



**LOS ANGELES UNIFIED SCHOOL DISTRICT**  
**BUDGET SERVICES & FINANCIAL PLANNING DIVISION**



SUPERINTENDENT'S  
**FINAL BUDGET**

2011-2012



**LOS ANGELES UNIFIED SCHOOL DISTRICT**

**SUPERINTENDENT'S 2011-12 FINAL BUDGET**

**BOARD OF EDUCATION**

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**Megan Reilly  
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**Yumi Takahashi  
Budget Director**

Prepared by  
Budget Services and Financial Planning Division  
Budget Services Branch

June 30, 2011



**INTER-OFFICE CORRESPONDENCE**  
**Los Angeles Unified School District**

**INFORMATIVE**

**Date:** June 24, 2011

**TO:** Members, Board of Education  
John E. Deasy, Ph.D., Superintendent

**FROM:** Megan K. Reilly, Chief Financial Officer



**SUBJECT:** Adoption of Superintendent's 2011-12 Final Budget

On June 30, 2011 the Board is asked to approve the 2011-12 Final Budget. The budget represents a concerted effort to retain core services for our students. Through collective action, including shared sacrifices of our union partners, we have planned a budget that maintains stability in our community.

In the face of great uncertainty in Sacramento, we have taken it upon ourselves to act responsibly, proceeding cautiously in planning.

**The District Was Challenged to Resolve A \$408 Deficit.**

In February, a \$408 million deficit was identified for 2011-12 if the Governor's tax extensions were not provided. Factors contributing to this deficit were declining enrollment (without concurrent reductions in cost), expiring use of one-time solutions such as furlough days, and higher than expected expenditures.

Due to mounting cash concerns and unease about the State's finances, the District did not recognize revenue in 2010-11 or 2011-12 that was scheduled for deferred payment. Most significantly, the District factored in a \$330 per average daily attendance (ADA) reduction that districts were told to assume if the Governor's proposed tax extensions were not approved (\$183 million). At that time, the District had projected full utilization of Education Jobs Fund dollars (\$103.5 million) to save jobs in 2011-12.

**Advance Planning Began With The February Board Actions Five Months Ago.**

On February 15, 2011 that Board voted to approve \$326.6 million in expenditure reductions, with the remaining deficit to be addressed at a later date. This "Full Crisis" scenario included reductions that affected almost all areas of the District. Reductions included school site cuts, such as class size increases in K-8, administrator, counselor, nurse, and clerical reductions as well as central and local district reductions. It included reductions in programs such as magnets and transportation and total elimination of programs such as School Readiness Language Development Program. The Board approved these reductions in accordance with the Los Angeles County Office of Education (LACOE) guidelines while simultaneously asking the Superintendent to work on alternative solutions to address the deficit. Concurrently, the Board approved the issuance of the necessary reduction in force notices.

**Alternative Comprehensive Plan Was Worked On To Reduce Layoffs And Close The Gap.**

With a combination of positive news from the State, better expenditure and revenue information, and shared sacrifices from our employees, the District has closed the gap and reduced the number of layoffs significantly.

Item	Amount (\$millions)
Recognized revenue in 2010-11 that appeared more certain in the Governor's May Revision. The May Revision signaled that revenue promised for 2010-11 would actually be received.	\$154.8
Changes in expenditure/revenue estimates for 2010-11 and 2011-12	\$64.5
Shared Commitment: Employees agreed to take four furlough days (AALA, UTLA, SEIU- Local 99, Building and Trades, LASPA, LASPLA, and district represented employees). The number of furlough days that our employees ultimately take is dependent on the final resolution of the State Budget.	\$53.2
One-time of worker's compensation assets	\$31.0
State Fiscal Stabilization Funds (one-time applied in 2010-11)	\$28.4
Mandated cost revenue- one-time funding for mandated activities <sup>1</sup>	\$18.4
Special Education Mental Health Revenue. The District has received a mandate to provide mental health services that were previously covered by the County. Revenue for this program has been estimated on a per ADA basis.	\$15.0
Remaining reductions – central and local district office reductions; CSEA and Teamsters reductions (only bargaining units that have not come to a furlough agreement with the District)	\$42.5
Total	\$407.8

Though we are able to reduce the number of layoffs, approximately 3,000 positions have been closed due to declining enrollment and ending of programs, such as the Title I Stimulus.

**There is Still Great Uncertainty Regarding The State Budget and Out-Years.**

With State revenue uncertain, we have been responsible in our planning. We have not relied on funds in 2011-12 and in the out-years that are contingent upon the extension of taxes, as proposed by the Governor. We have also not relied on promises of a Cost of Living Allowance (COLA), which the District has not received for four years.

With the above assumptions and changes factored, our deficits for 2012-13 and 2013-14, without revenue relief are projected to be \$629 million and \$736 million, respectively, for a cumulative two-year deficit of \$1.36 billion. We will collectively have to plan for the worst, but maintain hope that

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<sup>1</sup> When the state mandates that a local government or schools provide a new program or higher level of service, the California constitution often—but not always—requires the state to reimburse the local government. See Appendix for a listing of education mandates.

the revenue promises from Sacramento materialize.

### **Requirements for Tier III Flexibility**

Concurrent with the adoption of the Final Budget will be a public hearing on the use of Tier III categorical funds. State categorical programs listed as “Tier III” may be transferred for any "educational purpose" through 2014-15. As a condition of the receipt of these funds, the Education Code requires that the Board conduct an annual public hearing on the proposed uses of these Tier III funds, receive testimony from members of the public, discuss the proposed uses of the funds, and approve or disapprove the proposed use of the funds. The proposed uses are contained in the proposed final budget. Tier III categorical funding is part of the larger unrestricted general fund picture.

In building the total unrestricted general fund budget, the Superintendent has completed a thorough review of the budget to ensure investments are made in priority areas, while taking legal requirements into account. Tier III categorical funding indicated to be for “general education” supports these investments, including school site certificated (teachers, administrators, and support services), classified staff (clerical, custodial), and central services (transportation, special education).

### **Fund Balance Policy (GASB 54 requirement)**

Finally, new accounting guidelines have changed how the ending balance is presented and classified. The Board is required to adopt a policy for classifying and maintaining the ending balance. Under the proposed policy, ending balance funds that are neither legally restricted nor non-spendable (inventories) can be committed by the Board or assigned by the Superintendent, as the Board’s designee, for a specific future purpose. The proposed policy indicates that the District will maintain a Reserve for Economic Uncertainty of at least 1% of operating expenditures, which is mandated by state law. The Board also commits to maintaining separate funds for deferred maintenance and adult education activities, though the amount dedicated to those activities will be at the Board’s discretion. The adoption of the proposed policy is a technical requirement - the classifications and process do not deviate substantively in concept from current practice. The ending balance will ultimately be approved by the Board through the adoption of the Final Budget and the Unaudited Actuals Report.

If you have any questions, please contact me at extension x17888.

c:  
Michelle King  
Jefferson Crain  
David Holmquist  
Megan K. Reilly  
Yumi Takahashi  
Matt Hill  
Enrique Boull’t  
Judy Elliott  
Jefferson Crain

## Appendix

### Claimable Only by K–12 School Districts (36)

#### Examples of Mandates

AIDS Prevention Instruction I–II

Annual Parent Notification

Caregiver Affidavits

Charter Schools I–III

Comprehensive School Safety Plans

County Office of Education Fiscal  
Accountability Reporting

Criminal Background Checks

Criminal Background Checks II

Differential Pay and Reemployment

Expulsion Transcripts

Financial and Compliance Audits

Graduation Requirements

Habitual Truants

Immunization Records

Immunization Records—Hepatitis B

Intra-district Attendance

Juvenile Court Notices II

Law Enforcement Agency Notifications

Notification of Truancy

Notification to Teachers of Mandatory  
Expulsion

Physical Education Reports

Physical Performance Tests

Pupil Health Screenings

Pupil Promotion and Retention

Pupil Residency Verification and Appeals

Pupil Suspensions, Expulsions, and  
Expulsion Appeals

Removal of Chemicals

School District Fiscal Accountability  
Reporting

School District Reorganization

Scoliosis Screening

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#### **Additional Claimable Mandates**

High School Exit Examination

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Stull Act



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# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Board of Education Report

<b>Report Number:</b>	398-10/11
<b>Date:</b>	June 30, 2011
<b>Subject:</b>	Adoption of the Superintendent's 2011-12 Final Budget; Proposed Use of Tier III Categorical Funds
<b>Responsible Staff:</b>	
Name	Yumi Takahashi
Office/Division	Budget Services and Financial Planning Division
Telephone No.	213-241-2100

### BOARD REPORT

- Action Proposed:**
- (1) The Board adopt the Superintendent's 2011-12 Final Budget, and that the Final Budget be filed as adopted with the County Superintendent of Schools on State Form SACS-2011 in the manner prescribed by law.
  - (2) The Board adopt the recommendations for the proposed use of Tier III categorical funds set forth in Attachment A.
  - (3) The Board adopt the attached fund balance policy (Attachment B), pursuant to Governmental Accounting Standards Board (GASB) Statement No. 54, effective beginning 2010-11; and that the Board delegates authority to the Superintendent, or designee, to make modifications as may be required to comply with GASB 54.
  - (4) The Budget Services and Financial Planning Division and the Accounting and Disbursements Division be authorized to take actions necessary to implement the provisions of this Board Report, and that the Budget Assumptions and Policies as set forth in this Board Report (Attachment C) be adopted.

**Background:** Education Code Section 42127 requires that the Board of Education each year hold a public hearing, adopt a budget that indicates the District can meet its financial obligations for the next fiscal year and two subsequent fiscal years, and file the budget with the Los Angeles County Office of Education (LACOE) on or before July 1.

Under the terms of SBX3 4 and AB4X 2, state categorical programs listed as "Tier III" may be transferred for any "educational purpose" (includes unrestricted General Fund or other categorical programs) through 2012-



## LOS ANGELES UNIFIED SCHOOL DISTRICT Board of Education Report

13. SB 70 extended this flexibility until 2014-15. As a condition of the receipt of these categorical funds, section 42605 of the Education Code requires that the Board conduct an annual public hearing on the proposed uses of these Tier III funds, receive testimony from members of the public, discuss the proposed uses of the funds, and approve or disapprove the proposed use of the funds. The proposed uses of the Tier III categorical funds are set forth in Attachment A and are also contained in the proposed final budget for the 2011-2012 fiscal year.

The implementation of Governmental Accounting Standards Board Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions" has changed how the components of the fund balance, the resources available to fund expenditures in future periods, are established, classified and presented. The fund balance policy is intended to provide guidelines and establish a procedure for categorizing and maintaining the District's fund balance. As the ending fund balance for 2010-11 represents the 2011-12 beginning balance on which the 2011-12 budget is based, the fund balance policy is proposed to be effective 2010-11.

**Expected Outcomes:** The outcome of this Board action is an adopted budget for the 2011-12 fiscal year that will enable the district to comply with Education Code Section 42127 which requires that the Board of Education adopt a budget and file with the County Superintendent of Schools. The District will comply with section 42605 of the Education Code regarding receipt of Tier III categorical funding. The District will be in compliance with GASB 54 as per the adopted fund balance policy.

**Board Options and Consequences:** The District will meet the requirements of Education Code Section 42127 should the Board vote to approve. Should the Board not vote to approve, the District will not meet the requirements of Education Code Section 42127. Non-compliance could result in penalties under Education Code Section 42128.

**Policy Implications:**

**Budget Impact:** Adoption of a Final Budget for 2011-12.

**Issues and Analysis:**

**Attachments:**



# LOS ANGELES UNIFIED SCHOOL DISTRICT Board of Education Report

- Informative**
- Desegregation  
Impact Statement**

Respectfully submitted,

APPROVED BY:

JOHN E. DEASY, PH.D.  
Superintendent of Schools

MICHELLE KING  
Senior Deputy Superintendent  
School Operations

REVIEWED BY:

APPROVED &  
PRESENTED BY:

DAVID HOLMQUIST  
General Counsel

Approved as to form.

Yumi Takahashi  
Budget Director  
Budget Services and Financial Planning Division

## 2011-12 REVENUES AND PROPOSED USES FOR TIER III CATEGORICAL PROGRAMS

Resource Name	Amount (in millions)	Description of Proposed Use of Funds
Targeted Instructional Improvement Block Grant	\$ 460.57	Class size reduction teachers, counselors, magnet program costs, travelling program costs, early education support, School Readiness Language Development Program, and general education programs
Adult Education Apportionment	\$ 163.21	Adult education, ROC/P and general education programs
Supplemental Hourly Programs	\$ 57.99	General education programs
ROC/P Apportionment	\$ 54.13	ROC/ROP programs and general education programs
School and Library Improvement Block Grant	\$ 43.57	General education programs
Instructional Materials Realignment, IMFRP (AB 1781)	\$ 35.52	District instructional material requirements and general education programs
Unrestricted - OSR-Def Maint Funding	\$ 26.07	General education programs
Professional Development Block Grant	\$ 23.21	General education programs
Supplemental School Counseling Program	\$ 16.67	General education programs including counseling
Class Size Reduction, Grade Nine	\$ 12.29	General education programs
Teacher Credentialing Block Grant	\$ 11.08	Teacher credentialing and general education programs
Arts and Music Block Grant	\$ 8.76	District Arts Program
Community Day Schools	\$ 8.24	Community day school expenses and general education programs
School Safety & Violence Prevention, Grades 8-12	\$ 7.66	School safety and student health expenses and general education programs
Charter School Categorical Block Grant	\$ 6.52	General education programs for affiliated charter schools
Community-Based English Tutoring	\$ 6.20	English Learners' parent tutoring and support and general education programs
CAHSEE Intensive Instruction and Services	\$ 6.09	General education programs
Staff Development: Mathematics and Reading (AB 466)	\$ 5.36	General education programs
Gifted & Talented Education (GATE)	\$ 4.51	Gifted programs and general education programs
Pupil Retention Block Grant	\$ 4.27	Pupil support services and general education programs
California Peer Assistance & Review Program for Teacher (CPARP)	\$ 2.59	District California Peer Assistance & Review program and general education programs
Certificated Staff Mentoring	\$ 2.13	General Education Programs
Physical Education Teacher Incentive Grants	\$ 1.64	Credentialed Physical Education teachers in selected schools
Alternative Credentialing Block Grant	\$ 1.40	General education programs
National Board Certification	\$ 1.01	Incentive funding for California National Board Certified teachers
Cal-SAFE Child Care and Development Services	\$ 0.78	Program for expectant and parenting students.
Paraprofessional Teacher Training (CTC)	\$ 0.75	Paraeducator training and general education programs
School Community Violence Prevention Grant	\$ 0.55	School site violence prevention program and general education programs
Advance Placement Grant	\$ 0.40	Advance placement fees
Child Oral Assessments	\$ 0.35	Oral health programs
Staff Development: Reading Services for Blind Teachers	\$ 0.06	General education programs
Cal-SAFE Academic and Supportive Services	\$ -	Student health expenses
<b>TOTAL</b>	<b>\$ 973.59</b>	

## FUND BALANCE POLICY AND PROCEDURES

### I. PURPOSE

This Fund Balance Policy establishes the policy and procedures for reporting and maintaining fund balance in the District's financial statements. The policy also authorizes and directs the Chief Financial Officer to prepare financial reports which accurately categorize fund balance as per Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Government Fund Type Definitions, effective beginning the 2010-11 fiscal year.

### II. GENERAL POLICY

There are five separate components of fund balance, each of which identifies the extent to which the District is bound by constraints on the specific purpose for which amounts can be spent.

- Nonspendable fund balance (*inherently nonspendable*)
- Restricted fund balance (*externally enforceable limitations on use*)
- Committed fund balance (*self-imposed limitations on use*)
- Assigned fund balance (*limitation resulting from intended use*)
- Unassigned fund balance (*residual resources for unrestricted use*)

The first two components listed above are not addressed in this policy due to the nature of their restrictions. An example of nonspendable fund balance is inventory. Restricted fund balance is either imposed by law or constrained by grantors, contributors, or laws or regulations of other governments. This policy is focused on the last three components listed above.

The District considers restricted fund balances to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the District considers committed amounts to be reduced first, followed by assigned amounts, and then unassigned amounts.

### III. PROVISIONS

#### Committed Fund Balance

The Governing Board, as the District's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions. Commitment of funds can be made through the adoption of the budget as long as the intent to commit the funds is specifically stated. These committed amounts cannot be used for any other purpose unless the Governing Board removes or changes the specific use through formal action. Governing Board action to commit fund balance needs to occur within the fiscal reporting period, no later than June 30. The amount which will be committed can be determined subsequently but prior to the release of the District's financial statements.

Pursuant to GASB 54, the District commits to maintaining the Deferred Maintenance and Adult Education funds to support programs for which the funds were originally established. Amounts transferred into or retained in the funds will be determined annually per Board adoption of the budget and approval of the year end unaudited actuals report.

### **Assigned Fund Balance**

Amounts that are neither restricted nor committed may be constrained by the District's intent to be used for specific purposes. This policy hereby delegates the authority to assign amounts to the Superintendent, or designee.

### **Unassigned Fund Balance**

These are residual positive net resources for the General Fund in excess of what can properly be classified in one of the other four categories. There are some reserves that do not meet the requirements of the aforementioned components of fund balance. For financial statement reporting purposes these reserves are included in the unassigned fund balance. This includes:

- **Reserve For Economic Uncertainty**– The District will maintain an economic uncertainty reserve, consisting of unassigned amounts, of at least 1% of total General Fund operating expenditures in accordance with Section 15450 of the California Code of Regulations. The primary purpose of this reserve is to avoid the need for service level reductions in the event that an economic downturn causes revenues to be substantially lower than budgeted. In the event that the District must expend all or part of this reserve, the District will identify and implement a budgetary plan to replenish this reserve the following year. This reserve may be increased by legal requirement.



## BUDGET ASSUMPTIONS AND POLICIES

The Superintendent's 2011-12 Final Budget reflects the following:

### 2011-12 Fiscal Year:

1. 2.24% of COLA and 19.754% deficit rate on the Base Revenue Limit, or a net funded COLA of 0%
2. Reserve for Revenue Uncertainty of 3.85% of the undeficitated revenue limit (\$252 per ADA) and \$330 per ADA
3. Revenue Limit ADA of 561,061.
4. 0% COLA on the State-funded portion of Special Education's AB 602 funding; included in 2011-12 AB3632 funding is \$15 million.
5. 0% COLA for Tier I, II, and III categorical programs
6. An enrollment decline of 26,861 from 2010-11 for non-charter school enrollment. Charter school enrollment will increase by approximately 19,298
7. A California Consumer Price Index (CPI) of 3.1% on other operating expenditures, except utilities which was projected to increase by 7%
8. Restoration of positions, specified in bargaining unit agreements with UTLA, AALA, SEIU Local 99 (Unit B, C F), LA/OCB&CT (Unit E), has been implemented.
9. Implementation of remaining balancing solutions adopted by the Board on February 15, 2011.
10. Four furlough days for UTLA, AALA, SEIU Local 99, LAPSA (Unit A), SEIU Local 99 (Unit B, C F), LA/OCB&CT (Unit E), LASPLA (Unit H) and district- represented employees.
11. A Reserve for Economic Uncertainties totaling \$65.4 million, reflecting the statutory 1% of the budgeted expenditure requirement for districts over 400,000 ADA
12. Funding for employee health and medical benefits at the 2011 per participant rate level per 2009-2011 Health and Welfare agreement
13. Funding for Other Postemployment Benefit Plans (OPEB) contribution of \$22.5 million for 2011-12 and \$25 million of prior year funds designated for OPEB.

14. Ongoing and major maintenance resources totaling \$99.2 million, reflecting approximately 1.62% of budgeted General Fund expenditures.
15. Inclusion of 2011-12 beginning balances in the general fund and other funds, reflecting estimated ending balance as of June 30, 2011 based on the District's Third Period Interim Financial Report.
16. Estimated 2011-12 ending balances for the general fund and other district funds, reflecting the difference between anticipated 2010-11 revenue and expenditure levels
17. Inclusion of 2011-12 bond measure funds, debt service, COPS proceed and other interfund transfers expenditures. Contribution of \$74 million to the Worker's Compensation fund.
18. Inclusion of total Workers' Compensation actuarially determined funded liability of \$423.7 million
19. Authority to transfer amounts, as necessary, to implement technical adjustments related to development of the 2011-12 budget.
20. Authority to implement new 2011-12 revenues and increase budgeted appropriations from them.
21. Use of Tier 3 categorical program funds as indicated in attachment A.
22. Commitment to continue the use of deferred maintenance fund, to spend down prior year balances, for FY 2010-11 to 2014-15. Funds are to be spent on non-routine related maintenance expenditures.
23. Commitment to continue the use of adult education fund and transfer a portion of the state apportionment into the fund for FY 2010-11 to 2014-15. Funds committed are to be used for adult education program. Final amounts to be transferred will be determined during the year end closing process of each fiscal year.

2012-13 and 2013-14 Fiscal Years:

1. For 2012-13, a statutory COLA of 3.2% with a deficit rate of 19.754% for an effective COLA of 3.2%; For 2013-14, a statutory COLA of 2.7% with a deficit rate of 19.754% for a net funded COLA of 2.7%
2. Reserve for revenue uncertainty of 3.85% of the undeficit revenue limit (\$261 per ADA for 2012-13 and \$268 per ADA for 2013-14) and \$330 per ADA.

3. Reserve for funded COLA uncertainty of \$125 million for 2012-13 and \$228 for 2013-14. Reserve in the event that the out year effective COLA is zero.
4. 3.2% and 2.7% COLA on the State portion of Special Education's AB602 funding for 2012-13 and 2013-14 respectively.
5. 3.2% and 2.7% COLA for Tier I, II, and III categorical programs for 2012-13 and 2013-14 respectively.
6. Projected Revenue Limit ADA of 544,303 and 531,299 for fiscal years 2012-13 and 2013-14, respectively
7. For 2012-13, an enrollment decline of 16,894 for non-charter schools while charter school enrollment will increase by 12,361; for 2013-14, an enrollment decline of 13,685 for non-charter schools while charter school enrollment will increase by 11,271.
8. CPI of 2.7% in 2012-13 and 3.1% in 2013-14 on other operating expenditures, except utilities which was projected to increase by 7% for each fiscal year
9. Restoration of positions, specified in bargaining unit agreements with UTLA, AALA, SEIU Local 99 (Unit B, C F), LA/OCB&CT (Unit E), is assumed to be ongoing to 2012-13 and 2013-14.
10. Funding for employee health and medical benefits at the 2011 per participant rate.
11. Funding for OPEB contribution of \$33.75 million for 2012-13 and \$50.62 for 2013-14.
12. Further balancing adjustments for 2012-13 and 2013-14 of \$629 million and \$736 million, respectively, for a cumulative two-year deficit of \$1.36 billion.



**DISTRICT AND COMMUNITY PROFILE**

The Los Angeles Unified School District covers 710 square miles, encompassing most of the City of Los Angeles, all or parts of 31 other cities, and various unincorporated areas of Los Angeles County. Approximately 4.8 million people live within the District's boundaries, including 3.8 million who live within Los Angeles City limits.

**District Characteristics**

The Los Angeles Unified School District is the nation's second largest school district. Its student population mirrors the ethnic and financial diversity of the communities it serves:

*Enrollment.* The total K-12 enrollment as of October 2010 was 671,648 students, including those attending magnet, opportunity, and continuation schools and centers, charter schools, and schools for the handicapped. Total K-12 enrollment was divided between regular District schools (601,713) and fiscally independent charter schools (69,935). When one includes individuals served through community adult schools, regional occupational centers and programs, skills centers, and early childhood education centers, the District's total enrollment is approximately 820,187.

*Student Characteristics.* The District's students come from a wide variety of backgrounds. According to the most recent 2010-11 survey, which does not include charter school data, some 96 languages other than English are spoken in LAUSD schools by the District's 178,415 students who were still learning to speak English proficiently, with the primary non-English languages being Spanish (93.4% of English learners), Korean (1.1%), Armenian (1.2%), Tagalog (0.9%), Cantonese (0.4%), Farsi (0.3%), Vietnamese (0.3%) and Russian (0.3%). The District's student population can be summarized by ethnicity as follows: Hispanic (73.4%), Black, not Hispanic (10.0%), White, not Hispanic (8.8%), Asian (3.9%), Filipino (2.2%), American Indian/Alaskan Native (0.4%), and Pacific Islander (0.4%). Approximately 76.9% of LAUSD students qualify for special funding under federal poverty guidelines. (Source – LAUSD 2010-11 Consolidated Application).

*Structure and Number of Schools.* The District is divided geographically into eight Local Districts which serve elementary, middle, and senior high schools. As of the beginning of the 2011-12 school year, the Local District Offices provided support for 448 elementary schools, 83 middle schools, 81 high schools, and 15 multi-grade or "span" schools. As of the 2010-11 school year, there were an additional 572 District school/center sites, which can be summarized as follows:

- 145 Magnet Centers
- 102 Early Education Centers
- 55 Options Schools
- 52 Fiscally Independent Charter High Schools
- 46 Fiscally Independent Charter Elementary Schools
- 31 Fiscally Independent Charter Middle Schools
- 33 Fiscally Independent Charter Span Schools
- 20 Primary Centers
- 24 Community Adult Schools
- 26 Magnet Schools
- 17 Special Education Schools
- 10 Fiscally Independent Charter Primary Schools
- 5 Regional Occupational Centers
- 5 Skills Centers
- 1 Regional Occupational Program

The District continues to build new schools, with the ultimate goal of returning each student to a traditional, single-track school calendar in his or her home community.

*Student Achievement.* The District's 2010 Growth API increased 16 points over the 2009 API base. The subgroups with increases greater than the District average were: Black or African American (increase of 22 points); Students with Disabilities (increase of 21 points); American Indian or Alaska Native (increase of 20 points); and White (increase of 18 points).

*Employees.* Based on employee reporting and classifications for the 2010-11 fiscal year, the District had 68,902 regular employees, including 31,748 teachers, 6,810 certificated support personnel and administrators, and 30,344 classified personnel. An employee is "certificated" or "classified" depending upon whether the individual's position requires a teaching or administrative credential.

### **Community Characteristics**

*Economic Characteristics.* Los Angeles is a large, densely populated area with a highly diversified population. Among the most important industries of the area are manufacturing, entertainment, trade, banking, tourism, and information technology. While the area is home to many large businesses, the largest percentage of property tax revenues are paid by individual citizens. The area's twenty largest corporate or individual taxpayers in 2005-06 paid only 3.15% of total area property taxes.

The various elements of the Los Angeles County economy experience cyclical trends. Among the trends seen in 2011 are the following:

- Los Angeles County's population continues to increase. The Los Angeles County Economic Development Corporation (LAEDC) projects an increase of approximately 83,000, or 0.8%, in 2011.
- Total estimated 2011 nonfarm employment in Los Angeles County is expected to increase by 0.6% or 24,100 jobs, after a drop of 1.7%, or 63,500 jobs in 2010.
- LAEDC projects total personal income will increase by 3.9% in 2011, and 5.4% in 2012. The per capita personal income is expected to average \$40,446 in 2011, up by 3.7% over 2010.
- LAEDC forecasts the Consumer Price Index will increase by 2.0% in 2011.
- LAEDC forecasts an average unemployment rate for Los Angeles County of 12.4% for 2011, a slight decrease from 2010 average of 12.5%. The unemployment rate is expected to decline in 2012 to an average 11.7%, as businesses continue to be cautious in rehiring until they believe they recovery in their own sales and profits is well established.
- Approximately 7,465 new housing permits were issued in 2010, a 32.1% increase from 5,610 permits issued in 2009. LAEDC estimates that approximately 8,490 permits will be issued in 2011 and 13,055 permits will be issued in 2012.
- The value of nonresidential building permits issued during 2010 decreased 0.3% from 2009. LAEDC forecasts a 4.1% gain in 2011, followed by an 18.4% gain in 2012.
- The LA County median home price for 2010 was \$346,840, up by 3.9% year-over-year.

LOS ANGELES UNIFIED SCHOOL DISTRICT

BUDGET AND FINANCE POLICY

Summary

The District's Budget and Finance Policy, which was adopted by the Board of Education in June 2004, is intended to assist the Board of Education in making sound policy, guide the development of the District's budget, enhance the management of the District's finances, minimize the risk that the District's financial condition will create a need for Los Angeles County Office of Education (LACOE) action, and reduce potential audit concerns. It is through the budget that the Board and Superintendent set priorities and allocate resources.

The Budget and Finance Policy was developed based on standards enumerated in the document "Recommended Budget Practices" developed by the Government Finance Officers Association (GFOA). It is consistent with the standards and criteria established by the State Board of Education (Education Code Sections 33127, 33128), as well as current Governmental Accounting Standards Board (GASB) rules and standards. To the extent that LAUSD's budgeting and accounting practices were not in compliance with this policy at the time of its adoption, implementation was to be phased in.

A new standard issued by GASB in February 2009 effective for the 2010-11 financial statements is Statement No. 54 Fund Balance Reporting and Governmental Fund Type Definitions. This new standard has left unchanged the total fund balance amount but has changed the categories, the terminology and how the components of the fund balance are presented and established. The fund balance policy is intended to provide guidelines and to establish procedure for reporting fund balance. (Attachment B of the board report )

The Finance and Budget Policy is a "living document" which the District expects will evolve over time to best connect District policy, budgeting and financing principles. The Budget and Finance Policy enumerates various broad principles for budgeting and financial operations, as follows:

***Principle One: The budget should be based on the goals of the Board and Superintendent.***

The Board and Superintendent have the primary responsibility for developing and articulating the District's goals consistent with this charge. As the budget is developed and presented, these goals should be considered.

