



Fountain Valley School District

BOARD OF TRUSTEES  
SPECIAL MEETING

**A G E N D A**

10055 Slater Avenue  
Fountain Valley, CA 92708

**December 9, 2021**

- CALL TO ORDER: 5:30PM
- ROLL CALL
- APPROVAL OF AGENDA

M \_\_\_\_\_  
 2<sup>nd</sup> \_\_\_\_\_  
 V \_\_\_\_\_

- PLEDGE OF ALLEGIANCE

**STAFF REPORTS AND PRESENTATIONS**

**1. FIRST INTERIM REPORT PRESENTATION (WRITTEN AND ORAL)**

Assistant Superintendent, Business, Christine Fullerton and Director, Fiscal Services, Isidro Guerra will present and review with the Board of Trustees the First Interim Report for the Fountain Valley School District.

**2. PRE-FUNDING OTHER POST EMPLOYMENT BENEFITS**

Assistant Superintendent of Business Services, Christine Fullerton, and Director, Fiscal Services, Isidro Guerra will present to the Board of Trustees potential strategies for pre-funding Other Post-Employment Benefits (OPEB).

**PUBLIC HEARINGS**

**3. PUBLIC HEARING ON EDUCATOR EFFECTIVENES BLOCK GRANT**

A public hearing shall be held for the purpose of receiving public comment on the Educator Effectiveness Block Grant for the Fountain Valley School District. Public input is welcome.

**PUBLIC COMMENTS**

*Our mission is to promote a foundation for academic excellence, mastery of basic skills, responsible citizenship, and a desire by students to achieve their highest potential through a partnership with home and community.*

*Members of the community and staff are welcome to address the Board of Trustees on any item listed on the Agenda of Business or any other item of specific concern. If a member of the audience requests a response to their comments, the Board of Trustees may ask the Superintendent/Staff to respond to them in writing after the meeting, or direct that additional information be provided to the Board on a future agenda.*

**In order to address the Board of Trustees, please comply with the procedures listed on the goldenrod form, *For Persons Wishing to Address the Board of Trustees* and give the form to the Executive Assistant.**

**\*\*\* BOARD MEMBERS WHO WISH TO DISCUSS WITH STAFF ANY ITEMS LISTED UNDER LEGISLATIVE SESSION SHOULD INFORM THE BOARD PRESIDENT AT THIS TIME. \*\*\***

**LEGISLATIVE SESSION**

**4. CONSENT CALENDAR/ROUTINE ITEMS OF BUSINESS**

M \_\_\_\_\_  
2<sup>nd</sup> \_\_\_\_\_  
V \_\_\_\_\_

All items listed under the Consent Calendar and Routine Items of Business are considered by the Board of Trustees to be routine and will be enacted by the Board in one action. There will be no discussion of these items prior to the time the Board votes on the motion unless members of the Board, staff, or public request specific items to be discussed and/or removed from the Consent Calendar.

Superintendent's Recommendation: The Board of Trustees approves all items listed under the Consent Calendar and Routine Items of Business in one action.

**Consent Items**

**4-A. APPROVAL OF 2021-22 FIRST INTERIM REPORT**

Superintendent's Comments: The First Interim Report is completed and submitted to the County Office of Education and the State Controller's Office as of October 31, 2021. It is recommended that the Board of Trustees receives and authorizes submittal of the First Interim Report for 2021-22.

• **CLOSED SESSION**

The Board of Trustees will retire into Closed Session to address the following:

- Personnel Matters: *Government Code 54957 and 54957.1*  
Appointment/Assignment/Promotion of employees; employee discipline/dismissal/release; evaluation of employee performance; complaints/charges against an employee; other personnel matters.
- Pupil Personnel: *Education Code 35146*
- Negotiations: *Government Code 54957.6*

Update and review of negotiations with the FVEA and CSEA Bargaining Units with the Board's designated representative, Cathie Abdel.

