EXECUTIVE DIRECTOR'S REPORT

April 19, 2021

The mission of the YPI Charter Schools (YPICS) is to prepare students for academic success in high school, as well as post--secondary education; prepare students to be responsible and active participants in their community; and enable students to become life-long learners. Students at YPI Charter Schools will become active citizens who characterize the ideals of a diverse and democratic society. Students will provide service to their community, take responsibility for their own learning, and develop the habits of mind and body that will empower them to be successful in high school and beyond.

<u>State:</u>

From School Services of California –

"Congress Approves the $1.9 Trillion American Rescue Plan"

posted March 10, 2021

Today, Wednesday, March 10, 2021, the House of Representatives approved the Senate's version of the $1.9 trillion "American Rescue Plan," sending the relief package to President Joe Biden.

ESSER Fund Provisions

The stimulus bill earmarks nearly $170 billion for education, including $122.8 billion for a third round of funding into the Elementary and Secondary School Emergency Relief (ESSER) Fund. Of the nearly $123 billion assigned to ESSER III, $800 million is set aside for the U.S. Department of Education to provide grants to identify and provide services to homeless children and youth.

The rest of the nearly $122 billion in ESSER III funding will be allocated to states based on the same methodology of the first two iterations, whereby states are required to allocate at least 90% of the funds to local educational agencies (LEAs) in proportion to LEAs' Title I, Part A funding. However, unlike the first two ESSER iterations, LEAs are required to reserve at least 20% of the ESSER III funding for learning loss mitigation measures, such as expanded learning programs and summer school. The ESSER III funds are eligible to be spent through September 30, 2024.

Rather than apply an equitable services requirement to the ESSER III funds, the bill provides $2.75 billion for governors to allocate to private schools that enroll a significant percentage of lowincome students. This means that LEAs will not have to calculate an equitable-services set aside for the ESSER III funds that they receive from the American Rescue Plan.

To ensure greater accountability and transparency, the bill requires LEAs to publish a reopening plan within 30 days of receiving their ESSER III dollars. LEAs that have already adopted a reopening plan are deemed to have satisfied this requirement as long as they allowed for a public comment period and the plan details a "safe return to in-person instruction and continuity of services."

For the remaining 10% of ESSER III funds that the states are permitted to keep, at least 5% must be used to carry out activities to address learning loss, at least 1% must be used for summer enrichment programs, at least 1% must be used for comprehensive afterschool programs, and no more than half a percent can be used for administrative costs.

As with the prior COVID-19 relief bills, the American Rescue Plan includes a maintenance of effort requirement that stipulates states must maintain at least as much funding for education in fiscal years 2022 and 2023 as a proportion of the state's overall spending. In addition, the bill includes a new maintenance of equity requirement, which prevents states and LEAs from disproportionately reducing spending in high poverty schools in fiscal years 2022 and 2023 in amounts greater than the average spending reductions across all other schools in the LEA.

ESSER Look-up Tool for LEAs

To help gauge how much ESSER III funding your LEA will receive under the latest relief package, School Services of California Inc. has prepared a look-up tool (see below) so that LEAs may search for their estimated allocation determined using the methodology described above. Once official numbers are published, the look-up tool will be replaced with a link to the final allocation schedule.

School	Set Aside for Learning Loss	Total ESSER III
Bert Corona Charter School	$	$
Monseñor Oscar Romero Charter School	$	$
Bert Corona Charter School	$	$

*Set Aside for Learning Loss represents 20% of the Total ESSER III funding estimate and in included in the total.

Other Education Investments

Some of the other significant investments from the American Rescue Plan that have implications for education include:

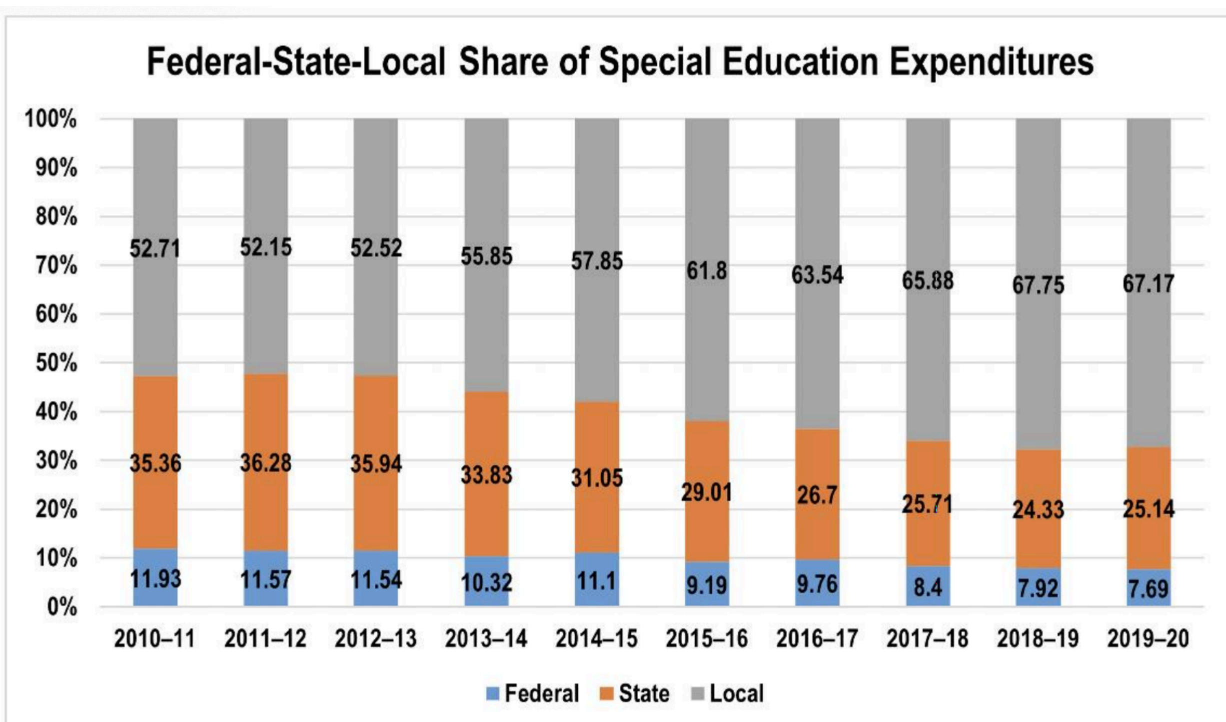
- $3 billion for Individuals with Disabilities Education Act (IDEA):
  - $2.58 billion for IDEA Part B state grants
  - $200 million for IDEA Section 619 preschool grants
  - $250 million for IDEA Part C infant and toddlers
- $362 billion in relief for state and local governments

• $7.2 billion in emergency aid to help students and educators connect to the Internet and provide them with connected devices through the federal E-Rate program
• $39 billion for early childhood programs, including Child Care and Development Block Grants and a stabilization fund for child-care providers
• $39.6 billion for the Higher Education Emergency Relief Fund

"Slight Increase in State Funding Share for Students with Disabilities"

posted March 9, 2021

For decades, local educational agencies (LEAs) advocated for more equitable and adequate funding for students with disabilities. With Governor Gavin Newsom in office and a continued push from the education community, progress is being made. A first small step towards equity came in 2019–20, when the state invested $152 million to set a floor for special education funding. With this contribution, and for the first time in nearly a decade, the state's share of supporting the education of students with disabilities increased. Overall, special education expenditures continue to rise as LEA operational costs increase. However, the increase in 2019–20 was the smallest in recent history, from $16.23 billion to $16.65 billion. Salaries and benefits, step and column, and the rates of both the California Public Employees' Retirement System and the California State Teachers' Retirement System affect special education expenditures in the same manner they affect the unrestricted General Fund programs. The chart below shows the trend of growing contributions from LEAs' unrestricted General Funds that were needed to backfill special education expenditures in the last decade. In 2019–20, the state contributed 25.14% of funding; federal funds accounted for only 7.69% of funding; and local funds accounted for 67.17% of the total funds expended.



A larger step towards equity and adequacy was made in 2020–21, with a $545 million ongoing increase to the state's contribution to special education funding. We expect the balance of funding support to rightly tip more towards the state as a result.

"Unemployment Insurance Rates on the Rise"

posted April 5, 2021

The Employment Development Department (EDD) recently released the Annual Report to the Fund Participants (Report) regarding the School Employees Fund (SEF) for the fiscal year that ended June 30, 2020. The Report includes a rate increase from 0.05% to 1.23% in the 2021–22 fiscal year—a historically large increase.

