



MT. DIABLO

UNIFIED SCHOOL DISTRICT

Budget Update

January 22, 2025 Board Meeting

Adrian Vargas, Chief Business Officer

Agenda

2025-26 Governor's Budget Proposal Highlights

2024-25 Second Interim Considerations



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2025-26 Governor's Budget Proposal

COLA change impacts:

- 2.93% to 2.43% in 2025-26
- 3.08% to 3.52% in 2026-27

New funding – ongoing or one time

- \$1.8B one time Student Support & Professional Development Block Grant
- Educator Investments
- Literacy Investments

Ongoing funding changes

- Increase to ELOP by \$435 million
- \$1.5B for TK ratio requirement of 10:1 in 25-2
- Restore \$378.6M for the Learning Recovery Block Grant



2025-26 School District and Charter School LCFF

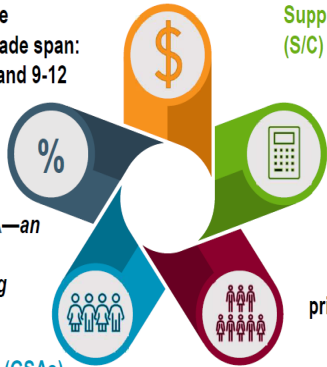
Base grants are provided by grade span: TK-3, 4-6, 7-8, and 9-12

Supplemental and concentration (S/C) grants calculated based on the unduplicated pupil percentage (UPP)

LCFF base grants are increased by the 2.43% estimated statutory COLA—an increase in funding per student, *NOT* total funding

UPP—LEA's enrolled students who are English learners, free or reduced-price meal program eligible, or foster youth

Two **grade span adjustments (GSAs)** are applied as percentage increases to the base grants: TK-3—10.4% and 9-12—2.6%



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Categorical Programs Receiving COLA

The Governor's Budget includes \$204 million to fund the 2.43% estimated statutory COLA for the Equity Multiplier and the following categorical programs:



¹Receives the 2024-25 statutory COLA of 1.07%

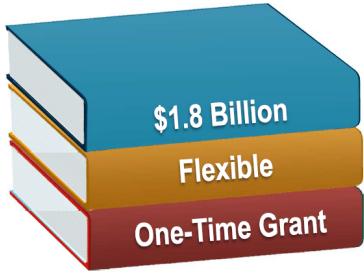
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Student Support and Professional Development Discretionary Block Grant



- LEAs may use to address rising costs, although state priorities are highlighted
- Professional Development for teachers on the English Language Arts and English Language Development Framework, Literacy Roadmap, and Mathematics Framework
- Teacher recruitment and retention efforts
- Career pathways and dual enrollment
- The allocation methodology is not yet specified

Educator Investments

- In recognition of the pervasive staffing shortages, the Governor's Budget emphasizes removing barriers to the teaching profession and supporting current educators through professional training with one-time Proposition 98 investments:

Teacher Recruitment Incentive Grant Program

\$150 million:

- Creates a new Teacher Recruitment Incentive Grant Program which provides financial assistance for teacher candidates



Board Certification

\$100 million:

- Extends the timeline for the National Board Certification Incentive Program for teachers that support and mentor other instructional staff in high poverty schools

Literacy Investments—Proposition 98 One-Time Funding

Literacy Screening

- \$40 million one-time
- Supports purchase of screening materials and training for educators who administer screenings

TK-12 Literacy and Mathematics Coaches

- \$500 million one-time
- Expands Literacy Coaches Program and include mathematics coaches
- Prioritizes high-poverty schools

Literacy Network

- \$5 million annually through 2029-30
- Create a statewide network to provide resources to LEAs, highlight high-performing districts and best practices and provide support



Expanded Learning Opportunities Program

	2021-22	Current Law	Governor's Budget Proposal
Total Funding	\$1.0 billion ongoing plus \$754 million one-time	\$4.0 billion ongoing	\$4.4 billion ongoing
Requirement to offer the program and provide access for grades TK-6	Must offer the program to all unduplicated students and provide access to at least 50% of unduplicated students	<ul style="list-style-type: none"> • UPP \geq 75% must offer and provide access to <u>all</u> students • UPP < 75% must offer and provide access to all <u>unduplicated</u> students 	<ul style="list-style-type: none"> • UPP \geq 55% must offer and provide access to <u>all</u> students • UPP < 55% must offer and provide access to all <u>unduplicated</u> students
Per-Pupil Amount	UPP \geq 80%: \$1,170.00 UPP < 80%: \$672.19	UPP \geq 75%: \$2,750.00 in 2024-25 UPP < 75%: \$1,579.55 ¹ in 2024-25	UPP \geq 55%: \$2,750.00 in 2025-26 UPP < 55%: TBD in 2025-26

¹Subject to change at the First Principal and Second Principal Apportionments (P-1 and P-2)



Universal Transitional Kindergarten—Full Implementation

UTK Requirements for 2025-26 and beyond



Offer TK to four-year-olds whose fourth birthday occurs by September 1; inclusive

Certification Requirements

Credentialed teachers who are first assigned to a TK classroom after July 1, 2015, must have one of the following by August 1, 2025:

- At least 24 units in early childhood education (ECE), child development, or both
- A child development teacher permit or an ECE specialist credential
- Met specified criteria of professional experience with preschool children set by LEA governing board

Class Size and Classroom Ratios

- Average class size per school site: 24 students
- Class size ratio per TK classroom: 10:1
- In 2024-25, the average class size ratio per school site is 12:1, not including early enrollment TK

Failure to comply with requirements carry fiscal penalties




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Universal Transitional Kindergarten—Proposals

Current Law		Governor's Budget Proposal
In 2025-26, TK will be available to four-year-olds whose fourth birthday occurs by September 1 of the school year		Includes a total of \$2.4 billion ongoing (inclusive of prior years' investments) for full implementation of universal TK in 2025-26, including funds for the final eligibility expansion of the birthdate to September 1
Includes an intent to fund the 10:1 student-to-adult ratio that is required starting in 2025-26		Provides a total of \$1.5 billion ongoing for the ratio requirement
TK students are exempt from taking the English Language Proficiency Assessments for California		Invests \$10 million one-time Proposition 98 funding for the state to provide a new English language screener for TK students

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Risks to Proposition 98 and the Education Budget

Certifying the Proposition 98 Minimum Guarantee

- The 2024-25 Enacted Budget included a negotiated agreement impacting the final certification of the Proposition 98 minimum guarantee

IRS and California extend 2024 tax filing deadline for Los Angeles County

Final certification of the minimum guarantee is deferred when the personal income and corporation tax filing deadline is extended by the IRS in counties that collectively contributed more than 50% of those revenues in the prior year

POPULATION

The population of Los Angeles County makes up 25% of total state population and exceeds the nation's most populous city—New York City—at 9.8 million residents

FORTUNE 500 COMPANIES

Los Angeles County is home to 14 Fortune 500 companies, including the Walt Disney Company, Dole Food Company, and AECOM Technologies



2024-25 Second Interim Considerations

- Include Audit Adjustments & Findings
 - \$13.6M 2021-22 LCFF Payable reversal
 - \$1.06M Expanded Learning Opportunity Program finding for not offering transportation
 - \$25K for other findings
- Evaluate attendance data trends
 - P-1 attendance report filed January 2025
 - Include final CALPADS certification information
 - Unduplicated Pupil Count
- Multiyear projections
 - 2.43% COLA in 2025-26; 3.52% COLA in 2026-27
 - Update attendance assumptions
 - Include 4th year, becomes 3rd year of 2025-26 Budget



Thank You



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