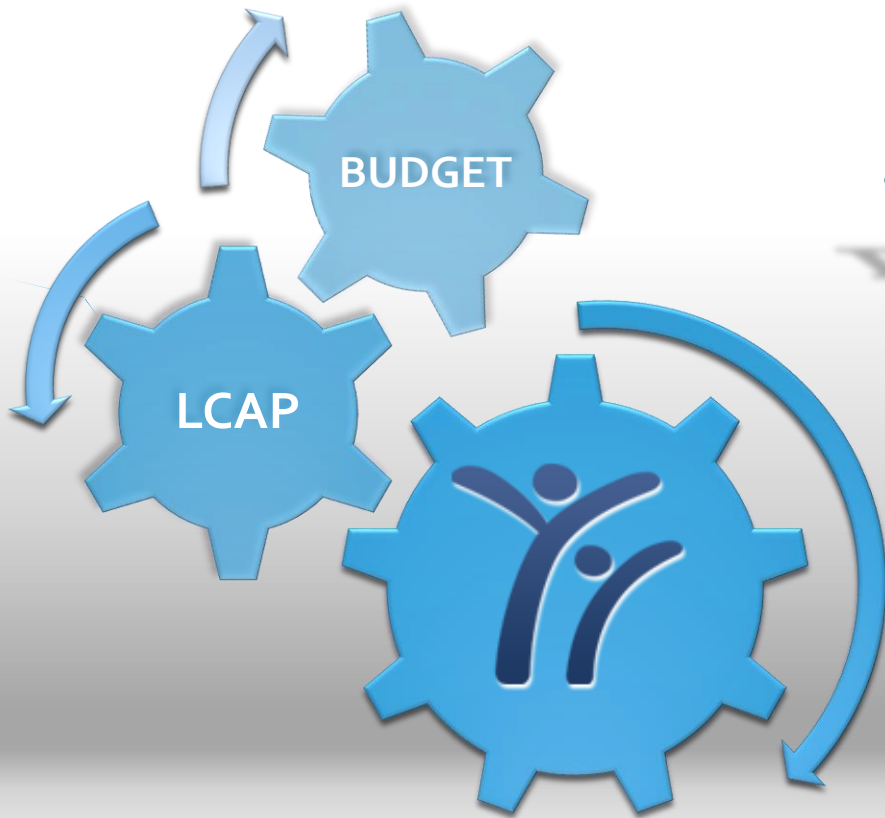


# Irvine Unified School District

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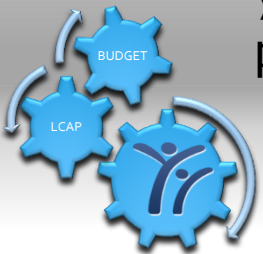
## LCAP/Budget Update for Public Hearing June 14, 2016





# LCAP Overview

- The Local Control Accountability Plan (LCAP) aligns planning and budgeting.
- IUSD has completed an in-depth four phase process to engage stakeholders:
  - Sharing information on LCFF and LCAP
  - Gathering feedback on current LCAP and developing a draft 2016-17 LCAP
  - Gathering feedback on draft 2016-17 LCAP
  - Approving Local Control Accountability Plan
- The LCAP plan focuses on eight areas identified as state priorities and identifies metrics to measure student progress towards each priority. The plan outlines actions and demonstrates how the district's budget will help achieve stated goals. District staff is collecting data from the 2015-16 school-year to identify progress toward meeting the goals of each priority.



# Determining LCAP Actions and Expenditures

As a result of the feedback received the superintendent and cabinet have designed additional actions to support the four District goals. These actions are additional expenditures which will be added to the current three year LCAP reflecting increased funding. Expenditures include an approximate increase of **\$11,200,000** in new ongoing funding and **\$16,000,000** in one-time funds.

## **Based on stakeholder feedback 4 focus areas for the 2016-17 update:**

1. Direct Student Instructional Support/Class Size Reduction
2. Increased School Site Funding/Direct Support
3. California Standards Aligned Materials
4. Equity, Safety and Growth



# LCAP Focus Area 1

## Direct Student Instructional Support and Class Size Reduction:

LCAP Goal	Proposed Action	Ongoing	One-Time	
			16-17	17-18
1C10	Restore art for 1 <sup>st</sup> -3 <sup>rd</sup> grade with “Teaching Artist Program” Pilot.		\$300,000	
3C3	Expanded online learning options.		\$175,000	\$175,000
3D9	Increase support for Career Technical Education (CTE) at secondary schools and add two Regional Occupational Programs (ROP) courses at each high school.		\$192,000	\$272,000
3D10	Reduce class size at secondary schools by adding additional sections to support implementation of intervention and student support programs.		\$480,000	\$480,000



# LCAP Focus Area 1

## Direct Student Instructional Support and Class Size Reduction:

LCAP Goal	Proposed Action	Survey Response		
		Highly Likely	Likely	Not Likely
1C10	Restore art for 1 <sup>st</sup> -3 <sup>rd</sup> grade with “Teaching Artist Program” Pilot.	48.8	35.9	15.3
3C3	Expanded online learning options.	39.0	38.4	22.6
3D9	Increase support for Career Technical Education (CTE) at secondary schools and add two Regional Occupational Programs (ROP) courses at each high school.	50.0	37.1	13.0
3D10	Reduce class size at secondary schools by adding additional sections to support implementation of intervention and student support programs.	60.8	27.4	11.8



