



Annual Report

2022-23



FCMAT

FISCAL CRISIS & MANAGEMENT
ASSISTANCE TEAM

Fiscal Crisis and Management Assistance Team

Annual Report 2022-23

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Foreword

Thank you for your interest in the Fiscal Crisis and Management Assistance Team (FCMAT) 2022-23 Annual Report. This report aims to provide readers with a comprehensive overview of the organization's activities throughout the past year. It also provides the FCMAT Board of Directors and FCMAT staff with an opportunity to reflect on the many achievements of the previous year and to reinforce the priorities and services planned for the future.

Beginning in January 2023 and continuing through January 2024, FCMAT staff have been conducting a comprehensive assessment of our services, products and approach through a series of reports entitled FCMAT's Work. As of June 2023, FCMAT has prepared three detailed reports and overviews of our work entitled: [*Overview of FCMAT's Work Part 1 — Fiscal Crisis in School Districts*](#), [*Overview of FCMAT's Work — Part 2 Professional Learning and Product Development*](#), and [*Overview of FCMAT's Work Part 3 — California School Information Services*](#). We plan to provide reports on management assistance in October and extraordinary audits and community colleges in January. These reports have given our governing board, the education community, and the public insight into FCMAT's activities as they relate to our core mission.

Albeit more muted, the effects of the pandemic-era were still evident during the 2022-23 fiscal year, posing ongoing challenges related to learning, attendance and operational recovery in schools. School fiscal resources continued to be expanded, with historic increases in the Local Control Funding Formula (LCFF). Additionally, the state and the federal governments continued to maintain the one-time resources that were intended to mitigate the effects of the pandemic. The state also made substantial recurring and one-time investments specifically designed to support the whole child and foster learning recovery efforts.

Undeniably, the winds are changing, and fiscal challenges lie ahead. The economy is slowing down and state revenues are declining. While economists may debate whether a recession is imminent, the decline in state general fund tax receipts during 2022-23 is a tangible fact. It will impact the state's ability to sustain the historic increases in funding for transitional kindergarten through community college education. This was evident in the considerations faced by the governor and legislature when grappling with the state budget details for 2023-24.

The transition in funding environments, which began in 2022-23, will continue until at least 2024-25. From FCMAT's perspective, 2023-24 will be less problematic due the high cost-of-living-adjustment (COLA) driven by recent inflationary pressures. Additionally, pandemic-era funding will continue for most transitional kindergarten through grade 12 (TK-12) local educational agencies (LEAs) and enrollment and average daily attendance (ADA) mitigations will remain. The more significant challenge lies ahead in 2024-25, when the full impact of a slowing economy, declining enrollment and ADA, and the exhaustion of one-time pandemic-related funds will be in full force.

Fortunately, the education industry is well-equipped to navigate economic downturns, thanks to its wealth of experience and the comprehensive playbooks on this subject. TK-12 LEAs and community colleges can use established approaches specifically designed to address the challenges that arise during economic recessions. While this threat is a fiscal year away, LEAs should keep it in mind as they plan how to invest their resources.

Most TK-12 LEAs are experiencing declining enrollment, which is not a recent development for California. The state's kindergarten through grade 12 enrollment has been declining for well over a decade, a trend that was accelerated during the pandemic. However, between 2021-22 and 2022-

23, the decline began to stabilize to a more typical year-over-year decrease, which is consistent with forecasted trends that are expected to continue in the near future.

Another significant factor is the decline in actual attendance rates of enrolled students (average daily attendance (ADA) yield). During the pandemic, the ADA average for unified school districts decreased from 94.7% to 89.64%. It has since improved slightly to 91.27% in the most recent year. Moreover, there has been a decline in the unduplicated pupil percentage (UPP). This is a key factor in unrestricted funding levels. On average, UPP dropped by 2.8% among half the school districts in the state, representing 43% of statewide ADA. This amounts to an approximate revenue reduction of \$260 per ADA.

Declining enrollment is one of the greatest financial risks for local TK-12 LEAs. To mitigate the near-term impact of enrollment and ADA declines, two changes were implemented in how ADA is calculated. These changes are effective for the 2022-23 fiscal year and beyond. Neither provision is a hold harmless measure. Instead, these changes allow TK-12 LEAs time to address the causes and effects of these declines. As discussed previously, by 2024-25, the rolling average of the three prior years used to calculate ADA (the new provision, which the majority of school districts now use) will no longer be influenced by pre-pandemic higher ADA yields that have temporarily inflated TK-12 LEA revenues by over \$3 billion.

The pandemic-era environment has brought about increasingly dynamic decision-making pressures for local school leaders. In contrast to pre-pandemic operations, our educators now confront more decisions of greater complexity and they are expected to make decisions and take action quickly. The repercussions of a bad decision are far more significant. To support these leaders with informed decision-making, FCMAT/California School Information Services (CSIS) has maintained a strong focus on improving data quality and increasing access to and use of data. FCMAT/CSIS assisted TK-12 LEAs in certifying CALPADS data for federal and state reporting and provided resources to help build local data literacy. In addition, FCMAT's/CSIS's [Ed-Data.org](https://ed-data.org) continues to offer data releases and charts, much of which is sourced from CALPADS and TK-12 LEA financial reporting. This data is readily available for analysis and comparison by partners and the public.

CSIS Chief Operating Officer Amy Fong continued her two-year term as the inaugural board chair for the new state agency overseeing the Cradle-to-Career Data System (C2C). Her leadership has been essential to the development and implementation of plans to link existing data systems and create publicly accessible tools.

Throughout this past year, CSIS achieved several major milestones in the development and release of the new Standardized Account Code Structure (SACS) web system. Interim reporting, budget development and unaudited actuals releases were delivered to the California Department of Education (CDE) and deployed to the field. Within CSIS, the new system has migrated from pure development to maintenance and operations. Additional functionality will be released as part of regular software maintenance. Kudos to the CSIS team for their four-plus year investment of time and talent resulting in a successful deployment!

The fiscal health of California's TK-12 LEAs and community colleges remained strong through 2022-23. For many, this is a result of strong financial management, reporting and planning. For some, the significant increases in fiscal resources and savings from operations during the pandemic have resulted in strong ending balances despite inadequate fiscal practices and processes. To maintain the fiscal stability and solvency of our educational institutions, transparency and oversight of TK-12 LEA and community college finances are paramount. Recognizing early warning signs of fiscal distress is crucial, especially when these indicators may be masked by large infusions of one-time

funding. Governing boards and district leadership teams must be vigilant in monitoring structural operations, recurring revenue and expenditures.

To ensure the accuracy and reasonableness of budget and cash flow projections through subsequent fiscal years, thoughtful and realistic budget assumptions are necessary. During times of uncertainty and rapidly changing circumstances, relying on one set of assumptions is insufficient. TK-12 LEAs and community colleges must prepare multiple budget scenarios and develop at least one cash flow projection and one operational plan for each scenario. In this endeavor, there is no better time than now to use FCMAT's Projection-Pro software application to create multiyear budget and cash scenarios. Proactive financial management and planning is critical, even with the strength reflected in the most recent financial and budgetary reporting. TK-12 LEA's and community colleges' financial outlook is changing, with small TK-12 LEAs being particularly vulnerable.

Since the inception of FCMAT in 1992, the state has contracted with the Kern County Superintendent of Schools (KCSOS) to be FCMAT's administrative agent. As such, we have a close relationship with our colleagues at KCSOS. At the end of June, County Superintendent Mary Barlow retired. Mary not only had a long history with KCSOS, but she served part of that time as FCMAT's deputy executive officer. We thank Mary for her many years of service and leadership and wish her the very best in her retirement. Appointed as the new county superintendent is John Mendiburu. We welcome John to the FCMAT family and look forward to many years of his leadership.

Fiscal year 2022-23 marked the second year of our three-year 2021-2024 Strategic Plan, which guides our continued efforts to help TK-12 LEAs and community colleges maximize resources for their students. In this report, we provide a thorough update on our achievements and progress.

Assisting TK-12 LEAs and community colleges with challenges, preventing fiscal distress and building better operational processes are at the heart of FCMAT's mission, and we will continue to focus our efforts in these areas. Each year we renew our commitment and investment to ensure that we stand prepared to deliver quality assistance to the education community. Our outstanding FCMAT staff play a pivotal role in our success. Equally important is the support of the FCMAT Board of Directors and our public- and private-sector partners.



Michael H. Fine
Chief Executive Officer

FCMAT Organization

In 1992, county offices of education were invited to apply to be the administrative agent for the Fiscal Crisis and Management Assistance Team (FCMAT). Four county offices submitted responses, and the Kern County Superintendent of Schools (KCSOS) was selected. Accordingly, all FCMAT and California School Information Services (CSIS) staff members are KCSOS employees.

A 25-member Board of Directors has statutory responsibility for a variety of decisions related to the FCMAT team, and is an active, engaged and important component of FCMAT. CSIS is one of FCMAT's premier services, which like FCMAT itself, was created by the California Legislature.

FCMAT Chief Executive Officer

Michael Fine joined FCMAT in 2015 as chief administrative officer, providing day-to-day supervision of operations. He was named as FCMAT's chief executive officer effective July 1, 2017.

Mike started his career in public education as the director of fiscal services for the Newport-Mesa Unified School District (NMUSD). He was assistant superintendent when he left NMUSD in 2002 to work for the Riverside Unified School District (RUSD). He served as RUSD's deputy superintendent of business and governmental relations from 2002-2015, and also as RUSD's interim superintendent in 2013-14.

Mike has a bachelor's degree in business administration from California State Polytechnic University, Pomona, and a master's degree in public administration from California Baptist University. He has a certificate of governmental and nonprofit accounting from the University of California, Riverside, and a certificate in school business management from the Association of California School Administrators (ACSA).

He brings a comprehensive knowledge of the governance and operational areas of public schools to his position with FCMAT.



Administrative Agent

Dr. Mary Barlow served as the Kern County Superintendent of Schools and oversaw the Kern County Office of Education (KCOE), which serves students directly in early childhood education, special education and court and community schools. The county office provides fiscal oversight and support to Kern County's 46 local school districts, which serve Kern County's 200,000 transitional kindergarten through grade 12 students.

Dr. Barlow was appointed as superintendent in 2017, after serving as associate superintendent for two years. She was elected to a four-year term in June 2018 and reelected in June 2022. She joined her husband in retirement on July 1, 2023. Subsequently, KCOE appointed

Dr. John G. Mendiburu as the Kern County Superintendent of Schools following Dr. Barlow's many years of accomplishments on behalf of children and families.

We wish Dr. Barlow the best in her retirement and welcome Dr. John G. Mendiburu to his new role.

Dr. John G. Mendiburu was appointed as the Kern County Superintendent of Schools in 2023. He joined KCSOS in 2019 as deputy superintendent and served as associate superintendent from 2020 to 2023, where he helped lead KCOE's day-to-day operations.

Prior to joining KCSOS, Dr. Mendiburu worked for over 22 years with the Rosedale Union School District (RUSD), the same district he attended as a student. He served as a classroom teacher and then as principal of Almondale Elementary School. He then served as RUSD's assistant superintendent of business services, and from 2009 to 2019, as its superintendent.

Dr. Mendiburu has a bachelor's degree, a master's degree, and an administrative credential from California State University, Bakersfield. He earned his doctorate in educational leadership from the University of La Verne in 2010. He is also a graduate of the California Association of School Business Officials' (CASBO's) Business Executive Leadership Program and a member ACSA, CASBO and the California School Boards Association (CSBA).

Dr. Mendiburu serves locally as a member of the board of directors with the California Living Museum and the Kern Economic Development Corporation.

He is the proud son of immigrants who moved to Kern County to live the American dream. He is married to Shelby, a teacher, and is the proud father of two amazing children.



FCMAT Board Chair

Dr. César Morales is the FCMAT Board Chair. Dr. Morales was appointed as the Ventura County Superintendent of Schools by the Ventura County Board of Education in 2021, becoming the first Latino and the first person of color to hold the office since its creation in 1873. In June of 2022, he was elected by voters to a full four-year term.

As county superintendent, Dr. Morales leads the Ventura County Office of Education (VCOE), an agency with more than 700 employees that provides teacher training and administrative support services to all 20 of Ventura County's school districts. VCOE also operates schools for at-risk students and those with special needs and provides career education for students countywide.

During the COVID-19 pandemic, Dr. Morales played an instrumental role in helping school districts in their response efforts and in securing timely vaccinations for educators. He is now focused on meeting the needs of Ventura County's students, school employees and school districts in the post-pandemic era. He is also committed to addressing diversity, equity and inclusion issues in local schools.

Prior to his appointment as county superintendent, Dr. Morales served as VCOE's deputy superintendent. He first joined VCOE in 2019 as associate superintendent of student services. Previously, he served for nearly six years as the superintendent of Oxnard School District. He has held leadership roles in the Lawndale and Lennox elementary school districts in Los Angeles County. He also has classroom experience as a middle and high school teacher.

Dr. Morales has bachelor's and master's degrees from Loyola Marymount University. He earned his doctorate in education from the University of California, Los Angeles. Dr. Morales serves on a number of local nonprofit boards, including the First 5 Ventura County Commission and Assembly-member Jacqui Irwin's Education Advisory Committee. He has previously served as president of the California Association of Latino Superintendents and Administrators.

In 2022, Dr. Morales was selected as the recipient of the 2022 Marcus Foster Memorial Award for Administrator Excellence by Region 13 of ACSA. He is also a recent recipient of the El Concilio Latino Leadership Award and was named as a "Leader to Learn From" by Education Week magazine in 2017.

FCMAT Background

FCMAT's Mission

The Fiscal Crisis and Management Assistance Team's mission is to help California's TK-12 LEAs and community colleges fulfill their financial and management responsibilities by providing fiscal advice, management assistance, training and other related school business services. FCMAT provides management studies for TK-12 LEAs and community colleges upon request, and it is involved in the development and delivery of statewide professional learning for school business officials. As required by Assembly Bill 1200, FCMAT also helps county offices with understanding their fiscal monitoring duties and recommends specific methods for fulfilling their oversight responsibilities.

FCMAT operates within the context of several areas of the California Education Code, primarily those sections having to do with AB 1200, AB 2756 oversight (EC 42127.1 — 42127.8, 41326 and 41327), AB 1840 (EC 41320 and 41325), and AB 1115 California School Information Services (EC 49080).

FCMAT's Role

Those who contributed to the formation of AB 1200 recognized that expanding the responsibility and authority of monitoring agencies was not enough. A statewide resource focusing on fiscal and management guidance was needed to support monitoring agencies in the performance of their tasks and to assist educational agencies that request help in school business management and related areas. Therefore, AB 1200 called for the creation of a Fiscal Crisis and Management Assistance Team.

FCMAT's mission is to help TK-12 LEAs and community colleges fulfill their financial and management responsibilities by providing expedient fiscal advice, management assistance, training and other related school business services. This can occur under several different circumstances. For example, if a county office of education reviews and disapproves a school district's annual budget, that county office may call upon FCMAT to examine the district's financial records, assist in developing an approvable budget, and/or provide other operational recommendations that will ensure the district's fiscal stability. In addition, FCMAT can respond directly to school districts, county offices, charter schools, or community colleges seeking advice to improve their management practices, organizational structure, or business policies and procedures. The state, in its monitoring role, can also request FCMAT's assistance.

How FCMAT was Established

Assembly Bill 1200 created FCMAT in 1991. This bill specified that one county office of education would be selected to administer FCMAT. In the spring of 1992, all county offices were notified of the opportunity to apply to be FCMAT's administrative agent. The selection, as required by law, was made by the superintendent of public instruction and the secretary of child development and education.

The office of the Kern County Superintendent of Schools (KCSOS) was selected to administer FCMAT. KCSOS signed a contract with the governor's office to administer FCMAT in June 1992. The FCMAT Board of Directors oversees the establishment and revision of FCMAT policies.

How CSIS was Established

In 1997, AB 107 created the California School Information Services (CSIS) to:

- Build the capacity of TK-12 LEAs to implement and maintain comparable, effective, and efficient student information systems to support their daily program needs.
- Assist TK-12 LEAs in improving student outcomes.
- Promote the use of information for educational decision-making by school, district and county office staff.
- Enable the accurate and timely exchange of student transcripts between TK-12 LEAs and postsecondary institutions.
- Enable TK-12 LEAs to transmit state and federal reports electronically.