***Principle Two: The budget should be based on sound financial principles.***

LAUSD's budget should keep the District financially viable and able to sustain its key programs over time. The following specific financial principles, which are explained in detail in the full Budget and Finance Policy document, are intended to actualize this principle:

- Balanced Operating Budget
- Appropriate Use of One-Time Revenues
- Alignment of Budget with Expected Expenditures
- Adequate Reserves
- Revenue Maximization
- Revenue Estimation

- Cost Recovery Through Fees and Charges
- Multi-Year Capital Plan and Budget
- Asset Management
- Equipment Replacement
- Prudent Debt Management
- Program Sustainability
- GASB Compliance

***Principle Three: The budget should be clear and easy to understand.***

The budget should be organized and presented in such a way that readers can understand:

- What the District intends to do and how it intends to do it
- The District's overall financial condition
- The historical context for LAUSD programs

Consistent with the GFOA standards, LAUSD has identified guidelines for the presentation of budgets. These standards provided guidance for development of LAUSD's budgets from four perspectives, as a:

- Policy Document
- Financial Plan
- Operations Guide
- Communications Device

***Principle Four: The budget should be timely and easy to manage at the school level.***

The process of managing the budget is easier for schools and offices if they have access to systems and training. The Chief Financial Officer retains responsibility for defining the parameters under which schools and offices are allowed to manage their budgets, as set forth by the Board of Education.

***Principle Five: The budget process should inform stakeholders.***

Prior to the adoption of the final budget, District staff should present the budget to stakeholders. The Board should also conduct a formal public review of the budget, prior to its adoption.

The District's Budget and Finance Policy can be found in its entirety as an Appendix to the Superintendent's 2011-12 Final Budget document.



LOS ANGELES UNIFIED SCHOOL DISTRICT

DEBT MANAGEMENT INFORMATION

Summary

Debt Management Policy. In April 2005, the Board of Education approved a Debt Management Policy that established certain guidelines for the issuance of various types of debt instruments and other long-term financial obligations. The Policy requires that the Board review such Policy annually. The Office of the Chief Financial Officer periodically recommends changes to the policy to better serve the District's interests. The most recent report to the Board, which was updated in April 2010, is included as an appendix to this budget document.

- The Policy requires preparation of an annual Debt Report for submission to the Board and the Superintendent. The 2008-09 Debt report was submitted to the Board on April 13, 2010.
- The District's actual performance on debt factors, targets, and ceilings are included in the Debt Report to be presented to the Board.
- Leases undertaken through the District's standard procurement process for all equipment with a useful life of less than six years are excluded from the Policy.

The District's Debt Report includes the following general topics:

1. General Obligation Bond debt
  - a. The District's bonded debt limitation and assessed valuation growth
  - b. Bonds outstanding and bonds authorized but unissued
  - c. Intended issuances of bonds
  - d. Tax rate performance for outstanding bonds
    - i. Proposition BB tax rates
    - ii. Measure K tax rates
    - iii. Measure R tax rates
    - iv. Measure Y tax rates
    - v. Measure Q tax rates
2. Certificates of Participation ("COPs") debt
  - a. COPs outstanding
3. The market for the District's debt
  - a. Municipal bond market
  - b. Cost of the District's fixed rate and variable rate debt
    - i. Fixed rate debt
    - ii. Variable rate debt

4. The District's credit ratings

- a. Long-term credit ratings on General Obligation bonds and Certificates of Participation
- b. Short-term credit ratings on tax and revenue anticipation notes

5. Debt ratios

- a. Use of debt ratios
- b. LAUSD's compliance with debt management policy; debt levels compared to other school districts

*Debt Limit Information.* Education Code §15106 mandates that “any unified school district . . . may issue bonds that . . . may not exceed 2.5 percent of the taxable property of the district as shown by the last equalized assessment of the county or counties in which the district is located.” Based on the District's 2009-10 Comprehensive Annual Financial Report (pg. 159), the District's assessed valuation, legal debt limit, and legal debt margin are computed as follows:

**COMPUTATION OF LEGAL LIMIT FOR BONDED INDEBTEDNESS:**

**June 30, 2010 (all amounts in thousands of dollars):**

Assessed valuation (net taxable)	\$ 471,801,901
Plus exempt property	3,175,390
<b>TOTAL ASSESSED VALUATION</b>	<b>\$ 474,977,291</b>
Debt limit - 2.5% of Assessed Valuation per Education Code Section 15106 (1)	11,874,432
<b>Bonded Debt:</b>	
General Obligation Bonds	\$ 12,114,504
<b>Assets available for payment of principal:</b>	
Bond Interest & Redemption Fund	(630,810)
Total amount of debt applicable to debt limit	<u>\$ 11,483,694</u>
<b>REMAINING DEBT LIMIT (bonded debt) (2)</b>	<u><u>\$ 390,738</u></u>

(1) Converted rate from 10% of 25% of full cash value (2.5%) to 2.5% of 100% of full cash value (2.5%).

(2) The computation of legal debt margin prior to fiscal year 2002-03 includes Certificates of Participation

**Debt Trend.** The following table provides summary historical information regarding the District's ratio of net general bonded debt and certificates of participation (COPs) to assessed value and net debt per capita:

(Dollars in Thousands Except Net Debt per Capita)

Fiscal Year	Population Los Angeles Unified*	Total Assessed Value	Gross Debt (1)	Debt Service Monies Available	Net Debt (1)	Ratio of Net Debt to Assessed Value	Net Debt Per Capita
2000-01	4,636,724	253,940,575	1,790,392	117,148	1,673,244	0.6589%	\$361
2001-02	4,502,647	271,514,926	2,395,127	159,062	2,236,065	0.8236%	\$497
2002-03	4,660,473	287,525,935	5,191,382	211,507	4,979,875	1.7320%	\$1,069
2003-04	4,718,101	308,528,780	5,085,570	208,215	4,877,355	1.5808%	\$1,034
2004-05	4,775,778	331,925,137	5,095,029	224,306	4,870,723	1.4674%	\$1,020
2005-06	4,784,682	363,869,479	6,233,663	302,401	5,931,262	1.6301%	\$1,240
2006-07	4,825,016	402,608,837	7,058,754	383,068	6,675,686	1.6581%	\$1,384
2007-08	4,839,918	440,914,390	8,002,427	497,001	7,505,426	1.7022%	\$1,551
2008-09	4,853,617	474,789,798	8,666,230	554,524	8,111,706	1.7085%	\$1,671
2009-10	4,875,984	474,977,291	12,573,523	703,178	11,870,345	2.4991%	\$2,434

\* Estimate

(1) Includes bonded debts (General Obligation Bonds) and COPs.

Sources: 2009-10 Los Angeles County Auditor-Controller "Taxpayers' Guide."  
Los Angeles County Department of Regional Research Section.

**Scheduled Debt Repayment for 2011-12 by Fund.** The following table indicates the amounts included in the 2011-12 Final Budget, by Fund, for the purpose of repayment of major debt. This table excludes such short-term debt as Tax and Revenue Anticipation Notes (TRANS):

Fund	Budgeted Amount (millions)
Bond Interest and Redemption Fund	\$ 869.0
Capital Services Fund	46.8
<b>TOTAL</b>	<b>\$ 916.1</b>



**Multi-Year Projection  
General Fund  
Unrestricted/Restricted**

		2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 Estimated Amounts	2011-12 Estimated Amounts	2012-13 Estimated Amounts	2013-14 Estimated Amounts
<b>Beginning Balance</b>		<b>\$695.2</b>	<b>\$657.2</b>	<b>\$750.0</b>	<b>\$662.9</b>	<b>\$828.6</b>	<b>\$642.1</b>	<b>\$444.7</b>
<b>Revenues and Other Financing Sources</b>								
Revenue Limit Sources	8010-8099	\$3,624.1	\$3,444.9	\$2,977.2	\$3,058.4	\$3,007.9	\$2,996.4	\$3,002.9
Federal Revenues	8100-8299	\$756.4	\$1,077.1	\$964.0	\$1,066.5	\$935.2	\$731.2	\$661.9
Other State Revenues	8300-8599	\$2,304.5	\$2,064.8	\$2,159.4	\$2,099.5	\$2,036.8	\$2,039.8	\$2,060.6
Other Local Revenues	8600-8799	\$123.7	\$163.4	\$108.1	\$159.0	\$124.1	\$101.6	\$98.6
Other Financing Sources	8910-8999	\$139.7	\$106.2	\$65.9	\$82.6	\$18.9	\$1.1	\$1.1
<b>Total Revenues</b>		<b>\$6,948.3</b>	<b>\$6,856.5</b>	<b>\$6,274.5</b>	<b>\$6,465.9</b>	<b>\$6,123.0</b>	<b>\$5,870.1</b>	<b>\$5,825.1</b>
<b>Total Sources of Funds</b>		<b>\$7,643.6</b>	<b>\$7,513.7</b>	<b>\$7,024.5</b>	<b>\$7,128.7</b>	<b>\$6,951.6</b>	<b>\$6,512.1</b>	<b>\$6,269.9</b>
<b>Expenditures and Other Financing Uses</b>								
Certificated Salaries	1000-1999	\$3,314.6	\$3,231.9	\$2,807.9	\$2,833.5	\$2,689.3	\$2,725.3	\$2,693.3
Classified Salaries	2000-2999	\$1,054.2	\$997.8	\$908.1	\$847.8	\$795.0	\$783.7	\$776.2
Employee Benefits	3000-3999	\$1,318.0	\$1,284.5	\$1,407.4	\$1,365.4	\$1,412.8	\$1,433.0	\$1,452.2
Books & Supplies	4000-4999	\$435.3	\$296.7	\$260.1	\$295.6	\$365.3	\$204.3	\$195.5
Services, Other Operating Expenses	5000-5999	\$764.9	\$744.4	\$760.7	\$757.5	\$810.7	\$720.0	\$721.2
Capital Outlay	6000-6999	\$37.0	\$27.5	\$18.2	\$80.5	\$43.8	\$13.2	\$11.9
Other Outgo	7100-7299	\$0.9	\$0.2	\$0.6	\$0.7	\$0.7	\$0.7	\$0.7
Other Outgo	7400-7499	\$3.5	\$2.5	\$1.7	\$1.3	\$4.9	\$1.3	\$1.3
Direct Support/Indirect Costs	7300-7399	-\$5.9	-\$8.6	-\$11.6	-\$9.1	-\$26.6	-\$23.0	-\$20.6
Other Financing Uses	7610-7699	\$63.9	\$86.2	\$224.4	\$126.9	\$213.6	\$208.9	\$213.9
<b>Total Expenditures</b>		<b>\$6,986.3</b>	<b>\$6,663.2</b>	<b>\$6,377.5</b>	<b>\$6,300.1</b>	<b>\$6,309.5</b>	<b>\$6,067.4</b>	<b>\$6,045.5</b>
<b>Ending Fund Balance</b>		<b>\$657.2</b>	<b>\$850.5</b>	<b>\$646.9</b>	<b>\$828.6</b>	<b>\$642.1</b>	<b>\$444.7</b>	<b>\$224.3</b>
<b>Total Uses of Funds</b>		<b>\$7,643.6</b>	<b>\$7,513.7</b>	<b>\$7,024.5</b>	<b>\$7,128.7</b>	<b>\$6,951.6</b>	<b>\$6,512.1</b>	<b>\$6,269.9</b>
<b>Change in Fund Balance</b>		<b>-\$38.0</b>	<b>\$193.3</b>	<b>-\$103.0</b>	<b>\$165.7</b>	<b>-\$186.6</b>	<b>-\$197.3</b>	<b>-\$220.4</b>
<b>Components of Ending Balance:</b>								
Non Spendable-Inventories/Cash/Others		\$14.5	\$11.5	\$10.8	\$10.8	\$10.8	\$10.8	\$10.8
Restricted Ending Balances		\$389.0	\$553.9	\$278.0	\$281.1	\$164.6	\$137.7	\$85.2
Assigned Ending Balances		\$100.5	\$79.3	\$173.2	\$116.1	\$401.3	\$859.9	\$1,428.0
Unassigned Ending Balances								
Reserve for Economic Uncertainties		\$72.4	\$72.4	\$65.4	\$65.4	\$65.4	\$65.4	\$65.4
Undesignated/Unassigned Ending Balances		\$80.8	\$133.5	\$119.5	\$355.3	\$0.0	-\$629.0	-\$1,364.9
<b>Total Ending Balance</b>		<b>\$657.2</b>	<b>\$850.5</b>	<b>\$646.9</b>	<b>\$828.6</b>	<b>\$642.1</b>	<b>\$444.7</b>	<b>\$224.3</b>

6/24/2011

**Multi-Year Projection  
General Fund  
Unrestricted**

		2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 Estimated Amounts	2011-12 Estimated Amounts	2012-13 Estimated Amounts	2013-14 Estimated Amounts
<b>Beginning Balance</b>		<b>\$367.0</b>	<b>\$266.2</b>	<b>\$263.4</b>	<b>\$366.9</b>	<b>\$545.7</b>	<b>\$475.6</b>	<b>\$305.2</b>
<b>Revenues and Other Financing Sources</b>								
Revenue Limit Sources	8010-8099	\$3,432.6	\$3,263.8	\$2,805.8	\$2,881.9	\$2,826.8	\$2,815.5	\$2,818.8
Federal Revenues	8100-8299	\$24.5	\$21.1	\$18.5	\$20.2	\$23.6	\$26.0	\$32.2
Other State Revenues	8300-8599	\$470.2	\$416.3	\$1,262.1	\$1,239.5	\$1,211.2	\$1,231.6	\$1,258.7
Other Local Revenues	8600-8799	\$108.3	\$130.6	\$96.9	\$97.1	\$94.9	\$88.6	\$88.7
Other Financing Sources	8910-8999	-\$766.5	-\$621.8	-\$789.9	-\$754.0	-\$795.9	-\$878.9	-\$884.2
<b>Total Revenues</b>		<b>\$3,269.1</b>	<b>\$3,210.0</b>	<b>\$3,393.5</b>	<b>\$3,484.7</b>	<b>\$3,360.7</b>	<b>\$3,282.8</b>	<b>\$3,314.3</b>
<b>Total Sources of Funds</b>		<b>\$3,636.1</b>	<b>\$3,476.2</b>	<b>\$3,656.9</b>	<b>\$3,851.6</b>	<b>\$3,906.4</b>	<b>\$3,758.4</b>	<b>\$3,619.5</b>
<b>Expenditures and Other Financing Uses</b>								
Certificated Salaries	1000-1999	\$1,959.3	\$1,930.3	\$1,606.1	\$1,730.2	\$1,763.0	\$1,806.2	\$1,802.7
Classified Salaries	2000-2999	\$463.2	\$429.6	\$418.6	\$395.7	\$376.7	\$374.2	\$372.9
Employee Benefits	3000-3999	\$720.5	\$706.0	\$784.2	\$775.6	\$835.0	\$880.5	\$899.8
Books & Supplies	4000-4999	\$113.9	\$42.4	\$109.7	\$115.4	\$132.5	\$81.9	\$79.3
Services, Other Operating Expenses	5000-5999	\$258.7	\$150.3	\$207.3	\$207.1	\$229.3	\$192.6	\$186.1
Capital Outlay	6000-6999	\$15.9	\$14.2	\$9.7	\$13.1	\$18.1	\$8.1	\$7.0
Other Outgo	7100-7299	\$0.9	\$0.2	\$0.6	\$0.7	\$0.7	\$0.7	\$0.7
Other Outgo	7400-7499	\$3.5	\$2.5	\$1.7	\$1.3	\$4.9	\$1.3	\$1.3
Direct Support/Indirect Costs	7300-7399	-\$198.9	-\$150.1	-\$72.4	-\$59.8	-\$143.0	-\$101.2	-\$81.5
Other Financing Uses	7610-7699	\$32.8	\$56.1	\$224.4	\$126.9	\$213.6	\$208.9	\$213.9
<b>Total Expenditures</b>		<b>\$3,369.9</b>	<b>\$3,181.7</b>	<b>\$3,289.9</b>	<b>\$3,305.9</b>	<b>\$3,430.8</b>	<b>\$3,453.2</b>	<b>\$3,482.2</b>
<b>Ending Fund Balance</b>		<b>\$266.2</b>	<b>\$294.6</b>	<b>\$366.9</b>	<b>\$545.7</b>	<b>\$475.6</b>	<b>\$305.2</b>	<b>\$137.3</b>
<b>Total Uses of Funds</b>		<b>\$3,636.1</b>	<b>\$3,476.2</b>	<b>\$3,656.9</b>	<b>\$3,851.6</b>	<b>\$3,906.4</b>	<b>\$3,758.4</b>	<b>\$3,619.5</b>
<b>Change in Fund Balance</b>		<b>-\$100.8</b>	<b>\$28.3</b>	<b>\$103.5</b>	<b>\$178.8</b>	<b>-\$70.1</b>	<b>-\$170.4</b>	<b>-\$167.9</b>
<b>Components of Ending Balance:</b>								
Non Spendable-Inventories/Cash/Others		\$13.3	\$10.3	\$9.8	\$9.8	\$9.8	\$9.8	\$9.8
Restricted Ending Balances		\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Assigned Ending Balances		\$99.7	\$78.4	\$172.2	\$115.2	\$400.4	\$859.0	\$1,427.1
Unassigned Ending Balances								
Reserve for Economic Uncertainties		\$72.4	\$72.4	\$65.4	\$65.4	\$65.4	\$65.4	\$65.4
Undesignated/Unassigned Ending Balances		\$80.8	\$133.5	\$119.5	\$355.3	\$0.0	-\$629.0	-\$1,364.9
<b>Total Ending Balance</b>		<b>\$266.2</b>	<b>\$294.6</b>	<b>\$366.9</b>	<b>\$545.7</b>	<b>\$475.6</b>	<b>\$305.2</b>	<b>\$137.3</b>

Note: Starting 2009-10, Tier III Categorical Programs are reported as unrestricted per SBX3 4.

6/24/2011

**Multi-Year Projection  
General Fund  
Restricted**

		2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 Estimated Amounts	2011-12 Estimated Amounts	2012-13 Estimated Amounts	2013-14 Estimated Amounts
<b>Beginning Balance</b>		<b>\$328.2</b>	<b>\$391.0</b>	<b>\$486.6</b>	<b>\$296.0</b>	<b>\$283.0</b>	<b>\$166.5</b>	<b>\$139.6</b>
<b>Revenues and Other Financing Sources</b>								
Revenue Limit Sources	8010-8099	\$191.5	\$181.2	\$171.4	\$176.4	\$181.1	\$180.9	\$184.0
Federal Revenues	8100-8299	\$731.9	\$1,056.0	\$945.4	\$1,046.2	\$911.5	\$705.2	\$629.8
Other State Revenues	8300-8599	\$1,834.2	\$1,648.5	\$897.3	\$860.0	\$825.6	\$808.2	\$801.9
Other Local Revenues	8600-8799	\$15.4	\$32.8	\$11.1	\$61.8	\$29.2	\$13.0	\$9.9
Other Financing Sources	8910-8999	\$906.2	\$727.9	\$855.8	\$836.6	\$814.8	\$879.9	\$885.2
<b>Total Revenues</b>		<b>\$3,679.3</b>	<b>\$3,646.5</b>	<b>\$2,881.1</b>	<b>\$2,981.1</b>	<b>\$2,762.3</b>	<b>\$2,587.3</b>	<b>\$2,510.8</b>
<b>Total Sources of Funds</b>		<b>\$4,007.5</b>	<b>\$4,037.5</b>	<b>\$3,367.6</b>	<b>\$3,277.1</b>	<b>\$3,045.2</b>	<b>\$2,753.8</b>	<b>\$2,650.4</b>
<b>Expenditures and Other Financing Uses</b>								
Certificated Salaries	1000-1999	\$1,355.3	\$1,301.6	\$1,201.9	\$1,103.4	\$926.2	\$919.2	\$890.6
Classified Salaries	2000-2999	\$591.0	\$568.2	\$489.5	\$452.1	\$418.3	\$409.6	\$403.3
Employee Benefits	3000-3999	\$597.6	\$578.5	\$623.2	\$589.8	\$577.9	\$552.5	\$552.4
Books & Supplies	4000-4999	\$321.4	\$254.3	\$150.4	\$180.3	\$232.9	\$122.4	\$116.1
Services, Other Operating Expenses	5000-5999	\$506.1	\$594.1	\$553.4	\$550.5	\$581.4	\$527.4	\$535.1
Capital Outlay	6000-6999	\$21.1	\$13.2	\$8.5	\$67.4	\$25.6	\$5.1	\$4.9
Other Outgo	7100-7299	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other Outgo	7400-7499	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Direct Support/Indirect Costs	7300-7399	\$193.0	\$141.5	\$60.8	\$50.7	\$116.4	\$78.1	\$60.9
Other Financing Uses	7610-7699	\$31.1	\$30.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Expenditures</b>		<b>\$3,616.5</b>	<b>\$3,481.5</b>	<b>\$3,087.6</b>	<b>\$2,994.2</b>	<b>\$2,878.7</b>	<b>\$2,614.2</b>	<b>\$2,563.4</b>
<b>Ending Fund Balance</b>		<b>\$391.0</b>	<b>\$555.9</b>	<b>\$280.0</b>	<b>\$282.9</b>	<b>\$166.5</b>	<b>\$139.6</b>	<b>\$87.0</b>
<b>Total Uses of Funds</b>		<b>\$4,007.5</b>	<b>\$4,037.5</b>	<b>\$3,367.6</b>	<b>\$3,277.1</b>	<b>\$3,045.2</b>	<b>\$2,753.8</b>	<b>\$2,650.4</b>
<b>Change in Fund Balance</b>		<b>\$62.8</b>	<b>\$165.0</b>	<b>-\$206.5</b>	<b>-\$13.1</b>	<b>-\$116.5</b>	<b>-\$26.9</b>	<b>-\$52.5</b>
<b>Components of Ending Balance:</b>								
Non Spendable-Inventories/Cash/Others		\$1.2	\$1.2	\$1.0	\$1.0	\$1.0	\$1.0	\$1.0
Restricted Ending Balances		\$389.0	\$553.9	\$278.0	\$281.1	\$164.6	\$137.7	\$85.2
Assigned Ending Balances		\$0.8	\$0.9	\$1.0	\$0.9	\$0.9	\$0.9	\$0.9
Unassigned Ending Balances								
Reserve for Economic Uncertainties		\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Undesignated/Unassigned Ending Balances		\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Ending Balance</b>		<b>\$391.0</b>	<b>\$555.9</b>	<b>\$280.0</b>	<b>\$283.0</b>	<b>\$166.5</b>	<b>\$139.6</b>	<b>\$87.0</b>

Note: Starting 2009-10, Tier III Categorical Programs are reported as unrestricted per SBX3 4.

6/24/2011

## **DESCRIPTIONS OF “FUNDS” UTILIZED BY THE DISTRICT**

California State law requires school districts to organize their financial reporting by “Funds.” The California School Accounting Manual, which governs school district budgeting and accounting practices in California, defines “Fund” as “an accounting entity with a self-balancing set of accounts recording financial resources and liabilities. It is established to carry on specific activities or to attain certain objectives of an LEA (a Local Educational Agency) in accordance with special regulations, restrictions, or limitations.” (Section 101, December 1998).

LEAs such as the Los Angeles Unified School District are required to budget by Fund. The Superintendent’s Final Budget is comprised of a General Fund and 26 special funds, the uses of which can be summarized as follows (definitions reflect the California School Accounting Manual descriptions where available, augmented by information from the District budget and from the District’s 2006-07 Comprehensive Annual Financial Report to reflect specific District usages of individual funds):

### **Operating Funds.**

General Fund is used to account for the basic instructional, support, and administrative operations of the District, including services to regular K-12 schools, the special education program, and other programs. The General Fund can support and account for both restricted and unrestricted funding sources and expenditures (many of the restricted sources are summarized in the Restricted General fund section of this document).

Adult Education Fund is used to account separately for federal, State, and local revenues for adult education programs, as well as for expenditures in support of that program. Expenditures in the Adult Education Fund are limited to those for adult education purposes; moneys received for programs other than adult education may not be expended for adult education purposes (Education Code §52616[b]).

Child Development Fund is used to account for federal, State, and local revenues to operate child development programs. In the Los Angeles Unified School District, the Child Development Fund covers the activities of the Early Childhood Education Centers that operate throughout the District. The Child Development Fund may be used only for expenditures for the operation of child development programs, but may be subsidized by the General Fund.

Cafeteria Fund is used to account for federal, State, and local resources to operate the District’s food service program (Education Code §38091 and §38100).

Deferred Maintenance Fund is used to account for the remaining balance of State apportionments and the District’s contributions from fiscal year prior to 2009-10 for deferred maintenance purposes (Education Code §§ 17582 through 17587). Expenditures in the Deferred Maintenance Fund are for such major maintenance projects as repair of plumbing, heating, air conditioning, electrical, roofing, floors, and interior or exterior paint.



## **Capital Projects Funds.**

*Building Funds* exist primarily to account for proceeds from the sale of bonds (Education Code §15146). Expenditures are most commonly made against Object 6000 – Capital Outlay accounts. As the result of the passage of multiple bond elections, the District operates five separate Building Funds:

*Building Fund* is used to account for proceeds from the sale of bonds prior to 1997, as well as State allowances and other resources designed for facilities expansion.

*Building Fund – Proposition BB* is used to account for the proceeds resulting from passage of Proposition BB, a local school bond measure approved by the voters in April 1997 for construction of new schools and repair and modernization of existing schools.

*Building Fund – Measure K* is used to account for the proceeds resulting from passage of Measure K, a local school bond measure approved by the voters in November 2002, for new school construction and repair and modernization of existing schools.

*Building Fund – Measure R* is used to account for the proceeds resulting from passage of Measure R, a local school bond measure approved by the voters in March 2004, for new school construction and repairs to existing schools.

*Building Fund – Measure Y* is used to account for the proceeds resulting from passage of Measure Y, a local school bond measure approved by the voters in November 2005, for school construction and modernization, with the goal of returning all schools to a traditional calendar.

*County School Facilities Funds* are used to account for revenues and expenditures resulting from building projects funded primarily or in part from State bond elections or from matching funds. The District operates four separate County School Facilities Funds:

*County School Facilities Fund – Proposition 1D* provides funding from the Kindergarten-University Public Education Facilities Bond Act of 2006. Proposition 1D was approved by the voters in the November 2006 general election. Funds are intended to provide additional funding for existing school facilities programs, and new funding for seismic mitigation of the most vulnerable school facilities, creation of career technical education facilities, reduction of severely overcrowded sites, and incentives for the construction of high-performance “green” schools.

*County School Facilities Fund – Proposition 55* is used to account for the matching funds received as a result of the passage of Measure R. Proposition 55 was passed by the voters in March 2004.

*County School Facilities Fund – Proposition 47* is used to account for apportionments received from the State School Facilities Fund. The passage of Proposition 47 in November 2002 authorized the sale of bonds for new school facility construction, modernization projects, and facility hardship grants.

*County School Facilities Fund - 1A* is used to account for school construction and modernization funds received from proceeds resulting from the passage of Proposition 1A in 1998, as well as for local matching funds.

Capital Facilities Account Fund is used to account for resources received from developer fees levied upon new residential, commercial or industrial development projects within the District's boundaries in order to obtain funds for the construction or acquisition of school facilities to relieve overcrowding.

State School Building Lease-Purchase Fund is used to account for State apportionments received in accordance with State Education Code §17700-17780, primarily for relief of overcrowding.

Special Reserve Funds for Capital Outlay Projects exist primarily to provide for the accumulation of General Fund moneys for capital outlay purposes (Education Code §42840). Transfers authorized by the governing board must be utilized for capital outlay purposes. The District operates four Special Reserve Funds:

Special Reserve Fund is used to account for District resources designated for capital outlay purposes such as land purchases, ground improvements, facilities construction and improvements, new acquisitions, and related expenditures.

Special Reserve Fund – FEMA – Earthquake is used to account for funds received from the Federal Emergency Management Agency (FEMA) for capital outlay projects resulting from the January 17, 1994 Northridge Earthquake.

Special Reserve Fund – FEMA – Hazard Mitigation is used to account for funds received from FEMA and for the 25% District matching funds for the retrofit/replacement of pendant lighting and suspended ceilings in selected buildings at schools, offices, and Early Childhood Education Centers.

Special Reserve Fund – Community Redevelopment Agency is used to account for reimbursements of tax increment revenues from certain community redevelopment agencies based on agreements between the District and the agencies. The reimbursements are to be used for capital projects within the respective redevelopment areas covered in the agreements.

### **Debt Service Funds.**

Bond Interest and Redemption Fund is used to account for the payment of the principal and interest on Proposition BB, Measure K and Measure R bond issues. Revenues are derived from ad valorem taxes levied upon all property subject to tax by the District.

Tax Override Fund is used to account for the accumulation of resources from ad valorem tax levies for the repayment of State School Building Aid Fund apportionment.

Capital Services Fund is used to account for the accumulation of resources for the repayment of principal and interest on certificates of participation (COPs) and long-term capital lease agreements. Revenues are derived primarily from operating transfers from user funds and investment income.