# LCAP Focus Area 2

## Increase School Site Funding/Direct Support:

LCAP Goal	Proposed Action	Ongoing	One-Time	
			16-17	17-18
3B7	Large Elementary School Support (Administrative Support, Health Clerk, Campus Control)	\$95,000		
3B8	Site funding for innovative and/or replacement classroom furnishings		\$1,240,000	
2B6	Dedicated on-site technology staff to assist school sites	\$286,000		
2B2	Transition one-time funded technology support positions to ongoing positions	\$305,357		
1D5	Restore second half of VAPA/PE Block Grant funding		\$715,000	\$100,000
2A2	Computer matching program	<\$300,000>	\$300,000	\$300,000



# LCAP Focus Area 2

## Increase School Site Funding/Direct Support:

LCAP Goal	Proposed Action	Survey Response		
		Highly Likely	Likely	Not Likely
3B7	Large Elementary School Support (Administrative Support, Health Clerk, Campus Control)	46.7	37.4	15.8
3B8	Site funding for innovative and/or replacement classroom furnishings	40.8	41.8	17.4
2B6	Dedicated on-site technology staff to assist school sites	43.8	41.7	14.6
2B2	Transition one-time funded technology support positions to ongoing positions	46.8	40.4	12.8
1D5	Restore second half of VAPA/PE Block Grant funding	65.8	26.9	7.3
2A2	Computer Matching Program	NA	NA	NA

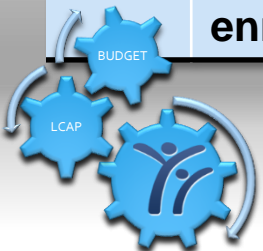




# LCAP Focus Area 3

## California Standards Aligned Materials:

LCAP Goal	Proposed Action	Ongoing	One-Time	
			16-17	17-18
1C12	Fund part-time facilitator teacher coaches at each site to support staff in development of data-based Professional Learning Communities to improve differentiation and classroom instruction.		\$960,000	\$960,000
1D6	Support Special Education students and programs to purchase student curriculum, updated assessment materials, teacher online student goal resources and technology tools.		\$288,000	\$288,000
2D3	Many of IUSD's educational and operational software solutions are priced based on staff and/or student counts. District software costs increase proportionally to growing enrollment. Assumes enrollment/FTE increase of 2.5% per year.	\$36,250		



# LCAP Focus Area 3

## California Standards Aligned Materials:

LCAP Goal	Proposed Action	Survey Response		
		Highly Likely	Likely	Not Likely
1C12	Fund part-time facilitator teacher coaches at each site to support staff in development of data-based Professional Learning Communities to improve differentiation and classroom instruction.	40.0	38.6	21.4
1D6	Support Special Education students and programs to purchase student curriculum, updated assessment materials, teacher online student goal resources and technology tools.	43.3	41.5	15.2
2D3	Many of IUSD's educational and operational software solutions are priced based on staff and/or student counts. District software costs increase proportionally to growing enrollment. Assumes enrollment/FTE increase of 2.5% per year.	51.4	40.6	8.0



# LCAP Focus Area 4

## Equity, Safety and Growth:

LCAP Goal	Proposed Action	Ongoing	One-Time	
			16-17	17-18
3E1	Extend deferred maintenance funds for maintenance of facilities.	\$750,000	<\$750,000>	<\$750,000>
1C13	Hire VAPA instrument repair specialist. Action includes \$15,000 in initial supply funds.		\$80,000	\$65,000
3A14	Expand district emergency radio coverage/infrastructure to new sites.		\$20,000	
3B9	Stipends for increased theater support for district and site events.		\$20,000	\$20,000
1C14	Increase to long-term substitute teacher pay rate.	\$106,000		
3A7	Increase Counselor on Special Assignment (COSA) from .25 FTE to 1 FTE to support district-wide programs.		\$78,000	\$78,000
1C8	Allocation of funds to attract and retain high quality staff.		TBD	TBD



# LCAP Focus Area 4

## Equity, Safety and Growth:

LCAP Goal	Proposed Action	Survey Response		
		Highly Likely	Likely	Not Likely
3E1	Extend deferred maintenance funds for maintenance of facilities.	50.0	41.5	8.5
1C13	Hire VAPA instrument repair specialist. Action includes \$15,000 in initial supply funds.	41.8	35.0	23.2
3A14	Expand district emergency radio coverage/infrastructure to new sites.	38.3	41.4	20.4
3B9	Stipends for increased theater support for district and site events.	42.4	38.0	19.6
1C14	Increase to long-term substitute teacher pay rate.	47.5	37.1	15.4
3A7	Increase Counselor on Special Assignment (COSA) from .25 FTE to 1 FTE to support district-wide programs.	38.1	41.4	20.5
1C8	Allocation of funds to attract and retain high quality staff.	59.0	31.1	9.9



