



# SACRAMENTO CITY UNIFIED SCHOOL DISTRICT BOARD OF EDUCATION

Agenda Item 5.1

**Meeting Date:** June 30, 2021

**Subject:** Approve Resolution No. 3212: Resolution on Use and Expectations of One-Time Funds for Personnel Costs to Address the COVID-19 Pandemic and Post Pandemic Needs

- Information Item Only
- Approval on Consent Agenda
- Conference (for discussion only)
- Conference/First Reading (Action Anticipated: \_\_\_\_\_)
- Conference/Action
- Action
- Public Hearing

**Division:** Board Office

**Recommendation:** Approve resolution committing use of a portion of one-time funds for hiring additional personnel to perform services for the benefit of students to address the District's COVID-19 pandemic and immediate post-pandemic needs.

**Background/Rationale:** State and federal governments provided a significant amount of one-time funds to school districts, to assist in managing the on-going COVID-19 pandemic and the associated physical, social emotional, and academic learning recovery. Despite the influx of one-time funding from the state and federal governments, the District continues to face a significant structural budget deficit in the unrestricted General Fund. While the Governing Board remains committed to addressing learning disruption and the social and emotional impacts on students caused by the COVID-19 pandemic, it is also committed to maintaining fiscal solvency and working to address the District's structural deficit as acted upon in Resolution 3180 and Board Policy 3100. Through this resolution, the Governing Board will approve the Superintendent hiring additional staff assignments to support the academic, social, and emotional needs of District students in the 2021-2022, 2022-2023, and 2023-2024 school years using a portion of these one-time funds recognizing that these funds will not exist in future years and therefore the district may not be able to maintain the positions without additional revenue or further budget cuts.

The proposed resolution was presented and discussed with the Board at the June 24, 2021 meeting. Board Member comments and directives have been added to this revised version of the resolution.

**Financial Considerations:** The proposed resolution would commit to using a portion of one-time funds from state and federal governments for additional personnel to address the COVID-19 pandemic and post-pandemic needs

**LCAP Goal(s):** College, Career and Life Ready Graduates; Safe, Emotionally Healthy and Engaged Students; Family and Community Empowerment; Operational Excellence

**Documents Attached:**

1. Resolution No. 3212

**Estimated Time of Presentation:** 15 minutes

**Submitted by:** Leticia Garcia, Board Member

**Approved by:** Jorge A. Aguilar, Superintendent

**SACRAMENTO CITY UNIFIED SCHOOL DISTRICT  
BOARD OF EDUCATION**

**RESOLUTION NO. 3212**

**RESOLUTION TO COMMIT FUNDING FOR ADDITIONAL PERSONNEL TO  
ADDRESS THE COVID-19 PANDEMIC AND POST PANDEMIC NEEDS**

**WHEREAS**, on March 4, 2020, Governor Gavin Newsom declared a statewide emergency arising from the COVID-19 Pandemic;

**WHEREAS**, beginning March 16, 2020, the District closed its schools for in-person learning;

**WHEREAS**, on April 13, 2020 the District began a distance learning instructional model to ensure that students would be able to continue their education during the COVID-19 Pandemic;

**WHEREAS**, on August 25, 2020, Governor Gavin Newsom announced a schools reopening framework in response to the COVID-19 Pandemic:

**WHEREAS**, the District commenced the 2020-2021 school year in a distance learning instructional model on September 3, 2020;

**WHEREAS**, in Spring 2021, the District transitioned from distance learning to an in-person and concurrent instructional model, finishing the year in this latter model;

**WHEREAS**, both the State of California and United States have made significant progress in mitigating the spread of COVID-19, but continue to address the risk of COVID-19 and related variants;

**WHEREAS**, on June 15, 2021, Governor Gavin Newsom “reopened” California based on public health indicators easing some of the restrictions that had been in place to mitigate the spread of COVID-19;

**WHEREAS**, the Governing Board of the Sacramento City Unified School District is prepared to guide the District’s efforts to continue reopening our schools in a constantly changing environment with an emphasis on student and employee safety, while endeavoring to provide a high quality educational program;

**WHEREAS**, in response to the pandemic, the state and federal governments provided a historically significant amount of one-time funds to school districts;

**WHEREAS**, the one-time funding has contributed to an estimated \$313 million for the District for the years 2021-2024 to assist in managing the on-going pandemic and the physical, social emotional, and academic learning recovery;

**WHEREAS**, despite the influx of one-time funding from the state and federal governments, the District continues to face a significant structural budget deficit of \$6.7M, \$18M and \$24.9M in the budget and two subsequent years in the unrestricted General Fund;

**WHEREAS**, independent entities expect that deficit to grow in future years if corrective action is not taken, because as noted by the [Sacramento County Office of Education \(“SCOE”\)](#), [Fiscal Crisis and Management Assistance Team \(“FCMAT”\)](#), and the [State Auditor](#), the District continues to spend more than it receives in revenue and its costs continue to grow faster than its revenues;

