

Fresno Unified School District
Board Agenda Item

Board Meeting Date: January 24, 2024,

AGENDA ITEM A-5

AGENDA SECTION: A

(A – Consent, B – Discussion, C – Receive, Recognize/Present)

ACTION REQUESTED: Approve

(Adopt, Approve, Discuss, Receive, etc.)

TITLE AND SUBJECT: Approve Budget Revision No. 3 for Fiscal Year 2023/24

ITEM DESCRIPTION: Included in the Board binders is Budget Revision No. 3 for fiscal year 2023/24. Periodic updates to the district's budget are presented to the Board of Education for approval. Budget Revision No. 3 includes adjustments for updated information regarding carryover, actual beginning balances, and necessary adjustments to support the acceptance of various grant awards.

The following items are included in Budget Revision No. 3 for fiscal year 2023/24:

- Expense changes to reflect items reported in the First Interim Financial Report approved by the Board on December 06, 2023
- Program adjustments
- Grant Revisions
- Other Funds

FINANCIAL SUMMARY: As a result, the Unrestricted General Fund Reserve for Economic Uncertainties is estimated at approximately \$126.0 million at June 30, 2024.

PREPARED BY: Kim Kelstrom

DIVISION: Business and Financial Services
PHONE NUMBER: (559) 457-6226

CABINET APPROVAL: Patrick Jensen,
Chief Financial Officer

SUPERINTENDENT APPROVAL:





SUMMARY: Included in the Board binders is Budget Revision No. 3 for fiscal year 2023/24. Periodic updates to the district's budget are presented to the Board of Education for approval. Budget Revision No. 3 includes adjustments for updated information regarding expense changes to reflect items reported in the First Interim Financial Report and necessary adjustments to support the acceptance of various grant awards.

Unrestricted General Fund Adjustments and Revisions

As presented in the 2023/24 First Interim Financial Report approved by the Board on December 06, 2023, the following adjustments are being made:

- Increase of \$2.0 million in Local Control Funding Formula (LCFF) due to prior year calendar maximization of ADA to actual kindergarten add-on
- Increase of \$12.2 million in salaries and benefits from adopted budget which includes salary increase of 8.5% and health package reduction from \$24,370 per active participant to \$22,000 per active participant
- Decrease of \$6.2 million in salaries and benefits based on year-to-date expenditures compared to historic averages
- Decrease of \$6.1 million in supplies and services at school sites and departments including one-time laptop connectivity increase, Saturday Academy implementation, and transportation and maintenance contract savings
- Decrease of \$1.6 million in Medi-Cal contribution due to receiving of prior year revenue creating offset in current year
- Increase indirect \$113,897 due to grant adjustments
- Decrease \$5.1 million in one-time expenses for actual supplemental and concentration carryover of \$4.5 million and \$600,000 in work stoppage allocations for health and security support

Program Adjustments to 2023/24 Budget Recommended for Approval

The following items are included for the Board's consideration and approval:

- Recognize \$800,000 change to salary schedules for licensed vocational nurses beginning November 6, 2023
- Recognize \$100,000 in CORE contract supporting Analysis, Measurement and Accountability
- Recognize \$89,500 in contracts for administrative coaching
- Recognize \$253,000 in contracts to support Community Schools
- Recognize \$149,500 for supplies supporting district-wide team building at school sites
- Recognize increase of \$225,000 to Apprenticeship increase to reimbursement rates
- Recognize \$97,600 in contracts to support collaboration with school systems and communities

Grant Revisions

The charts below, and on the following pages, show carryover, new grants, revisions to existing grants and entitlements:

Name	2023/24 Current Budget Allocation	2023/24 Adjusted Award Amount	Revised Budget Allocation
Local Grants	\$44,478	\$1,000	\$45,478
Steve's Scholars	-	36,000	36,000
San Joaquin Valley Unified Air Pollution Control District	658,985	2,998,812	3,657,797
Carl D. Perkins Grant	1,133,975	319,178	1,453,153
Indian Education	62,805	(20,200)	42,605
IDEA Part B - Supporting Inclusive Practices Preschool	33,898	1,726	35,624
Prop 28: Arts and Music Education	11,742,900	1,148,005	12,890,905
Early Math Initiative Program	30,084	133,333	163,417
Early Learning - FCSS	274,717	(161,717)	107,000
Title II - Teacher Quality	11,251,576	587,204	11,806,497
Title III - Limited English Proficient	2,231,411	7,944	2,851,875
Wallace Foundation	2,473,831	100,000	2,573,831
Special Education	164,869,945	7,512,296	170,369,945
Learning Communities for School Success Program (LCSSP)	396,069	222,442	618,511
Total	\$195,204,674	\$12,886,023	\$206,652,638