- Threat to Public Safety or Facilities: *Government Code 54956.5*
- Consultation with Assistant Superintendent, Personnel, Assistant Superintendent, Business Services and Assistant Superintendent, Educational Services: *Government Code 54956.5*
- Public Employee Appointment/Discussion: *Government Code 54957*  
Position: Superintendent
- REPORT OUT OF CLOSED SESSION  
The Board President will report out on action taken, if any.
- APPROVAL TO ADJOURN

**The annual organizational meeting of the Fountain Valley School District Board of Trustees is on Thursday, December 16, 2021 at 6:30PM.**

*A copy of the Board Meeting agenda is posted on the District's web site ([www.fvsd.us](http://www.fvsd.us)). Materials related to this agenda submitted to the Board of Trustees less than 72 hours prior to the meeting are available for public inspection by contacting the Superintendent's Office at [luccheser@fvsd.us](mailto:luccheser@fvsd.us) or calling 714.843.3255 during normal business hours.*

*Reasonable Accommodation for any Individual with a Disability: Any individual with a disability who requires reasonable accommodation to participate in a board meeting may request assistance by contacting the Superintendent's Office at [luccheser@fvsd.us](mailto:luccheser@fvsd.us) or calling 714.843.3255.*

Board meeting of December 9, 2021



Fountain Valley School District  
Business Services Division

MEMORANDUM

TO: Board of Trustees  
FROM: Christine Fullerton, Assistant Superintendent, Business Services  
SUBJECT: **FIRST INTERIM REPORT PRESENTATION (WRITTEN AND ORAL)**  
DATE: December 8, 2021

---

**Background:**

Assistant Superintendent, Business, Christine Fullerton and Director, Fiscal Services, Isidro Guerra will present and review with the Board of Trustees the First Interim Report for the Fountain Valley School District.

Board meeting of December 9, 2021



Fountain Valley School District  
Business Services Division

MEMORANDUM

TO: Board of Trustees  
FROM: Christine Fullerton, Assistant Superintendent, Business Services  
SUBJECT: **PRE-FUNDING OTHER POST EMPLOYMENT BENEFITS**  
DATE: December 8, 2021

---

**Background:**

Assistant Superintendent of Business Services, Christine Fullerton, and Director, Fiscal Services, Isidro Guerra will present to the Board of Trustees potential strategies for pre-funding Other Post-Employment Benefits (OPEB).



**NOTICE OF PUBLIC HEARING**  
**FOUNTAIN VALLEY SCHOOL DISTRICT**

**2021 Educator Effectiveness Block Grant**

At the December 9, 2021 Board meeting, the Fountain Valley School District Board of Trustees will hold a Public Hearing to accept comments from members of the public on Fountain Valley School District's Educator Effectiveness Block Grant Plan for the 2021-22 through the 2025-26 school years, prior to Final Adoption as required by CA Education Code 41480.

The proposed Educator Effectiveness Block Grant Plan is available for public inspection in the District Office beginning June 1st between the hours of 8:30 AM to 4:30 PM and is posted on the FVSD website at <https://www.fvsd.us>.



# FOUNTAIN VALLEY SCHOOL DISTRICT

10055 Slater Ave. • Fountain Valley, CA 92708 • 714.843.3200 • www.fvsd.us

## Fountain Valley School District Educator Effectiveness Block Grant Expenditure Plan

**Estimated Allocation:** \$1,296,245.00  
**Expenditure Timeline:** 2021-22 through 2025-26 school years

### **Background:**

On July 9, 2021, Governor Gavin Newsom signed Assembly Bill (AB) 130, enacting various programmatic and budgetary changes for the 2021-22 fiscal year. Among those changes was the funding of the Educator Effectiveness Block Grant program, providing \$1.5 billion in one-time Proposition 98 General Fund to support professional development in specific high-need topics, including accelerating learning, social-emotional learning, re-engaging students, restorative practices, and implicit bias training. Funds are to be apportioned to Local Education Agencies (LEAs) based on the number of full-time equivalent certificated and classified staff for the 2020-21 school year.

