

West Contra Costa Unified School District
Office of the Superintendent

Friday Memo
May 1, 2020

Upcoming Events – Matthew Duffy

May 6: Board of Education meetings via video conference/teleconference, 4:30 PM

Next Week’s Meeting - Matthew Duffy

Closed Session for the May 6 meeting will begin at 4:00 PM with the Public Session beginning at 4:30 PM. There will be a continuation of the closed session at the end of the Board meeting built into the agenda.

Grading Policy – Gracie Guerrero

A task force composed of teachers, administrators, Special Education and English Language Development (ELD) representatives, and PowerSchool staff worked diligently to arrive at a grading plan that takes equity and access in consideration and weighs the current crisis with the need for academic support and digital learning.

In order to align with recent flexibility to college entrance requirements by the UC system, and consistent with other comprehensive California districts, the WCCUSD Grading Policy Task Force is recommending that the Board approve a **Pass/No Mark** grading standard for secondary students and a **narrative progress report** for elementary students for the last grading cycle of the 2019-2020 academic year. The recommended options are consistent with the policies delineated as acceptable by the [California Department of Education](#) and the [University of California](#).

Elementary school students and families will receive clear and meaningful teacher feedback on report cards, using strengths-based narratives in place of marks for the third trimester. Middle Schools and High Schools will adhere to a **Pass/No Mark** system. Students who complete work at a level equivalent to C- or higher shall receive “Pass” and shall receive A-G credit. Students who complete work at a level that is lower than a C- shall receive “No Mark” and will receive credit toward high school graduation but not toward A-G. The Board will be presented with updated grading policies reflecting these COVID-19 related policy revisions for review and subsequent approval.

Summer School and Extended School Year 2020 – Nick Berger and Gracie Guerrero

Summer programs for 2020 will likely be provided through Distance Learning as we are still under Shelter in Place orders and anticipate that this guidance will extend, to some degree, through the summer months. In the event that facilities are needed for any form of direct instruction in combination with Distance Learning or possibly small group instruction, we have identified two elementary school sites and two high school sites for summer programming. Students will attend Monday through Thursday for five weeks, June 15- July 16. Summer programs will include IEP driven special education programs and high school credit recovery programs for students who need credits to graduate. We will also explore summer learning opportunities for special populations of students who, based on Distance Learning engagement data, may need additional interventions.

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Job Descriptions - Tony Wold

We are updating the Organizational chart and job descriptions based upon feedback from the last board meeting. The reporting has been adjusted as requested and changed for General Counsel, Lead Internal Auditor and the connected descriptions. Position Control will be housed in HR and coordinate work with Business. In respect to minimum qualifications we believe that it is important that there is some level of flexibility in licenses and attracting the broadest pool of employees during recruitment. Human Resources reviewed other districts regarding the requirements that are built into their job descriptions and we are indeed aligned to other Districts with how our qualifications are listed to remain competitive in this environment.

At the Board meeting we will have the closed session at the end of the meeting to be able to maintain the necessary staffing timelines. Most of the unrepresented (Director) positions will be filled by appointments from our current staff that still need to be assigned after the passage of the resolutions on February 26th for Certificated and April 22nd for Classified eliminated their current title or position. We will provide information about those appointments as requested in the closed session. Several of the Principal vacancies would also be filled with existing administrators who previously were Principals in the District. All of these Certificated administrators are currently holding a teaching position which will then be available to be filled with a RIF's teacher once the appointment of the administrator is completed. In addition, the SSA positions are being filled through a collaborative interview process which included SSA representation. Filling those positions will immediately allow us to remove multiple people from the classified RIF list that were noticed due to possible bumping. After May 6th we anticipate that there will be a handful of positions that will need to be posted such as General Counsel and a couple of Principal positions as well as the new grant funded positions. We would start that process immediately so as to be able to have candidates selected prior to July 1st to start the upcoming school year.