Adult Education Fund – Budget Revision No. 3 reflects an increase in expenses of \$497,795 for adjustments in various grant awards:

Name	2023/24 Current Budget Allocation	2023/24 Adjusted Award Amount	Revised Budget Allocation
Adult Education Block Grant	\$7,295,132	\$497,795	\$7,792,927
Total	\$7,295,132	\$497,795	\$7,792,927

Children’s Center Fund – Budget Revision No. 3 reflects an increase in expenses of \$1,461,269 for adjustments in various grant awards:

Name	2023/24 Current Budget Allocation	2023/24 Adjusted Award Amount	Revised Budget Allocation
California State Preschool Program (CSPP)	\$23,750,213	(\$2,754,200)	\$20,996,013
CSPP One-time Temporary Rate Increase	-	2,813,342	2,813,342
California Department Social Services One-time Child Care Provider Stipend	-	134,106	134,106
Federal General (CCTR) and State Preschool (CSPP)	414,020	(10)	414,010
State Alternative Payment	1,020,029	1,268,031	2,288,060
Total	\$25,184,262	\$1,461,269	\$26,645,531

Cafeteria Fund – Budget Revision No. 3 reflects an increase in expenses of \$2,192,764 for adjustments in various grant awards:

Name	2023/24 Current Budget Allocation	2023/24 Adjusted Award Amount	Revised Budget Allocation
Child Nutrition: Fresh Fruit & Vegetables	\$2,535,503	\$150,998	\$2,686,501
School Food Best Practices	-	1,891,766	1,891,766
No Kid Hungry	221,282	150,000	371,282
Total	\$2,756,785	\$2,192,764	\$4,949,549

**FRESNO UNIFIED SCHOOL DISTRICT
GENERAL FUND
BUDGET REVISION No. 3**

DESCRIPTION	2023/24 ADOPTED BUDGET	2023/24 CURRENT BUDGET	1/24/2024 2023/24 BUDGET REVISION No. 3	DIFFERENCE BETWEEN CURRENT AND BR No. 3	DIFFERENCE BETWEEN ADOPTED AND BR No. 3
Revenues					
LCFF Sources	\$ 1,010,168,593	\$ 1,010,168,593	\$ 1,012,225,789	\$ 2,057,196	\$ 2,057,196
Federal Revenues	369,696,729	383,348,022	384,243,874	895,852	14,547,145
Other State Revenues	298,165,335	307,127,417	308,722,929	1,595,512	10,557,594
Other Local Revenues	25,509,251	28,935,076	32,714,152	3,779,076	7,204,901
Total Revenues	\$ 1,703,539,908	\$ 1,729,579,108	\$ 1,737,906,744	\$ 8,327,636	\$ 34,366,836
Expenditures					
Certificated Salaries	\$ 555,456,237	\$ 552,537,548	\$ 567,578,572	\$ 15,041,024	\$ 12,122,335
Classified Salaries	211,422,210	216,640,772	223,356,060	6,715,288	11,933,850
Employee Benefits	481,912,759	482,716,640	469,846,588	(12,870,052)	(12,066,171)
Book and Supplies	110,872,361	165,396,224	162,546,246	(2,849,978)	51,673,885
Services & Operating	211,088,452	239,417,961	235,758,396	(3,659,565)	24,669,944
Capital Outlay	248,259,734	237,756,455	236,255,267	(1,501,188)	(12,004,467)
Other Outgo	4,459,153	3,939,153	3,939,153	-	(520,000)
Direct/Indirect Costs	(2,507,911)	(2,346,686)	(2,380,143)	(33,457)	127,768
Total Expenditures	\$ 1,820,962,995	\$ 1,896,058,067	\$ 1,896,900,139	\$ 842,072	\$ 75,937,144
Other Sources/(Uses)					
Transfers In	\$ 5,186,409	\$ 5,186,409	\$ 5,186,409	\$ -	\$ -
Transfers Out	(9,156,409)	(9,156,409)	(9,156,409)	-	-
Other Sources	-	-	-	-	-
Other Uses	-	-	-	-	-
Restricted Contribution	-	-	-	-	-
Total Sources/(Uses)	\$ (3,970,000)	\$ (3,970,000)	\$ (3,970,000)	\$ -	\$ -
Net Increase/Decrease in Fund Balance	\$ (121,393,087)	\$ (170,448,959)	\$ (162,963,395)	\$ 7,485,564	\$ (41,570,308)
Beginning Fund Balance - Unaudited Audit Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -
Beginning Balance	\$ 497,319,627	\$ 497,319,627	\$ 553,873,864	\$ 56,554,237	\$ 56,554,237
Restatement of Beginning Balance	\$ -	\$ -	\$ 7,671,941	\$ 7,671,941	\$ 7,671,941
Ending Fund Balance	\$ 375,926,540	\$ 319,793,446	\$ 398,582,410	\$ 78,788,964	\$ 22,655,870
Components of Ending Balance					
Revolving Cash	\$ 70,050	\$ 70,050	\$ 43,534	\$ (26,516)	\$ (26,516)
Stores	2,670,900	2,670,900	3,028,901	358,001	358,001
Prepaid Expense	1,812,091	1,812,091	2,189,659	377,568	377,568
Other Commitments	152,900,000	152,900,000	153,900,000	1,000,000	1,000,000
Assigned: Other Assignments	-	-	3,300,000	3,300,000	3,300,000
Restricted	79,612,068	79,612,068	110,094,999	30,482,931	30,482,931
Reserve for Economic Uncertainties	138,861,431	82,728,337	126,025,317	43,296,980	(12,836,114)
Reserve Level %	7.59%	4.34%	6.61%		
Total Ending Fund Balance	\$ 375,926,540	\$ 319,793,446	\$ 398,582,410	\$ 78,788,964	\$ 22,655,870