**WHEREAS**, based on the District’s structural deficit, cash flow insufficiencies, and negative fund balance projections, SCOE disapproved the District’s adopted budget for the 2018-19, 2019-20, and 2020-21 fiscal years;

**WHEREAS**, on February 4, 2021 the District’s Governing Board [adopted Board Resolution 3180](#) recognizing the existence of and significant threat posed by the District’s ongoing structural deficit and resolving that the District must act to reduce the ongoing unrestricted general fund expenditures in order to balance the multi-year budget and meet the state mandated 2% reserve without a structural deficit;

**WHEREAS**, on March 4, 2021, the Governing Board [revised District Board Policy 3100—Reserves and Use of One-Time Funds](#)—to require that, beginning with the 2022-2023 budget or after the District’s deficit is eliminated, the Board establish and maintain a general fund reserve for economic uncertainty established at no less than 5% of total general fund expenditures.

**WHEREAS**, on May 20, 2021, the Governing Board received a detailed [presentation on the District’s annual budget](#) and the impact of the one-time state and federal funds to address the COVID-19 Pandemic and immediate post-Pandemic needs on the District’s budget;

**WHEREAS**, while the one-time federal and state funds provide temporary relief to the District’s prior financial crisis, they do not fully resolve the structural deficit, *one-time* funds cannot be used to sustain ongoing costs to the District such as the salaries and benefits associated with hiring personnel in continuing positions;

**WHEREAS**, the Governing Board remains committed to addressing learning disruption and the social and emotional impacts on our students caused by the COVID-19 pandemic while also maintaining fiscal solvency and working to address our District’s structural deficit;

**NOW, THEREFORE, BE IT RESOLVED AND ORDERED** that the Governing Board hereby declares that it is committed to spending a portion of the above-referenced one-time state and federal funds on hiring additional staff members to perform services for the benefit of students to address the District’s COVID-19 Pandemic and immediate post-Pandemic needs;

**BE IT FURTHER RESOLVED**, the Governing Board recognizes that in using one-time funds to cover the costs of additional positions, the funds will not exist after one, two, or three years due to various factors including the depletion of those one-time funds;

**BE IT FURTHER RESOLVED AND ORDERED** the Governing Board approves the Superintendent hiring additional staff in assignments with corresponding Full Time Equivalent employees or “FTE” which is used to measure full-time work hours using one-time funds;

**BE IT FURTHER RESOLVED AND ORDERED**, that the Governing Board commits a portion of the one-time funds to pay for the additional FTE to support the academic, social, and emotional needs of our students in the 2021-2022, 2022-2023, and 2023-2024 school years;

**BE IT FURTHER RESOLVED**, that the Governing Board recognizes that absent further reductions in expenditures or additional funding to the District, the District will not be able to sustain the cost of the additional positions hired pursuant to this resolution once the restricted funds are depleted and will release and/or lay off positions consistent with all required state timelines for release and/or layoff of certificated and classified employees;

**BE IT FURTHER RESOLVED**, the Governing Board directs the Superintendent or designee to provide updates aligned with budget adoption and interim periodic budget reports to the Board relative to the expenditure of one-time federal and state funds on positions that are added pursuant to this resolution;

**BE IT FURTHER RESOLVED**, that the Governing Board directs the Superintendent or designee to present an action plan to the Board no later than December 2023, as to whether any or all of these positions can continue after the federal and state one-time dollars are expended. The Superintendent or designee shall consider the same priorities as outlined in BP 3180:

- (1) Apply new ongoing state and federal revenues;
- (2) Apply ongoing savings achieved through negotiations; and
- (3) Apply ongoing savings achieved through non-negotiated savings.

If the district proposes to maintain positions beyond the 2023-2024 fiscal year, the action plan shall demonstrate the District can afford the presented positions in the 2024-25 budget year plus two years and, over the same multi-year projection period, ensure that ongoing costs would not result in the District reporting a qualified or negative budget;

**BE IT FURTHER RESOLVED** that the District administration shall include a process to identify these specific additional assignments in the District’s position control system;

**BE IT FURTHER RESOLVED** that if any provision of this resolution is determined to be invalid, for any reason whatsoever, it shall not affect the validity of the remaining portions of the resolution.

**PASSED AND ADOPTED** by the Sacramento City Unified School District Board of Education on this \_\_\_\_ day of \_\_\_\_\_, 2021, by the following vote:

AYES: \_\_\_\_\_  
NOES: \_\_\_\_\_  
ABSTAIN: \_\_\_\_\_  
ABSENT: \_\_\_\_\_

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Christina Pritchett  
President of the Board of Education

ATTESTED TO:

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Jorge A. Aguilar  
Secretary of the Board of Education