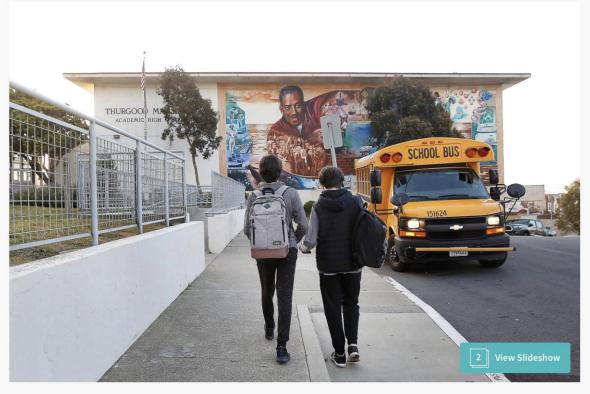
What California schools' devastating cuts could mean for classrooms: 15% less per student





Brothers Isaac (left) and Joshua Conde walk into Thurgood Marshall Academic High School in San Francisco just before district schools closed in the pandemic.

Photo: Lea Suzuki / The Chronicle

Schools across California face a devastating fiscal future, with a loss in revenue of \$1,400 per student — or more, state education experts said Tuesday.

That figure is perhaps optimistic. With the state heading into what could be a severe recession, the loss may be closer to \$2,000 per student — a 15% reduction from the current funding level of \$13,000.

That will likely mean larger class sizes, layoffs, furloughs, pay cuts and other ways to curb spending, officials said.

"All indications are it will be very difficult for California education," said Carrie Hahnel, an independent researcher on education policy, during a webinar hosted by Policy Analysis for California Education, a nonpartisan research center. "Schools in California should be bracing for a big hit."

How big is still unknown. With the income tax filing deadline extended until July 15, California officials won't know exactly how much revenue they'll get until later this summer.

Gov. Gavin Newsom is expected to release a revised budget proposal in May with his guess. In January, he anticipated increasing school funding to \$84 billion, with \$3.4 billion in new revenue.

"Everything we knew in January is off the table," said Michael Fine, chief executive officer of California's Fiscal Crisis and Management Assistance Team, which works with the state's school districts on financial stability. "The bottom line right now is we don't know how far state tax receipts are falling."

As an academic exercise earlier this year, state budget officials provided an analysis of what a moderate recession would mean for the state, estimating a \$25 billion revenue hit over each of the next two years, out of a \$222 billion budget.

Just months later, with the state essentially shut down, the expected recessionary scenario is now worse than "moderate," said H.D. Palmer, spokesman for the Department of Finance.

"There are worries that this could be the worst recession since the Great Depression," said Jessie Levin, an education researcher at the American Institutes for Research, a nonpartisan research organization.

The focus right now, said policy experts, should be on the federal government addressing the financial impact of the coronavirus crisis, specifically in the form of funding for schools in the upcoming economic stimulus package.

"There has rarely been a time when schools needed so much support from the federal government," said Oakland schools Superintendent Kyla Johnson-Trammell. "This is about ensuring that all school districts can avoid making draconian cuts to their budgets, which will hurt our children for years to come.

"I implore our federal leaders to send schools this much-needed money, to ensure that our students can fully access a healthy and robust education system once we move beyond this pandemic."

Philanthropic funding and state rainy-day reserves aren't sufficient to cover the need, including the academic recovery required after five months out of classrooms, officials said.

The role of schools in getting through the pandemic is critical and they should be a priority in federal stimulus funds, said Myong Leigh, San Francisco Unified deputy superintendent of policy and operations.

"This comes at a time when many of our students and families need even more from schools, including meals, technology access, distance learning and social-emotional support," he said.

Even before the pandemic, the city's school district already faced a budget shortfall, with special education and other costs outpacing state funding increases.

"Now," he said, "with steep drops in local and state taxes, the threat to our resources is even more grave."

Yet even as the education funding plummets, districts are facing increased costs, said Richard Barrera, vice president of the San Diego Unified school board.

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Shifting to distance learning is costing his district an extra \$200 per child, he said. Providing summer school would cost an additional \$500 for each of the 100,000 students in the district — or \$50 million total.

Yet a \$2,000 budget cut per student would take \$200 million from the district.

Newsom floated the idea Tuesday of schools opening up early for the upcoming academic year, possibly in late July or early August — something that would also increase costs and require the approval of labor unions.

Life in the Bay Area has been upended by the coronavirus pandemic, as leaders have extended the shelter-in-place order through May. Tell us the questions you want answered, and the issues you think we should be investigating. Tell us your questions; what should we investigate?

Such a decision would be up to local school boards, which face a mountain of uncertainty about the future, officials said.

"There's no simple solution here," Barrera said. "Our focus right now is how we are going to deal with devastation."

While some districts might have more money squirreled away in reserves than others, budget cuts are expected to be virtually universal, with disadvantaged communities hit the hardest, unable to backfill funding with parent contributions or other resources, he added.

"These types of cuts will devastate school districts up and down the state," Barrera said, "and the impact will be most felt on the most vulnerable students."

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