



EXECUTIVE DIRECTOR'S REPORT

June 5, 2023

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 lifelong 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.

National

Student Loans

[U.S. Department of Education Announces \\$42 Billion in Approved Public Service Loan Forgiveness for More Than 615,000 Borrowers Since October 2021](#)

- Posted By US. Department of Education
May 8, 2023

As of May 19, 2023, the Biden administration has approved the discharge of student borrowers since October 2021 under temporary changes to the public service loan forgiveness ([PSLF](#)) program. The discharged amount totals \$42 billion in debt and is a big increase from the previous administration's record, which approved just 7,000 borrowers under the PSLF program or only 2% of PSLF applicants. The temporary changes to [PSLF](#) have expired. However, the U.S. Department of Education continues to adjust for long-term improvements to the PSLF program. Anyone who has not applied for the PSLF is strongly encouraged to apply.

Employees who have worked at least 10 years in public service jobs with federal, state, local, or certain non-profit organizations are eligible for the public service loan forgiveness (PSLF) program.

[New Proposed Regulations Would Transform Income-Driven Repayment by Cutting Undergraduate Loan Payments in Half and Preventing Unpaid Interest Accumulation](#)

- Posted By US. Department of Education
January 10, 2023

The U.S. Department of Education (Department) proposed regulations to reduce the cost of federal student loan payments. The proposed regulations would create the most affordable

income-driven repayment (IDR) plan that has ever been made available to student loan borrowers, simplify the program, and eliminate common pitfalls that have historically delayed borrowers' progress toward forgiveness.

The proposed regulations would amend the terms of the Revised Pay As You Earn (REPAYE) plan to offer \$0 monthly payments for any individual borrower who makes less than roughly \$30,600 annually and any borrower in a family of four who makes less than about \$62,400. The regulations would also cut in half monthly payments on undergraduate loans for borrowers who do not otherwise have a \$0 payment in this plan. The proposed regulations would also ensure that borrowers stop seeing their balances grow due to the accumulation of unpaid interest after making their monthly payments

State:

Overview of the Governor’s May Revision Proposals (Excerpt)
From School Services of California
 Posted May 12, 2023

The Economy and Revenues

Revenues have continued to underperform since the release of the Governor’s proposals in January, forcing the Administration to now recognize a \$31.5 billion budget shortfall, an increase of \$9.3 billion since January 2023. A near 20% decline in the S&P 500 is reflected in significantly less personal income tax withholdings late in 2022. What was a \$22.5 billion budget deficit in January now stands at \$31.5 billion at the May Revision, or a net reduction of \$8.5 billion in state revenues from January.

In Millions	2021-22		2022-23		2023-24	
	Governor's Budget	May Revision	Governor's Budget	May Revision	Governor's Budget	May Revision
Personal Income Tax	\$136,762	\$137,144	\$128,905	\$122,769	\$126,695	\$118,166
Corporation Tax	\$45,298	\$45,128	\$38,482	\$42,091	\$39,308	\$42,081
Sales Tax	\$32,915	\$33,026	\$32,851	\$33,072	\$33,599	\$33,366
Total	\$214,975	\$215,298	\$200,238	\$197,932	\$199,602	\$193,583

While a sizable share of the revenues upon which the May Revision is built remains on the horizon, the Governor does not assume a recession. In fact, he projects that the U.S. economy will continue to grow (albeit at a slower pace), averaging 0.5% growth in the last half of 2023. The May Revision retains \$37.2 billion in budget reserves, including \$22.3 billion in the Budget

Stabilization Account and \$10.7 billion in reserves for K-12 agencies and community colleges. The May Revision instead relies on a combination of borrowing, deferring implementation of planned investments, and, in the case of K-12, reductions in one-time funding.

Proposition 98 Minimum Guarantee, Reserve, and Local Reserve Cap

In Millions	2021-22			2022-23			2023-24			Change from 2021-22
	Governor's Budget	May Revision	Change	Governor's Budget	May Revision	Change	Governor's Budget	May Revision	Change	
General Fund	\$83,630	\$83,754	\$124	\$79,103	\$78,115	(\$988)	\$79,613	\$77,435	(\$2,178)	(\$6,319)
Property Tax	\$26,785	\$26,800	\$15	\$27,889	\$28,656	\$767	\$29,204	\$29,404	\$200	\$2,604
TOTAL	\$110,415	\$110,554	\$139	\$106,992	\$106,771	(\$221)	\$108,817	\$106,839	(\$1,978)	(\$3,715)

Notably, property tax estimates have increased significantly since January, and increase throughout the budget window. While the General Fund portion of the minimum guarantee decreases by \$3.2 billion across 2022-23 and 2023-24, the decline is offset by \$967 million in unanticipated property taxes. While it seems counterintuitive that, as state revenues and education funding decline, the state would have a higher obligation to deposit funds into the Proposition 98 reserve, the May Revision increases deposits to achieve a fund balance of \$10.7 billion in 2023-24.