# LCAP Focus Area 4—Continued...

## Equity, Safety and Growth:

LCAP Goal	Proposed Action	Ongoing	One-Time	
			16-17	17-18
1A5	Additional funding to reduce costs new teachers incur for Beginning Teacher Support and Assessment/Induction.		\$45,000	\$45,000
2A4	Funding to address critical needs in the district's central technology infrastructure reducing the risk of technology outages.		\$365,000	
1C5	Fund Assessment Coordinator and Online Learning Coordinator.	\$269,416		
2B1 2B5 2B7 2B8 2B9	Staffing to reflect district growth and needed support in Informational and Educational Technology departments: <ul style="list-style-type: none"> <li>• Move 2.5 FTE educational software and communications support staff from one-time to ongoing funding.</li> <li>• Hire Coordinator II of Instructional Technology.</li> <li>• Additional Network Specialist to support peripheral systems.</li> <li>• Additional Database Specialist III to support sites</li> <li>• Restructuring the educational technology team to include a lead software support position (Database Specialist IV)</li> </ul>	\$496,594		
2B10	Position Control-Funding to redesign software and processes to better align human resources, accounting and payroll processes.			\$120,000

# LCAP Focus Area 4—Continued...

## Equity, Safety and Growth:

LCAP Goal	Proposed Action	Survey Response		
		Highly Likely	Likely	Not Likely
1A5	Additional funding to reduce costs new teachers incur for Beginning Teacher Support and Assessment/Induction.	48.6	38.9	12.6
2A4	Funding to address critical needs in the district's central technology infrastructure reducing the risk of technology outages.	50.7	39.1	10.2
1C5	Fund Assessment Coordinator and Online Learning Coordinator.	28.2	43.2	28.5
2B1 2B5 2B7 2B8 2B9	<b>Staffing to reflect district growth and needed support in Informational and Educational Technology departments:</b> <ul style="list-style-type: none"> <li>• Move 2.5 FTE educational software and communications support staff from one-time to ongoing funding.</li> <li>• Hire Coordinator II of Instructional Technology.</li> <li>• Additional Network Specialist to support peripheral systems.</li> <li>• Additional Database Specialist III to support sites</li> <li>• Restructuring the educational technology team to include a lead software support position (Database Specialist IV)</li> </ul>	38.5	45.5	16.0
2B10	Position Control-Funding to redesign software and processes to better align human resources, accounting and payroll processes.	Results included above		

# LCAP

## Actions ending in June 2016 to receive renewed funding:

LCAP Goal	Proposed Action	2016-17	2017-18
1A2	Professional learning for classified instructional staff.	\$96,000	\$96,000
1B4	Expanded course offerings and student capacity for K-12 summer school.	\$300,000	
1C1	District level Curriculum and Special Education TOSAs.	\$1,691,822	\$1,691,822
2B3	Instructional technology support staff.	\$311,846	\$311,846
2B4	Site technology mentors.	\$272,933	\$272,933
2C5	Tools for technology integration.	\$40,000	\$40,000
3B5	Emergency preparation materials for sites and district.	\$110,000	\$110,000
1C11	Continue to fund Early Childhood Coordinator.	\$130,000	\$130,000



# LCAP

## Actions ending in June 2017 to receive renewed funding:

LCAP Goal	Proposed Action	2016-17	2017-18
3A12	Maintenance/upgrade of security systems (additional funding of \$50,000 for 2016-17).	\$50,000	\$200,000
1C2	Stipends for teacher mentors in curriculum department.		\$148,000
1D3	Funding for curriculum development in math and science		\$750,000
3D6	Stipend for career technical education lead		\$40,000





# LCAP

## Potential New Actions:

Survey Rank	Proposed Action	2016-17	2017-18
1	Using one-time funds, increase school-site per-pupil allocations by 10% for two years	\$290,000	\$290,000
2	VAPA site allocations for secondary schools to support purchase of materials, replacement and upgrades for the fine arts program, \$20,000 per high school, \$10,000 per middle school and \$5,000 per K-8 and Creekside	\$175,000	
3	Increased “technology matching” funds. These funds can be accessed by school sites to purchase technology equipment for staff and students.	\$250,000	\$250,000
4	Purchase math and writing online software targeting at-risk students in general education and special education. (In 2015-16, district focus was on purchasing an online reading software program.)	\$300,000	