School districts may use Educator Effectiveness Block Grant funding to support professional learning for teachers, administrators, paraprofessionals who work with pupils and classified staff that interact with pupils, with a focus on any of the following areas:

1. Coaching and mentoring of staff serving in an instructional setting and beginning teacher or administrator induction with a focus on retaining teachers, offering structured feedback and coaching systems organized around social-emotional learning, and supporting learning communities for educators.
2. Programs that lead to effective, standards-aligned instruction and improve instruction in literacy across all subjects.
3. Practices and strategies that reengage pupils and lead to accelerated learning.
4. Strategies to implement approaches that improve student well-being.
5. Practices to create a positive school climate.
6. Strategies to improve inclusive practices, best practices for early identification, and development of individual education plans for individuals with exceptional needs.
7. Instruction and education to support implementing effective language acquisition programs for English learners.
8. New professional learning networks for educators not already engaged in an education-related professional learning network.
9. Instruction and strategies to incorporate ethnic studies curricula for grades 7 to 12.
10. Instruction, education and strategies for certificated and classified educators in early childhood education or childhood development.



# FOUNTAIN VALLEY SCHOOL DISTRICT

10055 Slater Ave. • Fountain Valley, CA 92708 • 714.843.3200 • www.fvdsd.us

## Fountain Valley School District Educator Effectiveness Block Grant Expenditure Plan

### FVSD Expenditure Plan Details:

| 2021-22 School Year  |                |
|--|----------------|
| <b>Beginning Fund Balance</b>                                  | \$1,296,245.00 |
| <b>Planned Actions &amp; Expenditures</b>                      |                |
| No planned actions or expenditures for the 2021-22 school year |                |
| <b>Ending Fund Balance</b>                                     | \$1,296,245.00 |

| 2022-23 School Year  |                |
|--|----------------|
| <b>Beginning Fund Balance</b>                                  | \$1,296,245.00 |
| <b>Planned Actions &amp; Expenditures</b>                      |                |
| No planned actions or expenditures for the 2022-23 school year |                |
| <b>Ending Fund Balance</b>                                     | \$1,296,245.00 |

| 2023-24 School Year  |                |
|--|----------------|
| <b>Beginning Fund Balance</b>                                  | \$1,296,245.00 |
| <b>Planned Actions &amp; Expenditures</b>                      |                |
| No planned actions or expenditures for the 2023-24 school year |                |
| <b>Ending Fund Balance</b>                                     | \$1,296,245.00 |

| 2024-25 School Year           |  |                |
|-------------------------------|--|----------------|
| <b>Beginning Fund Balance</b> |  | \$1,296,245.00 |
| <b>Action Number</b>          | <b>Description</b>   | <b>Budget</b>  |
| Action 1                      | Provide beginning teacher and administrator support and mentoring, including, but not limited to, programs that support new teacher and administrator ability to teach or lead effectively and to meet induction requirements adopted by the Commission on Teacher Credentialing and pursuant to Section 44259 of the California <i>Education Code</i> .   | \$50,000.00    |
| Action 2                      | Provide professional development, coaching, and support for teachers and classified staff related to improve instruction in literacy across all subjects, expand inclusive practices for individuals with exceptional needs, support effective implementation of effective language acquisition programs for English learners, and support the implementation of the District's Signature Practices. | \$598,123.00   |
| <b>Ending Fund Balance</b>    |  | \$648,122.00   |





# FOUNTAIN VALLEY SCHOOL DISTRICT

10055 Slater Ave. • Fountain Valley, CA 92708 • 714.843.3200 • www.fvsd.us

| 2025-26 School Year    |  |                |
|------------------------|--|----------------|
| Beginning Fund Balance |  | \$1,296,245.00 |
| Action Number          | Description  | Budget         |
| Action 1               | Provide beginning teacher and administrator support and mentoring, including, but not limited to, programs that support new teacher and administrator ability to teach or lead effectively and to meet induction requirements adopted by the Commission on Teacher Credentialing and pursuant to Section 44259 of the California <i>Education Code</i>   | \$50,000.00    |
| Action 2               | Provide professional development, coaching, and support for teachers and classified staff related to improve instruction in literacy across all subjects, expand inclusive practices for individuals with exceptional needs, support effective implementation of effective language acquisition programs for English learners, and support the implementation of the District's Signature Practices. | \$598,123.00   |
| Ending Fund Balance    |  | \$0.00         |