Local Control Funding Formula and Cost-of-Living Adjustment

As part of the January Governor’s Budget, the Governor proposed increasing funding for the Local Control Funding Formula (LCFF) by the then-estimated statutory COLA of 8.13%. With the May Revision, the statutory COLA for the LCFF has increased to 8.22%, LCFF Entitlements for School Districts and Charter Schools.

Grade Span	2022-23 Base Grant per ADA*	8.22% COLA	2023-24 Base Grant per ADA
TK-3	\$9,166	\$753	\$9,919
4-6	\$9,304	\$765	\$10,069
7-8	\$9,580	\$787	\$10,367
9-12	\$11,102	\$913	\$12,015
*Average daily attendance (ADA)			

The TK-3 base grant increase for the class-size reduction (CSR) grade span adjustment is \$1,032 per ADA in 2023-24. School districts and charter schools are entitled to supplemental grant increases equal to 20% of the adjusted base grant (including CSR and CTE funding) for the percentage of enrolled students who are English learners, eligible for the free or reduced-price meals program, or in foster care. An additional 65% per-pupil increase is provided as a concentration grant for each percentage of eligible students enrolled beyond 55% of total enrollment, with 15% of the concentration grant to be used to increase the number of adults providing direct services (nurses, teachers, counselors, paraprofessionals, and others) to students.

Universal Transitional Kindergarten

The Governor continues to prioritize implementation of universal transitional kindergarten (UTK), maintaining the target of 2025-26 for full implementation. The May Revision recognizes some savings in the first year of implementation, in which transitional kindergarten (TK) was expanded to fund children who turn five years old by February 2 in 2022-23. Because of reduced TK enrollment, first-year costs are revised from \$604 million Proposition 98 funds to approximately \$357 million at the May Revision. In addition, first-year costs associated with a required TK ratio of 12 students per adult are reduced from \$337 million Proposition 98 funds to approximately \$283 million at the May Revision. Similarly, second-year estimates of UTK implementation are also adjusted because of updated enrollment projections. In 2023-24, TK is expanded to fund children who turn five years old by April 2. The cost of this expansion was revised from approximately \$690 million in the Governor's Budget to approximately \$597 million in the May Revision. The cost of the 12:1 TK ratio for 2023-24 is unchanged from the Governor's Budget..

Expanded Learning Opportunities Program

The May Revision does not propose any funding or programmatic changes to the Expanded Learning Opportunities Program (ELO-P) but does propose a one-year abeyance so that funding apportioned in 2021-22 must now be spent by June 30, 2024, the same deadline that applies to 2022-23 ELO-P funds.

One-Time Reductions Proposition 28

The voter-approved Proposition 28 requires the state to provide arts and music funding for schools outside of the Proposition 98 minimum guarantee beginning with the 2023-24 fiscal year. Annual Proposition 28 funding is required to be equal to 1% of the K-12 share of the minimum guarantee from the prior fiscal year. The Administration estimates that it will cost \$933 million to fully fund the Proposition 28 obligation for the 2023-24 fiscal year, a decrease of \$8 million from the estimate provided in January.

Arts, Music, and Instructional Materials Discretionary Block Grant

The Governor proposes an additional decrease of \$607 million in one-time funding to the Arts, Music, and Instructional Materials Discretionary Block Grant. This reduction is on top of the \$1.2 billion reduction proposed in January, bringing the total reduction to \$1.8 billion, or 51% of the amount provided in 2022-23 Enacted Budget for this program.

Learning Recovery Emergency Block Grant

The Governor proposes with his May Revision to reduce funding for the Learning Recovery Emergency Block Grant by \$2.5 billion in one-time Proposition 98 funding. This would bring total funding for this program to \$5.4 billion, a decrease of about 32%.

State

2023-2024 Budget Update

2023 May Revision Budget Brief (Excerpt)

- Posted By California Charter Schools Association

May 18, 2023

On May 12, 2023, Governor Gavin Newsom released his May Revision to the budget for the 2023-24 fiscal year. The May Revision kicks off the final phase of the state budget process for 2023-24 with an update to the initial January Governor's Budget Proposal. The Legislature must pass a final version of the budget by June 15th and may approve, amend, or reject any of the proposals and priorities offered by the Governor in his May Revision. [The Governor's full May Revision Budget Summary and detail can be found here.](#)

Since the release of the Governor's Budget in January, revenue declines have continued, adding \$9.3 billion (B) to the budget shortfall. When combined with the \$22.5B shortfall identified in the January Governor's Budget, California is now facing a \$31.5B shortfall. Overall, the May Revision continues a balanced approach using spending reductions, trigger reductions, delayed spending, fund shifts and borrowing to fill the gap- but does not draw from Rainy Day funds.