Per Education Code section 42127(a)(2)(B) the minimum recommended reserve for economic uncertainties is 2% or \$38,104,290

As shown above the reserve for economic uncertainties is \$121,839,753 with an assigned and committed ending balance of \$153,900,000 set aside for future year expenses

As outlined in Board Policy 3100, the Board recognizes the importance of maintaining reserve levels during stable and volatile economic times.

**UNRESTRICTED GENERAL FUND
BUDGET REVISION No. 3**

DESCRIPTION	2023/24 ADOPTED BUDGET	2023/24 CURRENT BUDGET	1/24/2024 BUDGET REVISION No. 3	DIFFERENCE BETWEEN CURRENT	DIFFERENCE BETWEEN ADOPTED
	UNRESTRICTED	UNRESTRICTED	UNRESTRICTED	AND BR No. 3	AND BR No. 3
Revenues					
LCFF Sources	\$ 1,010,168,593	\$ 1,010,168,593	\$ 1,012,225,789	\$ 2,057,196	\$ 2,057,196
Federal Revenues	-	-	-	-	-
Other State Revenues	19,968,032	24,699,003	24,924,068	225,065	4,956,036
Other Local Revenues	14,722,410	14,722,410	13,722,410	(1,000,000)	(1,000,000)
Total Revenues	\$ 1,044,859,035	\$ 1,049,590,006	\$ 1,050,872,267	\$ 1,282,261	\$ 6,013,232
Expenditures					
Certificated Salaries	\$ 398,111,129	\$ 399,227,772	\$ 410,223,805	\$ 10,996,033	\$ 12,112,676
Classified Salaries	124,109,668	124,807,534	127,541,905	2,734,371	3,432,237
Employee Benefits	263,092,578	263,700,921	253,279,877	(10,421,044)	(9,812,701)
Book and Supplies	45,660,116	48,431,697	45,581,197	(2,850,500)	(78,919)
Services & Operating	111,200,285	113,084,522	105,169,687	(7,914,835)	(6,030,598)
Capital Outlay	26,406,181	25,826,588	21,326,588	(4,500,000)	(5,079,593)
Other Outgo	1,634,795	1,634,795	1,634,795	-	-
Direct/Indirect Costs	(17,237,361)	(18,202,726)	(18,290,702)	(87,976)	(1,053,341)
Total Expenditures	\$ 952,977,391	\$ 958,511,103	\$ 946,467,152	\$ (12,043,951)	\$ (6,510,239)
Other Sources/(Uses)					
Transfers In	\$ 30,000	30,000	\$ 30,000	\$ -	\$ -
Transfers Out	(1,500,000)	(1,500,000)	(1,500,000)	-	-
Other Sources					
Other Uses					
Restricted Contribution	\$ (129,564,143)	\$ (136,996,805)	\$ (142,837,453)	\$ (5,840,648)	\$ (13,273,310)
Total Sources/(Uses)	\$ (131,034,143)	\$ (138,466,805)	\$ (144,307,453)	\$ (5,840,648)	\$ (13,273,310)
Net Increase/Decrease in Fund Balance	\$ (39,152,499)	\$ (47,387,902)	\$ (39,902,338)	\$ 7,485,564	\$ (749,839)
Beginning Fund Balance - Adopted	\$ 335,466,971	\$ 335,466,971	\$ 328,389,749	\$ (7,077,222)	\$ (7,077,222)
Audit Adjustment	\$ -	\$ -	\$ -	\$ -	\$ -
Beginning Balance	\$ 335,466,971	\$ 328,389,749	\$ 328,389,749	\$ -	\$ (7,077,222)
Ending Fund Balance	\$ 296,314,472	\$ 281,001,847	\$ 288,487,411	\$ 7,485,564	\$ (7,827,061)