In 1999, AB 1115 assigned the responsibility of administering CSIS to FCMAT.

FCMAT/CSIS Highlights

FCMAT's mission is to help support California's TK-12 LEAs and community colleges fulfill their financial and management responsibilities. As TK-12 LEAs and community colleges continue to face a variety of challenges, FCMAT remains committed to addressing the evolving needs of the education field. This section highlights many of the services and activities provided by the FCMAT/CSIS staff in the 2022-23 fiscal year.

Fieldwork

In the 2022-23 fiscal year, FCMAT engaged in 59 studies for TK-12 LEAs and community colleges. Since the enactment of the 2018-19 Budget Act, FCMAT has assumed additional duties in providing proactive and preventive assistance to TK-12 LEAs and community colleges showing signs of fiscal distress. Our Fiscal Health Risk Analysis (FHRA) studies have played a crucial role in fulfilling these duties, with the work involving our entire field staff. These studies are provided with expedited timelines to ensure they offer the most value for the TK-12 and community colleges we serve.

Equally significant are FCMAT's extensive AB 181 analyses, focusing on the Inglewood and Oakland unified school districts. Additionally, in accordance with AB 1840, we conduct an annual evaluation of the oversight provided by the Alameda, Los Angeles, Monterey and Solano county offices to the four school districts repaying state loans.

Assembly Bill 139 extraordinary audits continue to be a substantial part of FCMAT's work, with seven reviews in 2022-23. Four of these reviews pertained to traditional school districts, and three to charter schools. Our core work remains in business and fiscal engagements, with 32 engagements in 2022-23. This includes work in areas such as multiyear financial projections, cash flow analyses, FHRAs, and even the assignment of a FCMAT team member as a fiscal advisor.

For a full accounting of FCMAT's studies over the past year, see the chart on [page 27](#).

On-Site Technical Assistance

FCMAT remains dedicated to providing on-site technical assistance to TK-12 LEAs and community colleges in critical areas, including budgeting, multiyear financial projections, internal controls, business office processes and procedures, Associated Student Body and booster club support, Projection-Pro assistance, and county office fiscal oversight. These activities offer our team an opportunity to quickly respond to the needs of TK-12 LEAs and community colleges, provide on-site assistance, and leave them in an improved condition. Some of this work extends beyond capacity-building within TK-12 LEAs and community colleges, fostering meaningful relationships that last well beyond the initial assistance.

We take pride in the strength of our on-site technical assistance, with our knowledgeable staff serving as our greatest asset. FCMAT will continue to prioritize technical assistance as a vital service, ensuring that California's educational institutions receive the support needed to thrive.

Product Development

Local Control Funding Formula (LCFF) and the LCFF Calculators

In May 2021, FCMAT released the redesigned [Local Control Funding Formula \(LCFF\) Calculator for School Districts and Charter Schools](#). It received a major overhaul to improve its design and functionality. This update brought about a dramatic improvement in the process for updating the data tables used to calculate each school district's and charter school's funding results.

In April 2022, FCMAT launched the highly anticipated [LCFF Calculator for County Offices](#). This calculator provides county offices with accurate, consistent, and uniform funding calculations. It has been well received by county office staff across the state.

In August 2022, FCMAT updated the LCFF Calculator for County Offices with the most recent rates for cost-of-living adjustments (COLAs) and the Education Protection Account (EPA). Moreover, this update integrated the latest data sources, as certified by the CDE, for the prepopulated data elements within the 2021-22 second principal apportionment (P-2), 2020-21 annual principal apportionment revision 1 (Annual R-1), and 2019-20 annual principal apportionment revision 3 (Annual R-3).

In addition, FCMAT modified the functionality of LCFF Calculator for School Districts and Charter Schools in response to legislative changes and additions to the LCFF as outlined in the 2022-23 enacted state budget. One such change included adjusting the 2021-22 reported average daily attendance (ADA) to help mitigate the impact of declining enrollment resulting from the COVID-19 pandemic. The 2021-22 adjusted ADA is determined by comparing the number of students who attended school in 2019-20 to the number who attended in 2021-22. To find the adjusted ADA, a school district's or charter school's 2019-20 attendance-to-enrollment ratio is divided by its 2021-22 attendance-to-enrollment ratio. If the result is greater than 1.0, this calculated proxy replaces the school district's or charter school's 2021-22 reported ADA.

The enacted budget also introduced various changes to additional elements of the LCFF for county offices, including the following:

- A district allowance increase of \$175,000 per school district and a \$14 increase to each band rate for the ADA component of the County Operations Grant beginning in 2022-23.
- The addition of COLA adjustments to the transportation add-on funding beginning in 2023-24.
- The addition of COLA adjustments to the floor and the Minimum State Aid calculations beginning in 2022-23.
- The addition of \$100,000 for each charter school identified as needing differentiated assistance beginning in 2022-23.
 - A three-year funding average is being phased in.

In March 2023, FCMAT updated the LCFF Calculator for County Offices with the most current rates for COLA adjustments, per the governor's January budget proposal, and the EPA, for use with the 2021-22 annual principal apportionment (Annual) and the 2022-23 first principal apportionment (P-1). The source data used for prepopulated elements was also updated to reflect the numbers, as certified by the CDE, for the second quarter update of the LCFF Calculator for County Offices. This included the 2022-23 P-1, 2021-22 Annual and the 2020-21 annual principal apportionment revision 2 (Annual R-2). FCMAT also revised several formulas and lookups to accommodate changes to the CDE's apportionment exhibits, including those related to the: 2021-22 attendance recovery adjust-

ment; County Operations Grant per ADA rates; floor and Minimum State Aid calculations; transportation add-on; EPA; and differentiated assistance.

Furthermore, FCMAT implemented the following changes to the LCFF calculation for school districts and charter schools:

- An 8.22% COLA rate for 2023-24.
- Rate adjustments for necessary small school funding calculations and the addition of COLA to those tiered rates.
- Adjustments to the charter school shift to accommodate legislative changes for students who move between the school district and charter schools.

The adjustments made to the calculations, which occurred during the middle of FCMAT's eight-year funding structure (comprising three historical years, one budget year, and four projection years), will necessitate ongoing revisions to both calculators every year until the 2022-23 fiscal year is fully phased out.

Both tools will continue to be updated twice a year, once in the second quarter and once in the third quarter. The second quarter version is typically released following the release of the Governor's May Revision. This version updates the prepopulated data certified by the CDE for the P-1, Annual, and Annual R-2. The CDE typically releases this data in late February of each year. The third quarter version is typically released in late July or early August and incorporates changes to the assumptions based on the enacted state budget. This version updates the prepopulated data certified by the CDE for the P-2, Annual R-1, and Annual R-3. The CDE typically releases this data in late June of each year.

Additional updates may be made if material errors are found within the tools. These updates are posted on the FCMAT website and communicated via the LCFF Calculator announcement email lists.

Projection-Pro

[Projection-Pro](#) is a multiyear financial and cash flow projection software for TK-12 LEAs. It was released on August 19, 2019. It is a web-based application specifically designed for use with the Chrome web browser. The software's maintenance and improvement follow a continuous delivery engineering approach in which updates are produced in short cycles, allowing for faster and more frequent testing and release as needed. This approach has proven successful in providing new features and small corrections on an ongoing basis.

Throughout the 2022-23 fiscal year, five releases took place in August, September, November, February, and May.

Below is a summary of major enhancements and changes completed in the last fiscal year:

- Updated the school district calculation for the ongoing and major maintenance calculation/restricted maintenance account contribution on the contributions/balancing screen to exclude additional select restricted resources per the new federal and state guidelines.
- Updated Angular core development language and PrimeNG components to version 13 from version 7.
- Updated the software development framework to .NET 6 from version .NET 5.
- Performed functionality and styling refactoring to accommodate the development language, components and framework updates.

- Revamped the automated tests across the system because of the major changes made in the Angular core development language, PrimeNG components, and .NET software development framework updates.
- Added new functionality to filter assumptions when adding a new assumption to a resource-object combination on the following screens: individual resource, revenue, personnel, and nonpersonnel.
- Enhanced accessibility by adding aria-labels that can be read by assistive technology to the following screens: dashboard, resources, revenues, nonpersonnel, personnel, students, indirect costs, contributions, reserves, assumptions, cash flow, create projection, reports, chart of accounts, and LEA data.
- Enhanced accessibility by adding keyboard navigation to sequentially navigate through content on the following screens: external landing page, projection list, assumptions, students, revenues, personnel, nonpersonnel, other transfers and payments, indirect costs, contributions, reserves, cash flow, resource, and LEA data.
- Enhanced accessibility by making features accessible by keyboard on the following screens: other transfers and payments, indirect costs, contributions, reserves, cash flow, and LEA data.
- Improved navigation and data entry user experience on various screens by displaying wider scroll bars, resizing dialogue boxes, locking new entry while the software is recalculating, setting “enter” to save and stay, setting “tab” to save and move to the next item, and setting cells to “0” when their value is removed.
- Transitioned automated testing to Selenium grid, allowing automated tests to run more efficiently and in parallel, resulting in timelier test runs. This transition also improved the maintenance of Selenium and Chrome.
- Implemented various functionality and calculation corrections.
- Updated or increased automated tests to cover new features and corrections.

Additional developments that occurred in May and June are scheduled for release in August 2023.

FCMAT and CSIS met in February 2023 to provide project guidance and define the development scope for July through December 2023. During this meeting, the following items were approved for development:

- Maintain any changes to the resource exclusion list for the calculation of ongoing and major maintenance: restricted maintenance account deposit, as required by the state budget process.
- Separate the tracking and projection of transitional kindergarten and kindergarten on the enrollment section of the student’s screen. This includes updates to other related import and export functionalities, screens and reports.
- Add a new line and calculation to the enrollment section of the student’s screen, allowing TK-12 LEAs to track an additional data point to project the initial grade, such as birthrates. This includes updates to other related import and export functionalities, screens and reports.
- Update and improve the expire resource functionality to retain existing assumptions instead of replacing them, making it easier to update projections with new or updated budget information.
- Add a one-click button, “Auto Balance All,” to balance all budget resources in a single year.

- Create a SACS export for a cash flow created without a multiyear projection.
- Add new functionality to advance the base year of a projection while retaining existing assumptions.
- Add new functionality to include cash flow activity in the existing audit log and report.
 - Related automated testing development to follow in a subsequent period.

Development for the improved expire resource functionality and the new one-click resource balancing feature began before July 2023. It was included in the September 2023 release.

As part of an improved data collection process, new data was collected on the use of Projection-Pro, specifically focusing on active TK-12 LEAs and active projections. This user frequency data plays a pivotal role in guiding our marketing efforts for professional learning and outreach initiatives related to Projection-Pro.

Previously, active user account data was collected for the 90 days preceding the FCMAT governing board report's development. However, because of variations in the board meeting schedule, the collected data was not comparable. Some board meetings were held within less than 90 days of each other, leading to overlapping data periods, while others were scheduled more than 90 days apart, causing part of the year to be excluded. Beginning with October 1, 2022, data was collected on a quarterly basis and provided as part of the next available board report. Comparing data from prior reports will yield skewed results due to the change in the data collection and reporting time-lines. The active users, TK-12 LEAs and projections for each quarter fiscal year 2022-23 are shown in the tables below.

Active Users by Quarter, 2022-23

Fiscal Year	Quarter 1 July 1 – September 30	Quarter 2 October 1 – December 31	Quarter 3 January 1 – March 31	Quarter 4 April 1 – June 30	Annual Unique Count July 1 – June 30
2022-23	Not available	302	395	377	634

Active TK-12 LEAs by Quarter, 2022-23

Fiscal Year	Quarter 1 July 1 – September 30	Quarter 2 October 1 – December 31	Quarter 3 January 1 – March 31	Quarter 4 April 1 – June 30	Annual Unique Count July 1 – June 30
2022-23	Not available	227	247	246	368

Active Projections by Quarter, 2022-23

Fiscal Year	Quarter 1 July 1 – September 30	Quarter 2 October 1 – December 31	Quarter 3 January 1 – March 31	Quarter 4 April 1 – June 30	Annual Unique Count July 1 – June 30
2022-23	Not available	1,112	1,185	1,150	3,054

Active status for users, TK-12 LEAs, or projections is determined by their login or access of data within the defined date range. If the collection date falls on a nonworkday, the range is extended through the next normally scheduled workday. For a user, active status is based on their last login date within the defined period. For a TK-12 LEA, it is determined by any single projection being last accessed within the defined period. For a projection, it is considered active if it was last accessed within the defined period.

Furthermore, the sum of individual quarter counts will not equal the annual unique count because the annual value only counts users, TK-12 LEAs, and projections that are active in multiple quarters once.

Standardized Account Code Structure (SACS) System Replacement Project

The Budget Act of 2016 appropriated Proposition 98 funding for the CDE to initiate the procurement of a replacement Standardized Account Code Structure (SACS) system. In July 2016, the CDE requested letters of interest, and FCMAT/CSIS responded to that request through its administrative agent, the Kern County Superintendent of Schools. In June 2018, FCMAT/CSIS was selected to partner with the CDE on this multiyear project to develop the SACS system replacement (SSR). The primary objective is to create a web-based application customized to the kindergarten through grade 12 financial reporting workflow that eliminates the use of unsupported and obsolete technologies.

The SSR project was initially scheduled for release in spring 2021. However, the onset of the COVID-19 pandemic, economic uncertainties, and natural disasters shifted attention and resources to reimagining school operations. The SSR project, with the approval of the California Department of Finance, CDE, and FCMAT/CSIS, shifted its delivery target to spring 2022. The CDE and FCMAT/CSIS agreed that the major focus for 2020-21 would be on finalizing the project scope through requirements clarification meetings as needed, system development and testing, user outreach, and formulating a training plan.

During 2020-21, FCMAT/CSIS continued to refine and prioritize the remaining work for building the new SACS system. As recently approved requirements were turned into actionable scopes of work, the number of development tasks increased unexpectedly because of complex business needs. FCMAT/CSIS worked with the CDE to ensure that throughout 2021-22, the highest priority items would be worked on in a ranked order that aligned with the end users' and the CDE's needs. The SACS web-based software was launched in April 2022, and since then, FCMAT/CSIS has been responsible for the SACS system's maintenance and operations.

In 2022-23, the CDE and FCMAT/CSIS collaborated to complete the remaining components of the software. They organized the outstanding work, finalized the timing for remaining software releases and user acceptance testing (UAT) windows, and formalized roles and responsibilities related to maintenance and operations. Release 2, featuring interim reporting functionality, was delivered on time in October 2022. Following that, Release 3, which included unaudited actuals functionality, was released on June 30, 2023. In addition, FCMAT/CSIS completed all fourteen project deliverables.

In 2022-23, the independent verification and validation consultant provided a unified assessment of the project's technical implementation and project management aspects. The final report was issued on June 30, 2023. It included the following focus areas: scope/requirements management; cost/resources; schedule; governance; design artifacts; build and unit test; system test; quality; technical architecture; risk/issue management; and implementation/UAT, in accordance with oversight requirements for projects of similar size and scale.

Overall, the report's assessments were positive, reflecting the collaborative relationship built among FCMAT/CSIS, the CDE and the oversight consultant. All focus areas were assessed as satisfactory except for "system test," which received a caution rating due to tests falling below the 90% threshold. For context, more than 5,700 test points are executed nightly in the automated test repository. Corrective action has been taken to ensure these tests are above the threshold.

Additionally, three long-term development and testing consultants became full-time CSIS employees. They have helped to ensure staffing continuity and the retention of organizational knowledge during the SACS maintenance and operations phase.

Professional Learning

FCMAT's professional learning services play a crucial role in fulfilling our mission of supporting California's TK-12 LEAs and community colleges in meeting their financial and management responsibilities. These services help TK-12 LEAs and community colleges with identifying, preventing and resolving financial, operational and data management challenges. They also build capacity in school business leadership by providing school personnel with comprehensive support, including fiscal advice, management assistance, training, and other related school business services.