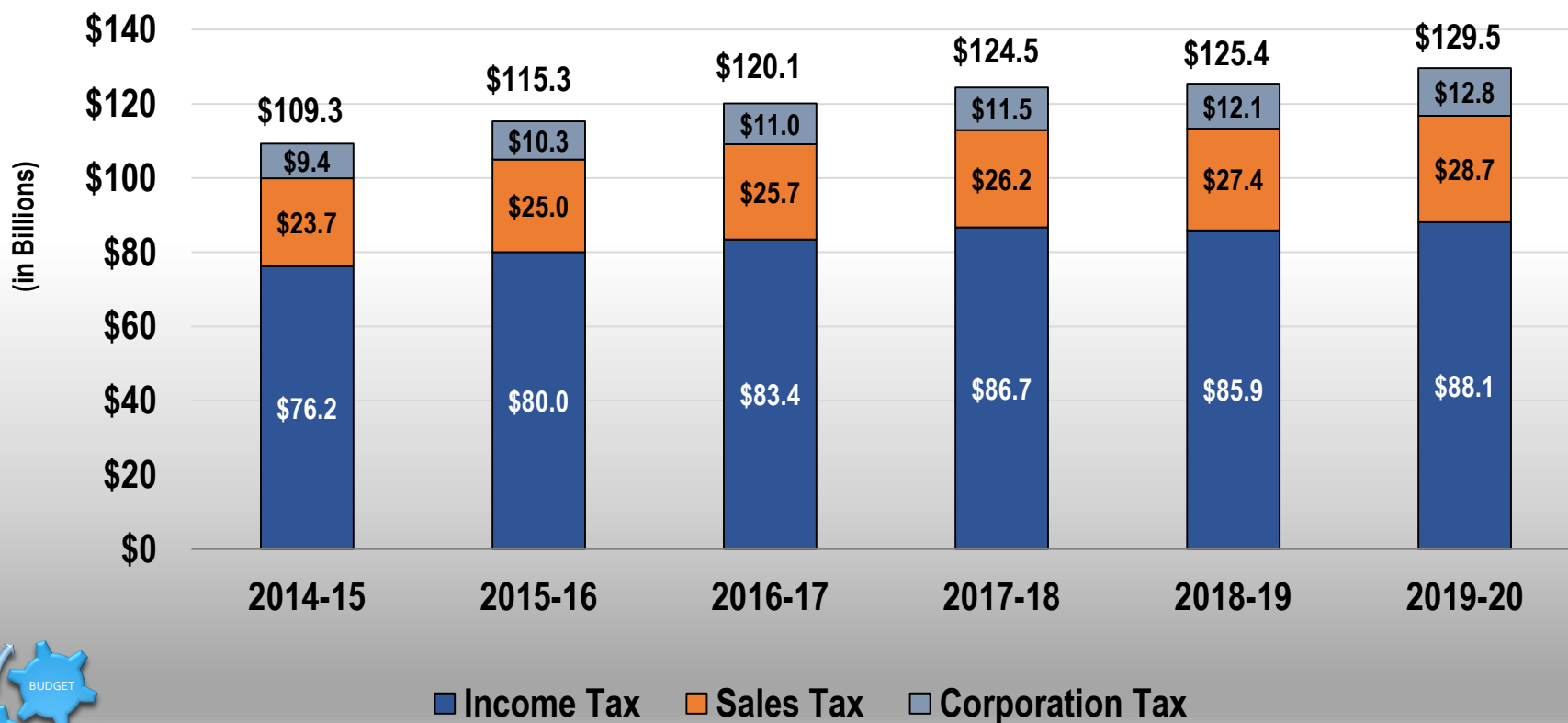
# 2016-17 May Revise Highlights

- While the education budget remains strong for 2016-17, the Governor's May Revise emphasized concerns about an impending economic slowdown
  - Current economic expansion began in 2009 and has already exceeded average postwar expansion by over a year
- The Administration is projecting slow to no growth in income tax and sales tax revenue which account for 90% of State General Fund Revenue
- While projections assume the expiration of Proposition 30, Administration warns that extension may avoid cuts but would not provide new revenues