**FRESNO UNIFIED SCHOOL DISTRICT
RESTRICTED GENERAL FUND
BUDGET REVISION No. 3**

DESCRIPTION	2023/24	2023/24	1/24/2024	DIFFERENCE	DIFFERENCE
	ADOPTED BUDGET	CURRENT BUDGET	BUDGET REVISION No. 3	BETWEEN CURRENT AND BR No. 3	BETWEEN ADOPTED AND BR No. 3
	RESTRICTED	RESTRICTED	RESTRICTED		
Revenues					
LCFF Sources	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Revenues	369,696,729	383,348,022	384,243,874	895,852	14,547,145
Other State Revenues	278,197,303	282,428,414	283,798,861	1,370,447	5,601,558
Other Local Revenues	10,786,841	14,212,666	18,991,742	4,779,076	8,204,901
Total Revenues	\$ 658,680,873	\$ 679,989,102	\$ 687,034,477	\$ 7,045,375	\$ 28,353,604
Expenditures					
Certificated Salaries	\$ 157,345,108	\$ 153,309,776	\$ 157,354,767	\$ 4,044,991	\$ 9,659
Classified Salaries	87,312,542	91,833,238	95,814,155	3,980,917	8,501,613
Employee Benefits	218,820,181	219,015,719	216,566,711	(2,449,008)	(2,253,470)
Book and Supplies	65,212,245	116,964,526	116,965,048	522	51,752,803
Services & Operating	99,888,167	126,333,440	130,588,710	4,255,270	30,700,543
Capital Outlay	221,853,553	211,929,867	214,928,679	2,998,812	(6,924,874)
Other Outgo	2,824,358	2,304,358	2,304,358	-	(520,000)
Direct/Indirect Costs	14,729,450	15,856,040	15,910,559	54,519	1,181,109
Total Expenditures	\$ 867,985,604	\$ 937,546,964	\$ 950,432,987	\$ 12,886,023	\$ 82,447,383
Other Sources/(Uses)					
Transfers In	5,156,409	5,156,409	5,156,409	-	-
Transfers Out	(7,656,409)	(7,656,409)	(7,656,409)	-	-
Other Sources	-	-	-	-	-
Other Uses	-	-	-	-	-
Restricted Contribution	129,564,143	136,996,805	142,837,453	5,840,648	13,273,310
Total Sources/(Uses)	\$ 127,064,143	\$ 134,496,805	\$ 140,337,453	\$ 5,840,648	\$ 13,273,310
Net Increase/Decrease in Fund Balance	\$ (82,240,588)	\$ (123,061,057)	\$ (123,061,057)	\$ -	\$ (40,820,469)
Beginning Fund Balance - Adopted					
Beginning Balance	\$ 161,852,656	\$ 161,852,656	\$ 225,484,115	\$ 63,631,459	\$ 63,631,459
Restatement of Beginng Balance			\$ 7,671,941	\$ 7,671,941	\$ 7,671,941
Ending Fund Balance	\$ 79,612,068	\$ 38,791,599	\$ 110,094,999	\$ 71,303,400	\$ 30,482,931

FRESNO UNIFIED BUDGET AUGMENTATION

BOARD PRESENTATION DATE:

January 24, 2024

FUND: **Adult Education Fund**

OBJECT	ACCOUNT TITLE	Adopted BUDGET	Current BUDGET	Revised BUDGET	Net Change BUDGET
APPROPRIATIONS:					
1000	Certificated Salaries	2,405,586	2,405,586	2,907,153	501,567
2000	Classified Salaries	1,720,311	1,720,311	1,625,997	(94,314)
3000	Employee Benefits	2,747,277	2,747,277	3,077,043	329,766
4000	Books and Supplies	2,209,883	1,780,538	1,845,464	64,926
5000	Services and Other Operating	1,082,371	1,494,911	1,035,371	(459,540)
6000	Capital Outlay	0	20,000	160,000	140,000
7000	Other Outgo	0	0	0	0
	TOTAL BEFORE INDIRECT	10,165,428	10,168,623	10,651,028	482,405
7300	INDIRECT COSTS	213,475	216,412	231,802	15,390
	TOTAL APPROPRIATIONS	10,378,903	10,385,035	10,882,830	497,795
REVENUES:					
	REVENUE LIMIT SOURCES	0	0	0	0
	FEDERAL REVENUES	1,266,057	1,285,833	1,285,833	0
	STATE REVENUES	6,657,513	7,148,542	7,646,337	497,795
	LOCAL REVENUES	546,771	546,771	546,771	0
	OTHER SOURCES	0	0	0	0
	TOTAL REVENUES	8,470,341	8,981,146	9,478,941	497,795
	Beginning Fund Balance	2,088,646	1,403,889	1,403,889	0
	Change to Fund Balance	(1,908,562)	(1,403,889)	(1,403,889)	0
	Ending Fund Balance	180,084	0	0	0

