

# BUDGET UPDATE

November 10, 2009 Board Meeting

# Timeline Review

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<b>Date</b>	<b>Topic</b>
10/20/2009	Reconciliation 2010-11 deficit
10/27/2009	Update on State Budget Condition & Key Budget Dates
<b>Today</b>	<b>Our approach for the 2010-11 budget year</b>
11/17/2009	LA County Office of Education update and further break down of the District's funding landscape
11/24/2009	Superintendent's recommended balancing solutions.
12/1/2009	Superintendent's recommended balancing solutions.
12/8/2009	Board vote

# Our charge: Achieving our vision even as resources are reduced by the State.

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- Our vision is that every LAUSD student will receive a quality education in a safe, caring environment, and every graduate will be college-prepared and career-ready.

*To achieve this vision, we are working to create an organization that personalizes the learning experience for every student.*

# 2009-10 Budget Recap

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- In order to balance the 2009-10 Budget, the District addressed a deficit of \$838.2 M.
  - ▣ Central office budgets are an average of 20% lower than in 2008-09.
  - ▣ Local District office budgets are an average of 40% lower than last year.
  - ▣ Summer School is only available for high school students who need to make up credits in order to graduate.
  - ▣ District staffing formulas (norm tables) provide fewer teachers, administrators, counselors, clerks, and custodians to schools.
- State Fiscal Stabilization funding and other discretionary federal funding helped mitigate the full impact of the deficit.

# The current budget supports a critical step toward local decision making.

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- Given severely reduced State support for public education, we've had to look differently at how we use our Federal categorical funding.
- We made the strategic decision to end certain centrally-run Title I, II, and III programs, instead directing the dollars to schools so that school communities can make tailored spending decisions.

# The decentralization effort is directing more categorical funding to schools.

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Program		2008-09	2009-10
Title I, Basic – Services for Low Income Students*	Schools with 65 – 100% Poverty	\$413.5 per low income student	\$692 per low income student
	Schools with 40-64.99% Poverty	\$284.5 per low income student	\$477 per low income student
Title II – Teacher Quality	Grades 4-6	\$0	\$200 per student
	Grades 9-12	\$0	\$30 per student
Title III – Services for English Learners		\$15 per English Learner	\$50 per English Learner

\*Figures do not include Title I Stimulus dollars, which provided an additional \$249 per low income student at schools with 65% or greater poverty percentages and \$170 per low income student at schools between 40 and 64.99% poverty.

# The 2010-11 Budget will build on this year's decentralization efforts.

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- Faced with a \$480.2 M shortfall for the 2010-11 school year, we will have to make more difficult decisions.
- We will leverage the flexibilities provided by the State in order to expand our decentralization efforts.
- Our goal is to give our schools as much flexibility as possible.

# Our approach includes a top-to-bottom review of the District's budget.

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- We are reviewing every program and function paid for out of the General Fund, Regular Program, including categorical programs made flexible by the State (Tier III programs).
- For each program and function, we will consider whether we will continue to run the program centrally and at what funding level. We will bring these recommendations to the Board later this month.
- We will allocate the rest to schools on a per student basis.
- We will be transparent about our revenues and our costs and about what's at central and what's at schools.

# Our approach will include enhanced oversight and support for schools.

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- The Superintendent will review each school's entire budget, and, if necessary, make recommendations for which services and supports to reduce.
- Local Districts will support schools to develop tailored budgets that consider the needs of their specific school and student population.
- Schools will have the opportunity to modify the recommendations, but they must use data to justify their decisions and they must submit a balanced budget.

# Supporting local decision making through School Site Council trainings.

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- Parent Community Services Branch trainings for school site councils are focusing on priority setting based on data and budgeting to priorities.
- Initial survey responses indicate that school communities want more control over spending decisions, but need more support.
- We want to hear from the rest of the LAUSD community. Please email [cfo-info@lausd.net](mailto:cfo-info@lausd.net) with your thoughts.