Professional learning encompasses a range of activities aimed at enhancing knowledge and skills. These activities include regional and entity-specific workshops; leadership preparation programs; partnerships with other organizations; product development; and the creation of written resources, manuals and guides. FCMAT staff continue to develop, deliver, and partner with other organizations in quality professional learning for county office, TK-12, community college and charter school personnel throughout the state. Training is offered in both virtual and in-person learning environments, providing the education community with guidance and increased responsive leadership.

FCMAT recognizes that continuous professional learning is essential to support school employees at every stage of their careers, empowering them to achieve success and fulfill the complex requirements of their roles. Consequently, FCMAT remains dedicated to providing a comprehensive range of workshops, tools and leadership preparation programs to help school personnel keep pace with the evolving needs and requirements of TK-12 and community college education. Moreover, FCMAT is committed to developing new professional learning opportunities that will further strengthen the education community.

FCMAT received a state appropriation of \$1,187,000 in 2022-23 for professional learning. Product development and training, leadership preparation program support and written resources are provided at no charge from this allocation, with few exceptions. The support of public- and private-sector partners is essential to the success of FCMAT's professional learning endeavors.

Professional Learning Supported by FCMAT Staff

FCMAT staff continue to support requests to attend speaking engagements across the state, where they address a wide range of school business-related topics in a variety of TK-12 LEA and community college settings. In addition, FCMAT staff conducts in-person and virtual workshops throughout California, delivering comprehensive training on a variety of topics in either half- or full-day formats. These workshops are offered both directly by FCMAT and through collaborative partnerships with other organizations. FCMAT annually reviews and updates its workshops based on the latest developments in educational finance.

The following table shows the workshops on Associated Student Body (ASB) and Booster Club management conducted by FCMAT in 2022-23.

FCMAT ASB and Booster Club Workshops, 2022-23

Workshop Title	No. Conducted
ASB	29
Booster Club Training	5

These workshops were offered with minimal fees solely to recover related costs. All materials for these workshops were developed and produced by FCMAT staff.

The following workshops were offered at no cost because of our generous county office hosts:

- **Fiscal Oversight**

In fall 2022, FCMAT held four two-day training sessions on fiscal oversight. Two of these workshops were conducted in-person at two different county office locations, while the other two were conducted virtually. The content for the first day of training was tailored for new county office staff, those seeking a refresher on county office fiscal oversight responsibilities, and those interested in exchanging best practices with other county offices. Participants were provided an overview of FCMAT's [Fiscal Oversight Guide](#), and many other resources were shared with them.

The second day's content was designed for school districts and their county offices. The goal of these sessions was to facilitate communication and understanding between districts and county offices regarding fiscal oversight provisions and requirements. The training encompassed a variety of topics, including charter school oversight, public disclosures of collective bargaining, and non-voter-approved debt. Participants also engaged in a long question and answer session with the workshop hosts.

In total, 469 participants registered to attend these workshops.

- **Projection-Pro**

In fall 2022, three one-and-a-half day in-person sessions were offered throughout the state on how to create financial projections using FCMAT's [Projection-Pro](#) software. More than 180 participants registered to attend these sessions, which were recommended for beginning users and those intermediate and advanced users seeking a refresher. New users interested in developing a multiyear cash flow were highly encouraged to attend both days. The sessions' hands-on activities helped attendees develop confidence in creating their own set of financial projections.

In spring 2023, four one-and-a-half day regional workshops provided comprehensive training on the multiyear and the cash flow projection modules to new Projection-Pro users and those with limited experience. A total of 118 participants registered for these small-group and highly interactive in-person workshops, where attendees were guided through hands-on activities while live in the software. The timing of these workshops benefited those who were developing multiyear projections for 2023-24.

- **Projection-Pro Weekly Webinars**

For the first time, FCMAT offered two-hour, demonstration-based virtual trainings on Projection-Pro. These sessions were designed for new users seeking more exposure to the software, as well as for experienced users looking to explore additional features. Each session focused on a unique topic and included a mix of review content and features that were not regularly included in the fall and spring trainings.

These online workshops were hosted every Wednesday for eight weeks and covered the following topics:

- Multiyear Projection (MYP) Assumptions and Calculations.
- Advanced Assumption Topics.
- LEA Data.

- Student and Pupil-to-Teacher Ratio Projections.
- Indirect Costs.
- Contributions and Balancing.
- Reserves.
- Reports and Exports.

In total, 650 participants registered to attend these webinars. FCMAT plans to continue these webinars in fall 2023 and will be adding a new, additional session on cash flow projections.

Professional Learning Supported by FCMAT Staff and Partnerships with Outside Agencies

FCMAT partners with outside agencies and the private sector to provide training and information to California's educational agencies. Partnering involves sharing financial and staff resources. FCMAT partnered on the following endeavors in 2022-23:

- **ASBWorks-Gray Step Software:** ASB Business Office Responsibilities and Board Policy; ASB Allowable and Unallowable Expenditures; ASB Internal Controls and Fraud Prevention; ASB Questions and Answers Session.
- **Association of California School Administrators (ACSA):** Principals Academy, School Finance; Superintendent's Council, Economic Update; New Superintendents, Leading Through Budget; School Business Academy, Fiscal Oversight, Budget Preparation and Control.
- **Association of Chief Business Officials (ACBO):** Assessing Fiscal Risk for Community Colleges.
- **California Association of Latino School Administrators (CALSA):** Webinar: Enrollment, Engagement and Average Daily Attendance (ADA): Planning for Improved Outcomes in 2022-23 and Beyond.
- **California Association of School Business Officials' (CASBO):** Economic Summit; Trends in Fiscal Oversight; Staying out of Trouble; Budgeting; Business Executive Leadership (BEL) Program: Fiscal Solvency Oversight; Special Education; Collective Bargaining Basics; Professional Development Institute: To Gift or Not to Gift; Fraud Prevention; Fiscal Oversight; Fiscal Side of Facilities.
- **California Charter Authorizing Professionals (CCAP) Annual Conference:** Fraud Indicators, Fiscal Oversight for Authorizers, Red Flags and Signs of Distress in Charter Schools.
- **California Community College Association for Occupational Education (CCCAOE):** Assessing Fiscal Risk for Community Colleges.
- **California County Superintendents Association (CSS), Business and Administration Steering Committee (BASC):** LCFF Calculators; Navigating the SACS Web System; Progressive Intervention.
- **California Department of Education (CDE):** SACS webinars.
- **Charter Authorizer Support Initiative (CASI):** Fiscal Oversight for Authorizers.
- **Coalition for Adequate School Housing (CASH):** Technical Training Webinar – Elementary and Secondary School Emergency Relief (ESSER) Funds.

- **Inland Personnel Council (IPC) Annual Conference:** Economic Update and Declining Enrollment.
- **Marin County Office of Education (MCOE):** Governor's Budget Proposal.
- **Monterey County Office of Education and Monterey County School Boards Association (MCSBA):** Budget and More for Board Members.
- **San Bernardino County Superintendent of Schools (SBCSS):** Economic Update.
- **Santa Clara County Office of Education (SCOE):** Fiscal Health Risk Analysis for Charter Schools.
- **School Services of California, Inc. (SSC):** Unraveling the Mystery of School Finance; SACS 101-Budget Development; Declining Enrollment; Position Control.
- **Siskiyou County Office of Education:** What's a Gift of Public Funds?
- **University of Southern California (USC):** Boot Camp; Charter School Oversight; Fraud; Special Education; Closing the Books/SACS.

The materials for all workshops listed above were developed and produced by FCMAT staff.

Leadership Preparation

FCMAT recognizes the importance of preparing future leaders. FCMAT's goal is to help build capacity in school leadership by instructing TK-12 LEA and community college administrators in essential leadership skills so they can better understand and perform their duties. To support this endeavor, FCMAT participates in and supports a variety of leadership preparation programs across the state.

FCMAT either operates or is closely affiliated with all the leading chief business official (CBO) preparation programs across the state. FCMAT supports these yearlong programs by providing staff instructors or assisting financially to lower the costs for selected individuals. Most FCMAT staff members engage with these important leadership preparation programs in some manner, assuming roles as curriculum leaders, presenters or facilitators.

The following comprehensive leadership preparation courses were developed and are operated by FCMAT:

- **FCMAT Chief Business Official (CBO) Mentor Program**

The FCMAT Chief Business Official (CBO) Mentor Program is designed to help meet the need for qualified and well-trained California TK-12 LEA CBOs. This yearlong program provides classroom-based training that takes place over 12 two-day sessions on Fridays and Saturdays. Each participant is assigned a mentor who is either a qualified and experienced CBO or a recognized expert in their field, and who is available to support and assist the participant as needed throughout the year. Prospective participants submit an application and undergo a nomination and selection process. No fee is required to participate in the program, but participants or their employers must cover all travel and lodging costs.

The FCMAT CBO Mentor Program serves approximately 25 participants each year at an annual cost to FCMAT of approximately \$185,000. It is one of only three recognized CBO preparation programs in California. Successful completion of the program qualifies participants to apply for the CASBO CBO certification exam and the CBO certification. Approxi-

mately 500 program graduates serve either as CBOs, superintendents, or in other key education-related leadership positions across the state.

The program was retooled in 2022, which included revising the curriculum and incorporating FCMAT staff as facilitators. Cohort 19 kicked off in January 2023. More information is available at fcmat.org.

- **FCMAT Coaching and Induction Program (CIP)**

The FCMAT Coaching and Induction Program (CIP) is designed for individuals who are in their first, second or third year as CBOs. The program is ideally suited to those who have already completed a CBO preparation course. This yearlong program provides classroom-based training that takes place over 12 two-day sessions on Fridays and Saturdays. Program participants are paired with a coach and a peer support group, which play essential roles in participants' success. Prospective participants submit an application and undergo a nomination and selection process. No fee is required to participate in the program, but participants or their employers must cover all travel and lodging costs. Each TK-12 LEA is also asked to contribute \$7,500 towards the cost of the stipend for their participant's coach.

The CIP curriculum is aligned with the day-to-day issues that the participants will face during the year in their emerging roles as CBOs. The program's focus is on the application-level of the work that all CBOs must perform to be successful. Monthly topics are presented by program facilitators and recognized professional experts and include budget development and planning, collective bargaining, position control, balance sheet and year-end closing, and interim reports. The FCMAT Fiscal Health Risk Analysis (FHRA) is also a featured component of the curriculum; each participant will complete an FHRA for their TK-12 LEA by the program's conclusion.

The FCMAT CIP serves approximately 25 participants each year at an annual cost to FCMAT of approximately \$125,000.

The first cohort kicked off in July 2022. More information is available at fcmat.org.

These comprehensive leadership preparation courses are significantly supported by FCMAT:

- CASBO Business Executive Leadership Program.
- USC School Business Management Certificate Program.

These preparation courses are also supported by FCMAT:

- ACSA School Business Academy.
- California IT in Education (CITE) Chief Technology Officer (CTO) Mentor Program.
- CASH School Facilities Leadership Academy.

Written Publications and Tools

FCMAT continues to update and expand its collection of publications, tools and resources that help LEAs with their responsibilities, enhance overall knowledge, and offer guidance on legal issues and best practices. These resources include the following:

- [*Associated Student Body \(ASB\) Accounting Manual, Fraud Prevention Guide and Desk Reference.*](#)

- [Charter Petition Evaluation Matrix.](#)
- [Charter School Accounting and Best Practices Manual.](#)
- [Charter School Annual Oversight Checklist.](#)
- [County Office Evaluation Tool.](#)
- [County Office of Education \(COE\) Fiscal Procedural Manual.](#)
- [Fiscal Alerts.](#)
- [Fiscal Health Risk Analysis, TK-12 LEAs.](#)
- [Fiscal Health Risk Analysis, Charter Schools.](#)
- [Fiscal Health Risk Analysis, Community Colleges.](#)
- [Fiscal Oversight Guide.](#)
- [Fiscally Accountable/Independent Risk Analysis.](#)
- [Indicators of Risk or Potential Insolvency, TK-12 LEAs.](#)
- [Indicators of Risk or Potential Insolvency, Charter Schools.](#)
- [Indicators of Risk or Potential Insolvency, Community Colleges.](#)
- [LCFF Calculator for County Offices.](#)
- [LCFF Calculator for School Districts and Charter Schools.](#)
- [Operational Standards Self-Assessment for California Community College Districts.](#)
- [Projection-Pro.](#)
- [Sample Public Disclosure Forms.](#)
- [Special Education Efficiency Tool.](#)
- [Standards for Comprehensive Reviews, TK-12 LEAs.](#)

All resources listed above were developed and produced by FCMAT staff. They are available online at fcmat.org.

Certificated Salaries and Benefits Form (Form J-90) Project

Each spring, school districts and county offices are asked to complete a “Salary and Benefit Schedule for the Certificated Bargaining Unit” form (Form J-90). FCMAT financially supports this voluntary form, which requests:

- Salary schedule information.
- Employee placement on the salary schedule by full-time equivalents.
- Bargaining unit bonuses paid for selected services.
- Salaries and days of service for school principals and superintendents.
- Health and welfare benefits by carrier with amounts paid by the school district or county office per employee.

This data is useful to California school districts and county offices, employee bargaining units, school consulting agencies, academic institutions, and state policymakers. The CDE uses this data to help meet the information requirements outlined in EC 41409.3 for the School Accountability Report Card. The CDE also uses this data for the [Selected Certificated Salaries and Related Statis-](#)

[tics 2021-22](#) report, which is “a compilation of selected salary statistics” from Form J-90. This report includes information from 83.69% of school districts and county offices, representing 96.00% of the state’s noncharter school ADA.

FCMAT partners with SSC, CDE, the California Federation of Teachers (CFT), and the California Teachers Association (CTA) in this endeavor.

Software and Services

California Longitudinal Pupil Achievement Data System (CALPADS)

CSIS worked on various projects including the [California Longitudinal Pupil Achievement Data System \(CALPADS\)](#), the [Education Data Partnership \(Ed-Data\)](#), [Projection-Pro](#), and the [SACS System Replacement Project](#) to enable timely and accurate transfer of data. CSIS continues to focus on improving CALPADS and increasing access to and use of high-quality data. More information can be found in the CALPADS annual report, available at csis.fcmat.org.

In 2022-23, CSIS supported TK-12 LEAs in completing the CALPADS submissions listed in the following table. These submissions entail significant time and effort from TK-12 LEA staff, involving tasks such as uploading data files, resolving errors, verifying reports and certifying data submissions. The table below shows the data submitted at each submission.

CALPADS Submissions and Data Submitted

Submission Name	Data Submitted
Fall 1	Student enrollment, dropouts, English language acquisition status, immigrant counts, eligibility for free or reduced-price meals (FRPM), special education program information for children and students with disabilities, tribal foster youths, foster youths, and unduplicated pupil counts included in LCFF.
Fall 2	Student course enrollment, staff assignments and full-time equivalents, English learner services, and postsecondary status for career technical education completers.
End of Year 1	Course completion for grades seven-12, career technical education participants and completers, work-based learning indicators.
End of Year 2	Program eligibility/participation, military families and transitional kindergarten enrollment.
End of Year 3	Behavioral incidents, reclassified fluent English proficient (RFEP) students, one-year graduates and completers, homeless students, student absence summary, and cumulative enrollment.
End of Year 4	Special education program information for children and students with disabilities and postsecondary outcomes for students with disabilities.
Cohort (year-round)	Four-year adjusted cohort graduation rate (ACGR). One-year count for Dashboard Alternative School Status (DASS).

At the end of each fiscal year, CSIS conducts an evaluation of TK-12 LEAs’ state reporting. This assessment process was modified by introducing a new baseline metric: zero fatal errors two weeks before the certification deadline. In this year’s evaluation, CSIS found that local capacity declined in comparison to the previous year. Data management expertise among TK-12 LEAs was classified into three groups: beginner, needs some guidance, and experienced.

The following table shows the changes in each of these groups for the 2022-23 fiscal year.

