



# 2012 FORECAST WEBCAST

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# MAJOR PROPOSALS OF GOVERNOR'S BUDGET

- Enrollment growth funded
- COLA not funded (saves \$1.8 billion from 3.17% COLA)
  - School district deficit factor increases to 21.666%
  - County office deficit factor increases to 22.49%
- Transportation Eliminated
- \$1.1 billion loss of former RDA money
- \$373.2 million loss from net effect of rebenching
- Transitional Kindergarten mandate removed
- Creation of a “weighted student formula”
- Mandate Block Grant

# TRANSITIONAL KINDERGARTEN

- SB 1381 from 2010 (Simitian)
- New entrance dates remain
  - 2012-13 school year = Nov. 1
  - 2013-14 school year = Oct. 1
  - 2014-15 school year = Sept. 1
- No mandate to provide TK
- Two-year kindergarten option unchanged

# WEIGHTED STUDENT FORMULA

- No new money
- Reallocates most existing money
  - \$34.4 billion in revenue limit money
  - \$6.96 billion in categorical money
- Base student funding plus adjustments
  - Base amount (1.0)
  - Adjustment for EL student (+.37)
  - Adjustment for Free and Reduced Price Lunch(+.37)
  - Adjustment for High Concentration (+.07)
- Five year phase in (20 percent each year)

# WEIGHTED STUDENT FORMULA

- Based on “Getting Beyond the Facts” (Bersin/Kirst/Liu)  
[http://www.hewlett.org/uploads/files/KirstLiuBersin\\_GettingBeyondtheFacts.pdf](http://www.hewlett.org/uploads/files/KirstLiuBersin_GettingBeyondtheFacts.pdf)
- Base student funding plus adjustments
  - Base amount (1.0)
  - Adjustment for EL student (+.37)
  - Adjustment for Free and Reduced Price Lunch (FRPL)/(+.37)
  - Adjustment for high concentration (HC)/(+.07)
  - Example 1: (Base amount/DOF estimate of 2012/13 Unified RL): \$5096
  - Example 2: (Base plus EL):  $\$5096 + \$1885.52 = \$6981.52$
  - Example 3: (Base plus EL & FRPL):  $\$5096 + \$1885.52 + \$1885.52 = \$8867.04$
  - Example 4: (Base plus EL & FRPL & HC):  $\$5096 + \$1885.52 + \$1885.52 + \$356.72 = \$9223.76$

NOTE: Example 4 shows an 81% bump above Example 1

# WEIGHTED STUDENT FORMULA

- How is the WSF funded?
  - Existing RL money (\$34.4 billion)
  - Existing Tier 3 and Most Tier 2/no transportation (\$6.96 billion)
- WSF Would NOT include:

Special Education

Charter School Facilities

County Office Rev Limits

QEIA

Student Assessment

County Office FCMAT

Child Development

Community Day School

County Office Williams

Child Nutrition

K-12 Internet

Indian Education

After School Programs

# WEIGHTED STUDENT FORMULA

- **WSF WOULD include:**

K-3 CSR	Charter Schools EIA	Ed Tech	Adv Placement
Economic Impact Aid	Apprenticeship Progs	Staff Development	Student Leadership
Adult Education	7-12 Counseling	National Board Cert	Pupil Retention Grant
ROC/Ps	Foster Youth	CA School Age Families Ed.	Teacher Cred Grant
Summer School	Specialized Secondary Program	CAHSEE	School Safety Grant
Instructional Materials	GATE	Civic Education	PE Block Grant
Targeted Instr. Imp. TIIG	Math/English PD	Teacher Dismissal	Arts/Music Grant
School/Library Grants	Principal Training	Community Based English Tutoring	Certificated Staff Mentoring
Deferred Maintenance	Adults in Correctional Facilities	School Safety Block Grant	Oral Health Assessments
PD Blk. Grant	Part. Academies	Ag Vocational Ed	Alternative Cred
Charter Schools Blk. Grant			

# NOVEMBER BALLOT FUNDING PROPOSAL

- Submitted to the Secretary of State – Now at Attorney General for title and summary.
- “Schools and Local Public Safety Protection Act of 2012”
  - Provides Constitutional approval of last year’s sales tax shift
  - Raises tax on incomes above \$250,000
  - Raises sales tax by .5%
  - Revenues sunset in five years (2016)
  - Raises between \$4.8 billion (LAO) and \$6.9 billion (DOF)

# NOVEMBER BALLOT FUNDING PROPOSAL

- If it passes?
  - Only new money to schools in 2012-13 would be \$2.4 billion to buy down a portion of the apportionment deferrals. (\$2.2 billion K-12)
    - Feb. deferral reduced by 50% (\$998,450,000 of \$2 billion)
    - April deferral reduced by 79% (\$531,621,000 of \$672,000,000)
    - May deferral reduced by 62% (\$620,696,000 of \$1 billion)

# NOVEMBER BALLOT FUNDING PROPOSAL

- If it fails?
  - No \$2.4 billion deferral repayment
  - Additional reduction to revenue limits of \$2.4 billion (\$400 per ADA)
  - Put \$2.6 billion in state school bond payments into the guarantee

# MANDATE PROPOSAL

- Repeal 24 mandates
- Suspend another 24 mandates
- Provide \$178 million for a newly created mandate block grant
  - Take the money and agree to comply with the list of suspended mandates

# MANDATES PROPOSED FOR REPEAL

Absentee ballots

Agency Fee Arrangements

Behavioral Intervention Plans

Caregiver Affidavits

Law Enforcement Notifications/Missing Children Reports

Notification of Teachers (Student Suspension/Expulsion/Discipline)

County Treasury Withdrawals

Financial and Compliance Audits

Graduation Requirements (second science course)

Grand Jury Proceedings

Habitual Truants

Health Benefits for Survivors of Peace/Fire

Law Enforcement Sexual Harassment Training

Mandate Reimbursement Process

Notification of Truancy

PE Reports Physical Performance Testing

Physical Performance Testing

Pupil Residency Verification

Pupil Suspensions, Expulsions, Expulsion Appeals

Removal of Chemicals

School Bus Safety I and II

Scoliosis Screening

Student Records

Threats Against Peace Officers

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# MANDATES PROPOSED FOR SUSPENSION

AIDS Instruction/AIDS Prevention Instruction

CalSTRS Service Credit

CA High School Exit Exam

Charter Schools I, II, and III

Collective Bargaining

Comprehensive School Safety Plans

Annual Parent Notification/School Discipline Rules/ Alt. Schools

County Office of Education Fiscal Accountability Reporting

Criminal Background Checks I and II

Differential Pay and Reemployment

Immunization Records

Immunization Records – Hepatitis B

Intradistrict Attendance

Juvenile Court Notices II

Open Meetings/Brown Act

Prevailing Wage

Pupil Health Screening

Pupil Promotion and Retention

Pupil Safety Notices

School Accountability Report Cards I and II

School District Fiscal Accountability Reporting

School District Reorganization

Stull Act

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## **Prevailing Wage**

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School District Reorganization

## **Stull Act**

# WRAP UP - FINAL COMMENTS

Pluses and Minuses

# PLUSES

- Proposal to create a weighted student formula
- Philosophy of more local control
  - Weighted Student Formula
  - Mandates

# MINUSES

- Loss of transportation funding
- No hold harmless in weighted student formula
- 20% categorical “haircut” lost in the details
- Loss of RDA money
- How long will commitment to mandates remain?
- Temporary revenue for permanent shift
- Proposal to put \$2.6 billion in bond payments into guarantee/additional cut to revenue limits
- Where to aim????

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THANK YOU!