



**Public Hearing and Action  
on Resolution No. 2708:  
State Categorical Program Flexibility  
(Tier III) Transfer and 2012-13 Budget Update**

**Board Item #11.2**

**Board of Education**

**June 14, 2012**



## Overview

- Flexibility provided in 2009 package of bills
- Assembly Bill (AB) 189
- Tier I, II, III Flexibility
- Discussion of Tier III Programs
- 2012-13 Budget Update



## State Flexibility

- Governor Schwarzenegger signed bills granting district flexibility in a variety of previously restricted funding sources
- Many programs were reduced
- Most districts utilized flexibility to offset declining state revenue limit funding/increased expenditures



## Assembly Bill 189

- AB 189 requires Public Hearing
  - Separate from Adopted Budget
  - Discuss and approve proposed use of funding
  - Identification of closed programs
  - Potential loss of all Tier III funding if not followed



## Tier I and Tier II

- Tier I programs have no flexibility and no revenue reductions
  - Child Development and K-3 Class Size Reduction
  - Same funding as 2008-09
- Tier II programs have no flexibility but received a 20% revenue reduction
  - Foster Youth and Partnership Academies
  - 2008-09 funding less 20%



## Tier III

- Tier III programs have flexibility **and** received a 20% revenue reduction
  - Attachment 2 of the agenda item outlines 26 State Categorical Tier III programs
    - Historical look at impact
    - Funds used to offset budget deficit
  - 2008-09 funding less 20%



## Tier III 2012-13 Closed Programs

- Adult Education
  - Reduced in 2010-11, 2011-12 and Tier III funding eliminated in 2012-13
  - Fremont
    - Close program including concurrent classes
    - Close all ESL classes offered at school sites
  - C.A. Jones Business/Education Center
    - Continue Career and Technical Education classes
    - Three additional ESL classes
    - One additional Adult Basic Ed/GED class
    - Close culinary and diesel classes – no enrollment



## Tier III 2012-13 Closed Programs (cont'd)

- McClaskey
  - Continue Developmentally Disabled Education
    - Agreement with ALTA California to provide funding for Adults with Disabilities
  - Continue Parent Participation Preschools – increase fees
  - Continue Parent Education at school sites – site paid
- Phoenix Park
  - Continue Parent Education and ESL classes
- Greenfair
  - Continue ESL/Citizenship classes





## Tier III 2012-13 Closed Programs (cont'd)

- Arts and Music Grant
  - Elimination of middle school supplemental music teachers
    - Researching alternative funding to support this program
- School Library Improvement Block Grant
  - Elimination of middle school librarians and literacy support at K-8 schools
    - Researching alternative funding to support this program
- Supplemental School Counseling
  - Reduction of middle and high school counselors
    - 10.6 FTE supported by central Title I funds
    - Continuing to review other categorical funds



## Tier III Closed Programs prior to 2012-13

- Cal Safe Academic Support
- California High School Exit Exam
- Certificated Staff Mentoring
- Child Oral Health Assessment
- Class Size Reduction 9<sup>th</sup> Grade
- Community-Based English Tutoring
- Deferred Maintenance
- PE Teacher Incentive Grant



## Tier III Closed Programs prior to 2012-13 (cont'd)

- Peer Assistance and Review
- Pupil Retention Block Grant
- Staff Development – Administrator Training
- Staff Development – Math and Reading
- Teacher Credentialing Block Grant



## Use of Funds

- Funds from closed or reduced Tier III funds are allocated to the unrestricted general fund to offset revenue reductions and expenditure increases
- Dedicated to instruction and instruction-related services



## Tier III Programs in Place for 2012-13

- Cal Safe Childcare Services
- Community Day School
- Gifted and Talented Education
- Instructional Materials Block Grant
- International Baccalaureate
- Professional Development Block Grant
- Regional Occupational Program
- School Safety Competitive Grant
- Targeted Instructional Improvement Block Grant



## 2012-13 Budget Update

- June 15 Budget from State
  - Too late for Adopted Budget
- Adopted Budget will include:
  - Reductions approved on February 2, 2012
  - \$15 million in potential reductions if Governor's Tax Initiative does not pass
  - Closure of Freeport Elementary School
  - Partial reinstatement of co-curricular activities



## 2012-13 Budget Update (cont'd)

- Co-Curricular Activities
  - Stipends
    - \$80,000 each for six comprehensive high schools
    - \$16,000 each for nine middle schools
    - \$5,000 each for five K-8 schools
  - Transportation
    - \$19,500 each for six comprehensive high schools
  - Uniform Replacement
    - \$15,000 each for six comprehensive high schools
  - Activities Director
    - \$25,000 per diem pay
  - Athletic Trainer
    - \$123,000 total for six comprehensive high schools



## 2012-13 Budget Update (cont'd)

- Transportation
  - Safety concerns such as railroad crossing
  - Dependent on student placement
    - Program Improvement Choice
    - Special Education Programs
    - Concapping
  - Work continuing over the summer





## Next Steps

- 2012-13 Budget Adoption on June 21, 2012
- State Budget – June 15?
- Analyze Final State Budget
- Provide impact, if any, on Adopted Budget