# Big Three Tax - Forecast

## General Fund Income – Tax Revenues

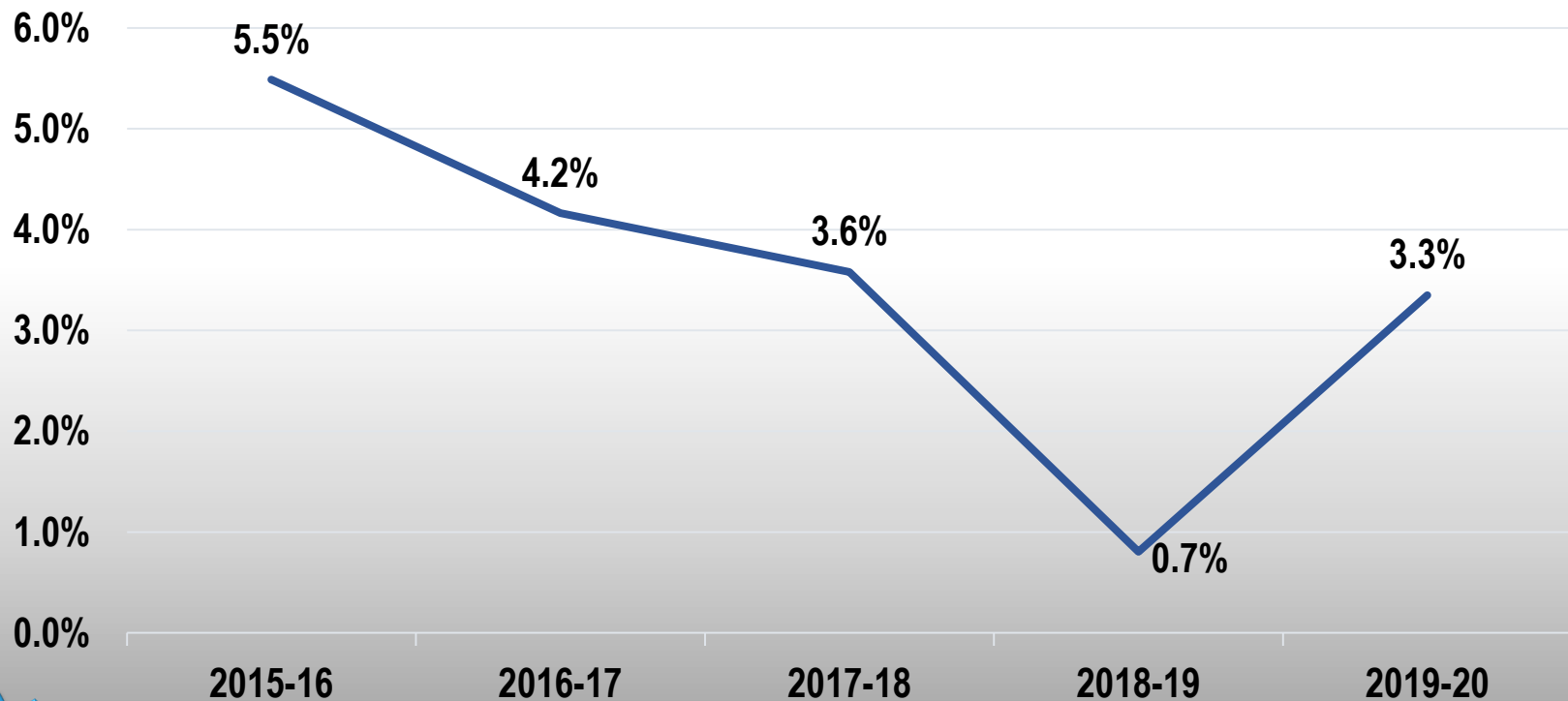


Source: 2016-17 May Revision, pg. 91



# Big Three Tax - Forecast

## Income, Sales, and Corporation Tax Revenue (Percent Change)



Source: 2016-17 May Revision, pg. 91



# 2016-17 K-12 May Revise Highlights

- Governor's priorities remain focused on fully funding the Local Control Funding Formula (LCFF)
- May Revise allocates \$2.9 billion, an increase of approximately \$150 million from the Governor's January Budget proposal, for the continued implementation of the Local Control Funding Formula (LCFF)
  - Sufficient to eliminate approximately 54.8% of the remaining gap in LCFF funding statewide
  - For IUSD represents \$14.8 million in 2015-16 "gap" LCFF funding
  - 95.7% fully funded statewide
- Proposal increases discretionary one-time block grant funding by approximately \$135 million
  - \$237/ADA, for IUSD - \$7.4 million or increase of approximately \$600K from previous estimate
  - Both Assembly and Senate have reduced their proposals to reflect Governor's January proposal