FRESNO UNIFIED BUDGET AUGMENTATION

BOARD PRESENTATION DATE:

January 24, 2024

FUND: **Children Center Fund**

OBJECT	ACCOUNT TITLE	Adopted BUDGET	Current BUDGET	Revised BUDGET	Net Change BUDGET
APPROPRIATIONS:					
1000	Certificated Salaries	8,821,837	8,946,213	8,395,816	(550,397)
2000	Classified Salaries	5,827,220	5,857,670	5,551,976	(305,694)
3000	Employee Benefits	11,596,399	11,648,420	11,161,860	(486,560)
4000	Books and Supplies	2,655,553	7,899,242	9,533,279	1,634,037
5000	Services and Other Operating	7,883,952	4,895,718	6,021,613	1,125,895
6000	Capital Outlay	0	2,334,898	2,334,898	0
7000	Other Outgo	0	0	0	0
	TOTAL BEFORE INDIRECT	36,784,961	41,582,161	42,999,442	1,417,281
7300	INDIRECT COSTS	1,113,857	1,258,400	1,302,388	43,988
	TOTAL APPROPRIATIONS	37,898,818	42,840,561	44,301,830	1,461,269
REVENUES:					
	REVENUE LIMIT SOURCES	0	0	0	0
	FEDERAL REVENUES	1,414,020	1,641,205	1,775,301	134,096
	STATE REVENUES	33,491,666	37,569,585	38,896,758	1,327,173
	LOCAL REVENUES	2,327,638	2,916,323	2,916,323	0
	OTHER SOURCES	0	0	0	0
	TOTAL REVENUES	37,233,324	42,127,113	43,588,382	1,461,269
	Beginning Fund Balance	665,494	713,448	713,448	0
	Change to Fund Balance	(665,494)	(713,448)	(713,448)	0
	Ending Fund Balance	0	0	0	0

FRESNO UNIFIED BUDGET AUGMENTATION

BOARD PRESENTATION DATE:

January 24, 2024

FUND: Cafeteria Fund

OBJECT	ACCOUNT TITLE	Adopted BUDGET	Current BUDGET	Revised BUDGET	Net Change BUDGET
APPROPRIATIONS:					
1000	Certificated Salaries	0	0	0	0
2000	Classified Salaries	17,249,074	17,249,074	17,249,074	0
3000	Employee Benefits	13,977,170	13,977,170	13,977,170	0
4000	Books and Supplies	28,622,597	30,891,450	33,009,214	2,117,764
5000	Services and Other Operating	4,040,913	4,044,424	4,044,424	0
6000	Capital Outlay	1,254,000	1,439,247	1,514,247	75,000
7000	Other Outgo	0	0	0	0
	TOTAL BEFORE INDIRECT	65,143,754	67,601,365	69,794,129	2,192,764
7300	INDIRECT COSTS	1,180,579	1,182,566	1,182,566	0
	TOTAL APPROPRIATIONS	66,324,333	68,783,931	70,976,695	2,192,764
REVENUES:					
	REVENUE LIMIT SOURCES	0	0	0	0
	FEDERAL REVENUES	53,236,467	55,507,307	55,658,305	150,998
	STATE REVENUES	10,740,409	10,929,167	12,820,933	1,891,766
	LOCAL REVENUES	1,203,616	1,203,616	1,353,616	150,000
	OTHER SOURCES	0	0	0	0
	TOTAL REVENUES	65,180,492	67,640,090	69,832,854	2,192,764
	Beginning Fund Balance	15,147,925	17,228,874	17,228,874	0
	Restatement of Fund Balance		(7,671,941)	(7,671,941)	0
	Change to Fund Balance	(1,143,841)	(1,143,841)	(1,143,841)	0
	Ending Fund Balance	14,004,084	16,085,033	8,413,092	0