

Los Angeles Unified School District
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News Release

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LAUSD SCHOOL BOARD APPROVES SERIES OF BALANCING SOLUTIONS TO SHORE UP NEARLY \$1.2 BILLION BUDGET GAP *Board passes plan on a 6-1 vote*

Los Angeles – The Los Angeles Unified School District School (LAUSD) Board today approved, with a 6-1 vote, a package of balancing solutions to close a \$470 million budget gap in 2010-2011 and another \$700 million for the 2011-2012 budget year.

LAUSD must re-submit a balanced budget to the Los Angeles County Office of Education by Dec. 15 with specifics based on the District's projected expenses and revenues. The final budget for 2010-2011 must be submitted by June 30, 2010.

"No matter how difficult things get, I am confident that if we work together we can get through these challenges and maintain our mission of providing a sound education for all our students," Superintendent Ramon C. Cortines said. "Historically, we have circled the wagons and taken shots at each other. We can no longer pit one type of employee against the other. We are a team and today we must unite to find a way to provide what is best for our children and adult students during these difficult times."

The package of solutions include separate plans that help balance the budget utilizing various levels of shared commitments from labor, program reductions, and a possible limited parcel tax. Also included is a plan that closes the estimated \$1.2 billion 2010-2011 and 2011-2012 gap mostly through cost efficiencies, program reductions, procedural efficiencies, program conversions and school site reductions. The last proposal would result in more than 5,000 layoffs of mostly out-of-classroom employees. Any and all of these cuts can be amended and/or negated with shared commitments from the District's unions.

In addition, several formerly separate budgets are being reduced, decentralized and given over to local school sites under a new emphasis on local school community budgeting to data and need. In all, more than \$500 million will be handed over collectively to LAUSD's

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schools to oversee including budgets that fund custodians, administrators, clerical support, counselors, librarians and library aides, instructional materials accounts, pupil services and attendance counselors, financial managers, and psychologists.

“Last year, we began the process of moving resources and important budget decisions to the schools,” Cortines said. “This is an important component of our plan to empower local schools and communities to make decisions that are in the best interest of their students. We are going to continue to expand school based budgeting this year.”

Board members invited union leaders to offer shared solutions in the form of salary reductions or furlough days to help avoid massive cuts and layoffs. Each noted the challenge of funding the District with fewer dollars. So far, SEIU Local 99 has reached an official agreement to take four furlough days in 2009-2010 to help lower the deficit. Two other bargaining units have also reached a tentative agreement to take four furlough days in 2009-2010 pending approval by the membership.

Cortines added, “I don’t want us to lose sight of our entire budget. We are talking about very difficult cuts, but we still have close to \$5 billion to improve the lives of students in the nation’s second largest school district. We will continue to work with all of our stakeholders to find alternative solutions, but we must be responsible and move forward with a concrete financial plan.”

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