The SEF is a joint, pooled-risk fund administered by the EDD which allows school employers to deposit funds into the pool, and the pool reimburses the State's Unemployment Insurance Fund for the cost of unemployment insurance benefits paid to former or furloughed employees of SEF participants. As of the 2019–20 fiscal year, the SEF included more than 1,400 local educational agencies (LEAs), and nearly one million employees, inclusive.

The Report highlights that payments into the fund have hovered around $40 million annually, while payments to beneficiaries skyrocketed to more than $237 million in 2019–20. The increase in payments is attributed to the COVID-19 pandemic. For comparison, payments to beneficiaries totaled $87.8 million in 2018–19, an amount in line with payments since 2015–16. Absent significant credits from the various federal stimulus, the SEF reserves would be nearly depleted. As of June 30, 2020, the SEF reserves were $211.5 million, down from $466.5 million in 2015–16.

California Unemployment Insurance Code Section 823(b)(2) establishes the annual contribution rate. The contribution rate is a mechanical calculation comparing the payments from the SEF for the two preceding calendar years, divided by total wages. In no event shall the contribution rate be less than five one-hundredths of one percent (0.05%).

The last time LEAs experienced an unemployment rate increase above the statutory minimum of 0.05% was during the Great Recession. At the time, school districts were reimbursed for payments to the SEF in accordance with Education Code Sections 42241.7 and 43001.8. These sections provided a line-item addition to the revenue limit calculation, thereby negating any adverse impacts from changes in unemployment insurance rates. Unfortunately, these sections were eliminated with the advent of the Local Control Funding Formula (LCFF), which results in school districts bearing the brunt of increases to the contribution rate.

In the 2019–20 fiscal year school districts made unemployment insurance payments of nearly $22.5 million based on the 0.05% rate. If the rate in 2019–20 was 1.23%, payments would have increased to more than $550 million. For contextual purposes, the proposed 3.84% cost-of-living-adjustment applied to the LCFF in 2021–22 is estimated to cost approximately $2 billion, which means that an increase in the unemployment insurance rates will erode 25% of new ongoing funding for school districts.

“President Biden Proposes Significant Ongoing Education Funding Increases”

posted April 9, 2021

Today, April 9, 2021, President Joe Biden released his fiscal year 2022 discretionary budget request, which includes federal education programs. The proposal includes significant funding increases for education, continuing some of the additional one-time funding in the American Rescue Plan.

President Biden’s 2022 discretionary request includes $102.8 billion for the Department of Education, a $29.8 billion (or 41%) increase over the 2021 enacted level. These proposed increases include:

- $20 billion increase to Title I funding
- $2.6 billion increase to Individuals with Disabilities Education Act (IDEA) state grants and $250 million increase to IDEA Part C, infant and toddler grants
- $1 billion to increase the number of counselors, nurses, and mental health professionals in schools
- $413 million increase for community schools
- $100 million for a new grant program to address segregation and help communities develop and implement strategies that would build more diverse student bodies
- $1.5 billion increase for the Child Care and Development Block Grant
- $1.2 billion increase for Head Start
- $200 million increase for the Preschool Development Grants program

The release of the discretionary funding request is analogous to the California Governor’s Budget released annually by January 10—a starting point for budget negotiations. As a reminder, the federal fiscal year begins October 1, so, if approved by Congress, these increases would not be felt in California for some time.

“Plan to Spend, and Spend to Your Plan”

posted March 22, 2021

In public education, we constantly find ourselves in a position where the cost of doing business outpaces new available resources. Public education does not operate like private business, where a private business can raise prices or discontinue a line of business that is not profitable. Instead, public education leaders have more, but sometimes limited controls of expenses. The conversations are typically centered around “doing more with less,” or “if we do x, then we can’t do y or z.” Local educational agencies (LEAs) are in a position where one-time resources for education abound, and the conversations are pivoting to “doing more with more” in some instances and “let’s do x, y, and z!”

The current influx of one-time funding—including the In-Person Instruction Grants and Elementary and Secondary School Emergency Relief (ESSER) Funds—comes to LEAs with very few restrictions on spending. LEAs are likely to feel tremendous pressure to spend the money in a variety of areas, and while there is sufficient funding to address many different facets of operations, LEAs should approach the spending from a proactive perspective, rather than reactive.