New Bond Sale – Tony Wold

Previously, the Board approved the District to refinance several outstanding series of General Obligation (GO) Bonds to save taxpayers money. We have been working with our Financial Advisor, KNN, and refinancing team of underwriters (JP Morgan Chase and Raymond James) and Bond Counsel, Nixon Peabody to determine the appropriate timing to complete this refinancing and achieve the targeted 10% net present value savings to our tax payers. With COVID-19 the market has moved quite a bit, but in the last week the savings has finally moved back to the targeted range of approximately 10%. Our plan is to move forward with a refunding issuance of approximately \$100 million and we expect to price the refunding bonds early next week.

With our focus on the market and the expected changes in State and Federal budgets based upon COVID-19 we have also determined that the time is right to issue the remaining 2010 and 2012 bond authorizations totaling \$130 million. We will be placing a resolution on the May 6th agenda to complete this new sale in a timely manner. This is not part of our new Measure R funding which we will begin to program in the future. We are working to complete both the refunding and new money transactions before the Governor's May Revision which may have an impact on the State budget and change market conditions.

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Moving forward now will ensure the District has funds available to continue our bond projects over the next 18-24 months as we complete the Facilities Master Plan update and prioritize projects. Waiting could impact our ability to obtain favorable rates. We just completed our bond ratings for the refinancing and were affirmed with the double-A rated category. The District's strong bond ratings could potentially be impacted in the coming month based upon the State budget situation due to COVID-19 so the timing is right for a sale. In addition, the District is able to realize transactional efficiencies by aligning the new issuance with the refunding transaction.

With the Board approval of the new sale resolution on May 6th we will be able to take the signed resolution to the County Board of Supervisors meeting on May 12th for their approval. Because the District is qualified, the Education Code requires County approval to issue bonds on behalf of the District. We met with County Counsel this week and they are supportive of our sale and waived the deadline to submit agenda items and will consider the item on the 12th of May prior to the Governor's May revision. This timing is critical for us to obtain the best possible rates for our taxpayers and ensure that our Facilities program moves forward.

We are thankful to our financing team for their hard work and the County Board of Supervisors staff for being collaborative partners in ensuring that our Facilities program continues to support our community and ensuring this funding will be available to the District as the economy changes due to COVID-19. We will have a brief presentation regarding the new issuance on May 6th when we ask the Board to approve the resolution.

State Budget Update – Tony Wold

There is tremendous uncertainty regarding the State budget and how much funding will ultimately come to K-12 education. It is very likely that we will not know how much funding the District will receive until the middle of August or September. This makes it very difficult to create a budget and requires the District to budget in the most flexible manner possible. For this reason, the District will need to be very methodical and only place staff in positions that have a dedicated funding source and focus on essential services.

In addition, the plan to reopen schools from the COVID-19 shutdown is very fluid. It is likely that school will continue to look very different from the way it has in the past. The need for Social Distancing and safety of students and employees will require a lot of dialogue and negotiations with our employee groups. School facilities were designed for larger groupings than may be possible under the social distancing protocols that may be required. This will create challenges in implementation and require additional funding to implement and we are actively working with the educational community to be part of the conversation regarding how it may be possible to open. The simple fact is that if significant social distancing may be a challenge that limits the ability to reopen school quickly without a combination instructional minute flexibility and distance learning implementation even when we do reopen. This is a source of significant discussion across the State and educational community.

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While the District has been focusing on completing our required reductions for the 2020-21 school year and through the actions of the Board and finalization of MOUs we were able to address the reductions needed for 2020-21 prior to COVID-19 impacts. The District would still need to identify additional cuts for the 2021-22 school year in the amount of approximately \$18 - \$20 million. This was part of the budget plan that was identified at the Board meeting on September 14, 2019 and the District has been on track to meet those obligations.

COVID-19 is having an impact on the State and National Economy. The extension of Income Tax filings from April 15 to July 15 significantly impacted the cash that is available at the State level with estimates that the State only received approximately 40% of the normally received tax revenue in April. In addition, there is now news that Property Tax receipts in April may be less than anticipated (we are waiting for more guidance and information regarding this) and there are some concerns at the County level regarding the teeter plan for disbursements. The Teeter plan advances property taxes to districts for cash flow purposes and is how districts that have less cash in October/November are able to move forward without needing to borrow funds. We are waiting for more information about how any changes in the Teeter program would have an impact on WCCUSD.

