs, including combining funds with other schools to develop joint programs and shared staff. The principal or program director must develop a plan for spending the funding they receive. Additionally, LEAs are required to annually submit a report that details the types of art programs funded, program staff (the number of full-time equivalent teachers, classified personnel, and teaching aides), the number of students served, and the number of school sites providing art education programs using the initiative's funds.

While we have provided specific programmatic details of the measure in previous *Fiscal Report* articles (see "[Proposition 28 and the Minimum Guarantee](#)" and "[K-12 Art and Music Education Funding Initiative Qualifies for November Election](#)"), we want to highlight that there is language within the proposition that requires this funding to supplement existing arts and music programs. Specifically, the language requires LEAs to certify that the funds received from the measure are used to supplement funding for arts and music education programs and that any funds received in prior fiscal years are, in fact, used to supplement these art and music programs.

To help LEAs plan for their share of the Proposition 28 funding for the 2023-24 fiscal year, we are providing preliminary estimates of what each LEA will receive broken down by school site. Our estimates show that each LEA will receive \$113.45 per student based on the enrollment metric and \$84.15 per student based on the low-income metric. Keep in mind that these estimates were derived using the latest data available—they will fluctuate as more current information becomes available.

You can find the LEA-specific preliminary estimates for Proposition 28 via the drop-down tool [here](#).

FISCAL REPORT

PUBLIC EDUCATION'S POINT OF REFERENCE FOR MAKING EDUCATED DECISIONS

2021-22 CAASPP Results Released

By: Dave Heckler

October 26, 2022

California students have fallen behind in English language arts and mathematics from previous years. That's according to the latest California Assessment of Student Performance and Progress (CAASPP) testing data released on Monday, October 25, 2022, by the California Department of Education (CDE).

In English language arts, 47% of students tested met or exceeded the proficiency benchmark. This is a modest decline from 2020-21 (although only 25% of students were tested) and a 4% decline from the 2018-19 school year.

Data in mathematics outcomes yielded similar results, with 33% meeting or exceeding proficiency in 2021-22. While flat compared to the prior year, 40% of students met or exceeded the proficiency standards in 2018-19. This represents a decline of more than 6% over the three-year period.

Student performance data for the 2019-20 is not available as the state suspended the summative assessments as a result of the pandemic in March 2020. Recent results show that student performance is at its lowest point since the beginning of the CAASPP testing in the 2015-16 school year.

Percentage of Students Meeting or Exceeding Proficiency		
	English Language Arts	Math
2015-16	48.00%	37.00%
2016-17	48.56%	37.56%
2017-18	49.88%	38.65%
2018-19	51.10%	39.73%
2019-20	Data Not Available	Data Not Available
2020-21*	49.01%	33.76%
2021-22	47.06%	33.38%

*Limited data set

The latest data highlights the impact of two years of disrupted instruction and learning for California's nearly six million students as a result of the COVID-19 pandemic. As efforts to slow transmission rates have improved, the state has placed a strong focus on helping students recover their lost learning opportunities with funding and resources for programs to provide expanded learning opportunities, including additional instructional time and high-dose tutoring initiatives that support impacted students.

The CDE noted in their announcement that the infusion of these resources appears to already be paying off. When the CDE compared the 2021-22 results of the students who had also completed the CAASPP assessments in 2020-21, they found greater than expected achievement gains across most grade levels.

Nationally, California's students showed greater resilience to the learning disruptions compared to their peers in other states via results for the National Assessment of Educational Progress, which was also released on Monday. California's fourth and eighth grade students showed a decline in math scores less than the national average, while reading scores showed little change unlike the rest of the nation.

Fresno Unified School District
Board Communication

BC Number EA-1

From the Office of the Superintendent
To the Members of the Board of Education
Prepared by: Andrew Scherrer, Executive Officer
Cabinet Approval:

Date: December 16, 2022

Phone Number: 457-3896

Regarding: Changes to the California Dashboard for 2022

The purpose of this communication is to provide information to the Board regarding changes to the state accountability California Dashboard for the 2022/23 school year that is scheduled to be released in December 2022.

- Due to the pandemic, data was not reported on the Dashboard for the 2020/21 school year. Therefore, change levels are not available for the 2022/23 Dashboard as there would need to be two years of data (2020/21 and 2021/22) to calculate change.
- The Dashboard will include status levels reflective of performance during the 2021/22 school year for the district, schools, and defined student groups. Status levels will be presented as purple bars indicating "Very Low", "Low", "Medium", "High", or "Very High" for Academic Performance, Chronic Absenteeism, English Learner Progress, High School Graduation Rate, and Suspension Rate. Status levels will be presented at the district, school, and student group level for each applicable indicator.
- The Dashboard will not include the College and Career Readiness indicator for 2022. This indicator is planned to resume in 2023.
- The Dashboard will be the first without any modified methods applied for indicators for Dashboard Alternative School Status (DASS) schools. DASS Schools will be treated the same as all other schools on the Dashboard.
- Based on the Dashboard, district and school differentiated assistance identification will be announced in the next month. More information will be provided as announced by the California Department of Education.