CALPADS TK-12 LEA Data Management Expertise, 2021-22 — 2022-23

Group	No. TK-12 LEAs in 2021-22	No. TK-12 LEAs in 2022-23	Change
Beginner	258	290	+32
Needs Some Guidance	741	749	+8
Experienced	975	842	-133

Moreover, CSIS introduced a new category to capture “late starters.” This category identified 78 TK-12 LEAs that need targeted outreach.

CSIS supports the CDE and TK-12 LEAs in major CALPADS data activities and advocates for increased data quality and use among various organizations. CSIS’s post-pandemic engagements largely consisted of virtual presentations and one-on-one support for TK-12 LEAs and student information system (SIS) and special education data system (SEDS) vendors. In-person training was also provided upon request at county offices hosting CALPADS professional development for their school districts and charter schools.

Each year, CSIS makes significant changes to CALPADS to improve data quality and comply with new laws. Our technical team is responsible for identifying necessary changes, examining business processes, and developing and testing the CALPADS software. In 2022-23, CSIS completed 46 software releases, which involved analyzing numerous change requests and addressing issues. The team detailed requirements, developed and tested 646 user stories (written descriptions of software features), and implemented 892 bug fixes.

In addition, the number of unit tests has substantially increased from 224 in 2020-21 to 7,113 in 2021-22, and further to 10,938 in 2022-23. This expansion in automated tests has significantly improved system integration and user interface interactions, specifically in areas such as online maintenance, file uploads, certification, and report generation. These enhancements significantly improve the system’s ability to provide feedback to TK-12 LEAs regarding errors and inconsistencies in their local data.

CSIS continued to develop CALPADS job aids and training assets, track course completions, gather feedback, and improve training for adult learners. Our trainers expanded the on-demand video offerings, growing subscribers from 1,655 (2020-21), to 2,001 (2021-22) and 2,269 (2022-23).

FCMAT and CSIS Websites

The designs of both the FCMAT and CSIS websites reflect our mission and convey a clear message of supporting the education community. Beyond meeting state and federal accessibility requirements, both websites feature clean and user-friendly designs. The updated navigation enables quick access to resources, services, reports, tools and presentations.

The CSIS website also hosts the learning management system (LMS) used in delivering CALPADS training and maintaining connections among the statewide community of CALPADS TK-12 LEA contacts. In 2020-21, CSIS conducted a usability assessment of its website to evaluate solutions for accommodating the growing number of resources, including the addition of on-demand training videos. Following this assessment, in early 2021-22, an instructional designer developed a course catalogue and structured learning pathways based on the training resources.

Community Partnerships

In 2022-23, CSIS actively engaged in promoting the effective use of technology and data services, such as CALPADS and Ed-Data, through collaborative partnerships with various education entities. These partnerships included the CDE; CCS, and its services committees including BASC and the Technology Services Committee (TSC); California IT in Technology (CITE); and student information and special education systems vendors.

CSIS participated regularly in virtual and on-site meetings with these groups, providing clear and timely information about education data policies and state data system changes. CSIS delivered professional development on data management for the CBO Mentor Program and the ACSA Classified Educational Leaders Institute and ACSA School Business Academy. To foster communication and support, CSIS also moderated listservs, held weekly question and answer sessions, and worked directly with leaders and staff from county offices, school districts and charter schools. This close collaboration allows CSIS to better understand the data management challenges these entities face, develop services to better support them, and escalate any issues for resolution.

Furthermore, CSIS helps train current and future chief technology officers (CTOs) by actively supporting the California IT in Education's CTO Mentor Program. This program's focus is on educating CTOs on the vital role of data and systems in student achievement and accountability. In 2023, participants were required to submit new artifacts (evidence of the student learning experience) supporting data culture.

Cradle-to-Career Data System (C2C) Governing Board

California's Cradle-to-Career Data System (C2C) is a statewide data system designed to provide tools that will empower students in achieving their goals while also delivering essential insights into education and workforce outcomes. As a member of the Cradle-to-Career Data System Workgroup during the 18-month planning period, CSIS contributed its technical and field operations insights to several highly technical subcommittee meetings. These meetings covered topics such as common identifiers, research agendas, technology and security, and legal matters. CSIS also participated in the community engagement subcommittee.

The workgroup's efforts resulted in a series of reports containing final recommendations, which were delivered to the state Legislature in June 2021. Subsequently, Senate Bill 132, the postsecondary education trailer bill, formalized nearly all the workgroup's recommendations. As a result, EC 10864(a) included a seat on the C2C governing board for CSIS.

At its inaugural meeting, the 21-member C2C governing board selected CSIS Chief Operations Officer Amy Fong as its chair for a two-year term. Under her leadership, the governing board hired its executive director, established its governance manual, and created charters for various ad hoc committees. In addition, the governing board appointed 32 highly respected researchers, advocates, and educators to two advisory boards: data and tools and community engagement.

All C2C governing board meetings are conducted under the open meeting rules of the Bagley-Keene Act. The governing board receives input and recommendations from its two advisory boards and ad hoc committees (which include a mix of board members and members of the public), and the task forces convened by the Office of Cradle-to-Career Data. This collaboration helps to ensure the governing board takes a user-centered design approach, cultivates a diversity of perspectives (including the recruitment of members who have expertise in equity), and fosters open and accountable stewardship of state data.

Ed-Data

The Ed-Data website (ed-data.org) serves as a valuable resource, making data from CALPADS, SACS and other sources accessible to the public for use in planning and decision making. CSIS collaborates with the CDE and EdSource to format and release data, providing educators, policymakers, the state Legislature, parents, and the public with quick access to timely and comprehensive data about K-12 education in California.

Ed-Data activities in 2022-23 included:

- Continuing to collaborate with the CDE and EdSource to regularly update data within the site and promptly respond to user requests and inquiries.
- Completing various tasks such as requirements, design, development, database maintenance and support, testing, and configuration/deployment.

In addition, the CSIS team accomplished several significant data releases. They provided a complete set of available student data, including private school and K-12 LEA information, enrollment, demographics, English learner, foster youth, LCFF, and free and reduced-price meals (FRPM). Public school data are shown by race/ethnicity and gender, as well as counts for students in traditional or charter schools. This promotes transparency by providing access to the unduplicated pupil counts used for LCFF purposes.

The data releases also included other student data, such as California Assessment of Student Performance and Progress (CAASPP) testing, Title 1 (schools with at least 40% of enrollment comprising students from low-income households), cohort outcomes (graduates, dropouts, and graduates meeting University of California/California State University requirements) discipline, chronic absenteeism and cohort outcome. Charts for these data now include nonbinary gender data.

Additional updates included those to financial data and teacher salaries.

Education Audit Appeals Panel (EAAP)

The Education Audit Appeals Panel (EAAP) serves as the neutral arbiter for both informal and formal administrative appeals by TK-12 LEAs. EAAP adopts as regulations, according to a statutory timetable, the audit guide (standard and supplemental) used in annual audits. These activities set clear standards for compliance with education funding requirements and provide an opportunity for TK-12 LEAs to appeal findings contained in final audit reports.

Education Code 14502.1, 41344 and 41344.1 cover EAAP regulations. The three-member panel consists of the superintendent of public instruction, the director of the state Department of Finance, and the chief executive officer of FCMAT, or their designees. Former FCMAT CEO Joel Montero represents FCMAT's CEO and serves as the chairperson; Cheryl McCormick represents the director of finance; and Elizabeth Dearstyne represents the superintendent of public instruction. The panel's meeting schedule and other information may be found on its website at eaap.ca.gov.

Email Lists

FCMAT maintains confidential email lists for various job-alike groups, providing them with a convenient and secure platform to share information among their professional colleagues in the TK-12 education community. These email lists have become a vital communication link, fostering connections to share documents and access relevant and timely information.

FCMAT maintains the following active job-alike email lists at fcmat.org/email-lists:

- Charter School Administrators.
- County Office CBOs.
- District Office CBOs.
- District Office Human Resource (HR) Administrators.
- Facilities Professionals.
- Purchasing Professionals.

Additionally, FCMAT maintains announcement email lists to keep interested parties informed about California education news and updates to software and other tools. Subscription to these email lists is open, and anyone can register. Below is a list of active announcement email lists, also available at fcmat.org/email-lists:

- General Announcements.
- TK-12 News.
- LCFF Calculator Announcements for County Offices of Education.
- LCFF Calculator Announcements for School Districts and Charter Schools.
- Projection-Pro Announcements.

No changes were made to the FCMAT email lists in 2022-23.

FCMAT Help Desk

FCMAT supports the educational community by providing a free online [Help Desk](#). This resource is available to help those seeking guidance and support.

In 2022-23, FCMAT responded to a total of 789 questions submitted through the online Help Desk during the 2022-23 fiscal year. The three most popular categories of questions were “ASB Organizations and Booster Clubs,” “Projection-Pro,” and “LCFF/LCAP – Districts,” which accounted for more than 83% of all tickets submitted. The “School Business-CBO/General” category received numerous requests for additional information related to gifts of public funds, appropriate use and account coding of school funds, and purchasing requirements. The “Other” category primarily consisted of requests seeking information about FCMAT services and questions that were referred to other governmental agencies.

The following table shows a five-year history of FCMAT Help Desk activity.

FCMAT Help Desk Activity, 2018-19 —2022-23

Topic	No. Questions				
	2018-19	2019-20	2020-21	2021-22	2022-23
ASB Organizations and Booster Clubs	239	275	186	221	233
Board of Education	1	2	1	1	2
Charter Schools	11	9	5	4	8
Community Colleges	6	4	4	1	0
County Office of Education	6	3	6	6	8
Facilities/Food Service/Transportation	6	12	2	5	3
Email List Assistance	22	12	22	19	12
Human Resources	5	4	2	1	4

Topic	No. Questions				
	2018-19	2019-20	2020-21	2021-22	2022-23
LCFF/LCAP – Districts	68	80	146	109	176
LCFF/LCAP – Charter Schools	25	20	21	20	43
LCFF/LCAP – County Offices of Education	*	*	*	10	17
Other	20	63	10	3	10
Budget Explorer	12	3	*	*	*
Projection-Pro	*	394	243	147	246
SCFF – Community Colleges	26	15	*	*	*
School Business-CBO/General	46	11	33	37	26
Special Education Efficiency Tool	*	1	0	1	1
Total	493	908	681	585	789

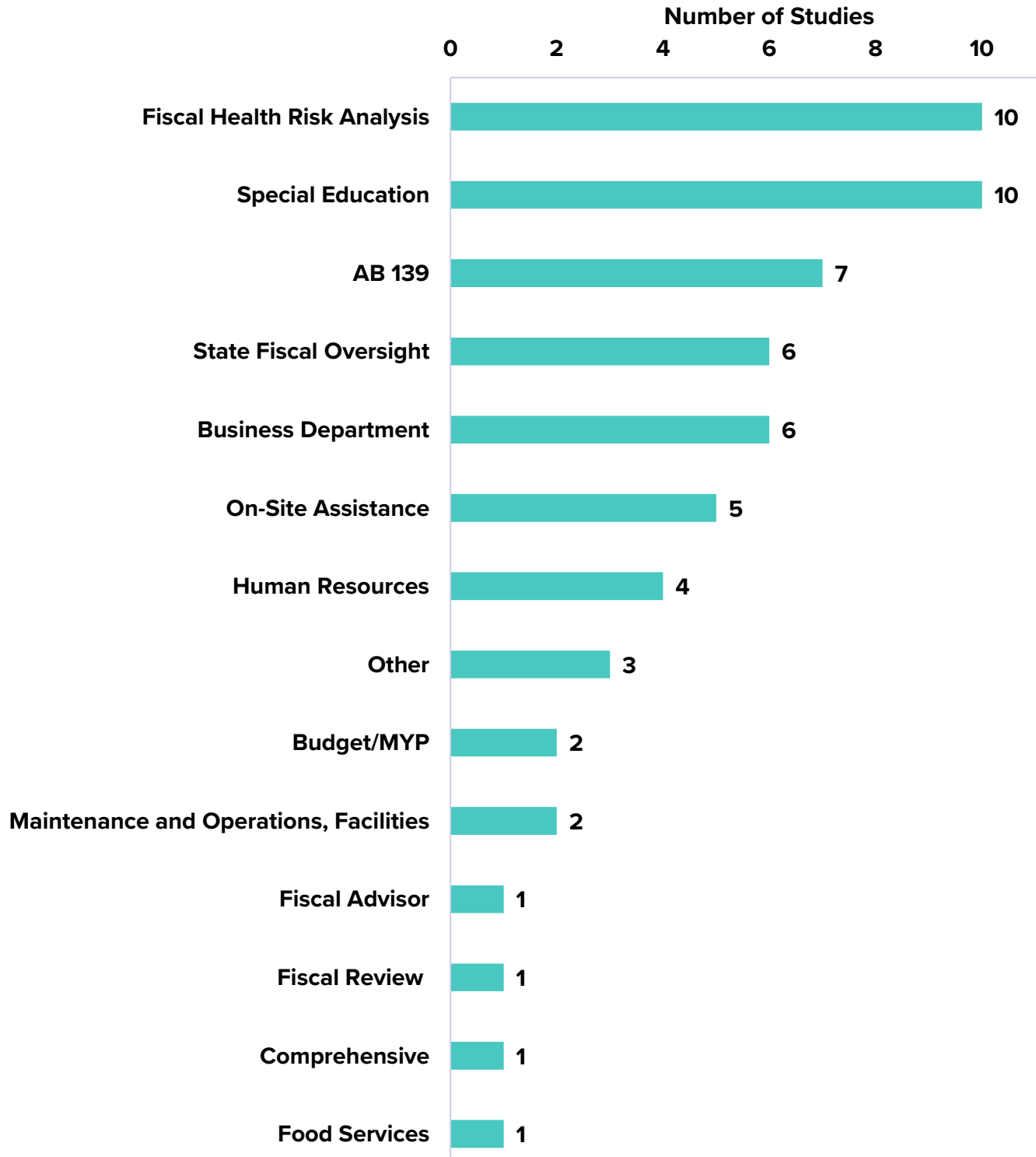
*FCMAT did not track this category.

In 2022-23 FCMAT also added seven responses to its searchable knowledge base, enabling users to find answers to their questions. Any items that were not included were either duplicates or requests for assistance with FCMAT tools, such as the LCFF Calculator or Projection-Pro.

Types of Reviews for Fiscal Year 2022-23

In the 2022-23 fiscal year, FCMAT conducted a total of 59 reviews for TK-12 LEAs and community colleges. The chart below provides a breakdown of these reviews by their respective types.

FCMAT Studies by Type, 2022-23



Fiscal Status of California Education

The Fiscal Crisis and Management Assistance Team's (FCMAT) chief executive officer delivers an annual report to the education budget subcommittees of the state Legislature on the status of fiscal oversight and district solvency. This report focuses on the general fiscal health of TK-12 LEAs and community colleges and attempts to identify continuing and emerging issues that will have a fiscal effect on California's school districts, county offices of education, community colleges and charter schools.

FCMAT also prepares periodic reports for state agencies and legislative staff to provide insights on trends in fiscal status as the year progresses.

School Districts

Overall, the fiscal health of California's school districts remained strong through 2022-23.