## **Internal Service Funds.**

*Health and Welfare Benefits Fund* was established to pay for claims, administrative costs, insurance premiums and related expenditures for the District's Health and Welfare Benefits program. Medical and dental claims for the self-insured portion of the Fund are administered by outside claims administrators. Premium payments to Health Maintenance Organizations for medical benefits and to outside carriers for vision services, dental services, and optional life insurance are also paid out of this Fund.

*Workers' Compensation Self-Insurance Fund* was established to pay for claims, excess insurance coverage, administrative costs, and related expenditures. Workers' Compensation claims are administered for the District by an outside claims administrator.

*Liability Self-Insurance Fund* was established to pay for claims, excess insurance coverage, administrative costs, and related expenditures, and to provide funds for insurance deductible amounts. Liability claims are administered for the District by an outside claims administrator.

## **Fiduciary Funds.**

*Attendance Incentive Reserve Fund* was established to account for 50% of the salary savings from substitute teacher accounts resulting from reduced costs of absenteeism of UTLA-represented employees. The intent was to reward regular attendance of teachers in order to improve the instructional program.

**Student Body Funds** were established to account for cash held by the District on behalf of student bodies at various school sites. The California School Accounting Manual does not require that Student Body Fund moneys be reported to the California Department of Education as part of the District budget; however, in accordance with The California School Accounting Manual Student Body Fund information is included in the District's Comprehensive Annual Financial Report.

**SUPERINTENDENT'S 2011-12 FINAL BUDGET**  
**Unconsolidated Summary of Sources and Uses by Type of Fund**

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Amounts	2011-12 Authorized Amounts	2011-12 Estimated Amounts
<b>Operating Funds</b>						
Sources of Funds						
Beginning Balance	\$948.3	\$901.0	\$916.0	\$790.7	\$859.9	\$859.9
Revenue	\$7,639.9	\$7,508.2	\$6,911.1	\$6,995.0	\$6,737.6	\$6,737.6
<b>Total Sources of Funds</b>	<b>\$8,588.2</b>	<b>\$8,409.2</b>	<b>\$7,827.1</b>	<b>\$7,785.7</b>	<b>\$7,597.6</b>	<b>\$7,597.6</b>
Uses of Funds						
Expenditure	\$7,687.0	\$7,387.6	\$7,052.3	\$6,925.8	\$7,182.6	\$6,950.3
Ending Balance	\$901.2	\$1,021.6	\$774.8	\$859.9	\$415.0	\$647.2
<b>Total Uses of Funds</b>	<b>\$8,588.2</b>	<b>\$8,409.2</b>	<b>\$7,827.1</b>	<b>\$7,785.7</b>	<b>\$7,597.6</b>	<b>\$7,597.6</b>
<b>Capital Funds</b>						
Sources of Funds						
Beginning Balance	\$1,757.8	\$1,876.8	\$1,536.4	\$4,161.2	\$3,654.4	\$3,654.4
Revenue	\$2,251.0	\$2,353.3	\$4,681.0	\$1,026.9	\$111.7	\$111.7
<b>Total Sources of Funds</b>	<b>\$4,008.8</b>	<b>\$4,230.2</b>	<b>\$6,217.4</b>	<b>\$5,188.0</b>	<b>\$3,766.2</b>	<b>\$3,766.2</b>
Uses of Funds						
Expenditure	\$2,176.6	\$2,764.9	\$2,056.2	\$1,533.6	\$3,753.8	\$2,455.6
Ending Balance	\$1,832.2	\$1,465.3	\$4,161.2	\$3,654.4	\$12.4	\$1,310.5
<b>Total Uses of Funds</b>	<b>\$4,008.8</b>	<b>\$4,230.2</b>	<b>\$6,217.4</b>	<b>\$5,188.0</b>	<b>\$3,766.2</b>	<b>\$3,766.2</b>
<b>Debt Service Funds</b>						
Sources of Funds						
Beginning Balance	\$383.2	\$497.1	\$554.8	\$703.5	\$749.4	\$749.4
Revenue	\$645.4	\$828.9	\$1,111.7	\$930.4	\$961.3	\$961.3
<b>Total Sources of Funds</b>	<b>\$1,028.6</b>	<b>\$1,326.0</b>	<b>\$1,666.4</b>	<b>\$1,633.8</b>	<b>\$1,710.7</b>	<b>\$1,710.7</b>
Uses of Funds						
Expenditure	\$531.5	\$771.2	\$963.0	\$884.4	\$1,654.4	\$1,260.0
Ending Balance	\$497.1	\$554.8	\$703.5	\$749.4	\$56.3	\$450.7
<b>Total Uses of Funds</b>	<b>\$1,028.6</b>	<b>\$1,326.0</b>	<b>\$1,666.4</b>	<b>\$1,633.8</b>	<b>\$1,710.7</b>	<b>\$1,710.7</b>
<b>Internal Service Funds</b>						
Sources of Funds						
Beginning Balance	\$95.3	\$137.9	\$40.8	\$164.8	\$275.6	\$275.6
Revenue	\$987.5	\$927.8	\$1,109.8	\$1,017.0	\$1,060.1	\$1,060.1
<b>Total Sources of Funds</b>	<b>\$1,082.8</b>	<b>\$1,065.7</b>	<b>\$1,150.7</b>	<b>\$1,181.8</b>	<b>\$1,335.7</b>	<b>\$1,335.7</b>
Uses of Funds						
Expenditure	\$944.8	\$1,024.9	\$985.9	\$906.2	\$1,035.0	\$1,035.0
Ending Balance	\$138.0	\$40.8	\$164.8	\$275.6	\$300.7	\$300.7
<b>Total Uses of Funds</b>	<b>\$1,082.8</b>	<b>\$1,065.7</b>	<b>\$1,150.7</b>	<b>\$1,181.8</b>	<b>\$1,335.7</b>	<b>\$1,335.7</b>
<b>Fiduciary Funds</b>						
Sources of Funds						
Beginning Balance	\$1.3	\$1.9	\$0.0	\$0.4	\$0.0	\$0.0
Revenue	\$0.7	\$0.4	\$0.4	-\$0.4	\$0.0	\$0.0
<b>Total Sources of Funds</b>	<b>\$2.0</b>	<b>\$2.3</b>	<b>\$0.4</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
Uses of Funds						
Expenditure	\$0.1	\$2.3	\$0.0	\$0.0	\$0.0	\$0.0
Ending Balance	\$1.9	\$0.0	\$0.4	\$0.0	\$0.0	\$0.0
<b>Total Uses of Funds</b>	<b>\$2.0</b>	<b>\$2.3</b>	<b>\$0.4</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>

**SUPERINTENDENT'S 2011-12 FINAL BUDGET**  
**Unconsolidated Summary of Revenues by Fund**

	2007-08	2008-09	2009-10	2010-11	2011-12	2011-12
	Actual	Actual	Actual	3rd Interim	Authorized	Estimated
Amounts in \$ million	Amounts	Amounts	Amounts	Amounts	Amounts	Amounts
<i>Operating Funds</i>						
General Fund - Unrestricted (001&003/010)	\$3,269.1	\$3,210.0	\$3,401.1	\$3,484.7	\$3,324.1	\$3,360.8
General Fund - Restricted (003/010)	\$3,679.3	\$3,646.5	\$2,873.4	\$2,981.2	\$2,798.8	\$2,762.1
Adult Education Fund - Unrestricted (029/110)	\$200.7	\$173.4	\$170.2	\$71.5	\$134.1	\$134.1
Adult Education Fund - Restricted (029/110)	\$26.9	\$25.6	\$35.0	\$26.8	\$32.1	\$32.1
Child Development Fund - Unrestricted (011/12)	\$101.8	\$103.9	\$118.6	\$126.0	\$124.4	\$124.4
Child Development Fund - Restricted (011/120)	\$22.0	\$16.4	\$9.5	\$15.1	\$14.5	\$14.5
Cafeteria Fund (030/130)	\$273.0	\$299.0	\$301.1	\$288.9	\$309.5	\$309.5
Deferred Maintenance Fund (027/140)	\$67.1	\$33.4	\$2.1	\$0.8	\$0.0	\$0.0
<b>Total Operating Funds</b>	<b>\$7,639.9</b>	<b>\$7,508.2</b>	<b>\$6,911.1</b>	<b>\$6,995.0</b>	<b>\$6,737.6</b>	<b>\$6,737.6</b>
<i>Capital Funds</i>						
Building Fund - Measure R (043/210)	\$619.5	\$648.2	\$1,108.8	\$101.9	\$7.7	\$7.7
Building Fund - Proposition BB (045/211)	\$65.2	\$48.4	\$23.0	\$10.6	\$0.1	\$0.1
Building Fund (070/212)	\$0.2	\$0.4	\$0.2	\$0.5	\$0.3	\$0.3
Building Fund - Measure K (044/213)	\$269.5	\$305.4	\$372.2	\$4.9	\$2.6	\$2.6
Building Fund - Measure Y (042/214)	\$325.8	\$156.9	\$2,716.7	\$31.8	\$14.2	\$14.2
County Sch Facilities Fund - Prop 1A (065/350)	\$6.2	\$4.4	\$20.3	\$2.8	\$0.2	\$0.2
County Sch Facilities Fund - Prop 47 (066/351)	\$225.2	\$438.3	\$35.9	-\$0.1	\$3.2	\$3.2
County Sch Facilities Fund - Prop 55 (067/352)	\$419.5	\$371.4	\$146.9	\$518.7	\$35.8	\$35.8
County Sch Facilities Fund - Prop 1D (068/353)	\$19.1	\$144.6	\$126.2	\$221.6	\$19.0	\$19.0
Special Reserve Fund - CRA (017/400)	\$6.7	\$1.9	\$6.2	\$4.8	\$3.1	\$3.1
Special Reserve Fund (015/401)	\$193.7	\$208.2	\$101.0	\$101.8	\$3.6	\$3.6
Special Reserve Fund - FEMA (022/402)	\$3.0	\$0.5	\$0.0	\$0.0	\$6.3	\$6.3
Special Resv Fund - FEMA - Haz Mit (062/403)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Capital Facilities Acct Fund (073/250)	\$75.2	\$28.1	\$20.2	\$25.6	\$15.4	\$15.4
State Sch Bldg Lease/Purch Fund (074/300)	\$22.1	-\$3.2	\$3.4	\$2.0	\$0.3	\$0.3
<b>Total Capital Funds</b>	<b>\$2,251.0</b>	<b>\$2,353.3</b>	<b>\$4,681.0</b>	<b>\$1,026.9</b>	<b>\$111.7</b>	<b>\$111.7</b>
<i>Debt Service Funds</i>						
Bond Interest & Redemption Fund (004/510)	\$585.1	\$617.7	\$987.4	\$882.6	\$909.9	\$909.9
Tax Override Fund (005/530)	\$0.2	\$0.4	\$0.0	\$0.0	\$0.0	\$0.0
Capital Services Fund (071/560)	\$60.1	\$210.8	\$124.3	\$47.7	\$51.4	\$51.4
<b>Total Debt Service Funds</b>	<b>\$645.4</b>	<b>\$828.9</b>	<b>\$1,111.7</b>	<b>\$930.4</b>	<b>\$961.3</b>	<b>\$961.3</b>
<i>Internal Service Funds</i>						
Health & Welfare Benefits Fund (021/670)	\$848.3	\$890.6	\$953.2	\$951.8	\$962.5	\$962.5
Worker's Compensation Fund (013/671)	\$113.1	\$17.0	\$116.2	\$52.4	\$74.6	\$74.6
Liability Self-Insurance Fund (016/672)	\$26.1	\$20.2	\$40.4	\$12.8	\$22.9	\$22.9
<b>Total Internal Service Funds</b>	<b>\$987.5</b>	<b>\$927.8</b>	<b>\$1,109.8</b>	<b>\$1,017.0</b>	<b>\$1,060.1</b>	<b>\$1,060.1</b>
<i>Fiduciary Funds</i>						
Attendance Incentive Reserve Fund (046/710)	\$0.7	\$0.4	\$0.4	-\$0.4	\$0.0	\$0.0
Annuity Reserve Fund (023/711)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Fiduciary Funds</b>	<b>\$0.7</b>	<b>\$0.4</b>	<b>\$0.4</b>	<b>-\$0.4</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Total All Funds</b>	<b>\$11,524.5</b>	<b>\$11,618.6</b>	<b>\$13,814.0</b>	<b>\$9,968.9</b>	<b>\$8,870.7</b>	<b>\$8,870.7</b>

**SUPERINTENDENT'S 2011-12 FINAL BUDGET**

Unconsolidated Summary of Expenditures by Fund

	2007-08	2008-09	2009-10	2010-11	2011-12	2011-12
	Actual	Actual	Actual	3rd Interim	Authorized	Estimated
Amounts in \$ million	Amounts	Amounts	Amounts	Amounts	Amounts	Amounts
<i>Operating Funds</i>						
General Fund - Unrestricted (001&003/010)	\$3,369.9	\$3,181.7	\$3,289.9	\$3,305.9	\$3,461.1	\$3,431.0
General Fund - Restricted (003/010)	\$3,616.5	\$3,481.5	\$3,087.6	\$2,994.2	\$3,080.8	\$2,878.7
Adult Education Fund - Unrestricted (029/110)	\$184.6	\$177.7	\$144.1	\$136.7	\$135.6	\$135.6
Adult Education Fund - Restricted (029/110)	\$26.9	\$25.6	\$24.9	\$31.1	\$37.9	\$37.9
Child Development Fund - Unrestricted (011/120)	\$104.3	\$109.4	\$121.3	\$126.0	\$124.4	\$124.4
Child Development Fund - Restricted (011/120)	\$22.0	\$16.4	\$9.9	\$15.1	\$14.6	\$14.6
Cafeteria Fund (030/130)	\$291.7	\$328.2	\$302.0	\$288.9	\$309.5	\$309.5
Deferred Maintenance Fund (027/140)	\$71.3	\$67.0	\$72.6	\$27.8	\$18.6	\$18.6
<b>Total Operating Funds</b>	<b>\$7,687.2</b>	<b>\$7,387.6</b>	<b>\$7,052.3</b>	<b>\$6,925.8</b>	<b>\$7,182.6</b>	<b>\$6,950.3</b>
<i>Capital Funds</i>						
Building Fund - Measure R (043/210)	\$650.4	\$624.4	\$596.2	\$278.3	\$711.5	\$519.3
Building Fund - Proposition BB (045/211)	\$59.8	\$117.9	\$64.3	\$23.9	\$18.6	\$18.6
Building Fund (070/212)	\$0.0	\$0.2	\$0.7	\$0.2	\$2.6	\$1.8
Building Fund - Measure K (044/213)	\$455.0	\$286.2	\$216.4	\$131.9	\$229.4	\$167.5
Building Fund - Measure Y (042/214)	\$130.0	\$373.1	\$584.2	\$740.8	\$1,528.2	\$817.3
County Sch Facilities Fund - Prop 1A (065/350)	\$10.7	\$31.5	\$13.6	\$7.2	\$20.6	\$20.6
County Sch Facilities Fund - Prop 47 (066/351)	\$164.3	\$345.2	\$79.5	\$33.8	\$119.1	\$95.3
County Sch Facilities Fund - Prop 55 (067/352)	\$389.2	\$520.4	\$201.2	\$131.1	\$656.5	\$479.2
County Sch Facilities Fund - Prop 1D (068/353)	\$28.8	\$115.7	\$68.1	\$38.7	\$295.7	\$215.9
Special Reserve Fund - CRA (017/400)	\$4.5	\$11.2	\$4.8	\$1.3	\$16.9	\$10.5
Special Reserve Fund (015/401)	\$194.3	\$214.7	\$184.4	\$83.6	\$122.2	\$85.5
Special Reserve Fund - FEMA (022/402)	\$3.0	\$0.2	\$0.0	\$0.0	\$0.0	\$0.0
Special Resv Fund - FEMA - Haz Mit (062/403)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Capital Facilities Acct Fund (073/250)	\$64.8	\$122.8	\$42.3	\$62.2	\$27.8	\$19.4
State Sch Bldg Lease/Purch Fund (074/300)	\$21.7	\$1.3	\$0.4	\$0.6	\$4.7	\$4.7
<b>Total Capital Funds</b>	<b>\$2,176.5</b>	<b>\$2,764.9</b>	<b>\$2,056.2</b>	<b>\$1,533.6</b>	<b>\$3,753.8</b>	<b>\$2,455.6</b>
<i>Debt Service Funds</i>						
Bond Interest & Redemption Fund (004/510)	\$497.3	\$576.2	\$845.9	\$845.9	\$1,577.5	\$1,183.1
Tax Override Fund (005/530)	\$0.3	\$0.3	\$0.0	\$0.0	\$0.3	\$0.3
Capital Services Fund (071/560)	\$33.9	\$194.8	\$117.0	\$38.5	\$76.7	\$76.7
<b>Total Debt Service Funds</b>	<b>\$531.5</b>	<b>\$771.2</b>	<b>\$963.0</b>	<b>\$884.4</b>	<b>\$1,654.4</b>	<b>\$1,260.0</b>
<i>Internal Service Funds</i>						
Health & Welfare Benefits Fund (021/670)	\$847.4	\$911.9	\$866.3	\$809.5	\$907.1	\$907.1
Worker's Compensation Fund (013/671)	\$70.9	\$92.4	\$78.7	\$83.6	\$105.0	\$105.0
Liability Self-Insurance Fund (016/672)	\$26.5	\$20.6	\$40.8	\$13.2	\$22.9	\$22.9
Job Cost Fund (009/)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Internal Service Funds</b>	<b>\$944.8</b>	<b>\$1,024.9</b>	<b>\$985.9</b>	<b>\$906.2</b>	<b>\$1,035.0</b>	<b>\$1,035.0</b>
<i>Fiduciary Funds</i>						
Attendance Incentive Reserve Fund (046/710)	\$0.1	\$1.8	\$0.0	\$0.0	\$0.0	\$0.0
Annuity Reserve Fund (023/711)	\$0.0	\$0.5	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Fiduciary Funds</b>	<b>\$0.1</b>	<b>\$2.3</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Total All Funds</b>	<b>\$11,340.1</b>	<b>\$11,950.9</b>	<b>\$11,057.4</b>	<b>\$10,250.0</b>	<b>\$13,625.7</b>	<b>\$11,700.9</b>

## Revenues

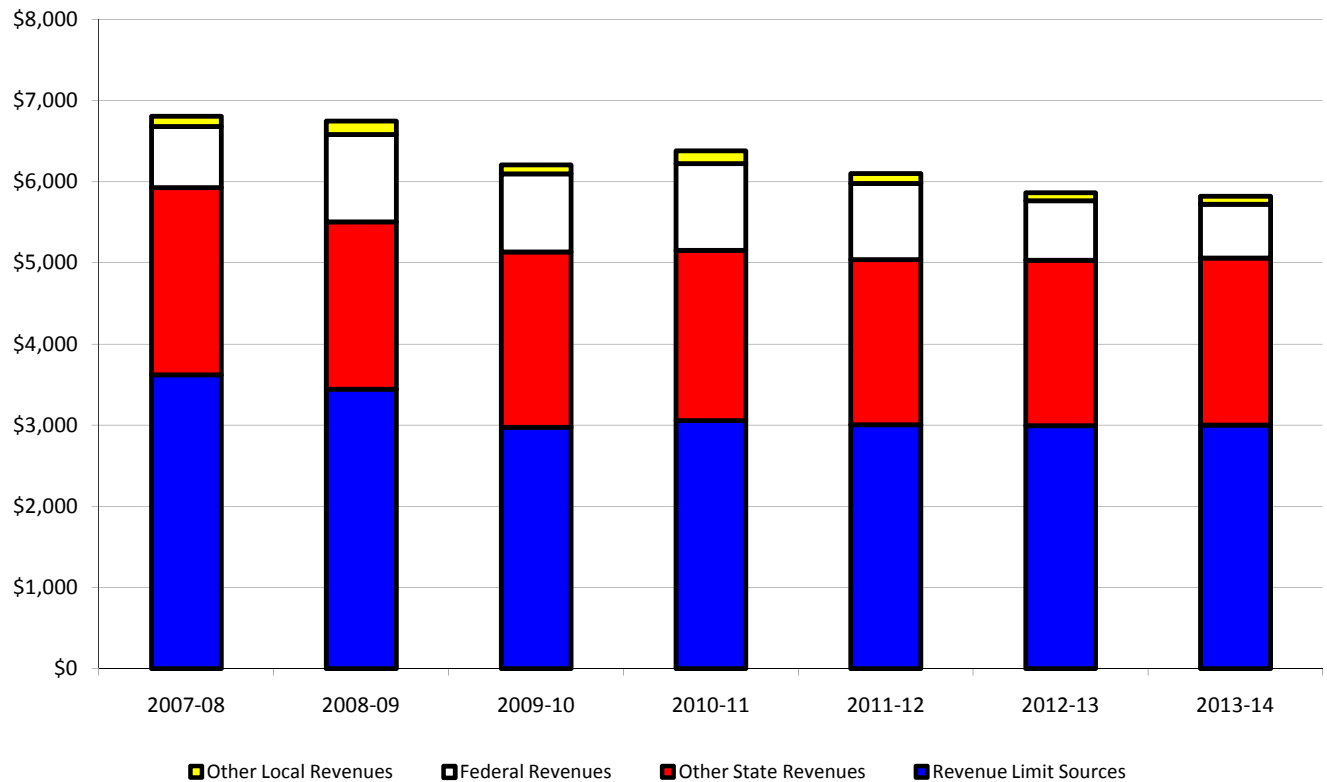
### GENERAL FUND

It is estimated that the 2011-12 General Fund-Regular Program revenue will decline to \$6.1 billion from the 2010-11 estimated revenue of \$6.4 billion.

There are several causes for the expected revenue decline during 2011-12:

- The Governor's May Revision budget proposes to apply an 19.75% deficit factor to the base revenue limit, the revenue source that provides much of the funding for the District's basic instructional, support, and administrative functions. This has the impact of reducing by \$1,296 per ADA the District's base revenue limit funding.
- LAUSD is experiencing enrollment decline, and increasing numbers of students are attending fiscally-independent charter schools, whose revenues are not reflected in District revenue estimates. Each year, our general purpose revenue limit funding is reduced due to declining enrollment. While the District is able to reduce some costs, it is difficult to reduce costs proportionately to the loss in revenues. Even the declining enrollment provisions in the *California Education Code* do not shield school districts from the full impact of their enrollment declines.

**Actual and Estimated Revenues  
General Fund Unrestricted & Restricted  
(Excluding Other Financing Sources)**



	<i>2007-08 Actual Amounts</i>	<i>2008-09 Actual Amounts</i>	<i>2009-10 Actual Amounts</i>	<i>2010-11 Estimated Amounts</i>	<i>2011-12 Estimated Amounts</i>	<i>2012-13 Estimated Amounts</i>	<i>2013-14 Estimated Amounts</i>
Revenue Limit Sources	\$3,624.1	\$3,444.9	\$2,977.2	\$3,058.4	\$3,007.9	\$2,996.4	\$3,002.9
Federal Revenues	\$756.4	\$1,077.1	\$964.0	\$1,066.5	\$935.2	\$731.2	\$661.9
Other State Revenues	\$2,304.5	\$2,064.8	\$2,159.4	\$2,099.5	\$2,036.8	\$2,039.8	\$2,060.6
Other Local Revenues	\$123.7	\$163.4	\$108.1	\$159.0	\$124.1	\$101.6	\$98.6
<b>Subtotal</b>	<b>\$6,808.7</b>	<b>\$6,750.2</b>	<b>\$6,208.7</b>	<b>\$6,383.4</b>	<b>\$6,104.0</b>	<b>\$5,869.0</b>	<b>\$5,824.0</b>
Other Financing Sources	\$139.7	\$106.2	\$65.9	\$82.6	\$18.9	\$1.1	\$1.1
<b>Total Estimated Revenues</b>	<b>\$6,948.4</b>	<b>\$6,856.4</b>	<b>\$6,274.6</b>	<b>\$6,466.0</b>	<b>\$6,122.9</b>	<b>\$5,870.1</b>	<b>\$5,825.1</b>

Note: Totals may not be exactly equal because of rounding.



**SUPERINTENDENT'S 2011-12 FINAL BUDGET**

**Unconsolidated Revenue Budget General Fund Unrestricted by Source**

Amounts in \$ million	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Amounts	2011-12 Estimated Amounts
<b>UNRESTRICTED PROGRAMS</b>					
<b>Federal Revenues</b>					
Medicare Part D Subsidy	\$12.7	\$13.0	\$12.6	\$10.0	\$10.2
Medi-Cal Admin Activity	\$9.1	\$5.0	\$2.7	\$7.0	\$9.0
All Other Federal Revenues	\$2.7	\$3.1	\$3.3	\$3.2	\$4.4
<b>Total Federal Revenues</b>	<b>\$24.5</b>	<b>\$21.1</b>	<b>\$18.5</b>	<b>\$20.2</b>	<b>\$23.6</b>
<b>State Revenues</b>					
K-12 Revenue Limit (State Portion)	\$2,676.3	\$2,400.3	\$1,949.4	\$2,078.2	\$2,051.3
Adult Education Fund Entitlement	\$0.0	\$0.0	\$168.3	\$163.3	\$163.2
Targeted Instrual Improv Grant (AB825)	\$0.0	\$0.0	\$459.0	\$460.6	\$460.6
Class Size Reduction (K-3)	\$199.7	\$195.4	\$160.2	\$155.5	\$155.0
California State Lottery	\$84.7	\$78.1	\$76.9	\$78.3	\$73.7
ROC/Skills Center Entitlement	\$0.0	\$0.0	\$60.8	\$56.4	\$56.9
Supplemental Hourly Program	\$0.0	\$0.0	\$59.2	\$57.4	\$58.0
School/Library Improvement Block Grant	\$0.0	\$0.0	\$43.6	\$43.6	\$43.6
Instructional Materials Block Grant, incl. Williams	\$0.0	\$0.0	\$35.6	\$35.5	\$35.5
Year-Round School Operational Grants	\$89.2	\$60.1	\$42.6	\$28.5	\$14.1
Deferred Maintenece Funding	\$0.0	\$0.0	\$26.0	\$26.1	\$26.1
Prof Dev Block Grant AB825 & Instr Buyout	\$0.0	\$0.0	\$23.2	\$23.2	\$23.2
School Counselors Grades 7 - 12	\$0.0	\$0.0	\$18.2	\$16.7	\$16.7
Class Size Reduction (9)	\$16.4	\$7.9	\$12.7	\$12.3	\$12.3
Arts & Music Block Grant	\$0.0	\$0.0	\$8.8	\$8.8	\$8.8
School Safety & Violence Prevention Program	\$0.0	\$0.0	\$9.9	\$7.7	\$7.7
CAHSEE Intensive Instructional Services	\$0.0	\$0.0	\$6.1	\$6.1	\$6.1
Mandated Cost Reimbursement	\$3.0	\$3.0	\$3.0	\$21.3	\$0.0
Staff Development - Reading / Math	\$0.0	\$0.0	\$6.3	\$5.4	\$5.4
Gifted and Talented Students	\$0.0	\$0.0	\$4.5	\$4.5	\$4.5
Pupil Retention Block Grant AB825	\$0.0	\$0.0	\$4.3	\$4.3	\$4.3
Charter Categorical Block Grant	\$3.5	\$3.6	\$3.6	\$3.7	\$6.8
Pupil Assessment	\$1.3	\$4.1	\$2.3	\$3.9	\$3.9
California Peer Assistance & Review Program	\$0.0	\$0.0	\$2.6	\$2.6	\$2.6
All Other State Revenue, inc remaining Gov Props	\$72.5	\$64.2	\$27.8	\$14.0	\$22.6
<b>Total State Revenues</b>	<b>\$3,146.5</b>	<b>\$2,816.6</b>	<b>\$3,214.9</b>	<b>\$3,317.7</b>	<b>\$3,262.6</b>
<b>Local Revenues</b>					
K-12 Revenue Limit (Local portion)	\$756.3	\$863.5	\$856.4	\$803.7	\$775.5
Interest	\$61.6	\$40.8	\$20.7	\$19.0	\$20.7
E-Rate Reimbursement	\$9.5	\$22.4	\$13.9	\$14.5	\$17.3
Donations	\$8.3	\$10.0	\$9.5	\$9.2	\$9.2
Charter - Fee for Service	\$7.9	\$9.4	\$21.9	\$10.0	\$7.3
All Other Local Revenue	\$20.9	\$48.1	\$30.9	\$44.3	\$40.4
<b>Total Local Revenues</b>	<b>\$864.6</b>	<b>\$994.1</b>	<b>\$953.3</b>	<b>\$900.8</b>	<b>\$870.4</b>
<b>Other Financing Sources</b>					
Interfund Transfers	\$88.4	\$39.4	\$16.4	\$6.1	\$0.0
Insurance Proceeds	\$5.3	\$1.4	\$2.1	\$0.9	\$17.8
Long Tem Debt Proceeds Capital Leases	\$1.3	\$1.2	\$0.9	\$0.9	\$1.1
Contributions to Restricted Programs	-\$861.5	-\$663.8	-\$805.0	-\$762.0	-\$814.6
<b>Total Other Financing Sources</b>	<b>-\$766.5</b>	<b>-\$621.8</b>	<b>-\$785.6</b>	<b>-\$754.1</b>	<b>-\$795.7</b>
<b>Total Unrestricted Resources</b>	<b>\$3,269.1</b>	<b>\$3,210.0</b>	<b>\$3,401.1</b>	<b>\$3,484.7</b>	<b>\$3,360.8</b>