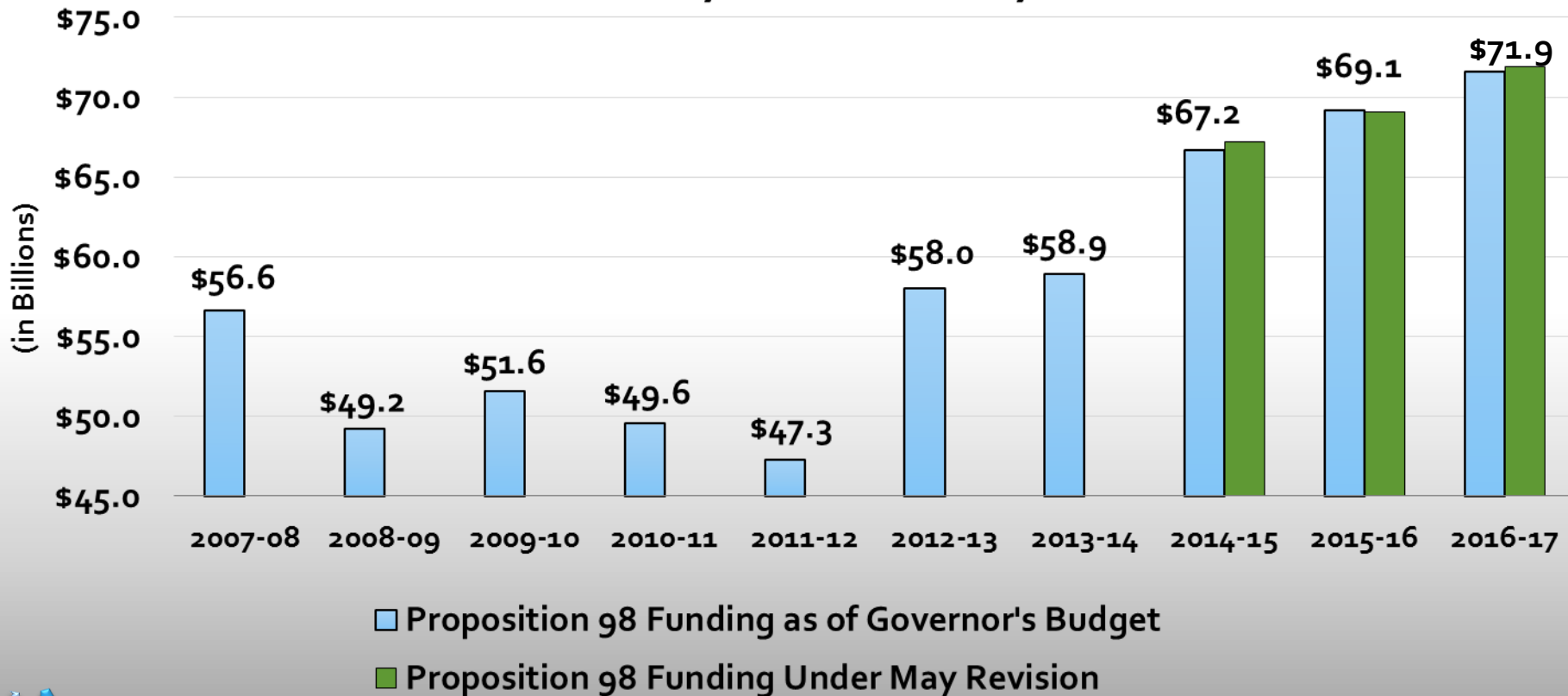
# 2016-17 K-12 May Revise Highlights

- Governor's proposal includes the consolidation of state-subsidized early learning programs into the Early Education Block Grant (EEBG)
  - Highly controversial and likely to be changed
  - Shifts funding from existing programs into a single block grant
  - Modeled after the Local Control Funding Formula with funding targeted to disadvantaged students
  - Transitional Kindergarten targeted for elimination beginning July 1, 2017
  - Both Assembly and Senate proposals reject Governor's proposal
- Proposition 98 has grown since 2011-12 by \$24.6 billion to an estimated \$71.9 billion in 2016
- These gains have largely been driven by the repayment of the Proposition 98 Maintenance Factor that had been created during the Great Recession
- Once Maintenance Factor fully restored Proposition 98 will slow considerably



# Proposition 98

## Proposition 98 Funding 2007-08 to 2016-17





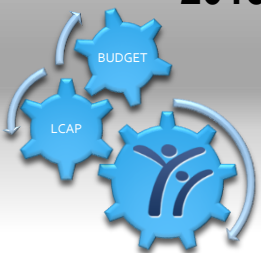
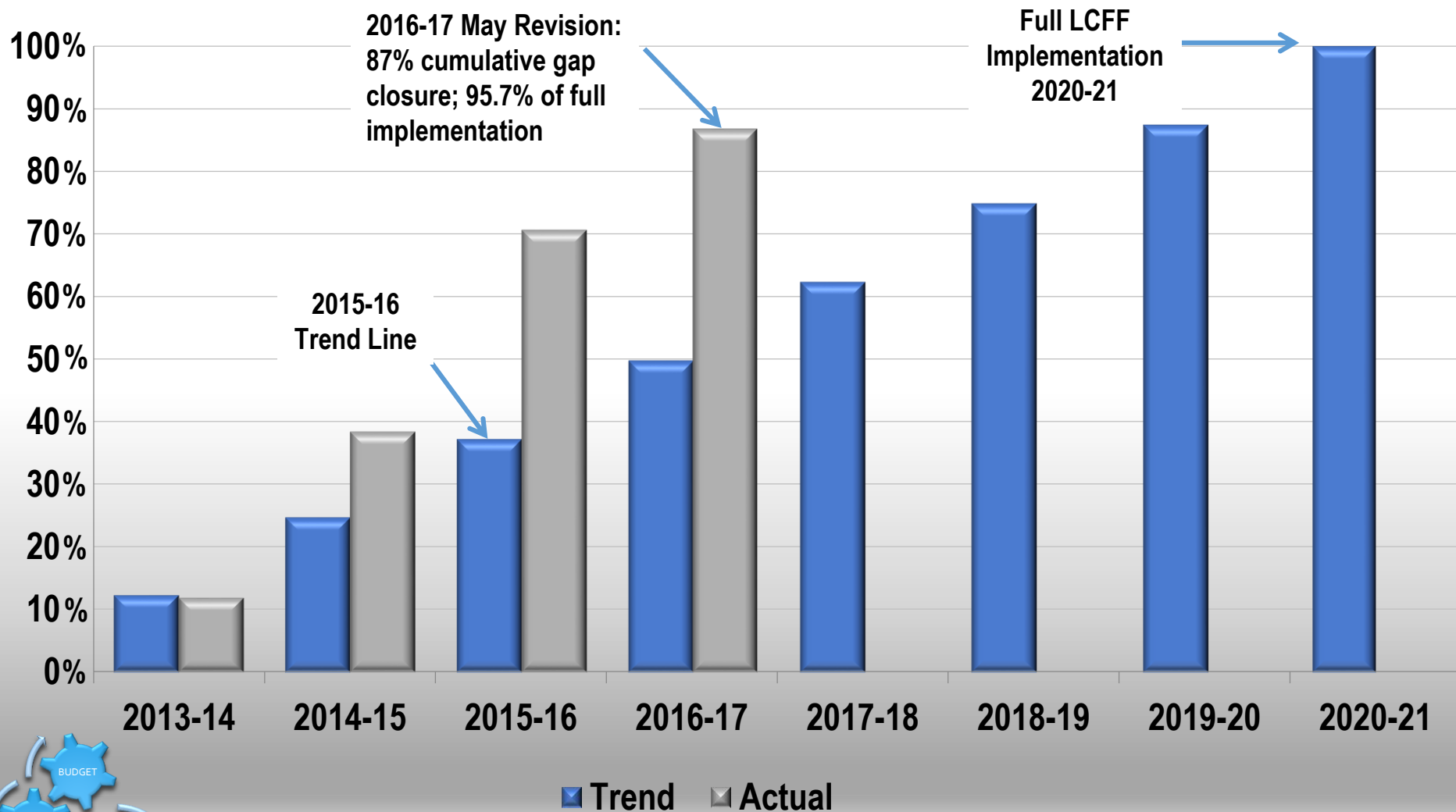
# IUSD Estimated LCFF Funding