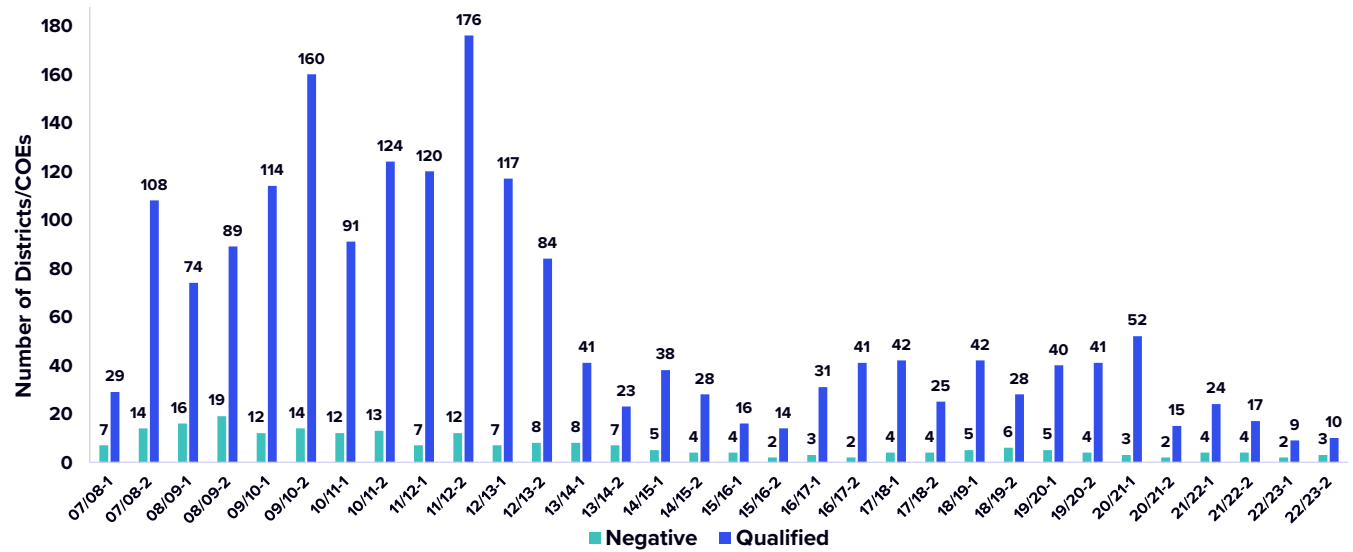
The tracking and reporting of interim report certifications are well publicized. However, the same cannot be said for budget disapprovals, downgrades in interim certifications and designations of lack of going concern. FCMAT believes that each of these indicators is an important data point for TK-12 LEAs. In line with this belief, FCMAT began tracking such information in 2018-19 and will continue to do so as an integral part of our commitment to helping TK-12 LEAs maintain their fiscal stability. Additionally, FCMAT believes that simply reporting the number of school districts in each category is one-dimensional. To improve the understanding of fiscal distress conditions among school districts, FCMAT now reports on a variety of data points, including the successive nature of certain designations.

After the initial budget adoption, each TK-12 LEA is required to file two reports indicating the status of its financial health. The first interim report is due December 15 and the second interim report is due in mid-March for the period ending on January 31. Both filings are required to include actuals for the period covered and fiscal projections for the remainder of the fiscal year and the two subsequent years. They must also include a self-certification by each district's governing board. The county superintendent of schools tasked with oversight reviews the certification and either affirms or changes it. Regarding the county offices and the seven single-district counties, the CDE fulfills the same oversight responsibilities as the county superintendents.

These certifications are based on current projections and cover the current and two subsequent fiscal years. A positive certification indicates that the school district will meet its financial obligations for the current and two subsequent years. A qualified certification indicates that the district may not meet its financial obligations for the current and two subsequent years. A negative certification indicates that the district will be unable to meet its financial obligations for the current and one subsequent year.

As shown in the historical chart on the next page, the number of school districts that received a qualified certification for the second interim reporting period in 2022-23 showed a decline compared to the same period in 2021-22. The qualified counts include one school district that was downgraded by its county superintendent from positive to qualified. In the second interim reporting period of 2022-23, the number of districts that certified negative decreased by one when compared to 2021-22. Additionally, one school district regressed from qualified at first interim to negative at second interim.

Historical Qualified and Negative Certifications, 2007-08 — 2022-23



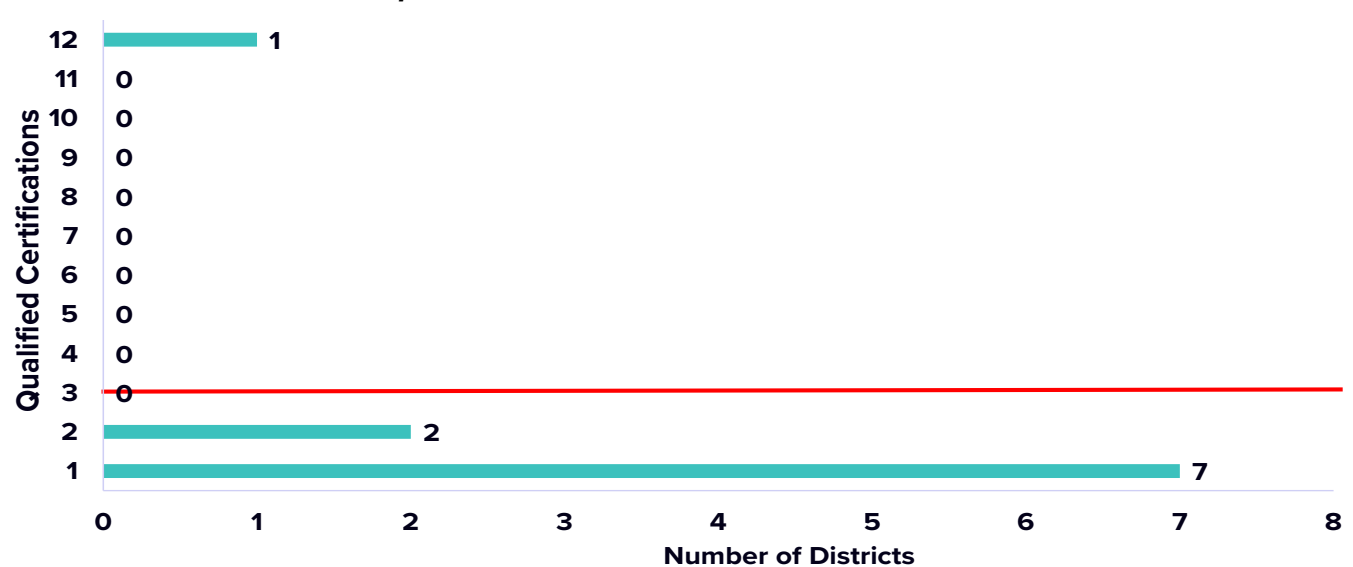
Source: Second Interim Reports 2022-23.

Note: Data effective as of April 20, 2023.

The number of qualified certifications is influenced by current economic conditions and the state budget, while the number of negative certifications (which historically has remained flat year over year) is affected by the various long-term issues within school districts.

The chart below shows the number of school districts with qualified interim report certifications at the second interim reporting period in 2022-23.

Qualified Second Interim Report Certifications, 2022-23



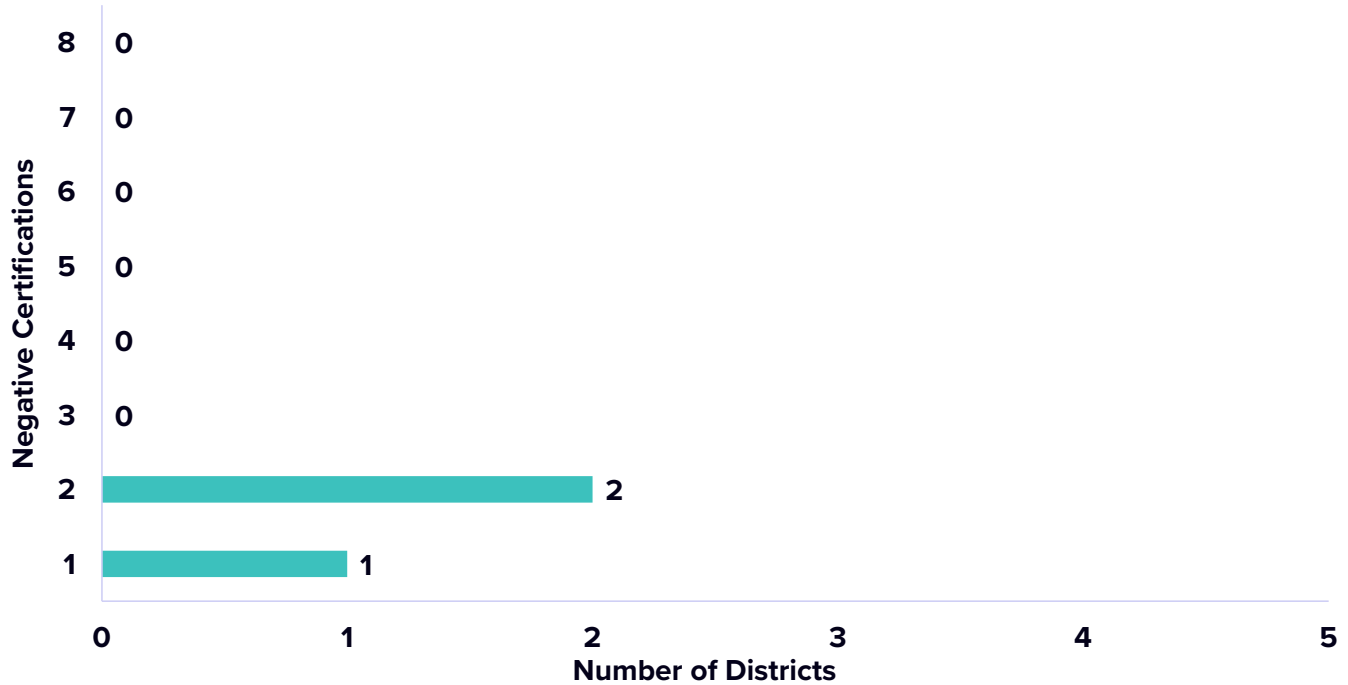
Source: Interim reports.

Notes: As denoted by the orange line, FCMAT automatically engages with school districts that have three consecutive qualified interim report certifications.

Data effective as of April 20, 2023.

The chart below shows the number of negative interim report certifications received by school districts at the second interim reporting period in 2022-23.

Negative Second Interim Report Certifications, 2022-23



Source: Interim Reports.

Note: Data effective as of April 20, 2023.

One county office certified as qualified in the first interim reporting period, but none did so in the second interim reporting period in 2022-23. Nine districts certified as qualified at the first interim reporting period, marking the lowest point in over 16 years. The 10 districts that did so at the second interim reporting period in 2022-23 represent the second-lowest number observed over that same period. Two districts had negative certifications at the first interim reporting period, and three had them at the second interim reporting period. The following tables show the school districts with negative and qualified certifications.

School Districts with Negative Certifications, 2022-23

County	District	1st	2nd
Siskiyou	Happy Camp Union Elementary		X
Siskiyou	Junction Elementary	X	X
Ventura	Ojai Unified	X	X

School Districts with Qualified Certifications, 2022-23

County	District	1st	2nd
Alameda	Oakland Unified	X	X
Alameda	Piedmont City Unified		X
Calaveras	Calaveras Unified		X
Contra Costa	Byron Union Elementary	X	X
Contra Costa	West Contra Costa Unified		X

County	District	1st	2nd
Del Norte	Del Norte COE	X	
Fresno	Pine Ridge Elementary	X	
Los Angeles	San Antonio ROP		X
Los Angeles	San Gabriel Valley ROP	X	
Mendocino	Round Valley Unified		X
San Mateo	Cabrillo Unified	X	X
Siskiyou	Happy Camp Union Elementary	X	
Sonoma	Oak Grove Union Elementary		X
Sonoma	Santa Rosa Elementary	X	
Sonoma	Santa Rosa High	X	
Tulare	Ducor Union Elementary		X

The increase in the number of districts that certified as qualified for the second interim reporting period reflects the ongoing impacts of declining enrollment and the exhaustion of one-time pandemic-era mitigation funds. However, the positive budget proposal from January, albeit risky, with an elevated cost-of-living-adjustment (COLA) partially offsets these challenges, creating the appearance of a stable fiscal environment.

It is noteworthy that all but two of the school districts that certified as qualified at both the first and second interim reporting periods are small (in some cases tiny) with budgets below the \$100 million level. All the districts that certified as negative at first and second interim are small, two of which have an average daily attendance of only 9 and 92, respectively. Evidence suggests that small districts face more challenges sooner when dealing with declining enrollment, the depletion of one-time funds, and governance issues.

Examining the successive nature of qualified and negative interim report certifications helps with the assessment of fiscal distress. FCMAT has identified that a qualified status is one of the leading indicators of the state's early warning and oversight system – the AB 1200 process. In most cases, school districts with a qualified status require minor intervention from their county superintendent and return to a positive status relatively quickly. FCMAT considers higher risk districts to be those that maintain a qualified status for three or more consecutive interim reports (a 12-month period) without sufficient improvement to regain a positive certification. However, many variables may influence a district's qualified certification. Consequently, FCMAT exercises considerable judgment when deciding whether to conduct a Fiscal Health Risk Analysis (FHRA), taking into consideration input from the county superintendent.

Out of the 10 districts reporting a qualified second interim report, only one has had three or more consecutive qualified certifications over the past 12 reporting periods, as shown in the table below.

School District with Three or More Consecutive Qualified Certifications, Past 12 Reporting Periods

County	District	No. Consecutive Qualified Certifications
Alameda	Oakland Unified	12

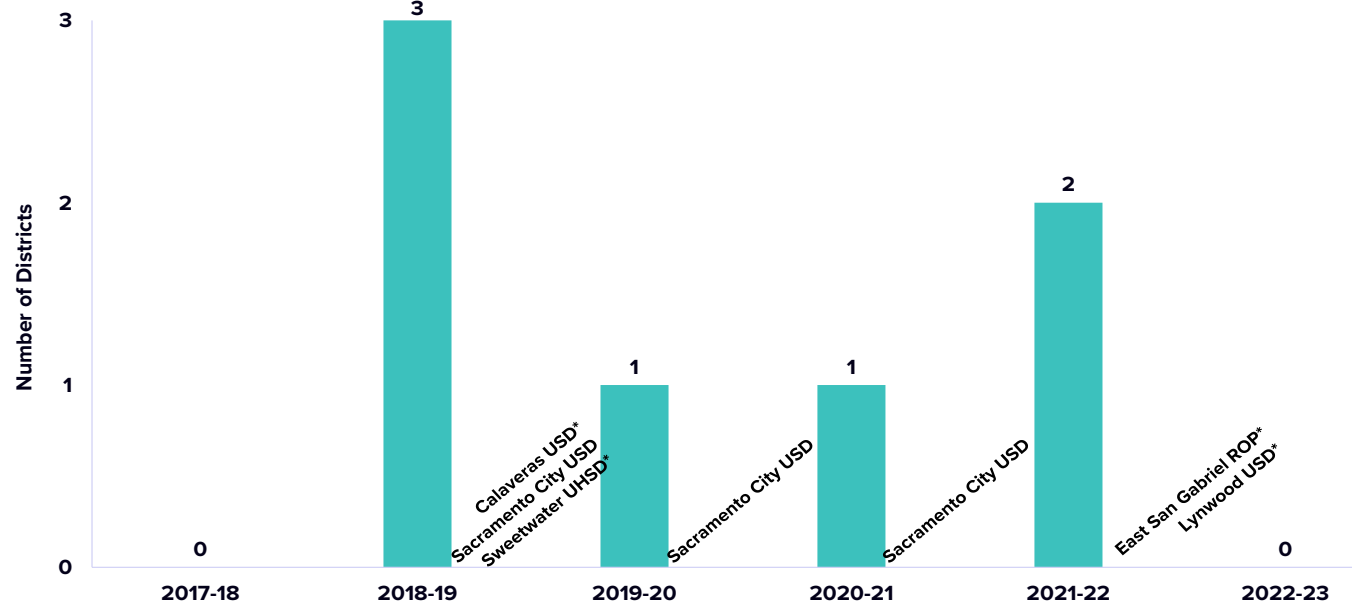
Among the three negative school districts, two have received consecutive negative certifications in the past year, as shown in the following table.

School Districts with Consecutive Negative Certifications, 2022-23

County	District	No. Consecutive Negative Certifications
Siskiyou	Junction Elementary	2
Ventura	Ojai Unified	2

While less visible, other determinations by county superintendents are equally important. County superintendents must decide whether to approve, conditionally approve or disapprove a school district's July 1 budget. Districts must submit their adopted budgets, multiyear financial projections, cash flows, the state standards and criteria for fiscal accountability and their Local Control and Accountability Plans by July 1 each year. After a thorough review of these items, county superintendents make an initial determination by September 15. Conditional approval may be granted based on one or more conditions, but all district budgets must be either approved or disapproved by November 8. This means that conditions must be resolved by November 8 for the district's budget to be approved. There were no disapproved budgets for the 2022-23 fiscal year as of budget adoption reviews on November 8, 2022, as shown in the following chart.