**SUPERINTENDENT'S 2011-12 FINAL BUDGET**  
**Unconsolidated Revenue Budget General Fund-Restricted by Source**

		2007-08	2008-09	2009-10	2010-11	2011-12
		Actual	Actual	Actual	3rd Interim	Estimated
Amounts in \$millions		Amounts	Amounts	Amounts	Estimate	Amounts
Sacs Resource	Sacs Resource Name					
<b>Federal Revenues</b>						
3010	NCLB: Title I, Part A, Basic Grants Low-Income and Neglected	\$400.7	\$390.4	\$376.1	\$387.8	\$398.7
3205	Education Jobs Fund	\$0.0	\$0.0	\$0.0	\$0.0	\$103.5
3310	Special Ed: IDEA Basic Local Assistance Entitlement, Part B, Sec 611 (formerly PL 94-142)	\$118.5	\$111.1	\$122.9	\$120.3	\$88.4
4035	NCLB: Title II, Part A, Teacher Quality	\$52.8	\$47.4	\$55.6	\$54.9	\$66.3
4203	NCLB: Title III, Limited English Proficient (LEP) Student Program	\$28.4	\$12.7	\$27.2	\$31.1	\$30.6
4124	NCLB: Title IV, Part B, 21st Century Community Learning Centers Program	\$17.3	\$20.7	\$22.5	\$20.3	\$22.1
5640	Medi-Cal Billing Option	\$10.0	\$10.8	\$20.9	\$17.5	\$16.0
3320	Special Ed: IDEA Preschool Local Entitlement, Part B, Sec 611	\$11.4	\$13.4	\$11.7	\$9.9	\$13.5
3011	NCLB: ARRA Title I, Part A, Basic Grants Low Income and Neglected	\$0.0	\$0.0	\$108.7	\$202.5	\$12.5
3313	Special Ed: ARRA IDEA Part B, Sec 611, Basic Local Assistance	\$0.0	\$0.0	\$75.1	\$45.6	\$9.7
3181	NCLB: ARRA Title I, School Improvement Grant	\$0.0	\$0.0	\$0.0	\$6.5	\$8.2
3550	Carl D. Perkins Career and Technical Education: Secondary, Section 131	\$9.5	\$8.7	\$6.4	\$7.0	\$6.4
3315	Special Ed: IDEA Preschool Grants, Part B, Sec 619	\$5.5	\$5.1	\$5.2	\$5.0	\$5.6
4047	NCLB: ARRA Title II, Part D, Enhancing Education Through Technology	\$0.0	\$0.0	\$0.0	\$5.3	\$2.4
4810	Other ARRA Programs	\$0.0	\$0.0	\$0.2	\$3.3	\$2.3
4048	NCLB: ARRA Title II, Part D, Enhancing Education Through Technology, Competitive Grants	\$0.0	\$0.0	\$0.0	\$0.9	\$2.1
4045	NCLB: Title II, Part D, Enhancing Education Through Technology, Formula Grants	\$4.3	\$3.3	\$5.4	\$3.1	\$1.7
3180	NCLB: Title I, School Improvement Grant	\$0.0	\$0.0	\$1.7	\$37.0	\$1.4
3385	Special Ed: IDEA Early Intervention Grants	\$1.1	\$1.2	\$1.2	\$1.2	\$1.2
3324	Special Ed: ARRA IDEA Part B, Sec 611, Preschool Local Entitlement	\$0.0	\$0.0	\$7.3	\$4.4	\$1.1
3025	NCLB: Title I, Part D, Local Delinquent Programs	\$1.5	\$0.5	\$0.8	\$1.1	\$1.0
5610	Workforce Investment Act (WIA) From Other Agencies (LWIB)	\$1.1	\$1.2	\$1.0	\$1.0	\$1.0
3410	Department of Rehab: Workability II, Transition Partnership	\$1.5	\$1.7	\$1.1	\$1.3	\$0.9
3311	Special Ed: IDEA Local Assistance, Part B, Sec 611, Private School ISPs	\$0.5	\$0.7	\$0.8	\$1.1	\$0.9
3060	NCLB: Title I, Part C, Migrant Ed (Regular and Summer Program)	\$0.9	\$0.9	\$0.9	\$0.6	\$0.8
3319	Special Ed: ARRA IDEA Part B, Sec 619, Preschool Grants	\$0.0	\$0.0	\$0.8	\$3.7	\$0.5
3061	NCLB: Title I, Migrant Ed Summer Program	\$0.1	\$0.0	\$0.0	\$0.4	\$0.3
4050	NCLB: Title II, Part B, CA Mathematics and Science Partnerships	\$0.6	\$0.8	\$1.4	\$1.3	\$0.3
3710	NCLB: Title IV, Part A, Drug-Free Schools	\$6.2	\$6.5	\$5.0	\$1.3	\$0.1
3026	NCLB: ARRA Title I, Part D, Local Delinquent Programs	\$0.0	\$0.0	\$0.2	\$0.5	\$0.1
3316	Special Ed: IDEA Preschool Accountability Grants, Part B, Sec 619	\$0.1	\$0.3	\$0.0	\$0.2	\$0.1
4046	NCLB: Title II, Part D, Enhancing Education Through Technology, Competitive Grants	\$4.2	\$1.9	\$1.9	\$0.8	\$0.1
4510	Indian Education	\$0.2	\$0.2	\$0.2	\$0.2	\$0.0
5630	NCLB: Title X McKinney-Vento Homeless Assistance Grants	\$0.1	\$0.1	\$0.2	\$0.1	\$0.0
3345	Special Ed: IDEA Preschool Staff Development, Part B, Sec 619	\$0.0	\$0.1	\$0.0	\$0.0	\$0.0
3012	NCLB: Title I, Part A, Program Improvement School Assistance and Intervention Teams (SAIT)	\$0.3	\$0.0	\$0.0	\$0.0	\$0.0
3013	NCLB: Title I, Part A, Program Improvement SAIT Corrective Action Plans	\$4.0	\$1.2	\$0.0	\$0.0	\$0.0
3030	NCLB: Title I, Part B, Reading First Program	\$17.8	\$19.6	\$1.5	\$3.1	\$0.0
3031	NCLB: Title I, Part B, Reading First, Special Education Teacher Professional Development Pilot Program	\$0.0	\$0.5	\$2.5	\$1.0	\$0.0
3170	NCLB: Title I, Part F, Comprehensive School Reform (CSR) (09-10)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
3171	NCLB: Title I, Program Improvement & School Choice	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
3175	NCLB: Title I, Part A, Program Improvement District Intervention	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
3185	NCLB: Title I, Part A, Program Improvement LEA Corrective Action Resources	\$0.0	\$9.6	\$5.5	\$0.0	\$0.0
3200	ARRA: State Fiscal Stabilization Fund	\$0.0	\$358.6	\$49.7	\$28.4	\$0.0
3314	Special Ed: ARRA IDEA Part B, Sec 611, Local Assistance Private School ISPs	\$0.0	\$0.0	\$0.0	\$1.0	\$0.0
3340	Special Ed: IDEA Local Staff Development Grant, Part B, Sec 611 (08-09)	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0
4036	NCLB: Title II, Part A, Administrator Training	\$0.0	\$0.2	\$0.0	\$0.0	\$0.0
4110	NCLB: Title V, Part A, Innovative Education Strategies (09-10)	\$1.7	\$1.8	\$0.6	\$0.0	\$0.0
4216	Refugee Children Supplemental Assistance Program	\$0.2	\$0.1	\$0.0	\$0.0	\$0.0
4230	Bilingual Education: Discretionary Grants, Title III	\$0.3	\$0.3	\$0.2	\$0.1	\$0.0
4610	NCLB: Title V, Part B, Public Charter Schools Grants	\$0.0	\$0.1	\$0.3	\$0.1	\$0.0
5314	Child Nutrition: Equipment Assistance Grants	\$0.0	\$0.0	\$0.0	\$0.5	\$0.0
5380	Child Nutrition: School Breakfast Startup	\$0.0	\$0.1	\$0.2	\$0.0	\$0.0
5454	Child Nutrition: Team Nutrition	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
5455	Child Nutrition: Nutrition Education	\$4.9	\$4.6	\$0.0	\$0.0	\$0.0
5575	CalServe: Learn & Serve America	\$0.0	\$0.1	\$0.1	\$0.0	\$0.0
5635	NCLB: ARRA Title X McKinney-Vento Homeless Assistance	\$0.0	\$0.0	\$0.3	\$0.4	\$0.0
5650	FEMA Public Assistance Funds	\$0.0	\$0.3	\$0.1	\$0.0	\$0.0
5652	FEMA Hazard Mitigation Grant	\$0.0	\$0.4	\$0.0	\$0.5	\$0.0
5810	Other Restricted Federal	\$26.3	\$19.5	\$26.2	\$34.2	\$78.2
<b>Total Federal Revenues</b>		<b>\$732.5</b>	<b>\$1,056.7</b>	<b>\$949.5</b>	<b>\$1,046.2</b>	<b>\$878.0</b>

**SUPERINTENDENT'S 2011-12 FINAL BUDGET**  
**Unconsolidated Revenue Budget General Fund-Restricted by Source**

		2007-08	2008-09	2009-10	2010-11	2011-12
		Actual	Actual	Actual	3rd Interim	Estimated
Amounts in \$millions		Amounts	Amounts	Amounts	Estimate	Amounts
Sacs Resource	Sacs Resource Name					
<b>State Revenues</b>						
6500	Special Education	\$1,203.8	\$1,218.7	\$1,205.5	\$1,179.8	\$1,259.5
7400	Quality Education Investment Act	\$102.2	\$144.9	\$138.0	\$127.6	\$119.6
7091	Economic Impact Aid: Limited English Proficiency (LEP)	\$133.9	\$124.8	\$120.6	\$117.7	\$104.2
8150	Ongoing & Major Maintenance Account (RMA: Education Code Section 17070.75)	\$212.5	\$204.0	\$132.9	\$125.3	\$99.2
6010	After School Education and Safety (ASES)	\$99.5	\$72.8	\$70.6	\$74.0	\$74.2
7240	Transportation: Special Education (Severely Disabled/Orthopedically Impaired)	\$59.9	\$57.0	\$55.2	\$53.3	\$52.4
7230	Transportation: Home to School	\$40.9	\$40.3	\$46.4	\$36.3	\$36.8
2200	Continuation Education (Education Code sections 42244 and 48438)	\$28.8	\$28.4	\$26.8	\$26.3	\$26.9
7090	Economic Impact Aid (EIA)	\$42.3	\$33.6	\$19.0	\$18.4	\$26.4
6300	Lottery: Instructional Materials	\$13.4	\$8.7	\$13.0	\$12.7	\$11.6
2430	Community Day Schools	\$15.3	\$15.7	\$13.3	\$12.3	\$11.1
6020	CSIS: California School Information Service	\$0.0	\$0.0	\$0.0	\$1.8	\$3.5
6510	Special Ed: Early Ed Individuals with Exceptional Needs (Infant Program)	\$0.0	\$0.0	\$0.0	\$3.0	\$3.1
6360	Pupils with Disabilities Attending ROC/P	\$2.6	\$2.4	\$2.0	\$1.8	\$2.4
7220	Partnership Academies Program	\$2.3	\$3.4	\$2.2	\$3.6	\$1.3
6385	Governor's CTE Initiative: California Partnership Academies	\$0.0	\$0.1	\$1.6	\$2.1	\$1.0
6240	Healthy Start: Planning Grants and Operational Grants	\$0.1	\$0.1	\$0.2	\$0.3	\$0.7
6355	ROCP: Training & Certification for Community Care (Dept Develop Service)	\$0.3	\$0.4	\$0.3	\$0.3	\$0.3
6386	California Partnership Academies: Green and Clean Academies	\$0.0	\$0.0	\$0.2	\$0.4	\$0.3
6520	Special Ed: Project Workability I LEA	\$0.8	\$0.7	\$0.6	\$0.7	\$0.1
6535	Special Ed: Personnel Staff Development	\$0.1	\$0.1	\$0.2	\$0.3	\$0.1
6670	Tobacco-Use Prevention Education: High School	\$1.3	\$0.5	\$0.5	\$0.8	\$0.0
6250	Early Mental Health Initiative (EMHI) (Department of Mental Health)	\$0.4	\$0.4	\$0.1	\$0.2	\$0.0
6091	Cal-Safe Support Services	*	\$0.1	\$0.1	\$0.0	\$0.0
6200	Class Size Reduction Facilities Funding (09-10)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
6225	Emergency Repair Program, Williams Case	\$0.0	\$0.0	\$11.9	\$0.0	\$0.0
6226	School Facilities Needs Assignment Program	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0
6226	School Facilities Needs Assignment Program	-\$0.5	\$0.0	\$0.0	\$0.0	\$0.0
6258	Physical Education Teacher Incentive	*	\$2.0	\$0.0	\$0.0	\$0.0
6260	Alternative Certification Program for Intern Teacher	*	\$2.3	\$2.2	\$0.0	\$0.0
6262	Pre-Internship Teaching Program	*	\$0.8	\$0.4	\$0.0	\$0.0
6263	Paraprofessional Teacher Training (CTC)	*	\$1.0	\$0.8	\$0.0	\$0.0
6267	National Board Certification Incentive Grant	*	\$1.8	\$1.4	\$0.0	\$0.0
6268	Certificated Staff Performance Bonus	*	\$0.0	\$0.0	\$0.0	\$0.0
6275	Teacher Recruitment and Retention (09-10)	\$12.1	\$0.0	\$0.0	\$0.0	\$0.0
6286	English Language Acquisition Program, Teacher Training & Student Assistance	\$11.5	\$0.0	\$13.7	\$0.0	\$0.0
6296	English Language Learners, Teachers Training & Students Assistance	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
6330	School Community Policing Partnership	\$0.8	\$0.1	\$0.0	\$0.0	\$0.0
6340	Parent/Teacher Involvement: Nell Soto	*	\$0.2	\$0.5	\$0.0	\$0.0
6350	ROCP: Training & Certification for Community Care	*	\$82.7	\$69.2	\$0.0	\$0.0
6370	ROC/P or Adult Ed: CALWORKs Participants Supportive Services (04/05)	-\$0.3	\$0.0	\$0.0	\$0.0	\$0.0
6377	Career Technical Education Equipment and Supplies (08-09)	*	\$3.1	\$0.0	\$0.0	\$0.0
6378	California Health Science Capacity Building Project	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
6405	School Safety & Violence Prevention Program	*	\$9.8	\$8.3	\$0.0	\$0.0
6515	Special Ed: Infant Discretionary Funds	\$0.0	\$0.1	\$0.0	\$0.0	\$0.0
6530	Special Ed: Low Incidence Entitlement	\$0.2	\$0.1	\$0.1	\$0.1	\$0.0
6650	Tobacco-Use Prevention Education: Discretionary District Grants (09-10)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
6660	Tobacco-Use Prevention Education: Elementary Grades 4-8 (09-10)	\$0.8	\$1.1	\$0.2	\$0.1	\$0.0
6760	Arts & Music Block Grant	*	\$11.1	\$0.0	\$0.0	\$0.0
6761	Arts, Music, & PE Supplies and Equipment	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
7010	Agricultural Vocational Incentive Grants	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
7026	GF-California Instructional School Garden (CISG)	*	\$0.5	\$1.0	\$0.0	\$0.0
7055	CAHSEE Intensive Instruction & Services	*	\$8.3	\$0.0	\$0.0	\$0.0
7056	CAHSEE Individual Intervention Material	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
7080	Supplemental School Counseling Grade 7-12	*	\$21.3	\$13.9	\$0.0	\$0.0
7101	Education Technology: Digital Teacher Support	*	\$0.0	\$0.0	\$0.0	\$0.0
7110	Education Technology: CTAPS, SETS, & Supplemental	*	\$0.1	\$0.1	\$0.0	\$0.0
7120	Education Technology: Staff Development	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
7130	Early Intervention for School Success	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
7140	Gifted & Talented Education (GATE)	*	\$5.8	\$4.4	\$0.0	\$0.0
7156	Instructional Material Block Grant	*	\$46.9	\$12.8	\$0.0	\$0.0

**SUPERINTENDENT'S 2011-12 FINAL BUDGET**  
**Unconsolidated Revenue Budget General Fund-Restricted by Source**

		2007-08	2008-09	2009-10	2010-11	2011-12
		Actual	Actual	Actual	3rd Interim	Estimated
Amounts in \$millions		Amounts	Amounts	Amounts	Estimate	Amounts
Sacs						
Resource	Sacs Resource Name					
7157	Instructional Material: English Language Learners	*	\$5.1	\$0.0	\$0.0	\$0.0
7158	Instructional Material: API Deciles 1&2		\$0.1	\$0.1	\$0.0	\$0.0
7160	Instructional Material: Grade 9-12		\$0.0	\$0.0	\$0.0	\$0.0
7227	Information Technology Academy Grant		\$0.0	\$0.0	\$0.0	\$0.0
7256	II/USP: SAIT Corrective Action		\$0.0	\$0.1	\$0.0	\$0.0
7258	High Priority School Grants Program		\$22.5	\$14.1	\$0.0	\$0.0
7260	School Improvement Grant (SIP) (04/05)		\$3.1	\$1.9	\$0.0	\$0.0
7268	High School Priority Schools: SAIT and Corrective Action		\$5.4	\$3.6	\$0.0	\$0.0
7271	California Peer Assistance & Review Program for Teachers	*	\$3.3	\$0.0	\$0.0	\$0.0
7276	Certificated Staff Mentoring	*	\$2.4	\$0.7	\$0.0	\$0.0
7294	Math & Reading Professional Development	*	\$2.1	\$0.2	\$0.0	\$0.0
7295	Reading Services for Blind Teachers	*	\$0.1	\$0.1	\$0.0	\$0.0
7325	Principals Training		\$0.0	\$0.0	\$0.0	\$0.0
7337	Academic Improvement & Achievement		\$0.0	\$0.0	\$0.0	\$0.0
7345	Staff Development: Intersegmental Teacher Education Institutes (CTEI) (04/05)		\$0.0	\$0.0	\$0.0	\$0.0
7370	Supplemental Programs: Specialized Secondary	*	\$0.2	\$0.3	\$0.0	\$0.0
7375	Tenth Grade Counseling		\$0.0	\$0.0	\$0.0	\$0.0
7390	Pupil Retention Block Grant-AB825	*	\$5.3	\$0.0	\$0.0	\$0.0
7391	School Community Violence Prevention Grant	*	\$0.4	\$0.5	\$0.0	\$0.7
7392	Teacher Credentialing Block Grant	*	\$14.6	\$0.0	\$0.0	\$0.0
7393	Professional Development Block Grant-AB825	*	\$29.3	\$6.6	\$0.0	\$0.0
7394	Target Instructional Improvement Block Grant-AB825	*	\$575.7	\$454.5	\$0.0	\$0.0
7395	School & Library Improvement Block Grant-AB825	*	\$46.6	\$28.7	\$0.0	\$0.0
7396	Discretionary Block Grant-School Site		-\$1.2	\$0.0	\$0.0	\$0.0
7397	Discretionary Block Grant-School District		\$0.0	\$0.0	\$0.0	\$0.0
8100	Routine Repair & Maintenance (RRRMF: Education Code Section 17014)		\$0.0	\$0.0	\$0.0	\$0.0
7810	Other Restricted State		\$2.1	\$1.9	\$1.2	\$1.1
	Transfers to Unrestricted Programs		\$0.0	-\$60.1	-\$8.3	\$0.0
<b>Total State Revenues</b>			<b>\$2,899.9</b>	<b>\$2,527.2</b>	<b>\$1,868.3</b>	<b>\$1,801.2</b>
<b>Local Revenues</b>						
9010	Other Restricted Local		\$46.8	\$62.6	\$55.7	\$133.8
<b>Total Local Revenues</b>			<b>\$46.8</b>	<b>\$62.6</b>	<b>\$55.7</b>	<b>\$133.8</b>
<b>Total Restricted Resources</b>			<b>\$3,679.3</b>	<b>\$3,646.5</b>	<b>\$2,873.4</b>	<b>\$2,981.2</b>

\* Program Tier III Categorical, per SBX3 4, are Unrestricted starting FY 2009-10

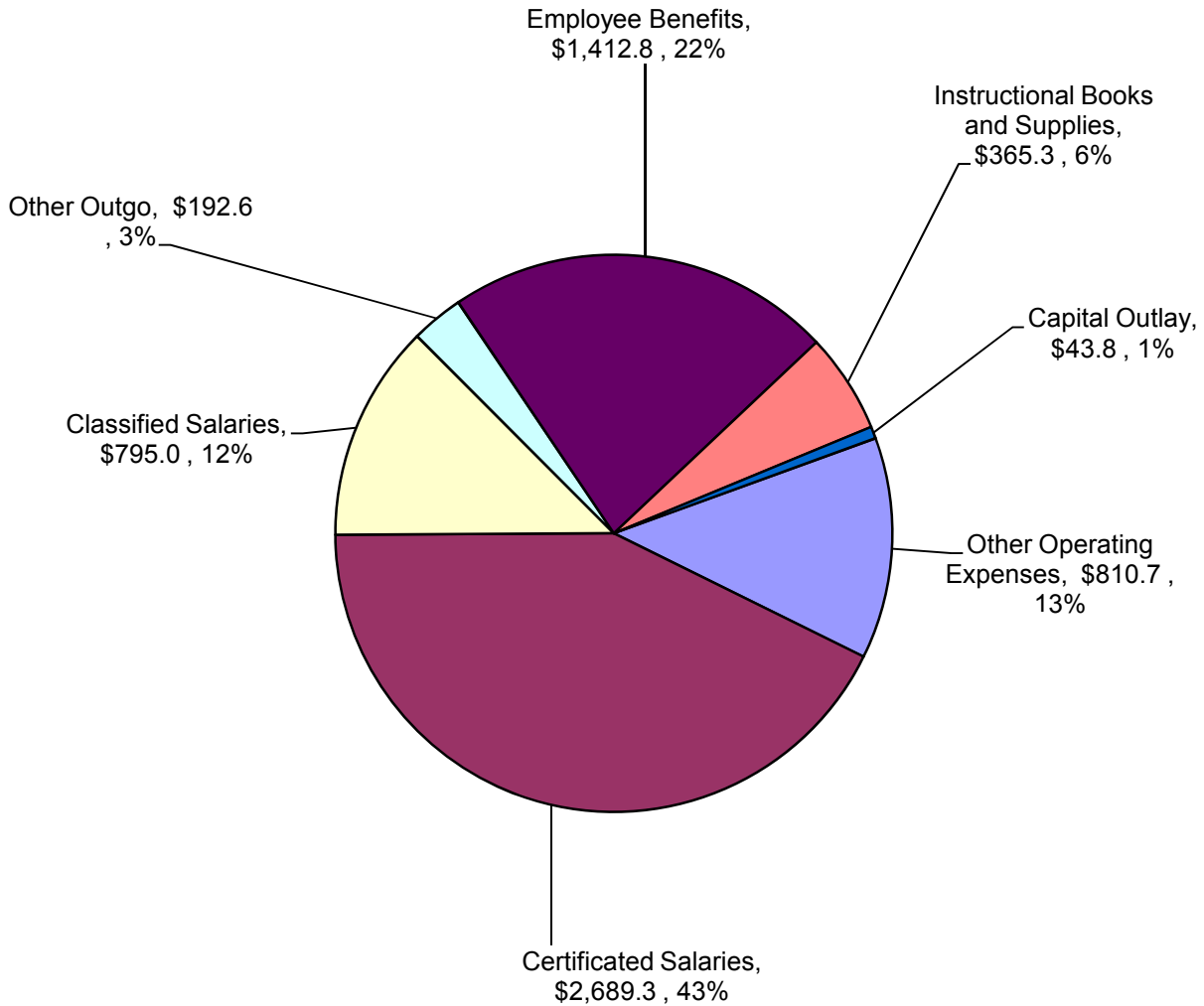
## **Estimated Expenditures by Object General Fund**

The accompanying graph shows General Fund estimated expenditures by “object of expenditure”. Objects of expenditure define what we buy with our resources.

- “Certificated Salaries include the salaries of teachers, librarians, counselors and nurses, as well as school and District administrators.
- “Classified Salaries” include the salaries of instructional aides, office employees, custodians, carpenters, plumbers, bus drivers and those non-certificated employees who manage and supervise their work.
- “Employee Benefits” include the cost of retirement plans, employee health insurance, and Workers’ Compensation Insurance.
- “Books and Supplies” includes the cost of textbooks, instructional materials, general supplies and fuel.
- “Other Operating Expense” includes the cost of contracts, utilities, rents and leases, travel expense, and instructional consultants.
- “Capital Outlay” includes the cost of facilities (land and buildings), books and media for libraries, and equipment. Most of the District’s capital outlay costs are in bond funds devoted specifically to school construction and modernization.
- “Other Outgo” includes miscellaneous items that are not usually considered part of the current expense of education.

