

# MYTH-BUSTERS:

## The TRUTH about the LAUSD budget

**MYTH: LAUSD CAN USE ALL OF ITS FEDERAL STIMULUS MONEY NOW TO REDUCE CLASS SIZE AND SAVE JOBS.**

**FACT:**

Using all of the stimulus funds now would be like receiving two weeks of lunch money – and spending it all in week one. How will you eat next week?

Only \$585 million of the stimulus funds LAUSD will receive over two years — or 60% — can be used to relieve the budget deficit directly. That means the stimulus can cover only 43% of the \$1.35 billion deficit in that time. The rest of the funds are restricted to pay for certain programs and schools (Title 1).

The simple truth is that stimulus funds alone cannot save every job, and if LAUSD were to spend them all now, we would be laying off twice as many people next year. Stimulus funds will get us part way, we need to do rest.

**MYTH: LAUSD WOULD RATHER SAVE ITS DOWNTOWN BUREAUCRACY THAN THE CLASSROOM.**

**FACT:**

The central office was and continues to be the first target of budget cuts. In total, more than 1,700 of these support staff — almost 40% of Beaudry and local districts — were cut in 2008 and 2009 before any school-based staff.

Beaudry staff are critical in areas such as after-school programs, school maintenance, and teacher hiring. As the deficit worsens, the central office will forcibly see more cuts.

The tricky part is teachers and school staff make up the overwhelming majority of LAUSD's workforce, and many central staff are former school employees with contractual rights to return to campus. It's impossible to manage a \$1.35 billion deficit without impacting schools. The goal is to impact them as little as possible.

**MYTH: EVERY YEAR LAUSD CRIES WOLF ABOUT BUDGET CUTS – AND THEN SOMEHOW FINDS MONEY IN ITS BUDGET. THIS TIME IS NO DIFFERENT.**

**FACT:**

The truth is the entire country is suffering through the worst economic turmoil since the Great Depression. More than 706,000 Californians have lost jobs in the last 12 months – and LAUSD is not immune.

The school district has been more transparent this year than ever before. Superintendent Cortines has conducted budget meetings with parents and teachers throughout the district. Countless hours on KLCS TV have been devoted to informing the budget.

At the same time, Sacramento has never been clearer that education funding is the first expense cut to balance its checkbook, slashing education by \$8 billion next year. This is not a test. This deficit is real.

**MYTH: LAUSD HAS PITTED STAFF AGAINST EACH OTHER BY SUGGESTING ALL WORKERS TAKE FURLONGHS TO SAVE JOBS.**

**FACT:**

The truth is, over the past four months, teachers and school staff have demanded a solution to save jobs — with many offering furloughs or pay-cuts themselves to save their colleagues' jobs and school communities.

This drive from teachers and staff, coupled with the worsening state budget situation, has led unions representing different types of workers to begin the process of new negotiations with LAUSD. One furlough day in LAUSD could save \$15 million. Five furlough days — the length of spring break — could save more than 1,000 jobs.

Teachers, school and district staff have one shared goal: Reduce class sizes, save as many jobs as possible and protect reform, while living within our means. The only real solution will be a shared solution.

**MYTH: LAUSD IS BUILDING NEW SCHOOLS. IT SHOULD USE THAT MONEY TO SAVE JOBS.**

**FACT:**

The building of schools is entirely funded by voter-approved bonds. It is illegal to use this money for teacher salaries. The truth is that voters have generously given Los Angeles a world-class building program for our students – while Sacramento has consistently under-funded the actual learning that happens in the classroom.

**MYTH: LAUSD SPENDS TOO MUCH MONEY ON CONSULTANTS. LAUSD COULD FIRE THEM ALL AND USE THE FUNDS ON TEACHERS.**

**FACT:**

LAUSD is slashing use of contractors and consultants by \$38 million in 2008-2009 alone. The truth is the overwhelming majority of consultants are temporary employees working in construction and paid with bond funds, meaning LAUSD cannot legally use these funds for teachers or school staff salaries.

**THE REAL FACTS:**

- ♦ LAUSD faces a \$1.35 billion deficit over the next two years.
- ♦ LAUSD relies on Sacramento for its funding, and the state has turned off the spigot. In May 2009 alone, the state cut LAUSD's budget by over \$400 million for the next 13 months.
- ♦ Only \$585 million, or 60%, of stimulus funds LAUSD will receive can be used to relieve the budget deficit directly. This amount relieves only 44% of the deficit over the next two years.