School Districts with Disapproved Budgets, 2017-18 — 2022-23



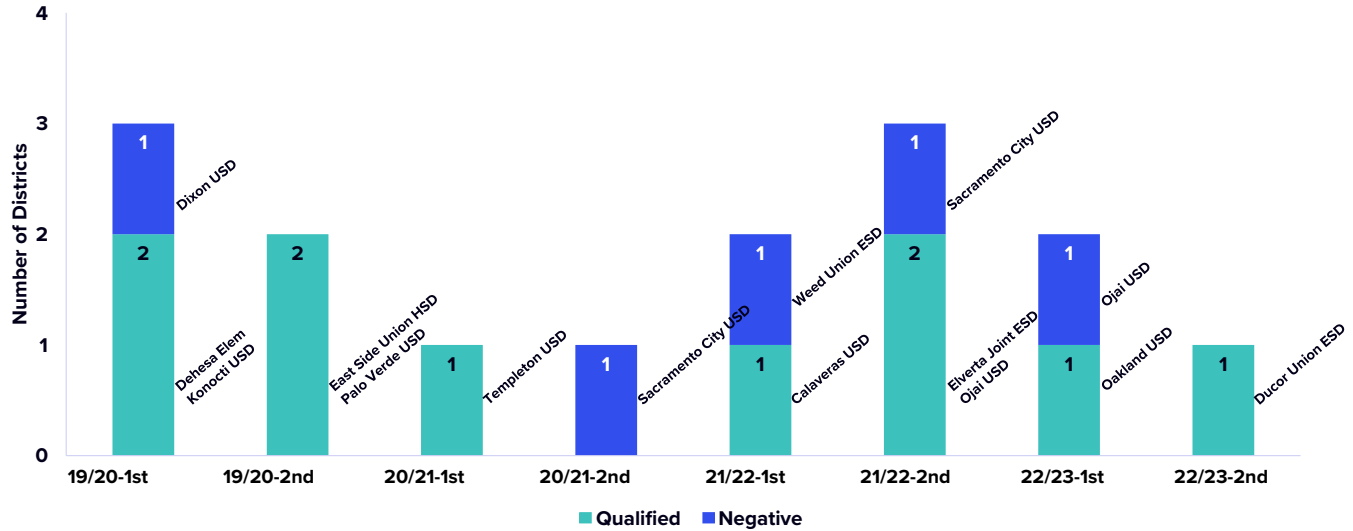
*Preliminarily disapproved; ultimately approved by November 8 deadline.

Note: This chart excludes school districts with budgets that were disapproved only because of an unapproved Local Control Accountability Plan.

The county superintendent and the CDE have the authority to change a school district's interim report certification if the analysis warrants a different designation. This change is commonly referred to as a "downgrade" from a positive to a qualified certification or a qualified to a negative certification. FCMAT considers a downgrade of an interim certification by the county superintendent as a significant indicator of fiscal stability concerns because it contradicts the district's own self-assessment. The final determination by the county superintendent or CDE is reported and tracked within the counts of qualified and negative certifications.

The following chart shows the school districts with downgraded interim report certifications between the 2019-20 and 2022-23 fiscal years. The total count of qualified and negative reports includes those interim reports with certifications that were downgraded by county superintendents.

School Districts with Downgraded Interim Report Certifications, 2019-20 —2022-23



Source: Second Interim Reports 2022-23.

Note: Data effective as of April 20, 2023.

The table below shows the districts with downgraded certifications in 2022-23.

School Districts with a Downgraded Certification, 2022-23

County	District	Period	Resulting Status
Alameda	Oakland Unified	First Interim	Qualified
Tulare	Ducor Union Elementary	Second Interim	Qualified
Ventura	Ojai Unified	First Interim	Negative

Finally, the county superintendent may designate a school district as a lack of going concern pursuant to EC 42127.6. This designation is essentially equivalent to a negative certification of an interim report. The main distinction is that a negative certification is assigned at one of two interim reports during the year, while a lack of going concern designation may be given at any time during the year. This designation must be based on new information, a change in conditions, a finding by an external reviewer that the district is at moderate or high risk of intervention per FCMAT's FHRA tool, or other concerns about the district's financial health. The school districts that received lack of going concern designations between 2019-20 and 2022-23 are shown in the following chart.

School Districts with a Lack of Going Concern Designation, 2019-20 — 2022-23



In 2022-23 nine school districts received a lack of going concern designation, which will remain in place until the county superintendents approve the districts' budgets for the subsequent year. Among these nine districts, three received lack of going designations soon after the final approval of their adopted budgets. Additionally, two of the nine districts that received lack of going concern designations in 2022-23 received them in June 2023. The following table shows the districts that received lack of going concern designations in 2022-23.

School Districts with a Lack of Going Concern Designation, 2022-23

County	District	Date Designated
Calaveras	Calaveras Unified	June 5, 2023
Contra Costa	West Contra Costa Unified	September 23, 2022, February 7, 2023
Kern	Lakeside Union	April 25, 2023
San Mateo	Cabrillo Unified	June 28, 2023
Placer	Auburn Union Elementary	February 7, 2023
San Joaquin	Stockton Unified	October 20, 2022
Siskiyou	Happy Camp Union Elementary	September 15, 2022
Siskiyou	Weed Union Elementary	November 8, 2022
Tulare	Ducor Union Elementary	April 17, 2023

While seemingly contradictory, the process of a county superintendent approving a school district's budget and then immediately assigning it a lack of going concern designation is an effective approach to address necessary interventions. This sequence of events exemplifies the broader nature of the criteria used for a lack of going concern designation compared to the state standards and criteria for fiscal accountability used to evaluate districts' budgets. It may also indicate that the county superintendent is concerned for the district's fiscal stability in subsequent year(s).

County superintendents base their assessments and determinations on data for the current and two subsequent years – a three-year view of school districts’ finances. While addressing immediate concerns about the current year indicators is crucial, projected trends cannot be disregarded. A balanced approach that considers both current and future financial implications is essential for effective decision making.

In each case – whether it involves budget disapproval, interim report certification as qualified or negative, or lack of going concern designations – county superintendents are obligated to provide a combination of assistance and oversight to the school district to help alter the trend and move the district toward a more fiscally stable environment. County superintendents have access to various intervention tools, ranging from required actions to any necessary measures that ensure the district will meet its financial obligations. However, the most timely and successful interventions begin when the district recognizes that it has a problem and fully cooperates with its most important partner: the county superintendent.

The current oversight system for school districts, often referred to as the AB 1200 process, incorporates both required and discretionary elements. The industry commonly refers to this system as “the art and science of AB 1200.” Within their oversight and intervention role, county superintendents hold discretionary authority. However, the system is built on the premise that the district and county superintendent are cooperating with one another, sharing accurate and timely data, and pursuing a mutually agreed course to restore fiscal stability within the district.

Community College Districts

The oversight and reporting system for California’s community colleges differs from the system for traditional TK-12 school districts. The California Community Colleges Chancellor’s Office has implemented Fiscal Forward, a fiscal resiliency portfolio. This initiative recognizes the significance of fiscal health, governance and accreditation. The cornerstone of Fiscal Forward is prevention through early engagement and technical assistance, which mirrors the approach used for over 30 years in TK-12 school districts. The portfolio is designed to offer fiscal planning resources, promote governance best practices, and to provide customized training and assistance to districts.

The Chancellor’s Office also presents an annual update on Fiscal Health and Resiliency Monitoring to the Board of Governors. This report outlines the procedure for monitoring and evaluating the financial soundness of community college districts, with the primary goal of preventing the need for emergency appropriations. The report draws on existing data, including audit, budget and financial reports, to identify potential risks to districts’ financial viability. Depending on the results of this monitoring or in response to a community college district’s request, the chancellor has the authority to provide technical assistance; authorize a FCMAT FHRA, review, or audit; or appoint a fiscal monitor or special trustee.

The Chancellor’s Office uses the following intervention criteria:

- Financial status analysis.
- Audit report analysis.
- Accreditation issues.
- Late or missing compliance reports.
- Media attention.
- Whistleblower complaints.
- District requests.

Additional components of the community college district monitoring system include:

- **College Finance and Facilities Planning Monitoring:** The College Finance and Facilities Planning (CFFP) division places the district on an internal monitoring list to evaluate the severity of its fiscal risks and options for intervention.
- **Provision of Technical Assistance:** The CFFP will engage directly with the district's chief executive officer and its CBO to discuss identified fiscal risks and extend technical assistance. The Chancellor's Office will provide technical assistance with state-allocated resources through FCMAT and its partnership with the Institutional Effectiveness Partnership Initiative.
- **Appointment of Fiscal Monitor:** The Board of Governors and the chancellor will appoint a fiscal monitor to regularly report on the district's progress toward resolving its identified fiscal risks and deficiencies.
- **Customized Technical Assistance:** Additional technical assistance is offered to districts with a fiscal monitor. This technical assistance is tailored to address the district's fiscal risks.
- **Mandated District Actions:** When minimal progress is observed in addressing fiscal health risks, the Board of Governors may prescribe explicit actions to be performed within a specific time frame. Failure to address these board-requested actions could trigger district oversight.
- **Appointment of Special Trustee or Special Trustee Team:** A special trustee or special trustee team will be appointed to manage a district that fails to achieve fiscal stability. This action authorizes the chancellor to both assume and delegate to the special trustee the powers and duties of the board of trustees, as determined by the chancellor to be necessary for the management of the district.

The Chancellor's Office identified the community college districts shown in the following table as at moderate risk for fiscal insolvency. These districts were identified from the 2021-22 annual audit, budget and financial reports based on the Chancellor's Office's Fiscal Health Resiliency Monitoring assessment. No districts were identified as at high risk for fiscal insolvency in 2021-22.

Community College Districts at Moderate Risk for Fiscal Insolvency, 2021-22

Total Risk Score 30-39	
Chabot-Las Positas Community College	Napa Valley Community College
Coast Community College	San Diego Community College
Glendale Community College	San Francisco Community College
Lassen Community College	Southwestern Community College

FCMAT has developed an Operational Standards Self-Assessment tool to help community college districts best serve their respective communities within the conventional funding provided by the state and other traditional ongoing resources. This tool includes 107 questions that generally correspond to the four overarching standards established by the Accrediting Commission for Community and Junior Colleges. The tool's findings provide a foundation for further investigations so districts can become better aligned with the operational intent of statewide funding for community colleges.

While the tool is new and not yet widely adopted, FCMAT's hope is that its use will become standard. To date, no published tracking tool is commonly used by community college districts. The use of such a tool is essential for districts to identify institutional aspects that not only set them apart but also might be contributing to their fiscal distress.

Reserve Levels

The size of reserves is in large part a school district governing board decision. While the state recommends a minimum level of unassigned reserves based on the size of each TK-12 school district (between 1-5%), national best practices recommend a dramatically higher level of local reserves (17%).

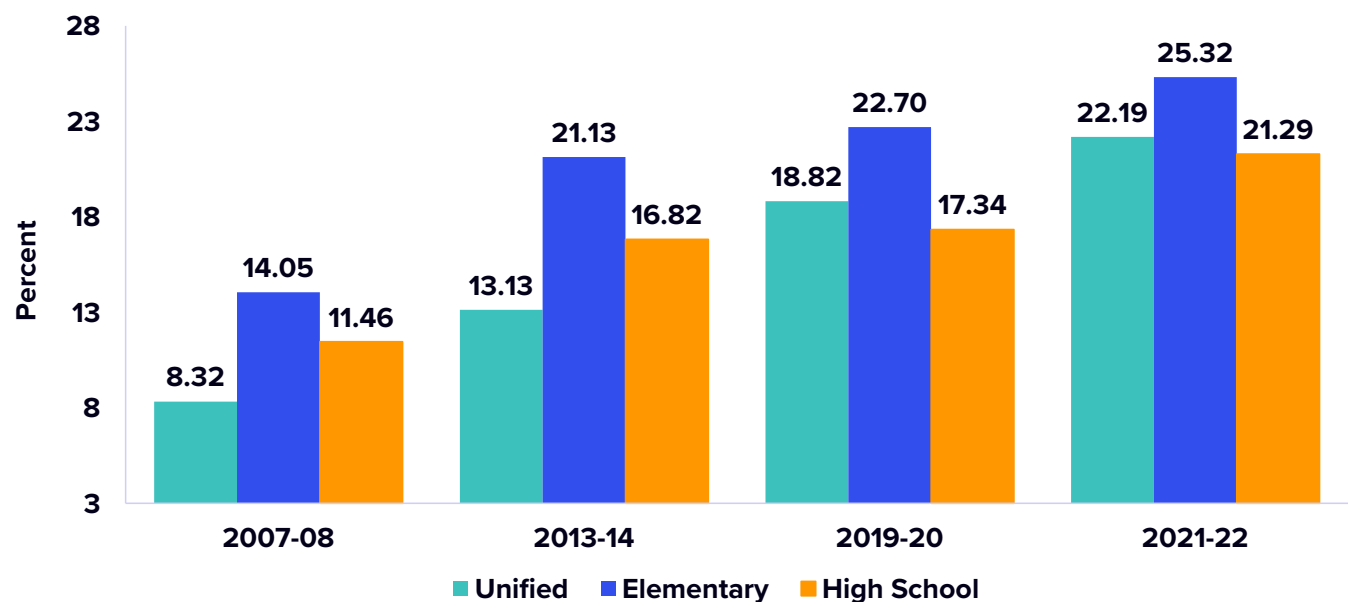
Deciding on reserve levels involves a trade-off between allocating funds for current school district programs and safeguarding against potential adverse consequences if revenues fall or costs increase. A crucial factor influencing this decision is the district's risk tolerance. School districts that are more risk tolerant tend to maintain lower reserve levels, while those averse to risk generally prefer to maintain higher local reserve balances.

To some extent, local reserve levels must be considered in conjunction with state reserve levels. This is especially true when there is an elevated risk of recession, as is the case going into 2023-24 and the two subsequent years. Although the state's general purpose reserves have not yet returned to the pre-pandemic levels as a share of the state budget, the state's reserve for Proposition 98, which funds education, has continued to grow. In 2023-24, the total reserves enacted at the state level will reach the constitutional limit of 10% of Proposition 98 funding. The accumulation of strong state reserves for school funding serves as the first line of defense against potential revenue declines caused by a recession.

Strong reserves also grant school districts more flexibility and options. This includes the ability to make strategic decisions regarding long-term financial planning, find exit strategies to reduce dependence on expiring one-time funds, and prevent fiscal crises. Ultimately, these reserves protect the district and its partners.

Overall, California school districts have stronger local reserve levels compared to those during the Great Recession. The chart on the next page provides a comparison of average reserve levels for school districts in 2007-08, 2013-14, 2019-20, and the latest data from 2021-22. The averages fell only slightly between 2020-21 and 2021-22. While a meaningful metric, the average is just that — a metric. Each school district's reserve levels vary, with some having minimum reserve levels and others maintaining stronger levels.