IUSD LCFF	2016-17 Projection	2017-18 Projection	2018-19 Projection
<b>LCFF Target</b> (Actual Target to be Reached in 2020-21)	\$272,275,617	\$284,207,050	\$299,601,879
<b>LCFF Floor</b> (2012-13 Actual Funding Adjusted for ADA Growth & any LCFF Funding Received)	\$245,148,150	\$267,848,198	\$287,641,414
<b>LCFF Gap =</b> (Difference Between Target & Floor)	\$27,127,467	\$16,358,852	\$11,960,465
<b>Gap Funding Rate =</b> (% of Gap to be Funded)	54.84%	73.96%	41.22%
<b>Gap Funding Amount* =</b> (Anticipated Additional Funds)	\$14,876,703	\$12,099,007	\$4,930,104
<b>Total LCFF Funding =</b>	\$260,024,853	\$279,947,205	\$292,571,518

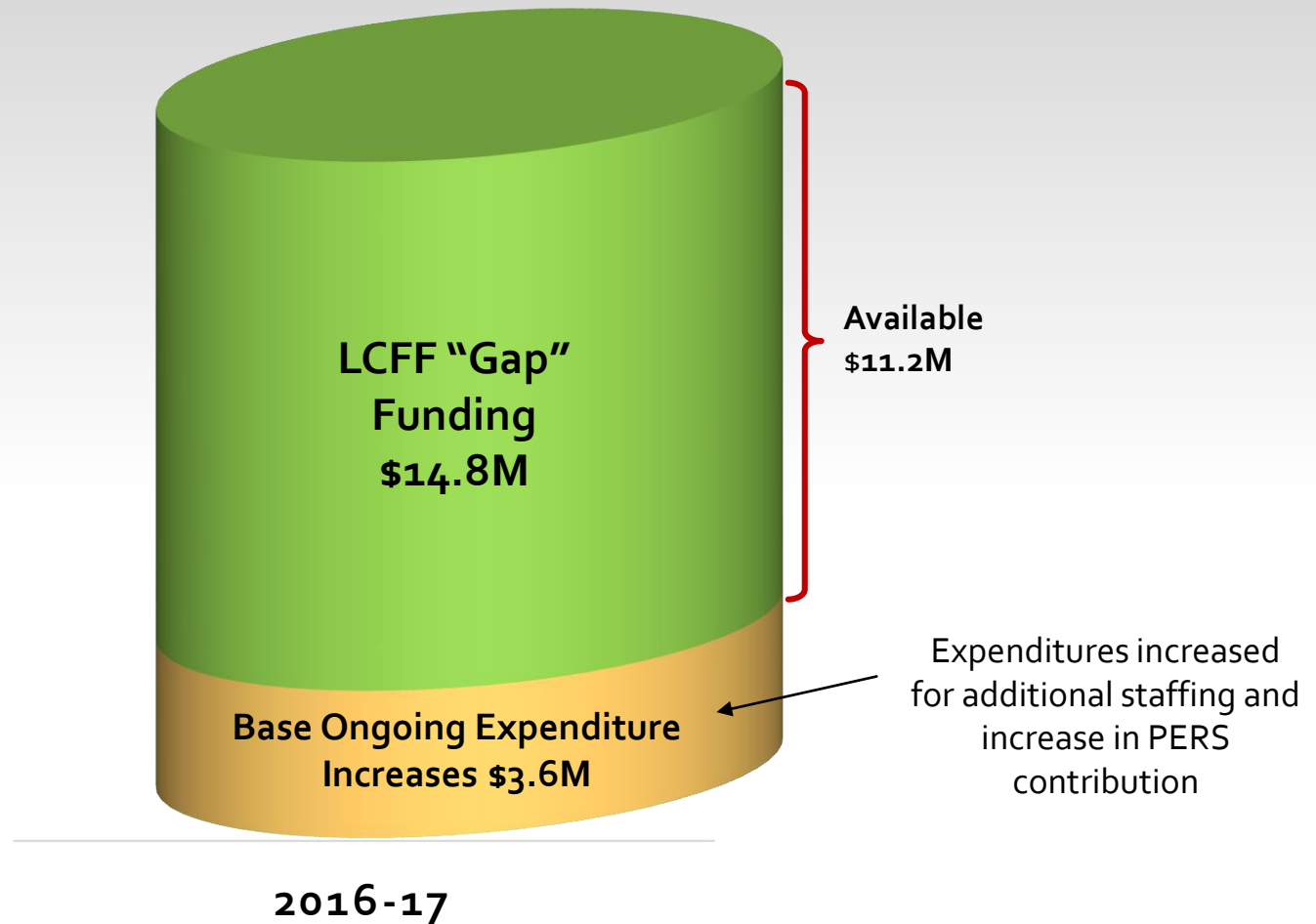
\* Gap funding amounts based on Department of Finance Projections