The result of the extension on taxes is that the State is very likely not going to have enough cash on hand to provide the normal June apportionment to K-12 education. As occurred from 2008 – 2012 the State will likely defer the June apportionment into July or August. We budget the funds as a receivable and will ultimately get the funds, but this will likely put the District in a situation where we will need to borrow funds to maintain a cash balance to meet payroll requirements in June because we will not receive State funding until July or August.

The District has met with the Contra Costa County Office of Education and our Financial Advisor, KNN and analyzed multiple cash flow scenarios and we have all determined that the best course of action is for us to plan on issuing a TRAN (Tax Revenue Anticipation Note) to borrow cash to ensure the District is prepared for any possible deferrals from the State or County. We will have a resolution for the Board to approve as part of the 3rd interim on May 20th. It should be clear that this action does not relate to budget, but is based upon the timing of when the State will provide the District cash apportionments. We need to also have approval for a TRAN from the County Board of Supervisors so to ensure completion of this action we need to have the Board approve at May 20th to have it then approved in June by the County to ensure receipt of funds in June for payroll purposes.

The Governor's May Revision will likely not provide a full picture of the State budget situation. We anticipate that it will likely include the deferral of apportionment for June and could possibly have a recommendation to NOT fund the COLA for the upcoming year. Should the COLA not be funded we would need to make additional reductions for the 2021-2022 school year of approximately \$6 more than the current goal of \$18 - \$20 million. For the upcoming school year, the loss of COLA will likely be able to be covered with the one-time ending fund balance when we close the books on the 2019-2020 school year.

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The addressing of the cuts for 2021 – 2022 will be extremely painful and difficult as it will most definitely affect employee positions and salary since many of the non-salary and management reductions were made in this round of reductions. The plan is to negotiate these reductions beginning after the November election with the hope that the Schools and Communities First initiative would provide new revenue to the District. In addition, UTR is prepared to lead a campaign to support a new parcel tax to reduce the impact of cuts on the District. They have funding in the PAC for this campaign but the Board will need to approve the placement of this on the ballot for November.

While a parcel tax is a challenge in these times, we have the support and motivation from UTR to potentially explore this and we would need to vote in June to place it on the ballot. School funding is going to be hit from many levels and the second round of cuts to our District could be significant. In the previous survey the areas that polled well were supporting teachers while it may be a struggle to pass in the current climate, it is something that the Teachers union would support and it allows them to have this to focus on as we look at the budget impacts upcoming. We believe that it would be in the best interest to support the discussion with UTR about the components of a parcel tax in November as it will be necessary to know the outcome and level of support for this to be able to then negotiate reductions moving forward.

To prepare for the possible negative budget news from the State we are already taking the following actions based upon guidance and direction for the Contra Costa County Office of Education:

- Limiting current spending to essential activities to support distance learning and nutrition services
- Canceling non-essential or mandated contracts for the 2020-2021 school year (this will leave funds in the budget which could address unexpected cuts)
 - These contracts would need then to come back to the Board and meet the requirements of Board policy and be approved before any services are rendered in the upcoming school year.
- Limiting the rehiring of staff that were on “soft funding” to only utilize ongoing funds or restricted grant funding
- Sweeping all budgets as part of year-end close and assigning these funds to mitigate expected cuts in the upcoming school year that may come from the State in August and September.
- Based upon the significant budget concerns from the State the District is being very prudent in identifying expense approvals to leave as much of the budget as possible unencumbered to allow for flexible actions.
 - This may create some frustration for our staff and stakeholders as we must be careful not to create an ongoing expense for staffing that cannot be reduced should revenue decrease in the upcoming year.