School District Average Reserve Levels, Select Years Between 2007-08 — 2021-22

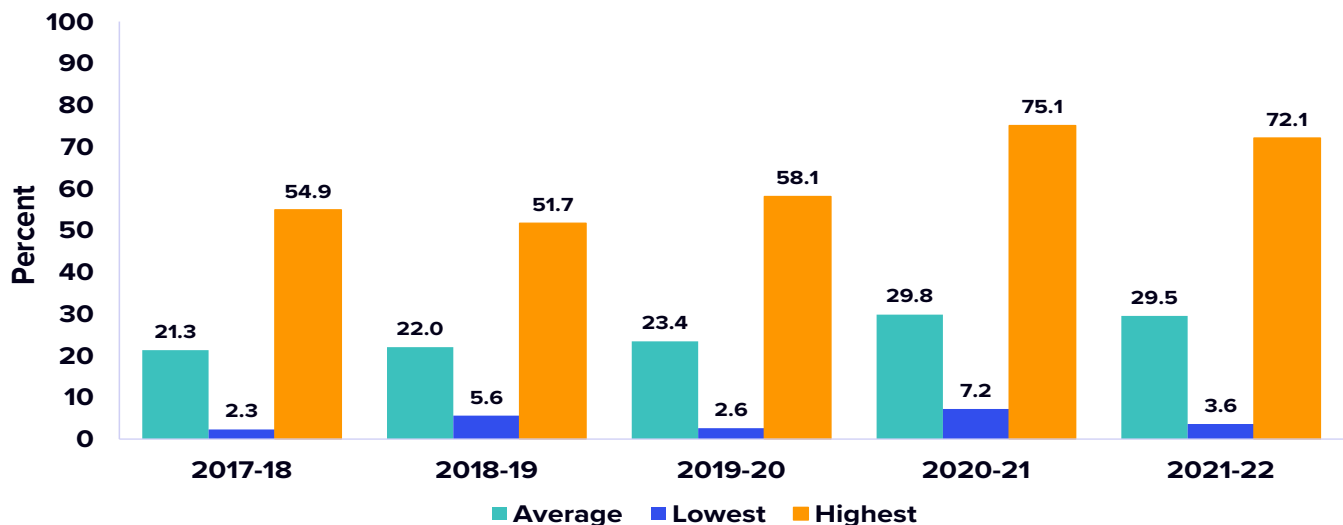


Pursuant to Education Code 42127 and 42127.01, the statutory limitation on school district reserves was triggered in 2021-22 for the 2022-23 fiscal year because of the balance in the Public School System Stabilization Account. Beginning in the 2022-23 fiscal year and continuing through 2023-24, less than half of all school districts were subject to a 10% cap on their combined assigned or unassigned general purpose ending balances. The 10% cap is measured as a percentage of total expenditures, transfers out and other uses in the combined general fund and special reserve, excluding the capital fund.

Some school districts are exempt from this local reserve cap. Small districts, defined as those with an average daily attendance of less than 2,501, along with community-funded districts, county offices and charter schools, are not subject to the local reserve cap. For more detailed information on this cap, see the fiscal alert at fcmat.org.

The chart below shows community college districts' statewide average funding balances, based on the annual financial and budget reports (CCFS-311) for 2021-22 and preceding years. [Memo-randum FS 22-03](#) outlines the Chancellor's Office's recommendation that districts adopt policies and practices consistent with the "[Budgeting Best Practices](#)" published by the Government Finance Officers Association (GFOA). Furthermore, the Chancellor's Office recommends that districts implement formal policies to maintain sufficient unrestricted reserves, with a suggested minimum of two months' worth of total general fund operating expenditures (17%).

Community College Reserve Levels, 2017-18 — 2021-22



Notes: CalBright College is included in this data.

Reserves include planned capital outlay, certain estimated liabilities and other purposes beyond reserves for economic uncertainty.

Reserve levels shown in percentages differ between school districts and community colleges. In the case of school districts, reserve percentages are calculated as the combined committed, assigned and unassigned ending fund balance in relation to the total general fund expenditures and uses. Conversely, for community colleges, the percentage represents the unrestricted general fund net ending fund balance as a proportion of unrestricted general fund expenditures.

The Government Finance Officers Association (GFOA) recommends a minimum of 17% reserves (equivalent to two months of expenditures) for local governments. Overall, both school district and community college data indicate that, on average, the GFOA standard is followed.

Challenges

Responsibility for fiscal stability lies first and foremost with school and college district governing boards. Careful attention to forecasts and trends is critical, including both statewide factors and local considerations. During periods of positive funding environments, districts have had opportunities to resolve structural deficits. However, in districts where structural deficits remain, the challenge of resolving them and bolstering fiscal stability will only intensify as revenues soften and expenditures continue to rise.

The forecasted \$41.2 billion drop in state revenues resulting from the COVID-19 pandemic was never fully realized. In fact, TK-12 LEAs and community colleges experienced an influx of unprecedented revenues during 2019-20, 2020-21 and 2021-22. However, these revenues were one-time resources, which will begin expiring in 2023-24, and will fully expire in early 2024-25 if not already exhausted.

The 2023-24 enacted budget includes continued historic investments that began in 2021-22, benefiting the majority of TK-12 LEAs and community colleges. This new and increased funding provides substantial resources to improve services to students. School and community college districts must make strategic decisions on how to allocate these funds. While many districts currently face no financial obstacles in providing essential services to students, this situation is expected to change as state revenues decline. Additionally, other challenges, such as securing an adequate and qualified workforce and dealing with declining enrollment, continue to present persistent hurdles for districts.

It is important to recognize that various funding sources are not disbursed all at once or in monthly installments, necessitating careful cash flow forecasting, monitoring and management by TK-12 LEAs and community colleges to align with program implementation.

At this time, FCMAT believes that 2023-24 will be characterized by the following:

- Continued strong statutory cost-of-living adjustment (COLA).
- Continued ability to expend remaining one-time pandemic-related resources.
- Continued extraordinary expenses to provide learning recovery and social and emotional support to students.
- Continued cost pressures stemming from record inflation. Although the peak of inflation is behind us, price levels are expected to remain slow to level off and decline.
- Implications from recessionary conditions on state tax revenues.
- Continued enrollment losses and the resulting impacts on average daily attendance.

During these transitional periods – when moving from a phase of strong year-over-year revenue growth to a pattern of slower growth – the utmost diligence in multiyear financial planning, strong cash management practices, and strategic reserve level management is essential. School and community college district governance teams, county superintendents and the Chancellor's Office must insist on timely, accurate reporting supported by strong analytical techniques.

In addition to the obvious challenges resulting from the pandemic, these fiscal and policy issues – both locally and statewide – require attention in the near term:

- Declining enrollment.
- Local reserve levels.
- Long-term public employee pension costs.

- Employee health benefit costs.
- Long-term employee compensation.
- More historically normal annual COLAs.
- Permanent pandemic-related operational changes.
- Statewide system of support (TK-12 LEAs).
- Property and liability insurance coverage and affordability.

For most traditional TK-12 school districts and many classroom-based charter schools, declining enrollment adds a layer of complexity and adverse economic impacts. Typically, when school districts experience a loss of revenue due to declining enrollment, they can only reduce around 30-40 cents of related direct service expenditures for every dollar lost. The difference necessitates other expenditure reductions to maintain fiscal stability.

The mitigation measures implemented with the 2022-23 state budget provide significant relief for the immediate financial impacts of declining enrollment, granting critical time for school districts to address this challenge alongside declining attendance rates. However, they are not a hold harmless provision. The positive impacts from these mitigation measures will diminish as the moving average moves further away from pre-pandemic data influences. While the pandemic accelerated the enrollment decline and directly affected attendance rates, declining enrollment is not a new phenomenon and is a part of the forecasted landscape. TK-12 enrollment across the state is forecasted to decline by nearly 7% over the next decade. However, the implementation of universal transitional kindergarten is expected to offset about half of this decline.

California recently experienced a net decline in population for the first time in history, influenced by lower birth rates, higher death rates, and net migration out of the state. The rate of population growth between 2010 and 2020 (6.4%) was less than half the rate of growth in the prior decade (14.8%). Forecasts indicate the state's population will decline between 2020 and 2030, followed by a period of relatively flat growth between 2030 and 2050. However, these forecasts do not yet fully account for any long-term consequences from the pandemic.

Many indicators suggest that both the country and state are approaching a recessionary period, the exact severity, duration and characteristics of which are unclear. Unlike prior state budget architecture, the enacted state budget for 2023-24 is reliant on one-time resources to fulfill on-going obligations. It was built on a "no recession" scenario. The budget also expresses the intention to restore program funding that was reduced to help balance the budget. In the event of a mild, two-year recession, this situation could worsen.

Nevertheless, the state has taken several precautionary measures to mitigate risks. Strong state reserve levels have been maintained, and reasonable property tax revenue forecasts within Proposition 98 have been used. Moreover, likely higher-than-actual enrollment assumptions have also been applied, providing a degree of protection as revenues remain uncertain.

TK-12 LEAs and community colleges have many of these same resources at their disposal, including strong reserves and significant one-time funds. The latter can be used to transition to slower revenue growth or pay down general fund debt. Alternatively, districts can invest these funds strategically to provide relief for future expenditures.

FCMAT/CSIS Strategic Plan 2021-2024

FCMAT is positioned to provide TK-12 LEAs and community colleges with efficient, cost-effective assistance, ensuring that their resources are used to promote student success while maintaining fiscal stability and solvency. The FCMAT organization continues to evolve to meet the growing demand for its services. Core to FCMAT's offerings is management assistance, comprising TK-12 LEA and community college reviews and written reports across various operational areas. Additionally, FCMAT has expanded its products and professional development offerings.

As public education undergoes transformations and developments driven by the economic cycle and legislative and policy changes, FCMAT remains committed to anticipating these shifts and adjusting its services accordingly. By strategically aligning its resources and establishing targeted goals, FCMAT aims to meet the needs of TK-12 LEAs and community colleges.

FCMAT follows the strategic planning timeline and format established by the Kern County Superintendent of Schools, which entails developing a roadmap for a three-year period. FCMAT is reporting on the second year of its 2021-2024 plan.

2021-2024 Strategic Plan

On June 22, 2021, the FCMAT governing board approved the following FCMAT objectives and action steps that outline the organization's 2021-2024 focus and path forward to meet the demands from the field. These overarching themes are familiar, as they build upon the 2018-2021 strategic plan.

Develop, implement, maintain and update software products and services

- Maintain Projection-Pro (multiyear and cash flow projection software) and its related professional learning and user reference materials.
- Support and update the school district and charter school Local Control Funding Formula (LCFF) calculator.
- Create online learning modules related to the basic functionality of the Projection-Pro software and LCFF calculator.
- Develop and implement the Standardized Account Code Structure (SACS) software replacement for the California Department of Education (CDE).
- Provide maintenance and operations services for the SACS software to the CDE.
- Develop and implement a new application to more efficiently track local educational agency (LEA) fiscal status related to budget adoptions and interim reporting.
- Develop a new tool related to financial metrics to assist county offices and the CDE in their oversight of LEAs.
- Develop training for new chief business officials (CBOs) at California's community colleges.
- Provide maintenance and operations services for CALPADS.
- Create and update CALPADS related professional learning, online resources, and tools.
- Develop and implement software to more efficiently assess and monitor LEA data management capacity.

Status

The four-year anniversary of Projection-Pro's release is in August 2023. The software continues to receive enhancements and bug fixes, along with updates to the underlining development language. To assist users, FCMAT offers both beginning and intermediate Projection-Pro workshops at no cost.

In 2022-23, FCMAT introduced a new hybrid Projection-Pro training model. New users can access an on-demand, recorded training session to learn the basics, including how to access the software, create a new account, and navigate the system. It was viewed 102 times during the year. For beginning users, a series of two-day in-person workshops were conducted in the fall, winter and spring, providing hands-on training to create basic multiyear and cash flow projections. One hundred eighty-eight attendees registered to attend these in-person sessions.

Intermediate and advanced users were provided the opportunity to participate in FCMAT's new two-hour webinars to take a deeper dive into the software's advanced functionality and explore new features. These eight weekly sessions were included open question and answer segments, offering TK-12 LEAs the opportunity to address specific topics and questions related to multiyear projections. Overall, 650 people registered to attend these sessions.

As part of an improved data collection process, FCMAT began gathering new data on the use of Projection-Pro: active TK-12 LEAs and active projections. This user frequency data guides FCMAT's marketing efforts for professional learning and outreach related to Projection-Pro. Data collection began in October 2022 and continued through the end of the year, resulting in 634 active users, 368 active TK-12 LEAs and 3,054 active projections.

During 2021-22, FCMAT released a county office version of the LCFF Calculator, a long-awaited tool specifically designed with unique calculations for county offices of education. FCMAT also continues to maintain and enhance the LCFF Calculator for School Districts and Charter Schools. A major revision of this calculator was released in spring 2021, followed by a first-time modeling version in March 2022 to help school districts and charter schools incorporate the significant changes outlined in the governor's 2022-23 proposed budget. Another substantial revision was then introduced to reflect changes in the ADA calculations following the 2022-23 enacted budget. Furthermore, a major revision was deployed in spring 2023, incorporating changes in state exhibits.

During the spring of 2021-22, CSIS began to develop designs to enhance the overall user experience of its website. This work encompassed several key areas, including integrating the course catalog into both the learning management system and the main CSIS website. It also included refining the website's navigation and search functionalities and adding a reports page. Implementation of these designs began in late 2021-22 and continued throughout 2022-23. The revisions to the CSIS website will be completed in 2023-24.

Development work on the new web-based Standardized Account Code Structure (SACS) system continued through June 2023, resulting in releases in October 2022, January 2023 and June 2023. Release 2 introduced interim reporting functionality, while Release 3 focused on unaudited actuals reporting. The release of the 2023-24 budget functionality marked the first time that the web-based system could operate multiple fiscal years simultaneously. Within CSIS, the new system has transitioned from pure development to maintenance and operations, with additional functionalities scheduled for release as part of regular software maintenance.

In fall 2021, FCMAT developed and released a new TK-12 LEA Fiscal Status Data Collection Tool, which provides oversight agencies with a web-based method to report on the status of adopted budgets and interim report certifications.

California Longitudinal Pupil Achievement Data System (CALPADS) maintenance and operations services have made it a priority to address bug fixes and implement enhancements to improve the user experience. An emphasis was given to expanding opportunities for user acceptance testing (UAT), allowing TK-12 LEAs to work with system changes and determine the need for adjustments to local practices when the changes are implemented in production. A major improvement involved validating current year data, based on feedback from the file submission performance improvement project implemented in the prior year. Additional data discrepancy validations were added to the certification process to improve data quality. Some data discrepancy validations will run year-round. After UAT in August 2023, CALPADS will offer better visibility of data quality issues through a new data discrepancy user interface.

In 2022-23, CSIS laid the foundation for the redesign of the students with disabilities data. This project proceeded with requirements analysis in the fall and development and testing during the spring. CSIS then hosted UAT opportunities for TK-12 LEAs, allowing them to experience and evaluate the students with disabilities data redesign. CSIS also hosted UAT for changes specific to the End of Year submissions.

In late spring 2022, CSIS implemented the first phase of new client relationship management (CRM) software. This software allows for the capture of information about TK-12 LEAs and their progress through each submission period. Moreover, starting with the Fall 2 submission in 2023, CSIS began providing the CDE with additional details from the CRM to better understand the relationship between student information system and special education system vendors' software and the CALPADS errors experienced by TK-12 LEAs. This included new CALPADS system management reports that list certification errors attributed to individual vendors. Sharing this information with the vendors proved helpful, as some vendors offered targeted outreach to specific TK-12 LEAs based on error patterns.

CSIS also developed several new CALPADS management dashboards that are updated daily with data from the CALPADS certification reports. They assist vendors in identifying areas within their applications that could benefit from improved data validation strategies. By pinpointing these potential enhancements, vendors are well-equipped to refine their systems, leading to superior data management and a smoother certification process for TK-12 LEAs. These dashboards also enable comprehensive and consistent monitoring of TK-12 LEA progress through the submission window. Moreover, they provide CSIS service desk agents with insights into LEA data management capacity, as well as the additional training and technical assistance needs of TK-12 LEAs.

The 2023-24 enacted state budget includes funding to plan for two new CBO mentor programs, with one dedicated to community colleges and the other to small school districts. The planning efforts for both programs will start and conclude in 2023-24. They may begin their initial cohorts by June 2025, depending on operational funding.

Provide professional learning opportunities that equip FCMAT's clients with the skills, knowledge, and strategies needed to assist in maintaining fiscal solvency and accountability, as well as maximize knowledge of emerging topics

- Collaborate with other entities to offer professional learning in modes that expand FCMAT's audiences.
- Develop a coaching program to support new CBOs in their first or second year on the job.
- Support LEAs by continuing to offer a fiscal oversight professional learning program for county offices and districts.

- Develop a professional learning program for fiscal experts and fiscal advisors.
- Develop an online Associated Student Body professional learning module.
- Assess local data management capacity and design professional learning tailored to meet clients' needs.