# Statewide Progress Toward LCFF Full Implementation



# Utilization of Ongoing Funding



# Updated Budget Prioritization Process Starting Point (Utilization of Ongoing and One-Time Resources)

	April 2016 Study Session	Updated May Revise
Description	\$ in millions	\$ in millions
<b>Ongoing Available Funding</b>	<b>\$11.2</b>	<b>\$11.2</b>
<b>One-Time Available Funding</b>		
2015-16 Projected Unrestricted EFB:	\$35.4	\$45.1
State Mandated Reserves @ 2%	<\$6.9>	<\$6.9>
Contingency Reserve (approved in 2014-15 LCAP)	<\$5.0>	<\$5.0>
2015-16 Deferred LCAP Allocation	<\$14.3>	<\$14.3>
2015-16 Site and Department Carryover		<\$8.9>
<b>One-Time Available Reserves in 2015-16</b>	<b>\$9.2</b>	<b>\$10.0</b>
<b>One-Time Mandate Reimbursement</b>	<b>\$6.8</b>	<b>\$6.6</b>

Updated Projections based on 2015-16 May Revise



# Budget Prioritization Focus Areas

## Updated Utilization

Description	Ongoing Allocation	One-Time Allocation	
	2016-17	2016-17	2017-18
<b><u>Summary by Major Category:</u></b>			
Direct Student Instructional Support	-----	\$1,447,000	\$927,000
Increase School – Site Funding	\$386,357	\$4,349,755	\$2,494,755
CA – Aligned Materials & Support	\$36,250	\$1,384,000	\$2,322,000
Equity, Safety and Support	\$1,622,010	\$329,846	\$199,846
<b>Totals:</b>	<b>\$2,044,617</b>	<b>\$7,510,601</b>	<b>\$5,943,601</b>
<b>Unallocated:</b>	<b>\$9,155,383</b>	<b>\$3,145,798</b>	



# 2015-16 thru 2018-19 Budget Forecast

## Unrestricted General Fund

Description	2015-16 Estimated	2016-17 Projected	2017-18 Projected	2018-19 Projected
Total Revenues	\$270,386,709	\$283,132,219	\$295,774,201	\$308,689,914
Total Expenditures	(\$219,357,632)	(\$233,345,184)	(\$242,007,963)	(\$247,356,777)
EXCESS (DEFICIENCY)	\$51,029,077	\$49,787,035	\$53,766,238	\$61,333,137
Other Sources/Uses	(\$43,895,813)	(\$45,317,615)	(\$52,061,448)	(\$49,787,515)
Net Increase/(Decrease)	\$7,133,264	\$4,469,420	\$1,704,790	\$11,545,622
Beginning Balance	\$37,984,702	\$45,117,966	\$49,587,386	\$51,292,176
Projected Ending Balance	\$45,117,966	\$49,587,386	\$51,292,176	\$62,837,798



# 2015-16 thru 2018-19 Budget Forecast

## Unrestricted General

Description	2015-16 Estimated	2016-17 Projected	2017-18 Projected	2018-19 Projected
<b>Estimated Ending Fund Balance</b>	<b>\$45,117,966</b>	<b>\$49,587,386</b>	<b>\$51,292,176</b>	<b>\$62,837,798</b>
<b><u>Components of Ending Fund Balance:</u></b>				
Revolving Cash/Stores	\$525,000	\$525,000	\$525,000	\$525,000
State Recommended Minimum DEU	\$6,307,000	\$6,463,000	\$6,979,071	\$6,776,754
Contingency Reserve	\$5,000,000	\$5,000,000	\$5,000,000	\$5,000,000
Deferred 15-16 LCAP	\$14,348,608	\$6,760,704		
Deferred 16-17 LCAP		\$5,943,601		
Site/Dept. Carryover	\$8,900,000	\$8,900,000	\$8,900,000	\$8,900,000
Other Assigned	<b>\$10,037,358</b>	<b>\$15,995,081</b>	<b>\$29,888,105</b>	<b>\$41,636,044</b>

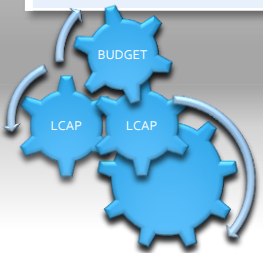
# 2016-17 Budget & Multiyear Projections

## Unrestricted General Fund

### *With Unallocated Allocations*

Description	2015-16 Estimated	2016-17 Projected	2017-18 Projected	2018-19 Projected
Total Revenues	\$270,386,709	\$283,132,219	\$295,774,201	\$308,689,914
Total Expenditures	(\$219,357,632)	(\$233,345,184)	(\$242,007,963)	(\$247,356,777)
Currently Unallocated Ongoing	-----	(\$9,155,383)	(\$9,155,383)	(\$9,155,383)
Currently Unallocated One-Time	-----	(\$12,045,798)*		
Revised Total Expenditures	(\$219,357,632)	(\$254,546,365)	(\$251,163,346)	(\$256,512,160)
EXCESS (DEFFICIENCY)	\$51,029,077	\$28,585,854	\$44,610,855	\$52,177,754
Total Other Sources/Uses	(\$43,895,813)	(\$45,317,615)	(\$52,061,448)	(\$49,787,515)
NET INCREASE (DECREASE)	\$7,133,264	(\$16,731,761)	(\$7,450,593)	\$2,390,239
Beginning Balance	\$37,984,702	\$45,117,966	\$28,386,205	\$20,935,612
Ending Balance	\$45,117,966	\$28,386,205	\$20,935,612	\$23,325,851

\* Includes \$8.9 million in 2015-16 site/departments carryover





# Questions/Discussion

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