Despite the deficit, the May Revision does not propose any base cuts or deferrals for K-12 education. However, it does reduce two previously committed allocations from one-time funding:

- **Arts and Music Block Grant:** The May Revision proposes a further decrease of \$607 million (M) to the one-time Block Grant enacted in 2022-23. This reduction would be on top of the \$1.2B reduction proposed in January, essentially cutting the block grant in half to approximately \$1.78B.
- **Learning Recovery Emergency Block Grant:** The May Revision proposes a decrease of approximately \$2.5B one-time funds for this Block Grant taking funding from \$7.9B at the Governor's Budget in January down to \$5.4B at the May Revision.

Other Highlights of the May Revision include:

- **LCFF and COLA:** The May Revision fully funds an 8.22 percent cost-of-living adjustment (COLA), up slightly from 8.13 percent in January, for LCFF and other categoricals. This provides about \$3.4B more for LCFF compared to the current year budget.

- **SB 740 Facilities:** Maintains the January proposal for facility grants.
- **Transitional Kindergarten (TK):** Retains continued expansion per current law, but adjusts overall TK allocation due to reduced TK enrollment projections at May Revision.
- **Extended Learning (ELOP):** Maintains current implementation, but proposes to extend the expenditure deadline for ELOP planning funds received in 2021-22 and 2022-23 from June 30, 2023, to June 30, 2024.
- **Nutrition:** Provides additional \$300M to fully fund increased program demand in the 2022-23 and 2023-24 fiscal years.
- **Equity Multiplier:** Maintains \$300M for the Equity Multiplier proposed in January, with clarifying changes to strengthen accountability.
- **Dyslexia Screening:** The May Revision requires LEAs to begin screening pupils in kindergarten through second grade for risk of reading difficulties, including dyslexia, by the 2025-26 school year.

INSTRUCTION -

Expanded Learning

The Expanded Learning Opportunities Program (ELO-P) provides funding for after school and summer school enrichment programs for transitional kindergarten (TK) through sixth grade. “Expanded learning” means before school, after school, summer, or intersession learning programs that focus on developing the academic, social, emotional, and physical needs and interests of pupils through hands-on, engaging learning experiences. Expanded learning programs are pupil-centered; results-driven; include community partners; and complement, but do not replicate, learning activities in the regular school day and school year.

Next year, schools will receive an audit finding if the ELO-P is not implemented and if funds are not spent.

The proposed legislation contains dozens of other changes. Most are technical in nature, but some more substantive ones of interest to charter schools include the following:

- Clarifies penalties for not offering Expanded Learning under the state’s new Expanded Learning Opportunities Program (ELOP).
- It would clarify the interaction of penalties for (1) failing to serve eligible students and (2) penalties for failing to operate the program for all the required hours or days.

The law would call for pro-rata penalties based on the proportion of eligible students not served. Any additional penalties for failing to operate the program for the required number of hours or days would be assessed after the first type of penalty is assessed (if any) and would reduce funding by 0.0049 times the number of days a charter school failed to meet the daily/hourly offering requirement.

YPICS:

LAUSD Oversight Visits:

All three schools completed CSD Oversight visits during April. The visits went well the YPICS validated internal data was received and YPICS was acknowledged for having some of the strongest growth scores seen thus far by the division. ED King-Berg will provide the full report to the board as soon as they arrive.

Year-end Assessments:

May has been a busy assessment Month. YPICS scholars have taken iReady, NWEA Maps, SBACC, Houghton Mifflin, and EL PAC tests. iReady Assessments are done and final academic reports will be ready for the upcoming June Academic Committee Meeting.

Year-end Celebrations:

YPICS sites have acknowledged and celebrated teachers during Teacher Appreciation Week. The community is looking forward to celebrating our scholars during promotion, culmination, and graduation activities in June.

Please save the dates:

BCCHS 12th Grade Graduation: June 8th, 6 PM
BCCS 8th Grade Culmination: June 9th, 7 PM
BCCS 5th Grade Promotion: June 9th, 10:00 AM
MORCS 8th Grade Promotion: June 9th, 4:00 PM

All celebrations will take place on each of the school campuses.