Status

FCMAT remains committed to providing a diverse range of workshops and professional learning opportunities, both directly and in collaboration with partners. FCMAT's workshops are designed with a guiding principle of alignment and furtherance and a focus on promoting fiscal stability, solvency, and fraud prevention. FCMAT workshops on Associated Student Body and booster club best practices remain in high demand.

After two years of planning, FCMAT launched the Coaching and Induction Program (CIP) in July 2022. This program is dedicated to supporting CBOs in their first, second or third year on the job. The inaugural cohort of 17 CBOs successfully completed the program in June 2023. The second cohort of 26 CBOs began their program in July 2023. The enacted state budget included operational funds to support this program.

After a short break to redesign the program, the 19th cohort of FCMAT's Chief Business Official (CBO) Mentor Program began in January 2023. This program is one of three CBO preparation programs that allow successful participants to immediately test for the California Association of School Business Officials's (CASBO's) CBO certification. FCMAT also provides extensive resources to support the other two programs. FCMAT works closely with our partners at CASBO, University of Southern California and School Services of California to ensure that the three preparation programs are aligned and that they prepare participants for the comprehensive examination required to achieve the CBO certification.

FCMAT continues to offer a two-day AB 1200 Fiscal Oversight Workshop. The first day focuses on county offices, while the second day focuses on business staff from county offices and school districts. The goal is to foster a deeper understanding of each other's responsibilities and processes. This format provides opportunities for new staff to get basic training and for existing staff to enhance their knowledge. It also promotes improved collaboration between county office and district staff.

These workshops have proven popular, attracting over 500 attendees in 2021-22 and nearly 500 attendees in 2022-23. Based on an internal review, FCMAT has made extensive revisions to the curriculum and supporting materials in spring 2023 for the 2023-24 workshops. Notably, charter school oversight was added to the curriculum for the second day.

Increase and improve service and/or access to services and resources

- Provide additional tools, services and products to California's charter schools and chartering authorities.
- Expand user support in the use of FCMAT tools.
- Increase the frequency of updating resources on the FCMAT and CSIS websites.
- Attract and retain the most highly qualified staff to support FCMAT objectives and clients' expectations.
- Provide professional learning to build the competency and expertise of FCMAT staff on the principles of LEA resource allocation with a concerted focus on equity.

- In cooperation with the state and private partners, assist in the development and implementation of a licensure program for CBOs.
- Support LEAs in reconciling local and state assessment and accountability data, improving data quality, and certifying the six CALPADS data collections.
- Improve learning pathways to make it easier and more efficient for LEAs to address their own data management skill set needs.

Status

In 2022, FCMAT released the third edition of the [California Charter School Accounting and Best Practices Manual](#). It was revised to ensure that the language, especially that pertaining to transitional kindergarten and the Local Control and Accountability Plan, was kept up to date.

FCMAT's [Charter School Petition Evaluation Matrix](#) was released in February 2022. The intent was to provide a unique, legally compliant evaluation tool that can be uniformly used by school districts and county offices across the state of California. The evaluation matrix is a valuable addition to FCMAT's charter school resources.

In spring 2023, FCMAT updated the [Special Education Efficiency Tool](#), a resource that allows TK-12 LEAs to analyze various areas related to special education. It was originally designed for large unified school districts that have staff employed in each area evaluated by the tool. FCMAT updated the tool's formulas to allow districts to exclude areas without staffing from the final score calculation. In addition, FCMAT aligned the tool's metrics with the average general fund contribution percentage from statewide audited actions, as reported by School Services of California, and the targets from the CDE's most recent local level annual performance report.

In June 2023, FCMAT updated the [Indicators of Risk or Potential Insolvency](#) for county offices and school districts, charter schools, and community colleges. These three distinct lists are based on FCMAT's more than 30 years of experience with TK-12 LEAs and community colleges since the inception of AB 1200 in 1991. Each indicator signifies a lack of function, commitment, or attention to one or more critical elements of a TK-12 LEA's or community college's operations. Identifying issues early is the key to maintaining fiscal health because a failure to manage these critical areas will eventually lead to its fiscal insolvency.

Moreover, FCMAT has continued to provide and expand the assistance available to TK-12 LEAs and community colleges through the [Help Desk](#) and the frequently asked questions. Questions regarding the LCFF calculators for county offices and school districts and charter schools continue to comprise a substantial portion of the total Help Desk inquiries received.

In 2021-22, the wealth of CALPADS courses and data management trainings underwent a thorough review, analysis and categorization process to create a comprehensive course catalog. CSIS integrated this catalog into the learning management system in 2022-23 and is using it to onboard new CALPADS data coordinators. Once the catalogue is published to the CSIS website in 2023-24, additional local staff involved with CALPADS will be able to develop personal learning pathways.

In the first two years of the strategic plan, FCMAT lost four long-term staff due to retirement. Replacements were hired in advance of two retirements, and recruitments have concluded for the two retirements that were effective in June and July of 2023. The two new intervention specialists will join FCMAT on October 16, 2023.

Starting in September 2022 and continuing through June 2023, FCMAT's staff dedicated two all-staff meetings to enhance their comprehension of equity in schools, financial resource allocations,

and related policies and procedures. FCMAT plans to conduct ongoing training to ensure a comprehensive understanding and effective implementation of best practices in this regard.

Furthermore, FCMAT is developing a new equity tool for TK-12 LEAs and community colleges. This tool will focus on best practices in resource allocation and accountability concerning equity for all students.

FCMAT and CSIS maintain a variety of tools and resources on their respective websites. They are committed to regularly reviewing these materials and updating them as necessary to ensure they remain relevant and up-to-date.

Collaborate with Cradle-to-Career Data System partners on the implementation of the proposed data system

- Build sustaining partnerships that improve data quality in support of practitioners and policy-makers while elevating equity-focused data points.
- Promote user adoption through ease of use and access to data system tools.

Status

In July 2021, the Governor signed legislation establishing the Cradle-to-Career (C2C) Data System office, adopting most of the recommendations from the C2C Data System Workgroup. This legislation also included a seat for CSIS as a member of the C2C governing board, with CSIS Chief Operating Officer Amy Fong serving as the first board chair from 2021-22 through 2022-23.

During C2C governing board meetings, community members shared examples of students' experiences with inequity and administrative burdens, helping to highlight opportunities for the data system to address these issues. Over the past year, the C2C governing board revised its governance manual to incorporate processes for adding new data points. It also continued to pursue the development of its first new data product: the teacher training and retention dashboard.

At its May meeting, the C2C governing board voted to approve adding 20 data points, which will provide additional context in the areas of teacher preparation and credentialing. As part of a broader strategy, a second dashboard is also being developed to clarify educational pathways from early childhood to post-secondary education and employment. It will be paired with the teacher-focused dashboard. These dashboards will work in tandem to shed light on differential outcomes for various student populations and foster greater understanding of the interconnectedness between education and employment.

Fulfilling its statutory obligations, the C2C governing board engaged in strategic planning, focusing on defining objectives for four main workstreams: analytical data, engagement, operations, and practical tools. The Office of Cradle-to-Career Data is on track to design communications for practical tools, such as the dashboards. It is also working to engage users by building data literacy across all user types in a way that promotes ease of use and access to information.

As a member of the steering committee for the California IT in Education Chief Technology Officer (CTO) Mentor program, CSIS initiated changes in the data culture course. These updates allowed participants to use tools during an ongoing data submission. Other changes included the development of new required artifacts (evidence of the student learning experience), such as a data management checklist and a responsible, accountable, consulted and informed (RACI) matrix. CSIS also contributed to the revision of the scoring rubric for the artifacts.

FCMAT/CSIS Appropriations for 2022-23

FCMAT's appropriations for the 2022-23 fiscal year are shown in the table below.

FCMAT Appropriations, 2022-23

FCMAT Appropriations	
FCMAT Services and Operations	\$3,657,000
Product Development, Professional/Staff Development and Training	\$1,187,000
Special Technical Assistance/AB 1840	\$233,949
Audit Appeals Panel	\$42,000
COE Reimbursement for AB 139 (flow-through)	\$871,000
COE Reimbursement for AB 1200 Oversight (flow-through)	\$115,000
Total	\$6,105,949

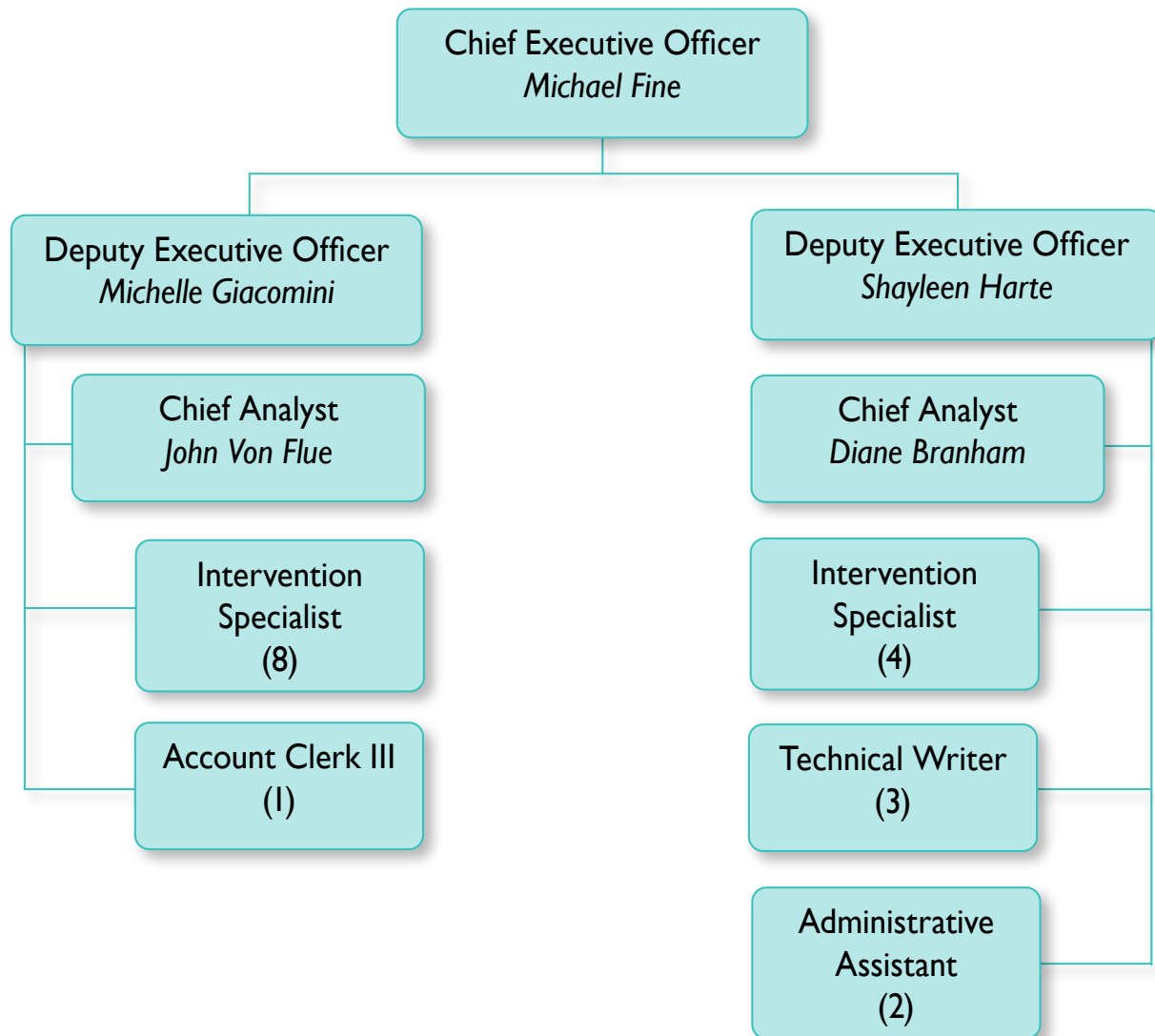
CSIS's appropriations for the 2022-23 fiscal year are shown in the table below.

CSIS Appropriations, 2022-23

CSIS Appropriations	
CALPADS — maintenance and operations	\$6,508,000
ED-Data — maintenance and operations	\$374,000
SACS — development	\$1,457,846
SACS — maintenance and operations	\$3,920,000
Total	\$12,259,846

Notes: This table excludes local revenue for technical support provided to FCMAT and the California Collaborative for Educational Excellence. Projection-Pro maintenance and operations are supported by FCMAT funding.

FCMAT Organizational Structure

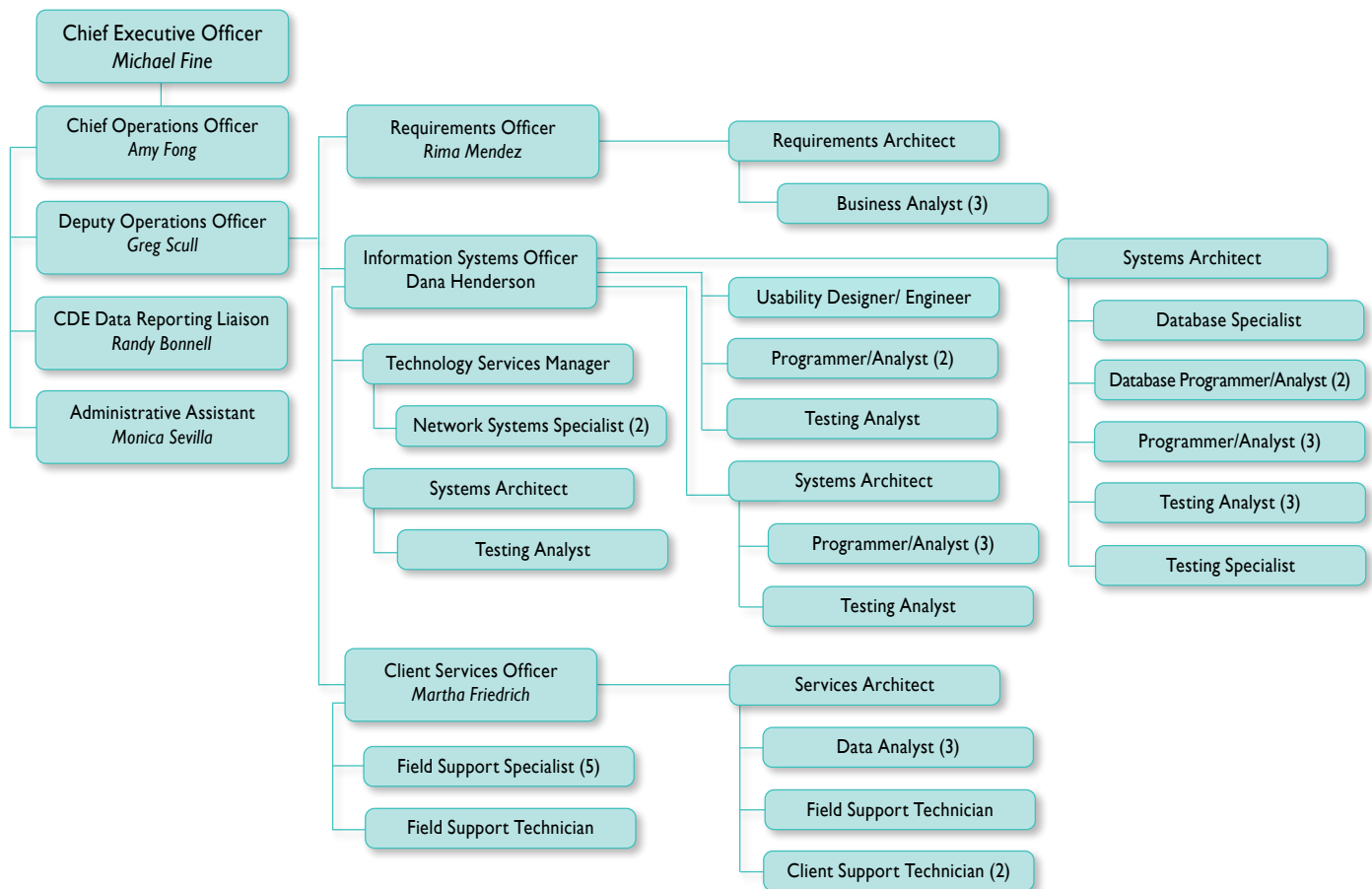


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