It's more important than ever for LEAs to view each of these funding sources as pieces to a puzzle, rather than individual silos, and develop a comprehensive plan with student achievement at the center of the plan. Adopting a proactive approach will allow LEAs to make informed decisions that are supported by data, influenced by stakeholders, and contribute to the long-term fiscal health of the LEA. While there's no substitute for in-person learning, student achievement is influenced by many factors. Adequate facilities, functioning transportation, and consistent Wi-Fi coverage are all necessary for in-person learning to have the greatest impact.

As LEAs consider the use of the one-time funds, fiscal practices 101 must be considered. At School Services of California Inc. (SSC), we have long used the phrase, "Don't use one-time sources to increase on-going costs." LEAs would be wise to attach spending of one-time sources to one-time costs rather than on-going costs, such as compensation increases and additional staff. Further, LEAs that have been experiencing fiscal distress should not view these one-time sources as an opportunity to abandon plans to correct structural deficits. These funds are temporary in nature, and should not be viewed as a long-term solution.

Regardless of an LEA's current fiscal health, SSC recommends that LEAs prepare two multi-year projections—one with the one-time resources, and one without the one-time resources. The addition of the one-time resources can mask fiscal distress, and it will be important to communicate with stakeholders the temporary nature of the funds.

There's an opportunity to significantly impact student learning for many years beyond the allowable use period of the one-time funds. While there's no crystal ball that predicts the future, it is assured that LEAs that develop plans to spend one-time funds in a proactive, versus reactive, manner will improve their ability to raise the bar for student achievement.

LAUSD:

The Charter Schools Division has scheduled the following dates for oversight visits:

School	Dates
Bert Corona Charter School	Wednesday, April 28, 2021
Bert Corona Charter High School	Thursday, April 22, 2021
Monseñor Oscar Romero Charter School	Thursday, May 6, 2021

All visits will be conducted via Zoom and or Google Meets and if board members are interested in joining, please let us know and we will arrange for you to participate in the discussion and review.

YPICS:

Reopening –

The YPI Charter Schools opened their small group and instruction for struggling students on campus in March, and then their hybrid plan with at least on grade level on each secondary campus on April 16th. Teachers reported that it felt good to be on campus again with their students. Some 6th and 9th grade students were timid and shy because this was their first time on campus. Seniors reported that they were happy to be on campus instead of at home alone. Operations staff felt relieved that they had an opportunity to test and reinforce practice of safety habits and routines with fewer students than the entire student body. Administrators reported overall that the plans they put into place to safely operate the schools went smoothly on day one. YPICS is off to a great start. Scholars are happy to be back on campuses!

Assessments—

The California Department of Education provided schools across the state with guidance on state testing during a webinar yesterday. The California State Board of Education voted on March 16, 2021 to allow district and charter schools the opportunity to use the "best assessment tool available" to gauge student learning. YPICS Schools will be able to use i-Ready (middle schools), and NWEA assessments (high school) to measure student growth in the Spring. i-Ready and NWEA assessments meet the testing requirements by the California State Board of Education for English language arts/literacy (ELA) and mathematics.

Requirements Include:

- Are aligned with California Common Core State Standards for English language arts and math.
- Are available to assess students in grades 3-8 and 11.
- Are uniformly administered across a grade span, school, or district.
- Provide results that can be reported to parents/guardians, educators about individual students, and to the public by school and by district and are disaggregated by student group.

LEA Considerations for viability may include:

- Access to secure browsers
- Access to stable broadband with adequate bandwidth
- Challenges of non-managed devices
- Capacity for proctoring and monitoring remotely, both in the home and from the school
- Children's degree of experience with an online assessment platform
- Students' requirements for non-embedded accessibility supports
- The amount of time schools have been, or will have been, providing full in-person instruction (Including ensuring initial time upon reopening for students and staff to learn and adjust to mitigation strategies, take stock of and address trauma, and support immediate social-emotional needs)
- Instructional model transitions due to COVID-19
- Local pandemic-related factors

California Science Test

This test is optional for the 2020-2021 school year.

ELPAC - Required
The Summative English Language Proficiency Assessments for California (ELPA) is required and must be administered to all English learners.

Physical Fitness Testing (PFT)
The PFT will not be required to be administered and the CDE will not be collecting PFT data for the 2020–21 school year.