## **Annual and Final Expenditure Reporting:**

Educator Effectiveness funds are subject to the annual audits required by California *Education Code* Section 41020. An annual data and expenditure report will be due each year on or before September 30<sup>th</sup>. The CDE is requiring annual reporting as a response to requests for detailed information in the legislative report, to justify future funding opportunities and to confirm funding is being appropriately used and tracked at the local level. In addition, a Final Expenditure Report will be due on or before September 30, 2026. Templates for reporting are under development by the California Department of Education as of November 2021.



Fountain Valley School District  
**BUSINESS SERVICES DIVISION**

MEMORANDUM

TO: Board of Trustees  
FROM: Christine Fullerton, Assistant Superintendent Business Services  
Isidro Guerra, Director, Fiscal Services  
SUBJECT: **Approval of 2021-22 First Interim Report**  
DATE: December 1, 2021

---

**Background:**

School districts are required to complete two interim financial reports during a fiscal year; one as of October 31 and one as of January 31. The Interim Reports are filed with the County Department of Education and the State Controller's Office. School districts must conduct a review of their interim reports in accordance with state-adopted Criteria and Standards. Two critical areas are cash balance and fund balance. The second part of the summary review includes specified additional information intended to assist governing boards and county offices in better understanding the status of the District budget. This supplemental information includes the status of negotiations, reserves, and any multi-year commitments that have occurred since the budget was adopted.

**Fiscal Impact:**

**Beginning Balance**

The District's 2020-21 financial audit is yet to be completed. The General Fund beginning balance remains unchanged from Unaudited Actuals and as of July 1, 2021 was \$23.9 million.

**Revenue Assumptions**

*Local Control Funding Formula Revenue*

The 2021-22 budget has been updated as of First Interim to reflect all state level changes to the Local Control Funding Formula (LCFF) and was funded based on an average daily attendance (ADA) of 6,150. School Districts are funded on the better of current or prior year ADA. The Cost of Living Adjustment (COLA) is 5.07% in the current year.

As of First Interim, the District's latest CALPADS projected enrollment is 6,001. The projected total LCFF revenue for 2021-22 is estimated to be \$56.6 million, unchanged from budget adoption.

*Federal Revenue*

The 2021-22 budget and the multi-year projection include the latest estimates for federal programs, including substantial one-time funds for COVID relief as part of the Coronavirus Aid, Relief, and Economic Security Act (CARES), Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) and the American Rescue Plan Act (ARP). All of these one-time funds are restricted for emergency response and to address learning loss resulting from the pandemic and are recorded as revenue in the year in which qualifying expenditures are made.

All non-COVID federal program revenues have been adjusted for unearned revenue from fiscal year 2020-21. Federal revenue is projected to be \$3.3 million, a decrease of \$100 thousand since budget adoption.

*Other State Revenue*

Other State Revenue is comprised of Lottery, STRS on-behalf employer contributions, Mental Health, Mandate Block Grant, one-time grants including the Educator Effectiveness Grant, Expanded Learning Opportunities Program (ELOG) and AB130 Special Ed grants.

In addition, there are one-time COVID response funds, including the Expanded Learning Opportunities Grant (ELOG) as well additional funds for the In-Person Instruction Grant. All of the one-time COVID funds are restricted for emergency response and to address learning loss resulting from the pandemic and are recorded as revenue in the current year.

Unrestricted Lottery revenue is projected at \$165 per ADA. The restricted portion of Lottery funding is estimated at \$65 per ADA. The Mandate Block Grant is expected to be funded at a rate of \$32.79 per ADA.