If you have further questions or require additional information, please contact Andrew Scherrer at (559) 457-3842.


Approved by Superintendent
Robert G. Nelson Ed.D.



Date: 12/16/2022

Fresno Unified School District
Board Communication

BC Number ID-1

From the Office of the Superintendent
To the Members of the Board of Education
Prepared by: Dr. Tangee Pinheiro
Cabinet Approval: 

Date: December 16, 2022

Phone Number: 457-3226

Regarding: Speech Language Services

The purpose of this communication is to provide the Board with information related to Speech Language Services provided for students in accordance with their Individualized Education Program (IEP) throughout Fresno Unified. Presently, 5,700 students receive Speech Language Services from 122 Speech Language Pathologists (SLPs). Fresno Unified utilizes a variety of delivery models to meet the needs of students including the use of Speech Language Pathology Assistants (SLPAs) and tele-therapists. Currently we have 53 in-person Speech Language Pathologists, 65 tele-therapists, and 19 SLPAs.

The market for in person therapists drastically changed as the result of the pandemic resulting in an increase of tele-therapy services. The Special Education Department actively recruits SLPs through job fairs, statewide conferences, and outreach to universities with Speech Language programs.

Amongst the regions the service models are broken down as follows:

Region	# of Students with Services	ALPS programs	Autism Programs	Number of Tele	Number of Onsite	Number of SLPA	% of Tele	% of Onsite	% In Person
Bullard	807	5	6	10	9	2	47%	42%	52%
Edison	405	4	3	8	2	1	72%	18%	27%
Fresno	732	3	5	10	6	0	62%	37%	37%
Hoover	943	3	5	9	9	4	40%	40%	59%
McLane	796	4	5	9	7	2	50%	38%	50%
Roosevelt	761	4	4	10	7	3	50%	35%	50%
Sunnyside	830	3	4	0	8	2	47%	42%	52%
TOTAL	5274	26	32	56	48	14			

To best serve our overall community of students, we prioritized in-person services for sites that have Alternative Learning Pathways (ALPs) programs and programs that serve our students with Autism. This was accomplished through a combination of in-person SLPs and SLPAs. Edison and Fresno Regions have fewer ALPS and Autism programs therefore fewer in-person providers. Edison and Fresno regions have fewer programs in comparison to Hoover, McLane, and Bullard. In addition, Edison has a smaller population of students with speech services with four of the sites in that region having 30 students or less receiving speech at their site.


If you have any questions pertaining to the information in this communication, or require additional information, please contact Dr. Tangee Pinheiro at 457-3226.

Approved by Superintendent 
Robert G. Nelson Ed.D.

Date: 12/16/2022

Fresno Unified School District
Board Communication

BC Number ID-2

From the Office of the Superintendent
To the Members of the Board of Education
Prepared by: Dr. Tangee Pinheiro
Cabinet Approval: 

Date: December 16, 2022

Phone Number: 457-3226

Regarding: Site Support for Addicott and Rata

The purpose of this communication is to provide the Board information related to support for staff and parents at Addicott and Rata. Presentations by Alan Shaw, a District school psychologist, provided social and emotional support and crisis responses regarding grieving and self-care at these school sites as follows:

Site Activities at Addicott:

- November 8, 8:30 a.m. to 9:15 a.m.: “Grief and Grieving”
- December 5, 8:30 a.m. to 9:15 a.m.: “Employee Assistance Program: Benefits and Supports”
- December 16, 8:30 a.m. to 9:15 a.m.: “Mindfulness and Self Care”

Additional Site Activities for Parents at Addicott:

- December 2, 9:30 a.m. to 10:30 a.m.:
 - Addicott Parent Engagement and Support formerly known as “Parent Coffee Hour”
 - “Coping, Stress Management, and Resources for Students with Disabilities”
 - “Resources and Support for Parents” (presented by Parent University team)

Site Activities at Rata:

- November 7, 8:00 a.m. to 9:00 a.m.: “Grief and Grieving”
- November 14, 8:00 a.m. to 9:00 a.m.: “Mindfulness and Self Care”
- December 5, 8:00 a.m. to 9:00 a.m.: “Employee Assistance Program: Benefits and Supports”

In addition, the staff and parents at these sites receive in-person support from Mr. Shaw and they may contact him at any time.

If you have any questions pertaining to the information in this communication, or require additional information, please contact Dr. Tangee Pinheiro at 457-3226.

Approved by Superintendent
Robert G. Nelson Ed.D.



Date: 12/16/2022