## General Fund Estimated Expenditure Budget by Major Object

(Amounts in millions and percent of total)

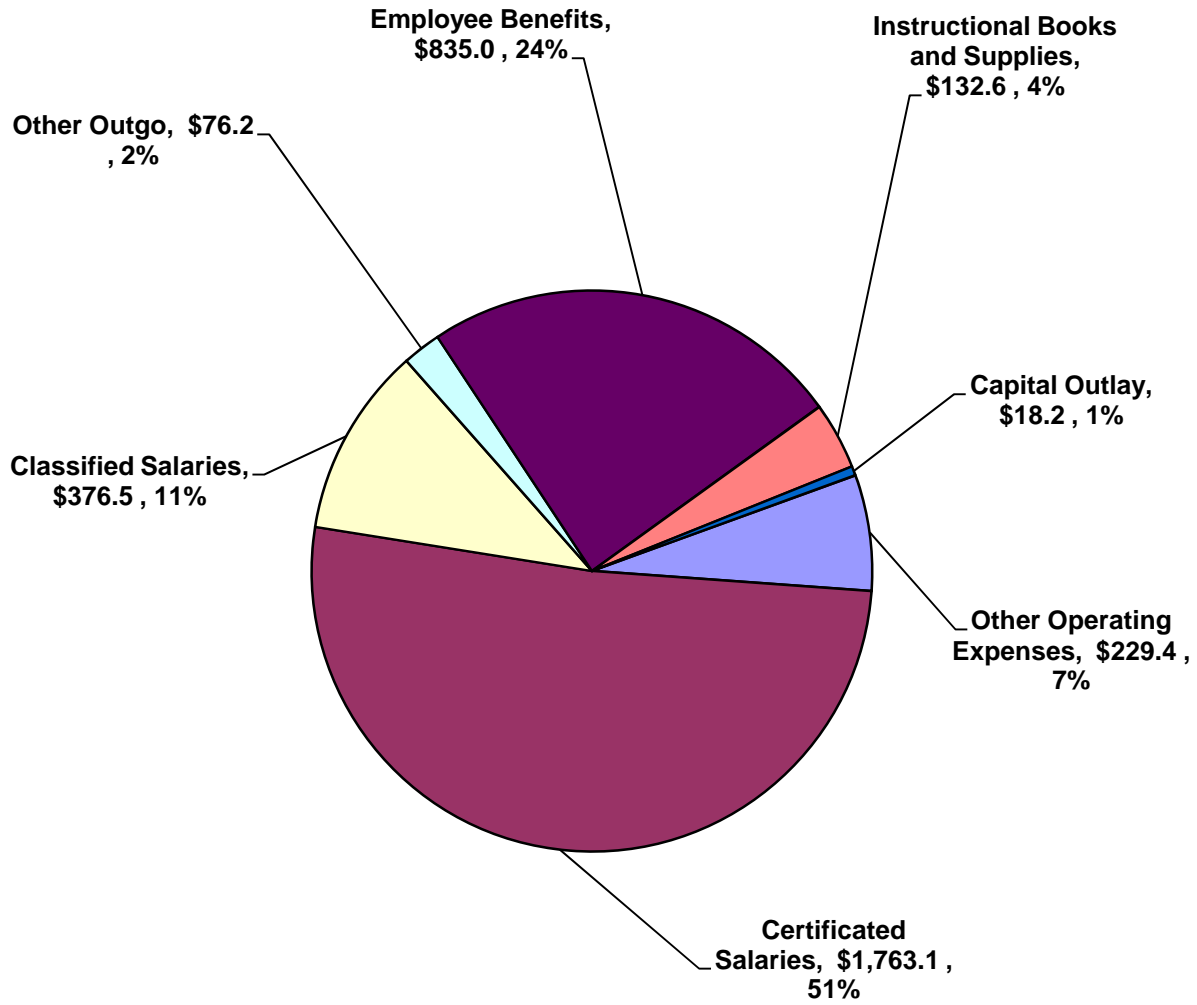


**TOTAL = \$ 6,309.5**

*Note: Individual amounts may not add to total due to rounding.*

## General Fund Unrestricted Estimated Expenditure Budget by Major Object

(Amounts in millions and percent of total)

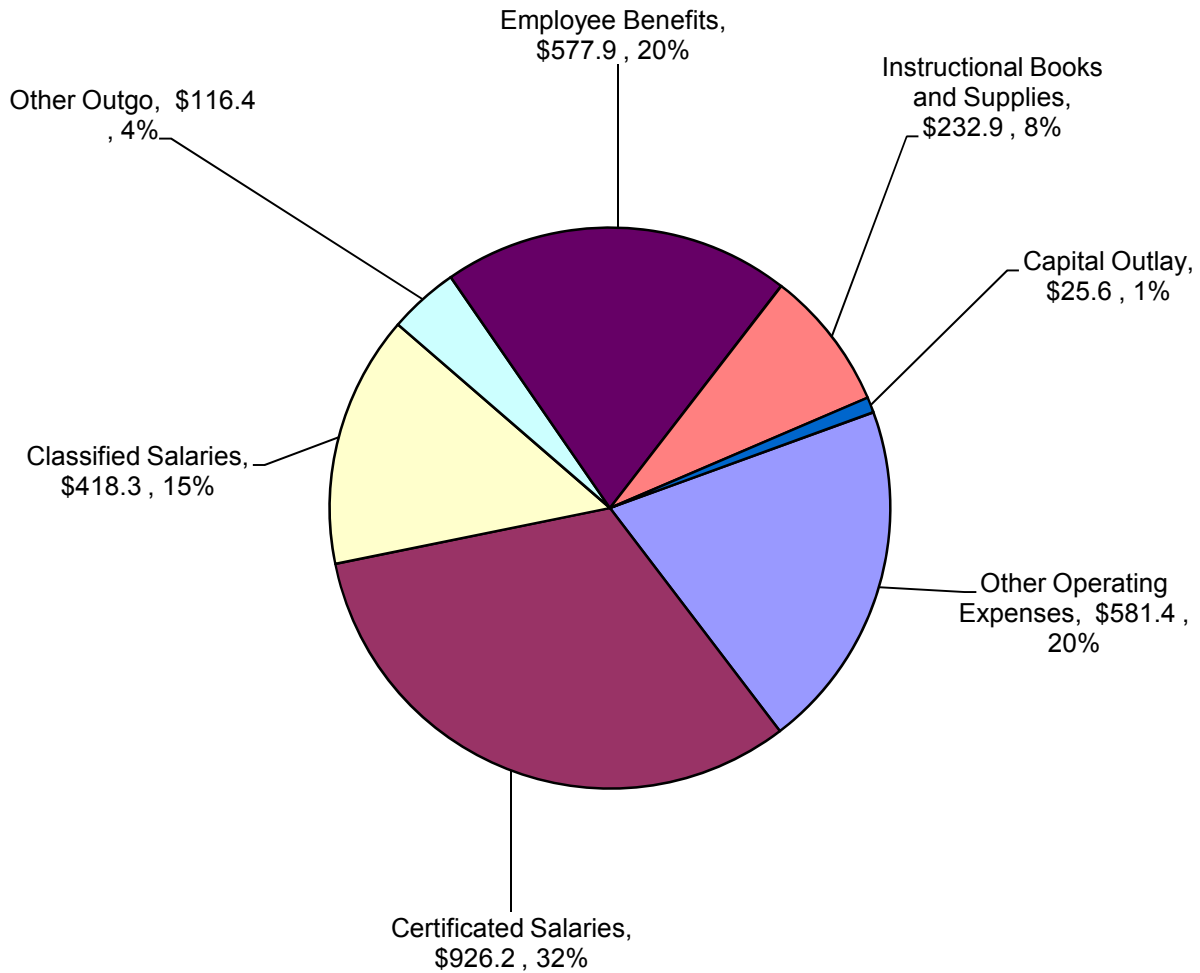


**TOTAL = \$ 3,431.0**

*Note: Individual amounts may not add to total due to rounding.*

## General Fund Restricted Estimated Expenditure Budget by Major Object

(Amounts in millions and percent of total)



**TOTAL = \$ 2,878.7**

*Note: Individual amounts may not add to total due to rounding.*



**UNCONSOLIDATED AUTHORIZED EXPENDITURES  
BY TYPE OF EXPENSE\***

	2007-08	2008-09	2009-10	2010-11	2010-11	2011-12	Percent of
	Final	Final	Final	Final	Final	Final	2011-12
	Budget	Budget	Budget	Budget	Budget	Budget	Total
	Authorized	Authorized	Authorized	Authorized	Authorized	FTEs	Authorized
	\$Millions	\$Millions	\$Millions	\$Millions	\$Millions		
<b>AUTHORIZED EXPENDITURES</b>							
<b>School and Office Operating Budgets</b>							
School Budgets	\$7,226.7	\$7,247.5	\$6,742.1	\$7,020.8	\$6,832.5	61,417.8	50.14%
Nonschool Budgets (Operational)	\$633.9	\$551.3	\$479.2	\$409.6	\$454.6	4,163.2	3.34%
Nonschool Budgets (Operational, Special Projects)	\$102.9	\$113.8	\$111.4	\$87.3	\$82.1	664.8	0.60%
Nonschool Budgets (Administered)	\$137.1	\$141.8	\$153.1	\$149.6	\$219.9	288.4	1.61%
Nonschool Budgets (Capital Expense)	\$2.3	\$2.3	\$2.3	\$1.9	\$0.7		0.01%
Budget for Districtwide Expenditures	\$147.6	\$139.7	\$94.5	\$6.2	\$117.9	139.6	0.87%
Authorized Expenditures - Undetermined Type	\$52.1	\$17.9	\$43.0	\$107.9	\$61.3	143.7	0.45%
<b>Subtotal</b>	<b>\$8,302.6</b>	<b>\$8,214.3</b>	<b>\$7,625.6</b>	<b>\$7,783.3</b>	<b>\$7,769.0</b>	<b>66,817.5</b>	<b>57.02%</b>
<b>Capital Expenditures and Debt Services</b>	<b>\$9,437.3</b>	<b>\$8,150.6</b>	<b>\$9,212.6</b>	<b>\$6,138.2</b>	<b>\$4,544.6</b>	<b>52.5</b>	<b>33.35%</b>
<b>Miscellaneous Categories of Expense</b>							
Employee Benefit Adjustments	\$878.6	\$911.8	\$942.3	\$1,059.0	\$995.9		7.31%
Allowance for New Grants (Unimplemented)	\$218.7	\$27.0	\$91.2	\$155.5	\$99.8		0.73%
Interfund Transfer	\$238.6	\$379.2	\$82.2	\$175.1	\$216.2		1.59%
Detached Service**	\$4.1	\$4.1	\$4.3	\$4.1	\$0.1	8.0	0.00%
<b>Subtotal</b>	<b>\$1,340.0</b>	<b>\$1,322.1</b>	<b>\$1,120.0</b>	<b>\$1,393.7</b>	<b>\$1,312.0</b>	<b>8.0</b>	<b>9.63%</b>
<b>TOTAL AUTHORIZED EXPENDITURES</b>	<b>\$19,079.9</b>	<b>\$17,687.0</b>	<b>\$17,958.2</b>	<b>\$15,315.2</b>	<b>\$13,625.6</b>	<b>66,878.0</b>	<b>100.00%</b>
<b>Reserves (General Fund)</b>	\$93.9	\$98.6	\$95.1	\$76.8	\$409.7		
<b>Reserves (Other Funds)</b>	\$429.0	\$194.5	\$252.7	\$160.1	\$374.7		
<b>TOTAL APPROPRIATIONS</b>	<b>\$19,602.8</b>	<b>\$17,980.1</b>	<b>\$18,306.0</b>	<b>\$15,552.1</b>	<b>\$14,410.0</b>		<b>100.00%</b>

\*All Funds except Job Cost and Charter Schools

\*\*Detached Service occurs when the salary and benefits of an LAUSD employee are reimbursed by another agency. In prior years, the expenditures were reduced to zero by agency reimbursements. Effective 2007-08 the agency reimbursements are recorded as revenue.

Note: Detail may not sum exactly to totals due to rounding.

**UNCONSOLIDATED AUTHORIZED FTEs  
BY TYPE OF EXPENSE\***

	2007-08 Final Budget Authorized	2008-09 Final Budget Authorized	2009-10 Final Budget Authorized	2010-11 Final Budget Authorized	2011-12 Final Budget Authorized	Percent of 2011-12 Total Authorized
<b>AUTHORIZED EXPENDITURES</b>						
<b>School and Office Operating Budgets</b>						
School Budgets	79,613.1	74,307.0	73,191.9	64,802.2	61,442.8	91.9%
School Budgets - Ltd/Spec	708.3	15.5	18.3	9.5	52.5	0.1%
Nonschool Budgets (Operational)	5,200.7	4,755.1	4,298.8	3,244.8	4,163.2	6.2%
Nonschool Budgets - Ltd/Spec (Operational)	1,075.0	985.8	1,014.7	625.9	639.8	1.0%
Nonschool Budgets - (Administered)	610.5	256.0	267.9	193.2	288.4	0.4%
Authorized Expenditures - Undetermined Type	101.2	77.5	96.4	127.1	151.7	0.2%
<b>Subtotal</b>	<b>87,308.8</b>	<b>80,396.9</b>	<b>78,887.9</b>	<b>69,002.7</b>	<b>66,738.3</b>	<b>99.8%</b>
<b>Miscellaneous Categories of Expense</b>						
Districtwide Expense	1.5	-	1.3	-	139.6	0.2%
Detached Service**	35.8				-	0.0%
<b>Subtotal</b>	<b>37.3</b>	<b>-</b>	<b>1.3</b>	<b>-</b>	<b>139.6</b>	<b>0.2%</b>
<b>TOTAL AUTHORIZED FTEs</b>	<b>87,346.1</b>	<b>80,396.9</b>	<b>78,889.2</b>	<b>69,002.7</b>	<b>66,877.9</b>	<b>100.0%</b>

\*All Funds except Job Cost and Charter Schools

\*\*Detached Service occurs when the salary and benefits of an LAUSD employee are reimbursed by another agency. In prior years the expenditures were reduced to zero by agency reimbursements. Effective 2007-08 the agency reimbursements are recorded as revenue.

\*\*\*Full-time equivalent numbers reflect a combination of new school positions purchased for 2009-10, and position budget reductions implemented as of Final Budget 2009-10

Note: Detail may not sum exactly to totals due to rounding.

# Los Angeles Unified School District Superintendent's 2011-12 Final Budget

## Frequently Asked Questions

This document shows estimated 2011-12 revenues and expenditures for all Funds of the District, assuming that current District policies are continued. We have provided historical and projected information for the District's Funds, for the District Defined Programs within the General Fund, and by object of expenditure. Following are answers to some frequently asked questions about the budget.

### **Which resources are in the Unrestricted General Fund, and which are not?**

The Unrestricted General Fund includes most of the District's K-12 operating programs. For example, it includes:

- Funding for teachers, administrators, clerical and custodial staff at schools. This includes funding for class size reduction in grades K-3, and estimated funding for SB 1133 (Quality Education Investment Act).
- Funding for Regional Occupational Centers and Programs that provide career-oriented courses.
- Funding for recreation-oriented after-school programs.
- Funding for the administration of the District, including general management, finance, information technology and human resources.

The Restricted General Fund includes the following resources:

- State and federal categorical funds for low-income, low-achieving or limited-English-proficient students, including Title I (Socioeconomically Disadvantaged), Title II A (High Quality Teachers), and Title III (English Learners).
- Estimated funding for SB 1133 (Quality Education Investment Act).
- Funding for the District's special education program.
- Funding for school maintenance (repairs).
- Funding for school breakfasts and lunches.
- State and federal funding for instructionally-oriented before-school and after-school programs.
- Funding for adult education and for early childhood education programs conducted at children's centers.
- Capital funds, such as bond funds for school construction and funds that pay principal and interest on bonded indebtedness.

**Does the Final Budget include an estimate of SB 1133 revenues and expenditures?**

Yes. SB 1133 provides \$500 per K-3 student, \$900 per 4-8 student, and \$1,000 per 9-12 student in some of our lowest-achieving schools. On a limited basis, nine (11) new schools will receive Quality Education Investment Act (QEIA) funds in as a result of a waiver approval from the State. Requests for waivers have to be re-submitted in subsequent years to receive funding in those years. The Final Budget includes \$206.1 million in projected SB 1133 funding, including \$86.6 million in unexpended balances carried forward from 2010-11.

**Does the Final Budget include an estimate of the American Recovery and Reinvestment Act revenues and expenditures?**

ARRA funding expires September 30, 2011. The Final Budget includes only carryover amounts that were not obligated by the end of the District's fiscal year.

**Does the Final Budget include an estimate of student enrollment?**

Yes. The Los Angeles Unified School District uses data on live births in Los Angeles County and historical grade retention ratios, as well as economic factors and other relevant information, to project enrollment. Estimated enrollments in grades 1 through 12 are calculated using a variety of scenarios, generally involving weighted and true averages. The grade retention ratio measures the percentage of students expected to progress to the next grade level from one year to the next, based on past trends. Enrollments in kindergarten are calculated as a percentage of live births in Los Angeles County five years earlier.

**What does it mean to be a “declining enrollment district”?**

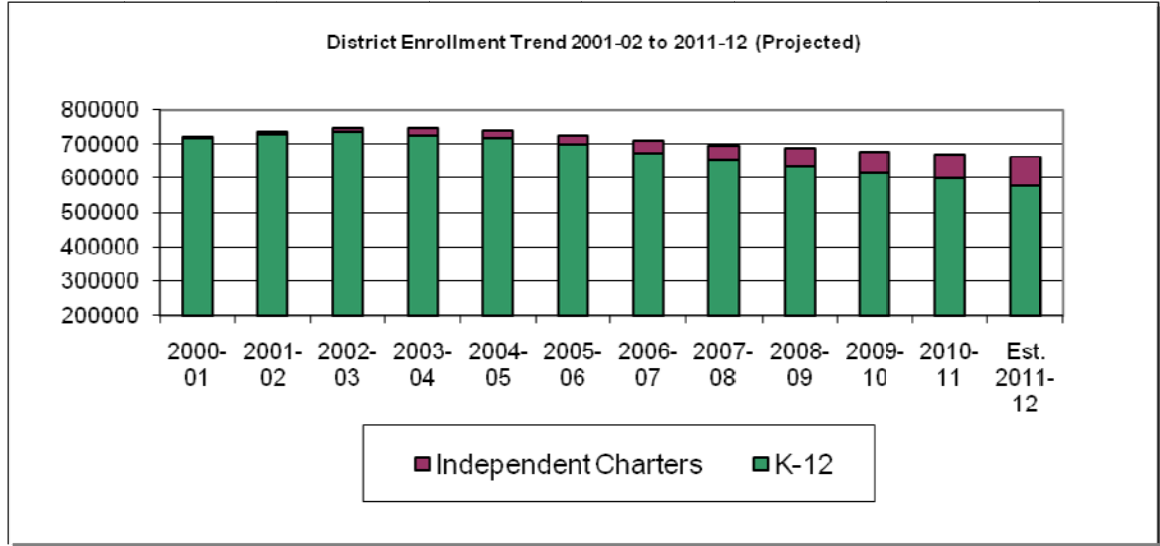
Enrollment peaked in 2002-03 at 746,831, and has declined each year since, due to a variety of complex factors that include the reduced birth rate in Los Angeles County and the increasing cost of living, including housing, in southern California.

Declining enrollment affects both revenue and expenditures, but typically causes a more rapid decline in revenues following the first year, in which declining enrollment districts are essentially “held harmless” for the decline. Another contributing factor to the change in revenue and expenditure Districtwide is the increase in percentage of students enrolled in independent charter schools.

**How do charter schools impact District enrollment projections?**

In order to convey the impact of fiscally-independent charter schools on District enrollment, the enrollment projections differentiate students in fiscally-independent charter and non-charter locations. The fiscally-independent charter school data include both schools that have converted from non-charter to fiscally-independent

charter school status (“conversion charters”) and schools that began their existence as fiscally-independent charter schools (“start-up charters”). The increase in the percentage of students enrolled in independent charter schools is displayed in the chart below.



**What legal requirements govern the District’s budget process?**

Legal requirements for school district budgeting are spelled out in the State Education Code.

- The District is required to adopt a budget each year by June 30. The Superintendent and Chief Financial Officer must certify that the budget is balanced in the current year and, based on reasonable income and expenditure assumptions, that the District will be able to balance its budget for two subsequent years. Thus, based on the best information available, we have considered the District’s likely revenues and expenditures in 2012-13 and 2013-14 when balancing the 2011-12 budget.
- At any time the District enters into a collective bargaining agreement with a bargaining unit, we are required to submit a multi-year projection confirming the District’s ability to pay for the agreement in the current year and two subsequent years.

**Is the Final Budget balanced? How about the impact of the May Revision not only on 2011-12 but also on 2012-13 and 2013-14?**

Yes. The Final Budget is balanced through a combination of proposals adopted by the Board of Education on February 15, 2011, use of selected Tier III categorical

program flexibility, and furlough days specified in bargaining unit agreements. Increased resources identified during the May Revision enabled restoration of teachers, administrator, and other support services. Further budget balancing adjustments of \$1.3 billion are needed to balance the FY 2012-13 and FY 2013-14 budget.

**What happens when the State adopts its budget after the Constitutional deadline?**

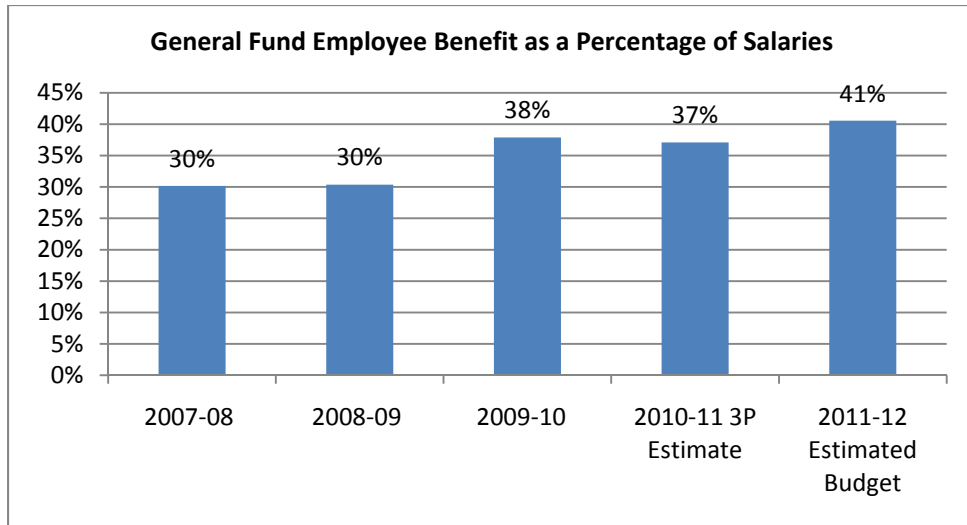
The State Constitution requires that the Legislature adopt a State Budget no later than June 15 of the preceding fiscal year, and that the Governor sign the proposed State Budget Act no later than June 30. However, there are no penalties for late adoption or signing, and this often happens.

When the Legislature and the Governor miss their deadlines, the requirements for school district budget development do not change. The District will be required to submit its 2011-12 Final Budget to the Los Angeles County Office of Education no later than July 1, 2011 in order to meet its legal obligation, regardless of the adoption date of the State Budget.

**Why was it necessary that the District implement budget reductions for 2011-12?**

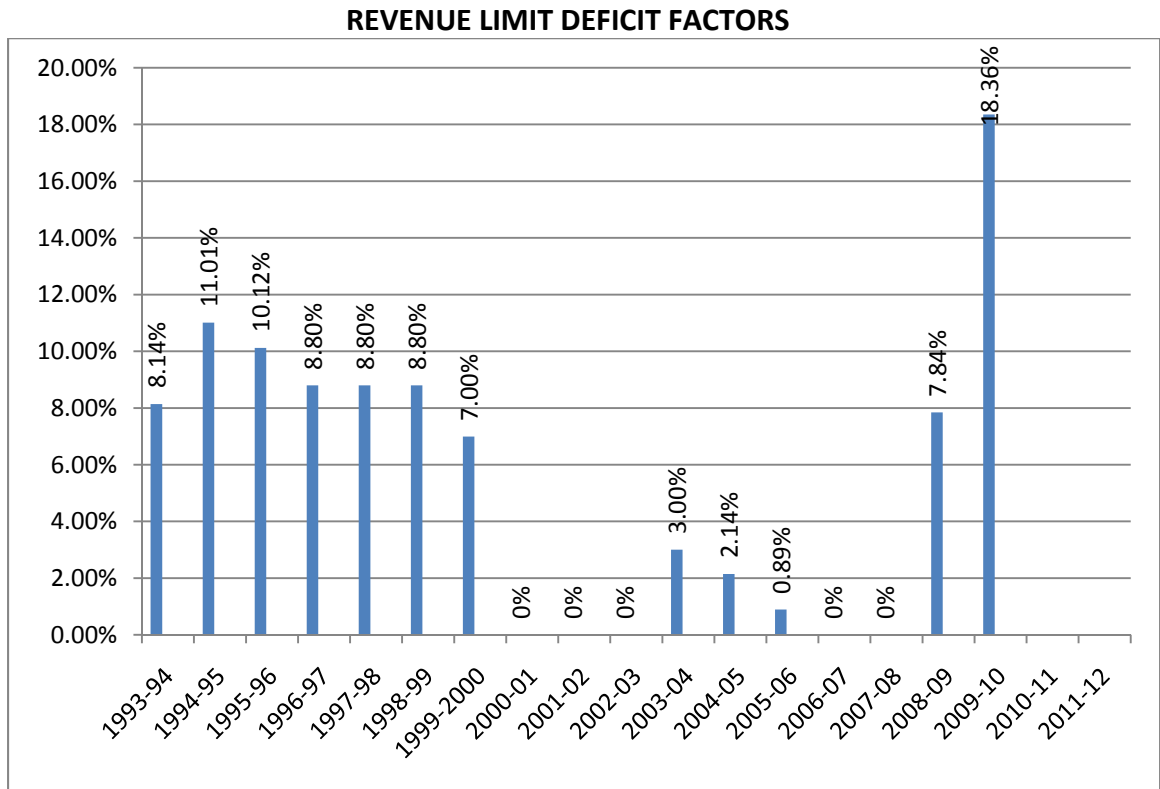
District resources are projected to decrease for various reasons, including the following:

- The May Revision included - 2.24% COLA with an 19.754% deficit factor or a net funded COLA of 0%. The District is in a period of declining enrollment. While State statutes allow declining enrollment districts to claim average daily attendance (ADA) at the prior year's level, such districts tend to lose revenue faster than they realize savings, because it is difficult to adjust spending downward as enrollment declines.
- The cost of employee medical, dental and vision benefits has grown much more rapidly than the District's unrestricted revenues.



### What is a “deficit factor?”

When the state appropriation for school funding falls short, a deficit factor is applied to reduce the allocation of state aid to the amount appropriated.



### **Why does the estimated amount of required budget reductions change over time?**

The District receives or develops new financial information continuously. Revenue and beginning balance estimates change at the following times:

- At the First Period Interim Financial Report in December.
- When the Governor announces his budget in January.
- At the Second Period Interim Financial Report in March.
- When the Governor publishes the “May Revise.”
- In years requiring a Third Interim Financial Report, in June, when that Report is presented.
- When the Legislature and Governor adopt the State Budget in June or later.
- At various times during the year when the State Department of Education publishes fund allocations.

Expenditure estimates change at the following times:

- At the First Period Interim Financial Report in December.
- When the Governor announces his budget in January.
- At the Second Period Interim Financial Report in March.
- When the Governor publishes the “May Revise.”
- In years requiring a Third Interim Financial Report, in June, when that Report is presented.
- During the course of the fiscal year when new revenue sources become available, and when schools or offices make budget adjustments with ongoing (“continuous”) budget implications.
- When the budget is being developed.
- When we are able to develop better cost estimates internally.

The Financial Planning and Analysis Division attempts to keep the Superintendent and Board updated on a regular basis regarding significant changes in the District’s revenue and expenditure estimates.



*II*

**FINANCIAL DETAILS**

**Introduction**

The Financial Details Section presents District budget information that is more detailed than the summary and graphic information presented in the Fund Highlights.

This section includes tables for revenue and expenditures by fund, and General Fund details.

**SUPERINTENDENT'S 2011-12 FINAL BUDGET**  
**General Fund (001&003/010)**  
**Unrestricted and Restricted Programs**

General Fund is the primary operating fund for the K - 12 program.

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
Amounts in \$millions						
<b>Sources of Funds</b>						
<i>Beginning Balance</i>						
Non Spendable-Inventories, Cash, Others	\$10.9	\$14.5	\$11.5	\$10.8	\$10.8	\$10.8
Restricted Beginning Balances	\$322.2	\$389.0	\$553.9	\$278.0	\$282.0	\$282.0
Assigned Beginning Balances	\$207.0	\$100.5	\$212.8	\$173.2	\$115.2	\$115.2
Unassigned Beginning Balances						
Reserve for Economic Uncertainties	\$71.5	\$72.4	\$72.4	\$65.4	\$65.4	\$65.4
Undesignated/Unassigned Beginning Balar	\$83.6	\$80.8	\$0.0	\$119.5	\$355.3	\$355.3
Restatement of Beginning Balances	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Audit of Adjustments	\$0.0	\$0.0	-\$100.6	\$16.0	\$0.0	\$0.0
<b>Total Beginning Balance</b>	<b>\$695.2</b>	<b>\$657.2</b>	<b>\$750.0</b>	<b>\$662.9</b>	<b>\$828.6</b>	<b>\$828.6</b>
<i>Revenue</i>						
Revenue Limit Revenues	\$3,624.1	\$3,444.9	\$2,977.2	\$3,058.4	\$3,007.9	\$3,007.9
Federal Revenues	\$756.4	\$1,077.1	\$964.0	\$1,066.4	\$935.2	\$935.2
State Revenues	\$2,304.5	\$2,064.8	\$2,159.4	\$2,099.5	\$2,036.8	\$2,036.8
Local Revenues	\$123.7	\$163.4	\$108.1	\$159.1	\$124.1	\$124.1
Interfund Transfers In	\$133.1	\$79.0	\$62.9	\$80.8	\$0.0	\$0.0
Other Financing Sources	\$6.6	\$2.6	\$3.0	\$1.8	\$18.9	\$18.9
Interprogram Transfers	\$0.0	\$24.5	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Revenue</b>	<b>\$6,948.3</b>	<b>\$6,856.5</b>	<b>\$6,274.5</b>	<b>\$6,465.9</b>	<b>\$6,123.0</b>	<b>\$6,123.0</b>
<b>Total Sources of Funds</b>	<b>\$7,643.6</b>	<b>\$7,513.7</b>	<b>\$7,024.5</b>	<b>\$7,128.8</b>	<b>\$6,951.6</b>	<b>\$6,951.6</b>
<b>Uses of Funds</b>						
<i>Expenditure</i>						
Certificated Salaries	\$3,314.6	\$3,231.9	\$2,807.9	\$2,833.5	\$2,657.2	\$2,689.3
Classified Salaries	\$1,054.2	\$997.8	\$908.1	\$847.8	\$799.4	\$794.8
Employee Benefits	\$1,318.0	\$1,284.5	\$1,407.4	\$1,365.4	\$1,425.1	\$1,412.8
Books and Supplies	\$435.3	\$296.7	\$260.1	\$295.6	\$598.5	\$365.4
Other Operating Expense	\$764.9	\$744.4	\$760.7	\$757.5	\$793.8	\$810.8
Capital Outlay	\$37.0	\$27.5	\$18.2	\$80.5	\$76.7	\$43.9
Other Outgo	\$62.3	\$80.4	\$215.1	\$119.7	\$191.1	\$192.6
<b>Total Expenditure</b>	<b>\$6,986.3</b>	<b>\$6,663.2</b>	<b>\$6,377.5</b>	<b>\$6,300.1</b>	<b>\$6,541.9</b>	<b>\$6,309.7</b>
<i>Ending Balance</i>						
Non Spendable-Inventories, Cash, Others	\$14.5	\$11.5	\$10.8	\$10.8	\$10.8	\$10.8
Restricted Ending Balances	\$389.0	\$553.9	\$278.0	\$282.0	\$0.0	\$164.5
Assigned Ending Balances	\$100.5	\$212.8	\$173.2	\$115.2	\$333.6	\$401.3
Unassigned Ending Balances						
Reserve for Economic Uncertainties	\$72.4	\$72.4	\$65.4	\$65.4	\$65.4	\$65.4
Undesignated/Assigned Ending Balances	\$80.8	\$0.0	\$119.5	\$355.3	\$0.0	\$0.0
<b>Total Ending Balance</b>	<b>\$657.2</b>	<b>\$850.5</b>	<b>\$646.9</b>	<b>\$828.6</b>	<b>\$409.7</b>	<b>\$641.9</b>
<b>Total Uses of Funds</b>	<b>\$7,643.6</b>	<b>\$7,513.7</b>	<b>\$7,024.5</b>	<b>\$7,128.8</b>	<b>\$6,951.6</b>	<b>\$6,951.6</b>

**SUPERINTENDENT'S 2011-12 FINAL BUDGET**  
**General Fund - Unrestricted Programs (001&003/010)**

General Fund - Unrestricted are those funds that could be used for any general education purpose. Per SBX3 4, starting FY 2009-10, Tier III Categorical funds are not classified under Unrestricted General Fund.