To summarize upcoming board actions regarding financing and budget is listed below:

- May 6th – Approval of New Bond Issuance for 2010 and 2012 remaining authorizations
- May 20th – Approval of 3rd Interim -recommend qualified to ensure Bond and TRAN sale

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- May 20th – Approval of TRAN resolution for June cash flow due to State deferrals
- May 20th – Discussion of possible Parcel Tax in November to mitigate future cuts
- June 10th – Public hearing and approval of initial 2020-2021 Budget (we will very likely not receive full State budget information at the May Revision and will have an “August Revision” which may require a new 45-day budget revision in September (similar to what we did last year with revisions to both expenditures and revenue)
 - The June budget will likely NOT have a completed reconciliation of expenditures and revenue. We will have included the reductions that were board approved, but much of the programmatic aspects of the budget will be in a holding pattern through the summer as more information and expectations are received from the State.
 - The LCAP deadline was moved to December once we have a true understanding of the budget and the District will approve the LEA LCAP report to be submitted to the State.

Support for our Students in Need – Tony Wold

On Friday, April 24, 2020, the U.S. Department of Agriculture (USDA) approved California’s application to operate a Pandemic Electronic Benefit Transfer (P-EBT) program during COVID-19. The California Department of Social Services (CDSS) will issue P-EBT benefits to households currently receiving Supplemental Nutrition Assistance Program (SNAP) and to households with children who are eligible for free and reduced-price school meals whose schools were closed for at least five consecutive days during the COVID-19 emergency.

Through the P-EBT program, each eligible child in the household will receive \$5.70 per day for each day of the month in which school was cancelled due to COVID-19. The California Department of Education (CDE) and CDSS estimate that this will provide more than \$1.4 billion to over 3.8 million school children throughout the state to address food insecurity during this emergency.

The CDE and CDSS have identified children from households that are directly certified to receive Free and Reduced-Price school meals. These households will automatically be mailed their P-EBT card in the coming weeks. Beginning in Mid-May, children from households who were not directly certified for free and reduced-price school meals will be able to apply online for P-EBT.

Outreach

The CDE and CDSS will provide P-EBT outreach toolkits to school nutrition partners in the coming weeks. The P-EBT outreach toolkit includes sample communications for schools to notify eligible households about the availability of P-EBT. Schools are strongly encouraged to only use these state-provided outreach materials to reduce confusion about this new, time-limited pandemic relief program. Attached is a one-page flyer that summarizes the benefits of P-EBT for families.

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Frequently Asked Questions

1. Are children who are still receiving school meals through COVID-19 emergency feeding sites eligible to participate in P-EBT?

Response: Yes. P-EBT benefits are in addition to, not in lieu of, free and reduced-price meal benefits. Children who receive P-EBT may still continue to receive meals at COVID-19 emergency sites.

2. Does a child's immigration status impact their ability to participate in P-EBT?

Response: No, P-EBT is a program that is affiliated with free and reduced-price meal eligibility. Similar to school meal programs, there are no restrictions by immigration status associated with P-EBT. P-EBT is not the same as CalFresh or Food Stamps.

Once more information is received from CDE we will direct communications to our families as recommended but we wanted the Board to be aware of this benefit.

Design-Build Project Delivery Method for Lake Elementary School Replacement Project– Luis Freese

On May 6, 2020, the Board will be presented with a Resolution authorizing design-build procurement and construction for the Lake Elementary School Replacement Project (“Project”) pursuant to California Education Code section 17250.10 et seq. (“Design-Build Statute”). District staff reviewed the design-build delivery method and concluded, in light of the associated benefits, that the use of design-build would be best. At the meeting, the Board will also be presented with a contract for Perkins Eastman to prepare the Bridging Documents for the Project. The Bridging documents will develop the architectural programming and conceptual design to align with the Project budget. The Bridging documents will then be used during the Design-Build entity procurement for the campus replacement of Lake Elementary School. On March 19, 2020, staff issued a Request for Qualifications and Proposal and eleven proposals were received for Bridging Architect services. The proposals were reviewed and three firms were selected for virtual interviews. The interviews were scored by representatives from the Bond team as well as Lake’s Principal and Vice-Principal.