

COVID-19 Crisis Impact on PUSD Budget

April 29, 2020

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COVID 19 Funding Relief

COVID 19 RELIEF FUNDS

- SB117 \$267,885
- FEMA-Have applied and awaiting assignment of case manager
Currently have over \$3660K in expenses and growing
- CARE (Education Stabilization)
 - 18002-Governor's Emergency Education Relief (GEER)
 - Competitive
 - 18003-Elementary & Secondary Emergency Relief Fund (ESSER)
 - Estimated \$4.6 mil
- Title I Carry-over flexibility
- Title IV Flexibility with technology limits

Approved Uses of Additional Funding Sources

- Distance learning systems
- PD to support distance learning
- Health/Safety/Supplies
- Access and support student groups facing barriers

Budget Requirements

- 2020-21 District budget still required to be adopted by June 30, 2020
- Will be based on estimates from the Governor's May Revision
- State will likely not finalize their budget until August
 - State and Federal income tax filings and payments extended until July 15, 2020
- District may need to revise budget once the State budget is signed

Revised LCAP Requirements

- Governor's Executive Order N-56-20
 - Extended the deadline for adoption of the 2020-21 LCAP to December 15, 2020
 - Waived Ed Code section 52064.5(e)(2) regarding public review and adoption of the local indicators in conjunction with the adoption of the LCAP
 - Reporting requirements of the Dashboard, including local indicators, has not been waived

Revised LCAP Requirements

- Included in the Budget Adoption will be a written report explaining programmatic changes due to distance learning to include
 - Major impact on students and families
 - How district is meeting the needs of unduplicated students
 - CDE will create the form to use for the report
- The template, metrics, stakeholder process and annual update to be used for the 2020-21 LCAP has not yet been determined
 - Will be detailed in future legislation
- [LCAP Executive Order -Frequently Asked Questions](#)

State Reserves

- State Fund for Economic Uncertainty
 - Near zero
 - Transferred \$1.3 Billion from reserve to respond to COVID 19 expenditures
 - Will likely be reimbursed by Federal Government
- State Budget Stabilization Act (BSA) better known as the state's "Rainy Day Fund" Split into two pots
 - BSA
 - Set aside of 1.5% of general fund revenues and a portion of excess capital gains
 - Safety Net Reserve (2018-19)
 - California Work Opportunity
 - Responsibility to kids & Medi-Cal

State Reserves

- BSA currently has 16.5 Billion
 - Expected to reduce by approximately \$2 billion due to capital gain losses
 - Leaving \$14.5 billion available for budget shortfall
 - Hearing they want to use it over three years for anticipated budget shortfalls
 - Leaves \$4.8 billion per year
 - Schools account for 40% of budget which means we may be eligible for about \$1.92 billion over the next three years from this fund
- Safety Net Reserve
 - Currently has \$900million, expected to go to job creation and healthcare and social programs for children

State Reserves

- District Specific “Rainy Day Fund” approved with Proposition 2
 - First deposit made with 2019-20 budget
 - Only \$377 million currently in the fund

District's 2020-21 Budget

- COLA was finalized today at 2.31%
 - Governor's January Budget Proposal included at 2.29% COLA
 - Unlikely to get COLA above 2% if any COLA at all
 - Unless they use reserves to fund it
- We are hearing that this will be much worse than 2008 budget reductions
- Are depending on flexibility to help alleviate reductions as we did during the great recession

Questions/Comments

