

**Emergency Flexibility for Transfers within the State Public School Fund**

**Background:**

The Governor has increased the required reversion for public schools from \$159 million to \$200 million. Based on this required reversion, the Department of Public Instruction has calculated the local education agencies (LEAs) and charter schools reduction (see Attachment 1). This reduction of \$27.75 per average daily membership (ADM) is in addition to the \$58 million reduction previously required of the LEAs and charter schools. The remaining \$101 million of the required reversion is expected to come from the Department and other State Public School Fund reversions.

**Proposal:**

Reduce the Non-Instructional Support allotment (LEAs use this allotment to pay for clerical and custodial personnel) for each LEA by \$27.75 per ADM. The State Board authorizes emergency funding flexibility (as authorized by 115C-451(b)) to allow LEAs to move funds from other allotted categories in the State Public School Fund to Non-Instructional Support. This flexibility will allow each LEA to identify the specific allotment categories for which they have determined a reduction could be absorbed. All funding categories within the State Public School Fund are available for this adjustment (except Driver Education which is funded by the Highway Fund).

**Emergency Funding Flexibility Motion:**

Based on the actions of the Executive branch to adjust operational budgets and restrict cash flow to meet revised revenue forecasts, the State Board of Education authorizes local education agencies (LEAs) the flexibility to adjust all State allotment categories (except Driver Education) to offset the mandated reduction to the LEAs Non-Instructional Support allotment.