All State program revenues have been adjusted for 2020-21 carry-over amounts. Other state revenue is projected to be \$8.2 million, an increase of \$1.2 million due to additional one-time grants in the adopted State budget.

*Other Local Revenue*

Other local revenue is derived from various sources: lease income, donations, contract fees, miscellaneous income and special education transfer of apportionments. Lease income is used to partially fund the routine restricted maintenance statutory requirement to set aside 3% of total general funds expenditures for this purpose.

Other local revenue is projected to be \$6.3 million, an increase of \$400 thousand since budget adoption due to new on-going Special Education funding.

**Expenditure Assumptions**

*Salaries & Benefits*

Salaries

Step, column and longevity increases for certificated, classified, confidential and management employees are reflected in the First Interim Report. Salaries and benefits for all staff make up approximately 80.3% of total expenditures. As of the date of this report, contract negotiations for 2021-22 year have not been settled for any bargaining unit.

General fund salaries expense for all employees is projected to be \$44.0 million, a decrease of \$842 thousand from the adopted budget as staffing level assumptions made at budget adoption have met the reality of widespread staffing shortages. In addition, the deadlines to spend several COVID relief funds have been extended, allowing for some for these planned expenditures to occur in 2022-23 and 2023-24.

Benefits

Employee statutory benefit rates for 2021-22 are as follows:

- STRS 16.92%
- PERS 22.91%
- Social Security 6.20%
- PARS 1.30%
- Medicare 1.45%
- Unemployment Insurance 0.50%
- Workers' Compensation 2.20%.

Employee Benefits expense reflects the requirement to record STRS on-behalf pension contributions as an employee benefit expense. An equal offsetting entry in Other State Revenue makes the net impact \$0.

Health and Welfare costs are allocated at \$10,750 per full-time employee prorated by the percentage of hours worked and \$5,375 for employees working part-time. For the 2021-22 fiscal year, these costs reflect a half year of the negotiated increase of \$500 to the health and welfare cap approved as part of the 2020-21 collective bargaining agreement. Health and welfare benefits are provided on a calendar year basis and changes to the District's cap amount do not align with the fiscal year. Cost increases above the cap amount are borne by employees through payroll deductions.

The District also covers the cost of health and welfare for retired employees until the age of 65. The cost of this benefit does not exceed the cap amount at the time of the employee's retirement.

Employee Benefits expense is projected to be \$18.5 million, a \$448 thousand decrease since budget adoption as total budgeted salaries have decreased in addition to a reduction in unemployment insurance costs.

*Other Expenditures*

Object codes 4000 through 6000 reflect expenditures in supplies, services, equipment and capital outlays. As of October 31, 2021, amounts budgeted in these areas are substantially

higher than in a typical year as a result of planned one-time expenditures for textbook adoptions, the spend down of LCFF/LCAP supplemental carryover funds, and most notably due to the considerable influx of one-time COVID relief funds. Due to the evolving nature of the pandemic and broader economic factors, funds budgeted in one expenditure area may be spent in another area leading to substantial variances between expenditure categories from one reporting period to another.

Total expenditures in supplies, services, equipment and capital outlays are projected to be \$14.3 million, an increase of \$2.8 million since budget adoption due to budgeted expenditures for additional one-time resources as well as budgeting of carryover amounts from 2020-21.

### **Ending Balance**

The projected ending balance for June 30, 2022, is \$19.9 million and is comprised of: Restricted Balance of \$4.7 million, Assigned Balance of \$4.9 million, Stores Balance of \$73,355, Revolving Cash of \$45,000, Unassigned Balance of \$7.9 million and a Reserve for Economic Uncertainties amount of \$2.3 million, which meets the state requirement for reserves equal to 3% of expenditures.

All other funds are projected to end the year with a positive fund and cash flow balance.

### **Recommendation:**

It is recommended that the Board of Trustees approves the First Interim Report for fiscal year 2021-22.