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
Amounts in \$millions						
<b>Sources of Funds</b>						
<i>Beginning Balance</i>						
Non Spendable-Inventories, Cash, Others	\$10.8	\$13.3	\$10.3	\$9.8	\$9.8	\$9.8
Restricted Beginning Balances	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Assigned Beginning Balances	\$201.1	\$99.7	\$211.9	\$172.2	\$115.2	\$115.2
Unassigned Beginning Balances						
Reserve for Economic Uncertainties	\$71.5	\$72.4	\$72.4	\$65.4	\$65.4	\$65.4
Undesignated/Unassigned Beginning Balance	\$83.6	\$80.8	\$0.0	\$119.5	\$355.3	\$355.3
Restatement of Beginning Balances	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Audit of Adjustments	\$0.0	\$0.0	-\$38.8	\$0.0	\$0.0	\$0.0
<b><i>Total Beginning Balance</i></b>	<b>\$367.0</b>	<b>\$266.2</b>	<b>\$255.8</b>	<b>\$366.9</b>	<b>\$545.7</b>	<b>\$545.7</b>
<i>Revenue</i>						
Revenue Limit Revenues	\$3,432.6	\$3,263.8	\$2,805.8	\$2,881.9	\$2,826.8	\$2,826.8
Federal Revenues	\$24.5	\$21.1	\$18.5	\$20.2	\$23.6	\$23.6
State Revenues	\$470.2	\$416.3	\$1,265.4	\$1,239.5	\$1,211.2	\$1,211.2
Local Revenues	\$108.3	\$130.6	\$96.9	\$97.1	\$94.9	\$94.9
Interfund Transfers In	\$88.4	\$39.4	\$16.4	\$6.1	\$0.0	\$0.0
Other Financing Sources	\$6.6	\$2.6	\$3.0	\$1.8	\$18.9	\$18.9
Interprogram Transfers	-\$861.5	-\$663.8	-\$805.0	-\$762.0	-\$851.4	-\$814.6
<b><i>Total Revenue</i></b>	<b>\$3,269.1</b>	<b>\$3,210.0</b>	<b>\$3,401.1</b>	<b>\$3,484.7</b>	<b>\$3,324.1</b>	<b>\$3,360.8</b>
<b><i>Total Sources of Funds</i></b>	<b>\$3,636.1</b>	<b>\$3,476.2</b>	<b>\$3,656.9</b>	<b>\$3,851.6</b>	<b>\$3,869.8</b>	<b>\$3,906.5</b>
<b>Uses of Funds</b>						
<i>Expenditure</i>						
Certificated Salaries	\$1,959.3	\$1,930.3	\$1,606.1	\$1,730.2	\$1,701.0	\$1,763.1
Classified Salaries	\$463.2	\$429.6	\$418.6	\$395.7	\$377.4	\$376.5
Employee Benefits	\$720.5	\$706.0	\$784.2	\$775.6	\$852.0	\$835.0
Books and Supplies	\$113.9	\$42.4	\$109.7	\$115.4	\$208.0	\$132.6
Other Operating Expense	\$258.7	\$150.3	\$207.3	\$207.1	\$252.9	\$229.4
Capital Outlay	\$15.9	\$14.2	\$9.7	\$13.1	\$4.6	\$18.2
Other Outgo	-\$161.7	-\$91.2	\$154.2	\$69.0	\$65.2	\$76.2
<b><i>Total Expenditure</i></b>	<b>\$3,369.9</b>	<b>\$3,181.7</b>	<b>\$3,289.9</b>	<b>\$3,305.9</b>	<b>\$3,461.1</b>	<b>\$3,431.0</b>
<i>Ending Balance</i>						
Non Spendable-Inventories, Cash, Others	\$13.3	\$10.3	\$9.8	\$9.8	\$9.8	\$9.8
Restricted Ending Balances	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Assigned Ending Balances	\$99.7	\$211.9	\$172.2	\$115.2	\$333.6	\$400.4
Unassigned Ending Balances						
Reserve for Economic Uncertainties	\$72.4	\$72.4	\$65.4	\$65.4	\$65.4	\$65.4
Undesignated/Assigned Ending Balances	\$80.8	\$0.0	\$119.5	\$355.3	\$0.0	\$0.0
<b><i>Total Ending Balance</i></b>	<b>\$266.2</b>	<b>\$294.6</b>	<b>\$366.9</b>	<b>\$545.7</b>	<b>\$408.7</b>	<b>\$475.5</b>
<b><i>Total Uses of Funds</i></b>	<b>\$3,636.1</b>	<b>\$3,476.2</b>	<b>\$3,656.9</b>	<b>\$3,851.6</b>	<b>\$3,869.8</b>	<b>\$3,906.5</b>

**SUPERINTENDENT'S 2011-12 FINAL BUDGET**  
**General Fund - Restricted Programs (003/010)**

General Fund - Restricted are those funds received from external sources for a specific purpose. Per SBX3 4, starting FY 2009-10, Tier III Categorical funds are not classified under Unrestricted General Fund.

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
Amounts in \$millions						
<b>Sources of Funds</b>						
<i>Beginning Balance</i>						
Non Spendable-Inventories, Cash, Others	\$0.2	\$1.2	\$1.2	\$1.0	\$1.0	\$1.0
Restricted Beginning Balances	\$322.2	\$389.0	\$553.9	\$278.0	\$282.0	\$282.0
Assigned Beginning Balances	\$5.9	\$0.8	\$0.9	\$1.0	\$0.0	\$0.0
Unassigned Beginning Balances						
Reserve for Economic Uncertainties	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Undesignated/Unassigned Beginning Balan	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Restatement of Beginning Balances	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Audit of Adjustments	\$0.0	\$0.0	-\$61.8	\$16.0	\$0.0	\$0.0
<b>Total Beginning Balance</b>	<b>\$328.2</b>	<b>\$391.0</b>	<b>\$494.2</b>	<b>\$296.0</b>	<b>\$283.0</b>	<b>\$283.0</b>
<i>Revenue</i>						
Revenue Limit Revenues	\$191.5	\$181.2	\$171.4	\$176.4	\$181.1	\$181.1
Federal Revenues	\$731.9	\$1,056.0	\$945.4	\$1,046.1	\$911.5	\$911.5
State Revenues	\$1,834.2	\$1,648.5	\$893.9	\$860.0	\$825.6	\$825.6
Local Revenues	\$15.4	\$32.8	\$11.1	\$61.9	\$29.2	\$29.2
Interfund Transfers In	\$44.7	\$39.6	\$46.5	\$74.7	\$0.0	\$0.0
Other Financing Sources	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Interprogram Transfers	\$861.5	\$688.3	\$805.0	\$762.0	\$851.4	\$814.6
<b>Total Revenue</b>	<b>\$3,679.3</b>	<b>\$3,646.5</b>	<b>\$2,873.4</b>	<b>\$2,981.2</b>	<b>\$2,798.8</b>	<b>\$2,762.1</b>
<b>Total Sources of Funds</b>	<b>\$4,007.5</b>	<b>\$4,037.5</b>	<b>\$3,367.6</b>	<b>\$3,277.1</b>	<b>\$3,081.8</b>	<b>\$3,045.1</b>
<b>Uses of Funds</b>						
<i>Expenditure</i>						
Certificated Salaries	\$1,355.3	\$1,301.6	\$1,201.9	\$1,103.4	\$956.2	\$926.2
Classified Salaries	\$591.0	\$568.2	\$489.5	\$452.1	\$422.0	\$418.3
Employee Benefits	\$597.6	\$578.5	\$623.2	\$589.8	\$573.2	\$577.9
Books and Supplies	\$321.4	\$254.3	\$150.4	\$180.3	\$390.5	\$232.9
Other Operating Expense	\$506.1	\$594.1	\$553.4	\$550.5	\$540.8	\$581.4
Capital Outlay	\$21.1	\$13.2	\$8.5	\$67.4	\$72.2	\$25.6
Other Outgo	\$224.0	\$171.5	\$60.8	\$50.7	\$125.9	\$116.4
<b>Total Expenditure</b>	<b>\$3,616.5</b>	<b>\$3,481.5</b>	<b>\$3,087.6</b>	<b>\$2,994.2</b>	<b>\$3,080.8</b>	<b>\$2,878.7</b>
<i>Ending Balance</i>						
Non Spendable-Inventories, Cash, Others	\$1.2	\$1.2	\$1.0	\$1.0	\$1.0	\$1.0
Restricted Ending Balances	\$389.0	\$553.9	\$278.0	\$282.0	\$0.0	\$164.5
Assigned Ending Balances	\$0.8	\$0.9	\$1.0	\$0.0	\$0.0	\$0.9
Unassigned Ending Balances						
Reserve for Economic Uncertainties	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Undesignated/Assigned Ending Balances	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Ending Balance</b>	<b>\$391.0</b>	<b>\$555.9</b>	<b>\$280.0</b>	<b>\$283.0</b>	<b>\$1.0</b>	<b>\$166.4</b>
<b>Total Uses of Funds</b>	<b>\$4,007.5</b>	<b>\$4,037.5</b>	<b>\$3,367.6</b>	<b>\$3,277.1</b>	<b>\$3,081.8</b>	<b>\$3,045.1</b>

# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## Adult Education Fund - Unrestricted Programs (029/110)

The Adult Education Fund mainly operates Community Adult Schools that serve adults and a small number of concurrently enrolled students. Adult Regular Entitlement is part of the Tier III Categorical program list and is considered Unrestricted since FY 2009-10 per SBX3 4.

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
Amounts in \$millions						
<b>Sources of Funds</b>						
<i>Beginning Balance</i>						
Non Spendable-Inventories, Cash, Others	\$0.2	\$0.2	\$0.2	\$0.1	\$0.1	\$0.1
Assigned Beginning Balances	\$13.8	\$24.1	\$42.3	\$0.0	\$0.0	\$0.0
Committed Beginning Balances	\$0.0	\$0.0	\$0.0	\$0.0	\$1.5	\$1.5
Undesignated/Unassigned Beginning Balance	\$20.1	\$25.8	\$3.3	\$66.7	\$0.0	\$0.0
Audit of Adjustments	\$0.0	\$0.0	-\$5.1	\$0.0	\$0.0	\$0.0
<b><i>Total Beginning Balance</i></b>	<b>\$34.1</b>	<b>\$50.1</b>	<b>\$40.7</b>	<b>\$66.8</b>	<b>\$1.6</b>	<b>\$1.6</b>
<i>Revenue</i>						
Revenue Limit Sources	\$195.7	\$169.9	\$0.0	\$0.0	\$0.0	\$0.0
State Revenues	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Local Revenues	\$5.0	\$3.5	\$1.9	\$1.8	\$2.0	\$2.0
Interfund Transfers In	\$0.0	\$0.0	\$168.3	\$69.8	\$132.1	\$132.1
Interprogram Transfers	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Revenue</i></b>	<b>\$200.7</b>	<b>\$173.4</b>	<b>\$170.2</b>	<b>\$71.5</b>	<b>\$134.1</b>	<b>\$134.1</b>
<b><i>Total Sources of Funds</i></b>	<b>\$234.8</b>	<b>\$223.5</b>	<b>\$210.9</b>	<b>\$138.3</b>	<b>\$135.7</b>	<b>\$135.7</b>
<b>Uses of Funds</b>						
<i>Expenditure</i>						
Certificated Salaries	\$99.8	\$98.5	\$69.6	\$75.7	\$72.7	\$72.7
Classified Salaries	\$17.5	\$18.0	\$16.1	\$16.8	\$13.2	\$13.2
Employee Benefits	\$41.1	\$30.6	\$33.1	\$32.5	\$34.1	\$34.1
Books and Supplies	\$4.7	\$3.7	\$3.6	\$3.8	\$6.1	\$6.1
Other Operating Expense	\$5.4	\$4.5	\$4.0	\$4.0	\$3.2	\$3.2
Capital Outlay	\$0.4	\$1.0	\$3.7	\$1.0	\$0.3	\$0.3
Other Outgo	\$15.7	\$21.4	\$14.1	\$2.8	\$6.1	\$6.1
<b><i>Total Expenditure</i></b>	<b>\$184.6</b>	<b>\$177.7</b>	<b>\$144.1</b>	<b>\$136.7</b>	<b>\$135.6</b>	<b>\$135.6</b>
<i>Ending Balance</i>						
Non Spendable-Inventories, Cash, Others	\$0.2	\$0.2	\$0.1	\$0.1	\$0.1	\$0.1
Assigned Ending Balances	\$24.1	\$42.3	\$66.7	\$0.0	\$0.0	\$0.0
Committed Ending Balances	\$0.0	\$0.0	\$0.0	\$1.5	\$0.0	\$0.0
Undesignated/Unassigned Ending Balances	\$25.8	\$3.3	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Ending Balance</i></b>	<b>\$50.1</b>	<b>\$45.8</b>	<b>\$66.8</b>	<b>\$1.6</b>	<b>\$0.1</b>	<b>\$0.1</b>
<b><i>Total Uses of Funds</i></b>	<b>\$234.8</b>	<b>\$223.5</b>	<b>\$210.9</b>	<b>\$138.3</b>	<b>\$135.7</b>	<b>\$135.7</b>

# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## Adult Education Fund - Restricted Programs (029/110)

The Adult Education Fund Restricted are Specially Funded Programs for Adult Education students enrolled students.

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

### Sources of Funds

#### *Beginning Balance*

Restricted Beginning Balances	\$0.0	\$0.0	\$0.0	\$10.1	\$5.8	\$5.8
<i>Total Beginning Balance</i>	\$0.0	\$0.0	\$0.0	\$10.1	\$5.8	\$5.8

#### *Revenue*

Federal Revenues	\$17.5	\$16.9	\$17.5	\$20.4	\$22.1	\$22.1
State Revenues	\$9.4	\$8.6	\$17.5	\$6.2	\$9.3	\$9.3
Local Revenues	\$0.0	\$0.0	\$0.0	\$0.2	\$0.7	\$0.7
Local Miscellaneous	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<i>Total Revenue</i>	\$26.9	\$25.6	\$35.0	\$26.8	\$32.1	\$32.1
<b><i>Total Sources of Funds</i></b>	\$26.9	\$25.6	\$35.0	\$36.9	\$37.9	\$37.9

### Uses of Funds

#### *Expenditure*

Certificated Salaries	\$11.4	\$10.9	\$8.5	\$12.0	\$11.4	\$11.4
Classified Salaries	\$6.8	\$6.7	\$5.1	\$6.6	\$5.3	\$5.3
Employee Benefits	\$6.1	\$5.1	\$5.0	\$5.9	\$4.9	\$4.9
Books and Supplies	\$2.1	\$2.0	\$5.8	\$6.0	\$15.5	\$15.5
Other Operating Expense	\$0.4	\$0.4	\$0.3	\$0.3	\$0.4	\$0.4
Capital Outlay	\$0.0	\$0.2	\$0.0	\$0.3	\$0.2	\$0.2
Other Outgo	\$0.1	\$0.2	\$0.1	\$0.1	\$0.2	\$0.2
<b><i>Total Expenditure</i></b>	\$26.9	\$25.6	\$24.9	\$31.1	\$37.9	\$37.9

#### *Ending Balance*

Restricted Ending Balances	\$0.0	\$0.0	\$10.1	\$5.8	\$0.0	\$0.0
<b><i>Total Ending Balance</i></b>	\$0.0	\$0.0	\$10.1	\$5.8	\$0.0	\$0.0
<b><i>Total Uses of Funds</i></b>	\$26.9	\$25.6	\$35.0	\$36.9	\$37.9	\$37.9

# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## Child Development Fund - Unrestricted Program (011/120)

Child Development Fund provides pre-school, all-day, and after school programs for children. Fees are based on each family's ability to pay.

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
Amounts in \$millions						
<b>Sources of Funds</b>						
<i>Beginning Balance</i>						
Non Spendable-Inventories, Cash, Others	\$0.1	\$0.1	\$0.1	\$0.0	\$0.0	\$0.0
Assigned Beginning Balances	\$10.6	\$3.9	\$0.4	\$0.0	\$0.0	\$0.0
Undesignated/Unassigned Beginning Balanc	\$0.0	\$4.3	\$2.3	\$0.0	\$0.0	\$0.0
<b><i>Total Beginning Balance</i></b>	<b>\$10.7</b>	<b>\$8.3</b>	<b>\$2.8</b>	<b>\$0.1</b>	<b>\$0.1</b>	<b>\$0.1</b>
<i>Revenue</i>						
Federal Revenues	\$15.2	\$14.9	\$33.4	\$59.9	\$51.6	\$51.6
State Revenues	\$84.2	\$86.4	\$82.2	\$60.0	\$55.5	\$55.5
Local Revenues	\$2.5	\$2.6	\$3.0	\$2.9	\$2.3	\$2.3
Interfund Transfers In	\$0.0	\$0.0	\$0.2	\$3.3	\$14.9	\$14.9 *
Interprogram Transfers	\$0.0	\$0.0	-\$0.2	\$0.0	\$0.0	\$0.0
<b><i>Total Revenue</i></b>	<b>\$101.8</b>	<b>\$103.9</b>	<b>\$118.6</b>	<b>\$126.0</b>	<b>\$124.4</b>	<b>\$124.4</b>
<b><i>Total Sources of Funds</i></b>	<b>\$112.5</b>	<b>\$112.2</b>	<b>\$121.4</b>	<b>\$126.1</b>	<b>\$124.4</b>	<b>\$124.4</b>
<b>Uses of Funds</b>						
<i>Expenditure</i>						
Certificated Salaries	\$36.2	\$37.8	\$41.1	\$43.1	\$34.7	\$34.7
Classified Salaries	\$35.0	\$37.9	\$39.5	\$41.5	\$34.0	\$34.0
Employee Benefits	\$25.5	\$28.1	\$34.6	\$37.5	\$38.7	\$38.7
Books and Supplies	\$3.1	\$1.9	\$1.7	\$1.4	\$7.0	\$7.0
Other Operating Expense	\$4.4	\$3.6	\$3.4	\$2.5	\$3.6	\$3.6
Capital Outlay	\$0.0	\$0.1	\$0.1	\$0.0	\$0.5	\$0.5
Other Outgo	\$0.0	\$0.0	\$0.9	\$0.0	\$5.9	\$5.9
<b><i>Total Expenditure</i></b>	<b>\$104.2</b>	<b>\$109.4</b>	<b>\$121.3</b>	<b>\$126.0</b>	<b>\$124.4</b>	<b>\$124.4</b>
<i>Ending Balance</i>						
Non Spendable-Inventories, Cash, Others	\$0.1	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0
Assigned Ending Balances	\$3.9	\$0.4	\$0.0	\$0.0	\$0.0	\$0.0
Undesignated/Unassigned Ending Balances	\$4.3	\$2.3	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Ending Balance</i></b>	<b>\$8.3</b>	<b>\$2.8</b>	<b>\$0.1</b>	<b>\$0.1</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b><i>Total Uses of Funds</i></b>	<b>\$112.5</b>	<b>\$112.2</b>	<b>\$121.4</b>	<b>\$126.1</b>	<b>\$124.4</b>	<b>\$124.4</b>

\*NOTE: Increase in General Fund support is due to \$5.0m for Head Start, \$3.0m change in IDC and \$1.6m one time support.

## SUPERINTENDENT'S 2011-12 FINAL BUDGET

### Child Development Fund - Restricted Program (011/120)

Child Development Fund provides pre-school, all-day, and after school programs for children. Fees are based on each family's ability to pay.

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
Amounts in \$millions						
<b>Sources of Funds</b>						
<i>Beginning Balance</i>						
Restricted Beginning Balances	\$0.4	\$0.4	\$0.4	\$0.0	\$0.0	\$0.0
Assigned Beginning Balances	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Undesignated/Unassigned Beginning Balance	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Beginning Balance</b>	<b>\$0.4</b>	<b>\$0.4</b>	<b>\$0.4</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<i>Revenue</i>						
Federal Revenues	\$0.1	\$0.0	\$0.0	\$0.1	\$3.5	\$3.5
State Revenues	\$14.4	\$9.7	\$1.5	\$0.7	\$4.6	\$4.6
Local Revenues	\$7.5	\$6.7	\$8.3	\$14.3	\$6.5	\$6.5
Interprogram Transfers	\$0.0	\$0.0	\$0.2	\$0.0	\$0.0	\$0.0
Other Financing Sources	\$0.0	\$0.0	-\$0.5	\$0.0	\$0.0	\$0.0
Local Miscellaneous	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Revenue</b>	<b>\$22.0</b>	<b>\$16.4</b>	<b>\$9.5</b>	<b>\$15.1</b>	<b>\$14.5</b>	<b>\$14.5</b>
<b>Total Sources of Funds</b>	<b>\$22.4</b>	<b>\$16.8</b>	<b>\$9.9</b>	<b>\$15.1</b>	<b>\$14.6</b>	<b>\$14.6</b>
<b>Uses of Funds</b>						
<i>Expenditure</i>						
Certificated Salaries	\$7.2	\$5.8	\$2.8	\$5.7	\$0.5	\$0.5
Classified Salaries	\$6.1	\$4.0	\$1.8	\$2.2	\$0.5	\$0.5
Employee Benefits	\$3.9	\$2.7	\$1.6	\$2.9	\$1.4	\$1.4
Books and Supplies	\$1.6	\$1.0	\$1.1	\$1.5	\$11.1	\$11.1
Other Operating Expense	\$2.4	\$2.2	\$2.2	\$2.3	\$0.2	\$0.2
Capital Outlay	\$0.0	\$0.0	\$0.0	\$0.2	\$0.0	\$0.0
Other Outgo	\$0.7	\$0.8	\$0.3	\$0.4	\$0.9	\$0.9
<b>Total Expenditure</b>	<b>\$22.0</b>	<b>\$16.4</b>	<b>\$9.9</b>	<b>\$15.1</b>	<b>\$14.6</b>	<b>\$14.6</b>
<i>Ending Balance</i>						
Restricted Ending Balances	\$0.4	\$0.4	\$0.0	\$0.0	\$0.0	\$0.0
Assigned Ending Balances	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Ending Balance</b>	<b>\$0.4</b>	<b>\$0.4</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Total Uses of Funds</b>	<b>\$22.4</b>	<b>\$16.8</b>	<b>\$9.9</b>	<b>\$15.1</b>	<b>\$14.6</b>	<b>\$14.6</b>



# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## Cafeteria Fund (030/130)

Cafeteria Fund provides all school nutrition programs in elementary and secondary schools.

### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

### Sources of Funds

#### *Beginning Balance*

Non Spendable-Inventories, Cash, Others	\$7.6	\$7.1	\$6.0	\$5.2	\$5.2	\$5.2
Restricted Beginning Balances	\$46.4	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Undesignated/Unassigned Beginning Balance	\$0.0	\$28.2	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Beginning Balance</b>	<b>\$54.0</b>	<b>\$35.3</b>	<b>\$6.0</b>	<b>\$5.2</b>	<b>\$5.2</b>	<b>\$5.2</b>

#### *Revenue*

Federal Revenues	\$227.4	\$248.2	\$245.5	\$240.1	\$253.7	\$253.7
State Revenues	\$19.9	\$18.9	\$19.3	\$17.7	\$20.7	\$20.7
Local Revenues	\$17.5	\$15.3	\$12.3	\$9.9	\$12.9	\$12.9
Repayment*	\$0.0	\$0.0	\$0.0	\$19.8	\$18.7	\$18.7
Interfund Transfers In	\$8.2	\$16.6	\$24.0	\$1.4	\$3.6	\$3.6
Other Financing Sources	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Local Miscellaneous	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Revenue</b>	<b>\$273.0</b>	<b>\$299.0</b>	<b>\$301.1</b>	<b>\$288.9</b>	<b>\$309.5</b>	<b>\$309.5</b>
<b>Total Sources of Funds</b>	<b>\$327.0</b>	<b>\$334.3</b>	<b>\$307.2</b>	<b>\$294.1</b>	<b>\$314.7</b>	<b>\$314.7</b>

### Uses of Funds

#### *Expenditure*

Classified Salaries	\$104.7	\$115.9	\$96.5	\$86.6	\$87.7	\$87.7
Employee Benefits	\$49.8	\$66.2	\$71.2	\$69.3	\$73.8	\$73.8
Books and Supplies	\$121.2	\$128.5	\$117.0	\$121.3	\$126.5	\$126.5
Other Operating Expense	\$12.1	\$10.7	\$6.8	\$3.6	\$3.7	\$3.7
Capital Outlay	\$3.8	\$6.9	\$0.3	\$1.5	\$3.6	\$3.6
Other Outgo	\$0.0	\$0.0	\$10.2	\$6.6	\$14.2	\$14.2
<b>Total Expenditure</b>	<b>\$291.7</b>	<b>\$328.2</b>	<b>\$302.0</b>	<b>\$288.9</b>	<b>\$309.5</b>	<b>\$309.5</b>

#### *Ending Balance*

Non Spendable-Inventories, Cash, Others	\$7.1	\$6.0	\$5.2	\$5.2	\$5.2	\$5.2
Restricted Ending Balances	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Undesignated/Unassigned Ending Balances	\$28.2	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Ending Balance</b>	<b>\$35.3</b>	<b>\$6.0</b>	<b>\$5.2</b>	<b>\$5.2</b>	<b>\$5.2</b>	<b>\$5.2</b>
<b>Total Uses of Funds</b>	<b>\$327.0</b>	<b>\$334.3</b>	<b>\$307.2</b>	<b>\$294.1</b>	<b>\$314.7</b>	<b>\$314.7</b>

\* Repayment per MOU with CDE dated March 18, 2011

# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## Deferred Maintenance Fund (027/140)

Deferred Maintenance Fund provides for major maintenance projects including repair of plumbing, heating, air conditioning, electrical, roofing, floors, and interior or exterior paint. Funding is half from the State and half from the District.

### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

### Sources of Funds

#### *Beginning Balance*

Assigned Beginning Balances	\$153.9	\$149.7	\$116.1	\$45.6	\$0.0	\$0.0
Committed Beginning Balances	\$0.0	\$0.0	\$0.0	\$0.0	\$18.6	\$18.6
<b><i>Total Beginning Balance</i></b>	<b>\$153.9</b>	<b>\$149.7</b>	<b>\$116.1</b>	<b>\$45.6</b>	<b>\$18.6</b>	<b>\$18.6</b>

#### *Revenue*

State Revenues	\$28.9	\$24.5	\$0.0	\$0.0	\$0.0	\$0.0
Local Revenues	\$7.2	\$3.4	\$1.2	\$0.4	\$0.0	\$0.0
Interfund Transfers In	\$31.0	\$30.0	\$0.9	\$0.3	\$0.0	\$0.0
Interprogram Transfers	\$0.0	-\$24.5	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Revenue</i></b>	<b>\$67.1</b>	<b>\$33.4</b>	<b>\$2.1</b>	<b>\$0.8</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b><i>Total Sources of Funds</i></b>	<b>\$221.0</b>	<b>\$183.1</b>	<b>\$118.2</b>	<b>\$46.4</b>	<b>\$18.6</b>	<b>\$18.6</b>

### Uses of Funds

#### *Expenditure*

Classified Salaries	\$6.0	\$4.9	\$6.4	\$5.1	\$7.1	\$7.1
Employee Benefits	\$3.1	\$2.1	\$3.0	\$2.2	\$5.4	\$5.4
Books and Supplies	\$2.2	\$2.2	\$2.7	\$1.8	\$0.3	\$0.3
Other Operating Expense	\$55.5	\$55.0	\$57.0	\$16.2	\$0.3	\$0.3
Capital Outlay	\$4.5	\$2.8	\$3.5	\$2.5	\$5.6	\$5.6
Other Outgo	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Expenditure</i></b>	<b>\$71.3</b>	<b>\$67.0</b>	<b>\$72.6</b>	<b>\$27.8</b>	<b>\$18.6</b>	<b>\$18.6</b>

#### *Ending Balance*

Assigned Ending Balances	\$149.7	\$116.1	\$45.6	\$0.0	\$0.0	\$0.0
Committed Ending Balances	\$0.0	\$0.0	\$0.0	\$18.6	\$0.0	\$0.0
<b><i>Total Ending Balance</i></b>	<b>\$149.7</b>	<b>\$116.1</b>	<b>\$45.6</b>	<b>\$18.6</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b><i>Total Uses of Funds</i></b>	<b>\$221.0</b>	<b>\$183.1</b>	<b>\$118.2</b>	<b>\$46.4</b>	<b>\$18.6</b>	<b>\$18.6</b>

## SUPERINTENDENT'S 2011-12 FINAL BUDGET

### Building Fund - Measure R (043/210)

Measure R was a local bond measure approved by voters in March 2004. The total value of the bond was \$ 3,350 million. This fund is used for new school construction and repairs to existing schools. Most projects also receive matching State funds.

#### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

#### Sources of Funds

##### *Beginning Balance*

Non Spendable-Inventories, Cash, Others	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3
Restricted Beginning Balances	\$374.2	\$327.9	\$359.0	\$880.1	\$703.7	\$703.7
Audit Adjustments	(\$15.3)	\$7.3	\$8.4	\$0.0	\$0.0	\$0.0
<b><i>Total Beginning Balance</i></b>	<b>\$359.1</b>	<b>\$335.5</b>	<b>\$367.8</b>	<b>\$880.4</b>	<b>\$704.0</b>	<b>\$704.0</b>

##### *Revenue*

Local Revenues	\$32.8	\$7.4	\$9.0	\$9.0	\$7.7	\$7.7
Interfund Transfers In	\$36.7	\$93.2	\$65.0	\$92.9	\$0.0	\$0.0
Other Financing Sources	\$550.0	\$547.6	\$1,034.8	\$0.0	\$0.0	\$0.0
<b><i>Total Revenue</i></b>	<b>\$619.5</b>	<b>\$648.2</b>	<b>\$1,108.8</b>	<b>\$101.9</b>	<b>\$7.7</b>	<b>\$7.7</b>
<b><i>Total Sources of Funds</i></b>	<b>\$978.7</b>	<b>\$983.7</b>	<b>\$1,476.6</b>	<b>\$982.3</b>	<b>\$711.8</b>	<b>\$711.8</b>

#### Uses of Funds

##### *Expenditure*

Classified Salaries	\$22.0	\$23.7	\$21.3	\$15.6	\$36.9	\$36.9
Employee Benefits	\$8.3	\$9.8	\$8.7	\$7.1	\$10.9	\$10.9
Books and Supplies	\$1.7	\$1.9	\$0.9	\$1.0	\$0.6	\$0.6
Other Operating Expense	\$19.2	\$21.8	\$17.0	\$24.3	\$0.0	\$0.0
Capital Outlay	\$545.7	\$562.3	\$530.6	\$220.5	\$663.2	\$471.0
Other Outgo	\$53.5	\$4.9	\$17.5	\$9.8	\$0.0	\$0.0
<b><i>Total Expenditure</i></b>	<b>\$650.4</b>	<b>\$624.4</b>	<b>\$596.2</b>	<b>\$278.3</b>	<b>\$711.5</b>	<b>\$519.3</b>

##### *Ending Balance*

Non Spendable-Inventories, Cash, Others	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3
Restricted Ending Balances	\$327.9	\$359.0	\$880.1	\$703.7	\$0.0	\$192.2
<b><i>Total Ending Balance</i></b>	<b>\$328.2</b>	<b>\$359.3</b>	<b>\$880.4</b>	<b>\$704.0</b>	<b>\$0.3</b>	<b>\$192.5</b>
<b><i>Total Uses of Funds</i></b>	<b>\$978.7</b>	<b>\$983.7</b>	<b>\$1,476.6</b>	<b>\$982.3</b>	<b>\$711.8</b>	<b>\$711.8</b>

# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## Building Fund - Proposition BB (045/211)

Prop BB was a local bond issue approved by voters in April 1997. This fund is used for construction of new schools and repair and modernization of existing schools, often with State matching funds. There is \$ 0 million of unused authority.

### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

### Sources of Funds

#### *Beginning Balance*

Non Spendable-Inventories, Cash, Others	\$3.0	\$3.0	\$3.0	\$3.0	\$3.0	\$3.0
Restricted Beginning Balances	\$137.1	\$142.0	\$73.2	\$31.9	\$18.6	\$18.6
Audit Adjustments	(\$0.5)	\$0.8	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Beginning Balance</b>	<b>\$139.6</b>	<b>\$145.8</b>	<b>\$76.2</b>	<b>\$34.9</b>	<b>\$21.6</b>	<b>\$21.6</b>

#### *Revenue*

Local Revenues	\$6.6	\$3.1	\$1.1	\$0.3	\$0.1	\$0.1
Interfund Transfers In	\$58.6	\$45.2	\$21.9	\$10.4	\$0.0	\$0.0
<b>Total Revenue</b>	<b>\$65.2</b>	<b>\$48.4</b>	<b>\$23.0</b>	<b>\$10.6</b>	<b>\$0.1</b>	<b>\$0.1</b>
<b>Total Sources of Funds</b>	<b>\$204.8</b>	<b>\$194.2</b>	<b>\$99.2</b>	<b>\$45.5</b>	<b>\$21.6</b>	<b>\$21.6</b>

### Uses of Funds

#### *Expenditure*

Classified Salaries	\$0.6	\$0.3	\$0.1	\$0.0	\$0.0	\$0.0
Employee Benefits	\$0.2	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0
Books and Supplies	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other Operating Expense	\$1.4	\$0.9	-\$0.9	\$0.0	\$0.4	\$0.4
Capital Outlay	\$44.9	\$37.1	\$11.2	\$1.6	\$18.3	\$18.3
Other Outgo	\$12.6	\$79.6	\$53.8	\$22.2	\$0.0	\$0.0
<b>Total Expenditure</b>	<b>\$59.8</b>	<b>\$117.9</b>	<b>\$64.3</b>	<b>\$23.9</b>	<b>\$18.6</b>	<b>\$18.6</b>

#### *Ending Balance*

Non Spendable-Inventories, Cash, Others	\$3.0	\$3.0	\$3.0	\$3.0	\$3.0	\$3.0
Restricted Ending Balances	\$142.0	\$73.2	\$31.9	\$18.6	\$0.0	\$0.0
<b>Total Ending Balance</b>	<b>\$145.0</b>	<b>\$76.2</b>	<b>\$34.9</b>	<b>\$21.6</b>	<b>\$3.0</b>	<b>\$3.0</b>
<b>Total Uses of Funds</b>	<b>\$204.8</b>	<b>\$194.2</b>	<b>\$99.2</b>	<b>\$45.5</b>	<b>\$21.6</b>	<b>\$21.6</b>

# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## Building Fund (070/212)

The Building Fund is used to account for proceeds from the sale of bonds, state allowances, and other resources designated for facility expansion.

### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2010-11 Authorized Amounts	2010-11 Estimated Amounts
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Amounts in \$millions

### Sources of Funds

#### *Beginning Balance*

Restricted Beginning Balances	\$2.1	\$2.3	\$2.5	\$2.0	\$2.2	\$2.2
<i>Total Beginning Balance</i>	\$2.1	\$2.3	\$2.5	\$2.0	\$2.2	\$2.2

#### *Revenue*

Local Revenues	\$0.2	\$0.4	\$0.2	\$0.5	\$0.3	\$0.3
<i>Total Revenue</i>	\$0.2	\$0.4	\$0.2	\$0.5	\$0.3	\$0.3
<b><i>Total Sources of Funds</i></b>	<b>\$2.3</b>	<b>\$2.7</b>	<b>\$2.6</b>	<b>\$2.4</b>	<b>\$2.6</b>	<b>\$2.6</b>

### Uses of Funds

#### *Expenditure*

Classified Salaries	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Employee Benefits	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Books and Supplies	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other Operating Expense	\$0.0	\$0.0	\$0.3	\$0.0	\$0.1	\$0.1
Capital Outlay	\$0.0	\$0.0	\$0.3	\$0.2	\$2.5	\$1.7
Other Outgo	\$0.0	\$0.2	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Expenditure</i></b>	<b>\$0.0</b>	<b>\$0.2</b>	<b>\$0.7</b>	<b>\$0.2</b>	<b>\$2.6</b>	<b>\$1.8</b>

#### *Ending Balance*

Restricted Ending Balances	\$2.3	\$2.5	\$2.0	\$2.2	\$0.0	\$0.8
<i>Total Ending Balance</i>	\$2.3	\$2.5	\$2.0	\$2.2	\$0.0	\$0.8
<b><i>Total Uses of Funds</i></b>	<b>\$2.3</b>	<b>\$2.7</b>	<b>\$2.6</b>	<b>\$2.4</b>	<b>\$2.6</b>	<b>\$2.6</b>

# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## Building Fund - Measure K (044/213)

This fund is used for new school construction and repair and modernization of existing schools. Measure K was a local bond issue passed by voters in November 2002. Most projects also receive a State match. There is \$ 750 million of unused authority.

### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

### Sources of Funds

#### *Beginning Balance*

Restricted Beginning Balances	\$346.1	\$161.0	\$193.3	\$353.8	\$226.7	\$226.7
Audit Adjustments	\$0.4	\$13.1	\$4.7	\$0.0	\$0.0	\$0.0
<i>Total Beginning Balance</i>	\$346.5	\$174.1	\$198.0	\$353.8	\$226.7	\$226.7

#### *Revenue*

Local Revenues	\$16.7	\$3.6	\$4.6	\$3.8	\$2.6	\$2.6
Interfund Transfers In	\$102.9	\$52.9	\$17.5	\$1.1	\$0.0	\$0.0
Other Financing Resources	\$150.0	\$248.9	\$350.0	\$0.0	\$0.0	\$0.0
<i>Total Revenue</i>	\$269.5	\$305.4	\$372.2	\$4.9	\$2.6	\$2.6
<b><i>Total Sources of Funds</i></b>	\$616.1	\$479.5	\$570.2	\$358.7	\$229.4	\$229.4

### Uses of Funds

#### *Expenditure*

Classified Salaries	\$11.8	\$8.0	\$6.0	\$1.4	\$0.0	\$0.0
Employee Benefits	\$6.1	\$3.0	\$2.7	\$0.7	\$0.0	\$0.0
Books and Supplies	\$1.5	\$1.3	\$0.8	\$0.4	\$0.0	\$0.0
Other Operating Expense	\$7.3	\$4.8	\$2.1	\$3.9	\$0.0	\$0.0
Capital Outlay	\$407.4	\$247.6	\$203.4	\$124.2	\$229.4	\$167.5
Other Outgo	\$20.9	\$21.5	\$1.5	\$1.4	\$0.0	\$0.0
<b><i>Total Expenditure</i></b>	\$455.0	\$286.2	\$216.4	\$131.9	\$229.4	\$167.5

#### *Ending Balance*

Restricted Ending Balances	\$161.0	\$193.3	\$353.8	\$226.7	\$0.0	\$61.9
<i>Total Ending Balance</i>	\$161.0	\$193.3	\$353.8	\$226.7	\$0.0	\$61.9
<b><i>Total Uses of Funds</i></b>	\$616.1	\$479.5	\$570.2	\$358.7	\$229.4	\$229.4

# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## Building Fund - Measure Y (042/214)

Measure Y was a local bond issue approved by voters in November 2005. The total dollar value of the bond was \$ 3,985 million.

This fund is used for school construction and modernization, with a goal of returning all schools to a traditional calendar.

### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

### Sources of Funds

#### *Beginning Balance*

Non Spendable-Inventories, Cash, Othe	\$0.0	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5
Restricted Beginning Balances	\$111.6	\$303.0	\$89.3	\$2,223.1	\$1,514.0	\$1,514.0
Audit Adjustments	(\$3.8)	\$2.5	\$1.2	\$0.0	\$0.0	\$0.0
<b><i>Total Beginning Balance</i></b>	<b>\$107.7</b>	<b>\$306.0</b>	<b>\$91.0</b>	<b>\$2,223.6</b>	<b>\$1,514.5</b>	<b>\$1,514.5</b>

#### *Revenue*

Local Revenues	\$16.9	\$7.2	\$17.1	\$26.8	\$14.2	\$14.2
Interfund Transfers In	\$8.9	\$0.4	\$1.8	\$5.1	\$0.0	\$0.0
Other Financing Sources	\$300.0	\$149.3	\$2,697.9	\$0.0	\$0.0	\$0.0
Local Miscellaneous	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Revenue</i></b>	<b>\$325.8</b>	<b>\$156.9</b>	<b>\$2,716.7</b>	<b>\$31.8</b>	<b>\$14.2</b>	<b>\$14.2</b>
<b><i>Total Sources of Funds</i></b>	<b>\$433.6</b>	<b>\$462.9</b>	<b>\$2,807.7</b>	<b>\$2,255.4</b>	<b>\$1,528.7</b>	<b>\$1,528.7</b>

### Uses of Funds

#### *Expenditure*

Classified Salaries	\$3.7	\$16.9	\$24.2	\$29.7	\$50.9	\$50.9
Employee Benefits	\$1.4	\$7.1	\$13.3	\$12.1	\$14.9	\$14.9
Books and Supplies	\$1.1	\$1.8	\$1.6	\$1.5	\$0.4	\$0.4
Other Operating Expense	\$4.4	\$12.6	\$11.0	\$46.4	\$0.1	\$0.1
Capital Outlay	\$87.2	\$297.1	\$521.8	\$565.9	\$1,456.0	\$745.1
Other Outgo	\$32.3	\$37.6	\$12.3	\$85.2	\$5.9	\$5.9
<b><i>Total Expenditure</i></b>	<b>\$130.0</b>	<b>\$373.1</b>	<b>\$584.2</b>	<b>\$740.8</b>	<b>\$1,528.2</b>	<b>\$817.3</b>

#### *Ending Balance*

Non Spendable-Inventories, Cash, Othe	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5	\$0.5
Restricted Ending Balances	\$303.0	\$89.3	\$2,223.1	\$1,514.0	\$0.0	\$710.9
<b><i>Total Ending Balance</i></b>	<b>\$303.5</b>	<b>\$89.8</b>	<b>\$2,223.6</b>	<b>\$1,514.5</b>	<b>\$0.5</b>	<b>\$711.4</b>
<b><i>Total Uses of Funds</i></b>	<b>\$433.6</b>	<b>\$462.9</b>	<b>\$2,807.7</b>	<b>\$2,255.4</b>	<b>\$1,528.7</b>	<b>\$1,528.7</b>

# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## County Sch Facilities Fund - Prop 1A (065/350)

Proposition 1A was a State bond issue approved by voters in 1998 in which \$ 6.7 billion was allocated for school construction and modernization. In most cases, a 50% local match is required. All of the funds have been allocated to projects.

### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

### Sources of Funds

#### *Beginning Balance*

Restricted Beginning Balances	\$50.0	\$45.5	\$18.1	\$24.8	\$20.4	\$20.4
Audit Adjustments	\$0.0	-\$0.3	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Beginning Balance</b>	<b>\$50.0</b>	<b>\$45.3</b>	<b>\$18.1</b>	<b>\$24.8</b>	<b>\$20.4</b>	<b>\$20.4</b>

#### *Revenue*

State Revenues	\$0.0	\$0.0	\$0.0	\$1.1	\$0.0	\$0.0
Local Revenues	\$2.1	\$1.1	\$0.2	\$0.3	\$0.2	\$0.2
Interfund Transfers In	\$4.1	\$3.3	\$20.1	\$1.4	\$0.0	\$0.0
<b>Total Revenue</b>	<b>\$6.2</b>	<b>\$4.4</b>	<b>\$20.3</b>	<b>\$2.8</b>	<b>\$0.2</b>	<b>\$0.2</b>
<b>Total Sources of Funds</b>	<b>\$56.2</b>	<b>\$49.6</b>	<b>\$38.5</b>	<b>\$27.6</b>	<b>\$20.6</b>	<b>\$20.6</b>

### Uses of Funds

#### *Expenditure*

Classified Salaries	\$0.0	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0
Employee Benefits	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Books and Supplies	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other Operating Expense	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Capital Outlay	\$10.5	\$18.9	\$1.6	\$0.6	\$20.6	\$20.6
Other Outgo	\$0.1	\$12.5	\$12.0	\$6.6	\$0.0	\$0.0
<b>Total Expenditure</b>	<b>\$10.7</b>	<b>\$31.5</b>	<b>\$13.6</b>	<b>\$7.2</b>	<b>\$20.6</b>	<b>\$20.6</b>

#### *Ending Balance*

Restricted Ending Balances	\$45.5	\$18.1	\$24.8	\$20.4	\$0.0	\$0.0
<b>Total Ending Balance</b>	<b>\$45.5</b>	<b>\$18.1</b>	<b>\$24.8</b>	<b>\$20.4</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>Total Uses of Funds</b>	<b>\$56.2</b>	<b>\$49.6</b>	<b>\$38.5</b>	<b>\$27.6</b>	<b>\$20.6</b>	<b>\$20.6</b>



# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## County Sch Facilities Fund - Prop 47 (066/351)

Proposition 47 was a State bond issue approved by voters in 2002 in which \$ 11.4 billion was allocated for K-12 school construction and modernization. In most cases, a 50% local match is required.

### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

### Sources of Funds

#### *Beginning Balance*

Restricted Beginning Balances	\$1.1	\$62.0	\$163.8	\$149.8	\$115.9	\$115.9
Audit Adjustments	\$0.0	\$8.8	\$29.6	\$0.0	\$0.0	\$0.0
<b><i>Total Beginning Balance</i></b>	<b>\$1.1</b>	<b>\$70.7</b>	<b>\$193.4</b>	<b>\$149.8</b>	<b>\$115.9</b>	<b>\$115.9</b>

#### *Revenue*

State Revenues	\$0.0	\$433.8	\$31.5	-\$7.1	\$0.0	\$0.0
Local Revenues	\$5.2	\$1.6	\$2.9	\$3.0	\$3.2	\$3.2
Interfund Transfers In	\$1.3	\$2.9	\$1.5	\$4.0	\$0.0	\$0.0
Other Financing Resources	\$218.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Revenue</i></b>	<b>\$225.2</b>	<b>\$438.3</b>	<b>\$35.9</b>	<b>-\$0.1</b>	<b>\$3.2</b>	<b>\$3.2</b>
<b><i>Total Sources of Funds</i></b>	<b>\$226.3</b>	<b>\$509.0</b>	<b>\$229.4</b>	<b>\$149.7</b>	<b>\$119.1</b>	<b>\$119.1</b>

### Uses of Funds

#### *Expenditure*

Classified Salaries	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Employee Benefits	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Books and Supplies	\$0.0	\$0.1	\$0.0	\$0.1	\$0.0	\$0.0
Other Operating Expense	\$0.0	\$0.0	\$0.1	\$0.1	\$0.0	\$0.0
Capital Outlay	\$146.5	\$337.5	\$78.0	\$30.0	\$119.1	\$95.3
Other Outgo	\$17.7	\$7.5	\$1.4	\$3.6	\$0.0	\$0.0
<b><i>Total Expenditure</i></b>	<b>\$164.3</b>	<b>\$345.2</b>	<b>\$79.5</b>	<b>\$33.8</b>	<b>\$119.1</b>	<b>\$95.3</b>

#### *Ending Balance*

Restricted Ending Balances	\$62.0	\$163.8	\$149.8	\$115.9	\$0.0	\$23.8
<b><i>Total Ending Balance</i></b>	<b>\$62.0</b>	<b>\$163.8</b>	<b>\$149.8</b>	<b>\$115.9</b>	<b>\$0.0</b>	<b>\$23.8</b>
<b><i>Total Uses of Funds</i></b>	<b>\$226.3</b>	<b>\$509.0</b>	<b>\$229.4</b>	<b>\$149.7</b>	<b>\$119.1</b>	<b>\$119.1</b>

# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## County Sch Facilities Fund - Prop 55 (067/352)

Proposition 55 was a State bond issue approved by voters in 2004 in which \$ 10.0 billion was allocated for K-12 school construction and modernization. In most cases, a 50% local match is required.

### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

### Sources of Funds

#### *Beginning Balance*

Restricted Beginning Balances	\$376.9	\$398.8	\$261.0	\$233.1	\$620.7	\$620.7
Audit Adjustments	(\$8.4)	\$11.2	\$26.4	\$0.0	\$0.0	\$0.0
<b><i>Total Beginning Balance</i></b>	<b>\$368.5</b>	<b>\$410.0</b>	<b>\$287.5</b>	<b>\$233.1</b>	<b>\$620.7</b>	<b>\$620.7</b>

#### *Revenue*

Federal Revenues	\$0.2	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
State Revenues	\$0.0	\$336.5	\$136.3	\$496.4	\$31.8	\$31.8
Local Revenues	\$17.4	\$8.7	\$4.6	\$5.0	\$4.0	\$4.0
Interfund Transfers In	\$8.9	\$26.2	\$6.0	\$17.3	\$0.0	\$0.0
Other Financing Sources	\$393.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Revenue</i></b>	<b>\$419.5</b>	<b>\$371.4</b>	<b>\$146.9</b>	<b>\$518.7</b>	<b>\$35.8</b>	<b>\$35.8</b>
<b><i>Total Sources of Funds</i></b>	<b>\$788.0</b>	<b>\$781.4</b>	<b>\$434.4</b>	<b>\$751.8</b>	<b>\$656.5</b>	<b>\$656.5</b>

### Uses of Funds

#### *Expenditure*

Classified Salaries	\$0.2	\$0.4	\$0.1	\$0.0	\$0.0	\$0.0
Employee Benefits	\$0.1	\$0.2	\$0.0	\$0.0	\$0.0	\$0.0
Books and Supplies	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other Operating Expense	\$0.0	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0
Capital Outlay	\$311.0	\$462.4	\$189.7	\$70.2	\$656.5	\$479.2
Other Outgo	\$77.9	\$57.4	\$11.4	\$60.7	\$0.0	\$0.0
<b><i>Total Expenditure</i></b>	<b>\$389.2</b>	<b>\$520.4</b>	<b>\$201.2</b>	<b>\$131.1</b>	<b>\$656.5</b>	<b>\$479.2</b>

#### *Ending Balance*

Restricted Ending Balances	\$398.8	\$261.0	\$233.1	\$620.7	\$0.0	\$177.3
<b><i>Total Ending Balance</i></b>	<b>\$398.8</b>	<b>\$261.0</b>	<b>\$233.1</b>	<b>\$620.7</b>	<b>\$0.0</b>	<b>\$177.3</b>
<b><i>Total Uses of Funds</i></b>	<b>\$788.0</b>	<b>\$781.4</b>	<b>\$434.4</b>	<b>\$751.8</b>	<b>\$656.5</b>	<b>\$656.5</b>

# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## County Sch Facilities Fund - Prop 1D (068/353)

Proposition 1D was a State bond issue approved by voters in 2006 in which \$ 7.3 billion was allocated for K-12 school construction and modernization. In most cases, a 50% local match is required.

### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

### Sources of Funds

#### *Beginning Balance*

Restricted Beginning Balances	\$16.0	\$6.3	\$35.7	\$93.8	\$276.7	\$276.7
Audit Adjustments	\$0.0	\$0.5	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Beginning Balance</i></b>	<b>\$16.0</b>	<b>\$6.9</b>	<b>\$35.7</b>	<b>\$93.8</b>	<b>\$276.7</b>	<b>\$276.7</b>

#### *Revenue*

State Revenue	\$0.0	\$143.8	\$121.2	\$219.3	\$17.8	\$17.8
Local Revenues	\$0.7	\$0.1	\$1.3	\$1.7	\$1.2	\$1.2
Interfund Transfers In	\$0.0	\$0.6	\$3.7	\$0.7	\$0.0	\$0.0
Other Financing Sources	\$18.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Revenue</i></b>	<b>\$19.1</b>	<b>\$144.6</b>	<b>\$126.2</b>	<b>\$221.6</b>	<b>\$19.0</b>	<b>\$19.0</b>
<b><i>Total Sources of Funds</i></b>	<b>\$35.1</b>	<b>\$151.4</b>	<b>\$161.9</b>	<b>\$315.4</b>	<b>\$295.7</b>	<b>\$295.7</b>

### Uses of Funds

#### *Expenditure*

Classified Salaries	\$0.0	\$0.1	\$0.2	\$0.1	\$0.0	\$0.0
Employee Benefits	\$0.0	\$0.1	\$0.1	\$0.0	\$0.0	\$0.0
Books and Supplies	\$0.0	\$0.0	\$0.1	\$0.0	\$0.0	\$0.0
Other Operating Expense	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Capital Outlay	\$23.1	\$85.5	\$55.6	\$35.8	\$295.7	\$215.9
Other Outgo	\$5.6	\$30.0	\$12.2	\$2.8	\$0.0	\$0.0
<b><i>Total Expenditure</i></b>	<b>\$28.8</b>	<b>\$115.7</b>	<b>\$68.1</b>	<b>\$38.7</b>	<b>\$295.7</b>	<b>\$215.9</b>

#### *Ending Balance*

Restricted Ending Balances	\$6.3	\$35.7	\$93.8	\$276.7	\$0.0	\$79.8
<b><i>Total Ending Balance</i></b>	<b>\$6.3</b>	<b>\$35.7</b>	<b>\$93.8</b>	<b>\$276.7</b>	<b>\$0.0</b>	<b>\$79.8</b>
<b><i>Total Uses of Funds</i></b>	<b>\$35.1</b>	<b>\$151.4</b>	<b>\$161.9</b>	<b>\$315.4</b>	<b>\$295.7</b>	<b>\$295.7</b>

# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## Special Reserve Fund - CRA (017/400)

This fund is used for school construction projects paid from Community Redevelopment Agency funds.

### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

### Sources of Funds

#### *Beginning Balance*

Restricted Beginning Balances	\$5.0	\$18.2	\$8.9	\$10.3	\$13.8	\$13.8
Undesignated/Unassigned Beginning Balance	\$11.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Beginning Balance</b>	<b>\$16.1</b>	<b>\$18.2</b>	<b>\$8.9</b>	<b>\$10.3</b>	<b>\$13.8</b>	<b>\$13.8</b>

#### *Revenue*

Local Revenues	\$6.7	\$1.9	\$6.2	\$4.8	\$3.1	\$3.1
<b>Total Revenue</b>	<b>\$6.7</b>	<b>\$1.9</b>	<b>\$6.2</b>	<b>\$4.8</b>	<b>\$3.1</b>	<b>\$3.1</b>
<b>Total Sources of Funds</b>	<b>\$22.7</b>	<b>\$20.1</b>	<b>\$15.1</b>	<b>\$15.1</b>	<b>\$16.9</b>	<b>\$16.9</b>

### Uses of Funds

#### *Expenditure*

Classified Salaries	\$0.1	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0
Employee Benefits	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Books and Supplies	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other Operating Expense	\$0.1	\$0.3	\$0.3	\$0.1	\$0.1	\$0.1
Capital Outlay	\$0.0	\$0.7	\$0.1	\$1.2	\$16.8	\$10.4
Other Outgo	\$4.3	\$10.1	\$4.3	\$0.0	\$0.0	\$0.0
<b>Total Expenditure</b>	<b>\$4.5</b>	<b>\$11.2</b>	<b>\$4.8</b>	<b>\$1.3</b>	<b>\$16.9</b>	<b>\$10.5</b>

#### *Ending Balance*

Restricted Ending Balances	\$18.2	\$8.9	\$10.3	\$13.8	\$0.0	\$6.4
<b>Total Uses of Funds</b>	<b>\$18.2</b>	<b>\$8.9</b>	<b>\$10.3</b>	<b>\$13.8</b>	<b>\$0.0</b>	<b>\$6.4</b>
<b>Total Uses of Funds</b>	<b>\$22.7</b>	<b>\$20.1</b>	<b>\$15.1</b>	<b>\$15.1</b>	<b>\$16.9</b>	<b>\$16.9</b>

# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## Special Reserve Fund (015/401)

This fund mainly provides for buildings and capital improvements to relieve overcrowded schools.

<b>Regular Program</b>	2007-08	2008-09	2009-10	2010-11	2011-12	2011-12
	Actual	Actual	Actual	3rd Interim	Authorized	Estimated
	Amounts	Amounts	Amounts	Estimate	Amounts	Amounts

Amounts in \$millions

### Sources of Funds

#### *Beginning Balance*

Restricted Beginning Balances	\$192.1	\$191.5	\$185.9	\$100.4	\$118.6	\$118.6
Audit Adjustments	\$0.0	\$0.9	-\$2.1	\$0.0	\$0.0	\$0.0
<b><i>Total Beginning Balance</i></b>	<b>\$192.1</b>	<b>\$192.4</b>	<b>\$183.8</b>	<b>\$100.4</b>	<b>\$118.6</b>	<b>\$118.6</b>

#### *Revenue*

Federal Revenues	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
State Revenues	\$14.2	\$31.4	-\$23.1	\$6.1	\$2.5	\$2.5
Local Revenues	\$36.9	\$30.1	\$4.3	\$9.8	\$1.1	\$1.1
Interfund Transfers In	\$23.2	\$16.1	\$3.3	\$0.1	\$0.0	\$0.0
Other Financing Sources	\$119.5	\$130.6	\$116.6	\$85.8	\$0.0	\$0.0
Local Miscellaneous	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Revenue</i></b>	<b>\$193.7</b>	<b>\$208.2</b>	<b>\$101.0</b>	<b>\$101.8</b>	<b>\$3.6</b>	<b>\$3.6</b>
<b><i>Total Sources of Funds</i></b>	<b>\$385.8</b>	<b>\$400.6</b>	<b>\$284.8</b>	<b>\$202.2</b>	<b>\$122.2</b>	<b>\$122.2</b>

### Uses of Funds

#### *Expenditure*

Classified Salaries	\$0.3	\$1.4	\$0.8	\$0.4	\$0.0	\$0.0
Employee Benefits	\$0.1	\$0.6	\$0.3	\$0.1	\$0.0	\$0.0
Books and Supplies	\$0.1	\$0.5	\$0.4	\$0.2	\$0.0	\$0.0
Other Operating Expense	\$0.3	\$9.8	\$2.6	\$3.9	\$0.5	\$0.5
Capital Outlay	\$34.1	\$31.9	\$30.2	\$10.8	\$121.8	\$85.1
Other Outgo	\$159.4	\$170.5	\$150.2	\$68.1	\$0.0	\$0.0
<b><i>Total Expenditure</i></b>	<b>\$194.3</b>	<b>\$214.7</b>	<b>\$184.4</b>	<b>\$83.6</b>	<b>\$122.2</b>	<b>\$85.5</b>

#### *Ending Balance*

Restricted Ending Balances	\$191.5	\$185.9	\$100.4	\$118.6	\$0.0	\$36.7
<b><i>Total Ending Balance</i></b>	<b>\$191.5</b>	<b>\$185.9</b>	<b>\$100.4</b>	<b>\$118.6</b>	<b>\$0.0</b>	<b>\$36.7</b>
<b><i>Total Uses of Funds</i></b>	<b>\$385.8</b>	<b>\$400.6</b>	<b>\$284.8</b>	<b>\$202.2</b>	<b>\$122.2</b>	<b>\$122.2</b>

## SUPERINTENDENT'S 2011-12 FINAL BUDGET

### Special Reserve Fund - FEMA (022/402)

This fund is for funds received from the Federal Emergency Management Agency, mainly to repair earthquake damage from the the 1994 Northridge earthquake.

#### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

#### Sources of Funds

##### *Beginning Balance*

Restricted Beginning Balances	\$0.0	\$0.0	\$0.2	\$0.2	\$0.2	\$0.2
<i>Total Beginning Balance</i>	\$0.0	\$0.0	\$0.2	\$0.2	\$0.2	\$0.2

##### *Revenue*

Federal Revenues	\$0.0	\$0.0	\$0.0	\$0.0	\$5.7	\$5.7
State Revenues	\$2.3	\$0.0	\$0.0	\$0.0	\$0.6	\$0.6
Interfund Transfers In	\$0.6	\$0.5	\$0.0	\$0.0	\$0.0	\$0.0
<i>Total Revenue</i>	\$3.0	\$0.5	\$0.0	\$0.0	\$6.3	\$6.3
<b><i>Total Sources of Funds</i></b>	<b>\$3.0</b>	<b>\$0.5</b>	<b>\$0.2</b>	<b>\$0.2</b>	<b>\$6.5</b>	<b>\$6.5</b>

#### Uses of Funds

##### *Expenditure*

Classified Salaries	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Employee Benefits	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Books and Supplies	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other Operating Expense	\$2.1	\$0.2	\$0.0	\$0.0	\$0.0	\$0.0
Capital Outlay	\$0.9	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other Outgo	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Expenditure</i></b>	<b>\$3.0</b>	<b>\$0.2</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>

##### *Ending Balance*

Restricted Ending Balances	\$0.0	\$0.2	\$0.2	\$0.2	\$6.5	\$6.5
<i>Total Ending Balance</i>	\$0.0	\$0.2	\$0.2	\$0.2	\$6.5	\$6.5
<b><i>Total Uses of Funds</i></b>	<b>\$3.0</b>	<b>\$0.5</b>	<b>\$0.2</b>	<b>\$0.2</b>	<b>\$6.5</b>	<b>\$6.5</b>

# SUPERINTENDENT'S 2011-12 FINAL BUDGET

REVISED

## Special Resv Fund - FEMA - Haz Mit (062/403)

This fund is used for funds received from the Federal Emergency Management Agency to reduce hazards. District matching funds are required. In the past, these funds have been used mainly to replace pendant lighting and suspended ceilings in schools.

### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

#### Sources of Funds

##### *Beginning Balance*

Restricted Beginning Balances	\$0.0	\$0.0	\$2.0	\$2.0	\$2.0	\$2.0
Undesignated/Unassigned Beginning Balanc	\$2.0	\$2.0	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Beginning Balance</i></b>	<b>\$2.0</b>	<b>\$2.0</b>	<b>\$2.0</b>	<b>\$2.0</b>	<b>\$2.0</b>	<b>\$2.0</b>

##### *Revenue*

Federal Revenues	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Local Revenues	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Revenue</i></b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b><i>Total Sources of Funds</i></b>	<b>\$2.0</b>	<b>\$2.0</b>	<b>\$2.0</b>	<b>\$2.0</b>	<b>\$2.0</b>	<b>\$2.0</b>

#### Uses of Funds

##### *Expenditure*

Classified Salaries	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Employee Benefits	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Books and Supplies	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other Operating Expense	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Capital Outlay	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other Outgo	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Expenditure</i></b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>

##### *Ending Balance*

Restricted Ending Balances	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0
<b><i>Total Ending Balance</i></b>	<b>\$2.0</b>	<b>\$2.0</b>	<b>\$2.0</b>	<b>\$2.0</b>	<b>\$2.0</b>	<b>\$2.0</b>
<b><i>Total Uses of Funds</i></b>	<b>\$2.0</b>	<b>\$2.0</b>	<b>\$2.0</b>	<b>\$2.0</b>	<b>\$2.0</b>	<b>\$2.0</b>

# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## Capital Facilities Acct Fund (073/250)

This fund is used to account for developer fees levied on new residential, commercial or industrial projects within the District's boundaries. Revenues, which may vary widely from year, are used for the construction of new school facilities.

### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

### Sources of Funds

#### *Beginning Balance*

Restricted Beginning Balances	\$148.7	\$163.4	\$68.3	\$49.0	\$12.4	\$12.4
Audit Adjustments	\$4.3	-\$0.3	\$2.8	\$0.0	\$0.0	\$0.0
<i>Total Beginning Balance</i>	\$153.0	\$163.0	\$71.1	\$49.0	\$12.4	\$12.4

#### *Revenue*

Local Revenues	\$73.1	\$27.8	\$19.8	\$25.6	\$15.4	\$15.4
Interfund Transfers In	\$2.1	\$0.3	\$0.3	\$0.0	\$0.0	\$0.0
Local Miscellaneous	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<i>Total Revenue</i>	\$75.2	\$28.1	\$20.2	\$25.6	\$15.4	\$15.4
<b><i>Total Sources of Funds</i></b>	\$228.2	\$191.1	\$91.3	\$74.6	\$27.8	\$27.8

### Uses of Funds

#### *Expenditure*

Classified Salaries	\$0.4	\$0.3	\$0.3	\$0.3	\$0.3	\$0.3
Employee Benefits	\$0.2	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1
Books and Supplies	\$0.1	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0
Other Operating Expense	\$0.6	\$1.0	\$0.5	\$0.3	\$13.0	\$4.6
Capital Outlay	\$31.2	\$64.7	\$29.3	\$50.6	\$4.8	\$4.8
Other Outgo	\$32.3	\$56.7	\$12.2	\$10.8	\$9.6	\$9.6
<b><i>Total Expenditure</i></b>	\$64.8	\$122.8	\$42.3	\$62.2	\$27.8	\$19.4

#### *Ending Balance*

Restricted Ending Balances	\$163.4	\$68.3	\$49.0	\$12.4	\$0.0	\$8.4
<i>Total Ending Balance</i>	\$163.4	\$68.3	\$49.0	\$12.4	\$0.0	\$8.4
<b><i>Total Uses of Funds</i></b>	\$228.2	\$191.1	\$91.3	\$74.6	\$27.8	\$27.8



# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## State Sch Bldg Lease/Purch Fund (074/300)

This fund is used for school construction projects to relieve overcrowding.

### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

### Sources of Funds

#### *Beginning Balance*

Restricted Beginning Balances	\$4.1	\$4.5	\$0.0	\$3.0	\$4.4	\$4.4
<b><i>Total Beginning Balance</i></b>	<b>\$4.1</b>	<b>\$4.5</b>	<b>\$0.0</b>	<b>\$3.0</b>	<b>\$4.4</b>	<b>\$4.4</b>

#### *Revenue*

State Revenues	\$0.0	-\$3.8	\$0.0	\$0.0	\$0.0	\$0.0
Local Revenues	\$0.4	\$0.4	\$0.3	\$0.5	\$0.3	\$0.3
Interfund Transfers In	\$21.7	\$0.2	\$3.1	\$1.6	\$0.0	\$0.0
Other Financing Sources	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Revenue</i></b>	<b>\$22.1</b>	<b>-\$3.2</b>	<b>\$3.4</b>	<b>\$2.0</b>	<b>\$0.3</b>	<b>\$0.3</b>
<b><i>Total Sources of Funds</i></b>	<b>\$26.2</b>	<b>\$1.3</b>	<b>\$3.4</b>	<b>\$5.0</b>	<b>\$4.7</b>	<b>\$4.7</b>

### Uses of Funds

#### *Expenditure*

Classified Salaries	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Employee Benefits	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Books and Supplies	\$0.0	-\$0.1	\$0.0	\$0.0	\$0.0	\$0.0
Other Operating Expense	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Capital Outlay	\$0.7	\$1.1	\$0.2	\$0.5	\$4.7	\$4.7
Other Outgo	\$20.9	\$0.3	\$0.2	\$0.1	\$0.0	\$0.0
<b><i>Total Expenditure</i></b>	<b>\$21.7</b>	<b>\$1.3</b>	<b>\$0.4</b>	<b>\$0.6</b>	<b>\$4.7</b>	<b>\$4.7</b>

#### *Ending Balance*

Restricted Ending Balances	\$4.5	\$0.0	\$3.0	\$4.4	\$0.0	\$0.0
<b><i>Total Ending Balance</i></b>	<b>\$4.5</b>	<b>\$0.0</b>	<b>\$3.0</b>	<b>\$4.4</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b><i>Total Uses of Funds</i></b>	<b>\$26.2</b>	<b>\$1.3</b>	<b>\$3.4</b>	<b>\$5.0</b>	<b>\$4.7</b>	<b>\$4.7</b>

**SUPERINTENDENT'S 2011-12 FINAL BUDGET**

REVISED

**Bond Interest & Redemption Fund (004/510)**

This fund provides principal and interest payments on outstanding local bonds approved by voters. The source of revenues is local property taxes.

**Regular Program**

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

**Sources of Funds**

*Beginning Balance*

Restricted Beginning Balances	\$360.1	\$447.9	\$489.4	\$630.8	\$667.6	\$667.6
<b>Total Beginning Balance</b>	<b>\$360.1</b>	<b>\$447.9</b>	<b>\$489.4</b>	<b>\$630.8</b>	<b>\$667.6</b>	<b>\$667.6</b>

*Revenue*

Federal Revenues	\$0.0	\$0.0	\$29.2	\$76.3	\$73.8	\$73.8
State Revenues	\$3.9	\$4.0	\$4.9	\$5.5	\$5.7	\$5.7
Local Revenues	\$581.1	\$613.7	\$710.6	\$800.8	\$830.4	\$830.4
Other Financing Sources	\$0.0	\$0.0	\$242.7	\$0.0	\$0.0	\$0.0
<b>Total Revenue</b>	<b>\$585.1</b>	<b>\$617.7</b>	<b>\$987.4</b>	<b>\$882.6</b>	<b>\$909.9</b>	<b>\$909.9</b>
<b>Total Sources of Funds</b>	<b>\$945.2</b>	<b>\$1,065.6</b>	<b>\$1,476.7</b>	<b>\$1,513.4</b>	<b>\$1,577.5</b>	<b>\$1,577.5</b>

**Uses of Funds**

*Expenditure*

Other Outgo	\$497.3	\$576.2	\$845.9	\$845.9	\$1,577.5	\$1,183.1
<b>Total Expenditure</b>	<b>\$497.3</b>	<b>\$576.2</b>	<b>\$845.9</b>	<b>\$845.9</b>	<b>\$1,577.5</b>	<b>\$1,183.1</b>

*Ending Balance*

Restricted Ending Balances	\$447.9	\$489.4	\$630.8	\$667.6	\$0.0	\$394.4
<b>Total Ending Balance</b>	<b>\$447.9</b>	<b>\$489.4</b>	<b>\$630.8</b>	<b>\$667.6</b>	<b>\$0.0</b>	<b>\$394.4</b>
<b>Total Uses of Funds</b>	<b>\$945.2</b>	<b>\$1,065.6</b>	<b>\$1,476.7</b>	<b>\$1,513.4</b>	<b>\$1,577.5</b>	<b>\$1,577.5</b>

# SUPERINTENDENT'S 2011-12 FINAL BUDGET

REVISED

## Tax Override Fund (005/530)

This fund repays indebtedness resulting from earlier tax levies. The total debt to be repaid is \$0.59 million. The repayment schedule will end June 30, 2010.

### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

### Sources of Funds

#### *Beginning Balance*

Restricted Beginning Balances	\$0.2	\$0.1	\$0.2	\$0.3	\$0.3	\$0.3
<i>Total Beginning Balance</i>	\$0.2	\$0.1	\$0.2	\$0.3	\$0.3	\$0.3

#### *Revenue*

State Revenues	\$0.0	\$0.2	\$0.0	\$0.0	\$0.0	\$0.0
Local Revenues	\$0.2	\$0.3	\$0.0	\$0.0	\$0.0	\$0.0
<i>Total Revenue</i>	\$0.2	\$0.4	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Sources of Funds</i></b>	<b>\$0.4</b>	<b>\$0.5</b>	<b>\$0.3</b>	<b>\$0.3</b>	<b>\$0.3</b>	<b>\$0.3</b>

### Uses of Funds

#### *Expenditure*

Other Outgo	\$0.3	\$0.3	\$0.0	\$0.0	\$0.3	\$0.3
<b><i>Total Expenditure</i></b>	<b>\$0.3</b>	<b>\$0.3</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.3</b>	<b>\$0.3</b>

#### *Ending Balance*

Restricted Ending Balances	\$0.1	\$0.2	\$0.3	\$0.3	\$0.0	\$0.0
<i>Total Ending Balance</i>	\$0.1	\$0.2	\$0.3	\$0.3	\$0.0	\$0.0
<b><i>Total Uses of Funds</i></b>	<b>\$0.4</b>	<b>\$0.5</b>	<b>\$0.3</b>	<b>\$0.3</b>	<b>\$0.3</b>	<b>\$0.3</b>

**SUPERINTENDENT'S 2011-12 FINAL BUDGET**  
**Capital Services Fund (071/560)**

REVISED

This fund is used to repay Certificates of Participation (COPs). COPs are funds borrowed for capital projects where bond financing is not available. Repayment is from general purpose funds or other funds such as developer fees.

**Regular Program**

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

**Sources of Funds**

*Beginning Balance*

Restricted Beginning Balances	\$22.9	\$49.1	\$65.1	\$72.4	\$81.6	\$81.6
<i>Total Beginning Balance</i>	\$22.9	\$49.1	\$65.1	\$72.4	\$81.6	\$81.6

*Revenue*

Local Revenues	\$1.7	\$2.3	\$1.1	\$1.2	\$0.9	\$0.9
Interfund Transfers In	\$58.4	\$208.3	\$123.1	\$46.6	\$50.5	\$50.5
Other Financing Sources	\$0.0	\$0.2	\$0.0	\$0.0	\$0.0	\$0.0
<i>Total Revenue</i>	\$60.1	\$210.8	\$124.3	\$47.7	\$51.4	\$51.4
<b><i>Total Sources of Funds</i></b>	<b>\$83.0</b>	<b>\$259.9</b>	<b>\$189.4</b>	<b>\$120.1</b>	<b>\$132.9</b>	<b>\$132.9</b>

**Uses of Funds**

*Expenditure*

Other Outgo	\$33.9	\$194.8	\$117.0	\$38.5	\$76.7	\$76.7
<b><i>Total Expenditure</i></b>	<b>\$33.9</b>	<b>\$194.8</b>	<b>\$117.0</b>	<b>\$38.5</b>	<b>\$76.7</b>	<b>\$76.7</b>

*Ending Balance*

Restricted Ending Balances	\$49.1	\$65.1	\$72.4	\$81.6	\$56.3	\$56.3
<i>Total Ending Balance</i>	\$49.1	\$65.1	\$72.4	\$81.6	\$56.3	\$56.3
<b><i>Total Uses of Funds</i></b>	<b>\$83.0</b>	<b>\$259.9</b>	<b>\$189.4</b>	<b>\$120.1</b>	<b>\$132.9</b>	<b>\$132.9</b>

## SUPERINTENDENT'S 2011-12 FINAL BUDGET

### Health & Welfare Benefits Fund (021/670)

This fund provides insurance or reimbursement for medical, vision, and dental care for qualified employees and retirees, plus costs of administration. Cost for such benefits have been growing faster than revenues.

#### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

#### Sources of Funds

##### *Beginning Balance*

Non Spendable-Inventories, Cash, Others	\$10.9	\$11.8	\$9.5	\$9.4	\$9.4	\$9.4
Assigned Beginning Balances	\$18.8	\$18.9	-\$0.1	\$86.8	\$229.2	\$229.2
<b><i>Total Beginning Balance</i></b>	<b>\$29.7</b>	<b>\$30.7</b>	<b>\$9.4</b>	<b>\$96.2</b>	<b>\$238.6</b>	<b>\$238.6</b>

##### *Revenue*

Local Revenues	\$836.2	\$877.6	\$940.5	\$941.8	\$952.3	\$952.3
Interfund Transfers In	\$12.1	\$13.0	\$12.6	\$10.0	\$10.2	\$10.2
Other Financing Sources	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Local Miscellaneous	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Revenue</i></b>	<b>\$848.3</b>	<b>\$890.6</b>	<b>\$953.2</b>	<b>\$951.8</b>	<b>\$962.5</b>	<b>\$962.5</b>
<b><i>Total Sources of Funds</i></b>	<b>\$878.1</b>	<b>\$921.3</b>	<b>\$962.5</b>	<b>\$1,048.0</b>	<b>\$1,201.1</b>	<b>\$1,201.1</b>

#### Uses of Funds

##### *Expenditure*

Classified Salaries	\$1.9	\$2.0	\$1.8	\$1.7	\$1.7	\$1.7
Employee Benefits	\$0.9	\$0.9	\$0.9	\$1.0	\$0.7	\$0.7
Books and Supplies	\$0.4	\$0.3	\$0.2	\$0.2	\$0.0	\$0.0
Other Operating Expense	\$844.2	\$908.7	\$863.5	\$806.6	\$904.7	\$904.7
<b><i>Total Expenditure</i></b>	<b>\$847.4</b>	<b>\$911.9</b>	<b>\$866.3</b>	<b>\$809.5</b>	<b>\$907.1</b>	<b>\$907.1</b>

##### *Ending Balance*

Non Spendable-Inventories, Cash, Others	\$11.8	\$9.5	\$9.4	\$9.4	\$9.4	\$9.4
Assigned Ending Balances	\$18.9	-\$0.1	\$86.8	\$229.2	\$284.7	\$284.7
<b><i>Total Ending Balance</i></b>	<b>\$30.7</b>	<b>\$9.4</b>	<b>\$96.2</b>	<b>\$238.6</b>	<b>\$294.0</b>	<b>\$294.0</b>
<b><i>Total Uses of Funds</i></b>	<b>\$878.1</b>	<b>\$921.3</b>	<b>\$962.5</b>	<b>\$1,048.0</b>	<b>\$1,201.1</b>	<b>\$1,201.1</b>

# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## Worker's Compensation Fund (013/671)

This internal service fund makes medical and other payments to employees who were injured in the course of their employment with the District plus the necessary cost of administering the fund. Revenues come from each fund that has employees.

### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

### Sources of Funds

#### *Beginning Balance*

Non Spendable-Inventories, Cash, Other	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0
Assigned Beginning Balances	\$58.3	\$100.5	\$25.1	\$62.6	\$31.4	\$31.4
<b><i>Total Beginning Balance</i></b>	<b>\$60.3</b>	<b>\$102.5</b>	<b>\$27.1</b>	<b>\$64.6</b>	<b>\$33.4</b>	<b>\$33.4</b>

#### *Revenue*

Local Revenues	\$113.1	\$17.0	\$116.2	\$52.4	\$74.6	\$74.6
Other Financing Sources	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Local Miscellaneous	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Revenue</i></b>	<b>\$113.1</b>	<b>\$17.0</b>	<b>\$116.2</b>	<b>\$52.4</b>	<b>\$74.6</b>	<b>\$74.6</b>
<b><i>Total Sources of Funds</i></b>	<b>\$173.4</b>	<b>\$119.5</b>	<b>\$143.3</b>	<b>\$117.0</b>	<b>\$108.1</b>	<b>\$108.1</b>

### Uses of Funds

#### *Expenditure*

Classified Salaries	\$4.0	\$4.1	\$3.5	\$3.3	\$3.0	\$3.0
Employee Benefits	\$1.9	\$1.9	\$1.9	\$1.5	\$1.1	\$1.1
Books and Supplies	\$0.1	\$0.1	\$0.1	\$0.0	\$0.0	\$0.0
Other Operating Expense	\$65.0	\$86.4	\$73.3	\$78.8	\$100.9	\$100.9
<b><i>Total Expenditure</i></b>	<b>\$70.9</b>	<b>\$92.4</b>	<b>\$78.7</b>	<b>\$83.6</b>	<b>\$105.0</b>	<b>\$105.0</b>

#### *Ending Balance*

Non Spendable-Inventories, Cash, Other	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0	\$2.0
Assigned Ending Balances	\$100.5	\$25.1	\$62.6	\$31.4	\$1.1	\$1.1
<b><i>Total Ending Balance</i></b>	<b>\$102.5</b>	<b>\$27.1</b>	<b>\$64.6</b>	<b>\$33.4</b>	<b>\$3.1</b>	<b>\$3.1</b>
<b><i>Total Uses of Funds</i></b>	<b>\$173.4</b>	<b>\$119.5</b>	<b>\$143.3</b>	<b>\$117.0</b>	<b>\$108.1</b>	<b>\$108.1</b>

# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## Liability Self-Insurance Fund (016/672)

This fund provides resources for liability claims and judgements against the District, and the cost of administering them.

### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

#### Sources of Funds

##### *Beginning Balance*

Non Spendable-Inventories, Cash, Other:	\$5.2	\$4.8	\$4.4	\$4.0	\$3.6	\$3.6
<b><i>Total Beginning Balance</i></b>	<b>\$5.2</b>	<b>\$4.8</b>	<b>\$4.4</b>	<b>\$4.0</b>	<b>\$3.6</b>	<b>\$3.6</b>

##### *Revenue*

Local Revenues	\$26.1	\$20.2	\$40.4	\$12.8	\$22.9	\$22.9
Interfund Transfers In	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other Financing Sources	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Local Miscellaneous	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Revenue</i></b>	<b>\$26.1</b>	<b>\$20.2</b>	<b>\$40.4</b>	<b>\$12.8</b>	<b>\$22.9</b>	<b>\$22.9</b>
<b><i>Total Sources of Funds</i></b>	<b>\$31.2</b>	<b>\$25.0</b>	<b>\$44.8</b>	<b>\$16.8</b>	<b>\$26.5</b>	<b>\$26.5</b>

#### Uses of Funds

##### *Expenditure*

Certificated Salaries	\$0.2	\$0.2	\$0.2	\$0.1	\$0.2	\$0.2
Classified Salaries	\$1.6	\$1.3	\$1.2	\$1.1	\$1.0	\$1.0
Employee Benefits	\$0.7	\$0.6	\$0.6	\$0.5	\$0.4	\$0.4
Books and Supplies	\$0.1	\$0.1	\$0.0	\$0.0	\$0.1	\$0.1
Other Operating Expense	\$24.0	\$18.5	\$38.9	\$11.4	\$21.3	\$21.3
<b><i>Total Expenditure</i></b>	<b>\$26.5</b>	<b>\$20.6</b>	<b>\$40.8</b>	<b>\$13.2</b>	<b>\$22.9</b>	<b>\$22.9</b>

##### *Ending Balance*

Non Spendable-Inventories, Cash, Other:	\$4.8	\$4.4	\$4.0	\$3.6	\$3.6	\$3.6
<b><i>Total Ending Balance</i></b>	<b>\$4.8</b>	<b>\$4.4</b>	<b>\$4.0</b>	<b>\$3.6</b>	<b>\$3.6</b>	<b>\$3.6</b>
<b><i>Total Uses of Funds</i></b>	<b>\$31.2</b>	<b>\$25.0</b>	<b>\$44.8</b>	<b>\$16.8</b>	<b>\$26.5</b>	<b>\$26.5</b>

# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## Attendance Incentive Reserve Fund (046/710)

This funds provides rewards to UTLA-represented employees with good attendance in accordance with an agreement with UTLA.

### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

### Sources of Funds

#### *Beginning Balance*

Restricted Beginning Balances	\$0.8	\$1.4	\$0.0	\$0.4	\$0.0	\$0.0
<b><i>Total Beginning Balance</i></b>	<b>\$0.8</b>	<b>\$1.4</b>	<b>\$0.0</b>	<b>\$0.4</b>	<b>\$0.0</b>	<b>\$0.0</b>

#### *Revenue*

Local Revenues	\$0.7	\$0.4	\$0.4	-\$0.4	\$0.0	\$0.0
Local Miscellaneous	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Revenue</i></b>	<b>\$0.7</b>	<b>\$0.4</b>	<b>\$0.4</b>	<b>-\$0.4</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b><i>Total Sources of Funds</i></b>	<b>\$1.5</b>	<b>\$1.8</b>	<b>\$0.4</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>

### Uses of Funds

#### *Expenditure*

Other Operating Expense	\$0.1	\$1.8	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Expenditure</i></b>	<b>\$0.1</b>	<b>\$1.8</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>

#### *Ending Balance*

Restricted Ending Balances	\$1.4	\$0.0	\$0.4	\$0.0	\$0.0	\$0.0
<b><i>Total Ending Balance</i></b>	<b>\$1.4</b>	<b>\$0.0</b>	<b>\$0.4</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b><i>Total Uses of Funds</i></b>	<b>\$1.5</b>	<b>\$1.8</b>	<b>\$0.4</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>



# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## Annuity Reserve Fund (023/711)

This fund holds amounts deposited after the dissolution of the Teacher's retirement system in 1972. The amounts have been or will be distributed to employees.

### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

### Sources of Funds

#### *Beginning Balance*

Restricted Beginning Balances	\$0.5	\$0.5	\$0.0	\$0.0	\$0.0	\$0.0
<i>Total Beginning Balance</i>	\$0.5	\$0.5	\$0.0	\$0.0	\$0.0	\$0.0

#### *Revenue*

Local Revenues	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<i>Total Revenue</i>	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Sources of Funds</i></b>	<b>\$0.5</b>	<b>\$0.5</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>

### Uses of Funds

#### *Expenditure*

Other Operating Expense	\$0.0	\$0.5	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Expenditure</i></b>	<b>\$0.0</b>	<b>\$0.5</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>

#### *Ending Balance*

Restricted Beginning Balances	\$0.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<i>Total Ending Balance</i>	\$0.5	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Uses of Funds</i></b>	<b>\$0.5</b>	<b>\$0.5</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>

**SUPERINTENDENT'S 2011-12 FINAL BUDGET**  
**General Fund - Unrestricted and Restricted Programs**  
**Expenditures by Sub-Object**

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
Amounts in \$millions						
<i>Certificated Salaries</i>						
1100 Salaries - Teachers	\$2,559.1	\$2,509.6	\$2,166.1	\$2,182.1	\$2,131.4	\$2,131.4
1200 Salaries - School Administrators	\$202.3	\$199.9	\$163.2	\$158.4	\$137.3	\$152.6
1300 Salaries - Supervisors	\$139.4	\$125.7	\$97.8	\$103.1	\$75.9	\$93.0
1400 Salaries - Librarians	\$13.2	\$13.0	\$11.4	\$9.4	\$7.2	\$8.1
1500 Salaries - Counselors	\$199.3	\$196.9	\$167.4	\$169.6	\$132.1	\$138.1
1600 Salaries - Nurses & Health Employee	\$65.8	\$65.8	\$62.1	\$61.8	\$60.9	\$59.2
1700 Salaries - Superintendents	\$3.0	\$3.0	\$2.0	\$2.4	\$2.5	\$2.4
1800 Salaries - Nonschool Administrators	\$26.0	\$16.8	\$10.6	\$7.1	\$4.5	\$6.3
1900 Other Certificated Employees	\$106.6	\$101.2	\$127.3	\$139.7	\$105.3	\$98.2
<i>Total Certificated Salaries</i>	<i>\$3,314.6</i>	<i>\$3,231.9</i>	<i>\$2,807.9</i>	<i>\$2,833.5</i>	<i>\$2,657.2</i>	<i>\$2,689.3</i>
<i>Classified Salaries</i>						
2100 Instructional Aides	\$256.2	\$244.7	\$229.5	\$220.6	\$226.6	\$220.1
2200 Classified Administrators	\$22.8	\$22.3	\$20.9	\$20.1	\$19.3	\$18.7
2300 Clerical and Office Employees	\$298.1	\$290.6	\$262.3	\$234.3	\$219.4	\$210.0
2400 Maintenance & Operations Employee	\$299.6	\$286.2	\$252.4	\$225.4	\$197.1	\$202.3
2500 Food Service Employees	\$0.1	\$0.7	\$0.6	\$0.9	\$0.7	\$0.6
2600 Transportation Employees	\$69.3	\$64.6	\$60.9	\$58.3	\$56.7	\$56.9
2900 Other Classified Employees	\$108.0	\$88.8	\$81.4	\$88.1	\$79.6	\$86.3
<i>Total Classified Salaries</i>	<i>\$1,054.2</i>	<i>\$997.8</i>	<i>\$908.1</i>	<i>\$847.8</i>	<i>\$799.4</i>	<i>\$794.8</i>
<i>Employee Benefits</i>						
3100 State Teachers Retirement System	\$253.6	\$258.9	\$223.6	\$189.0	\$213.8	\$211.8
3200 Public Employees Retirement System	\$110.4	\$107.6	\$105.9	\$95.3	\$101.0	\$94.1
3300 Social Security, Medicare, PARS	\$124.4	\$121.2	\$112.3	\$86.8	\$104.3	\$100.8
3400 Benefits - Employee Health Benefits	\$511.4	\$561.1	\$537.7	\$462.6	\$575.8	\$575.8
3500 Benefits - Unemployment Insurance	\$2.3	\$12.6	\$12.5	\$24.3	\$61.0	\$61.3
3600 Benefits - Workers Compensation	\$77.5	\$0.0	\$97.9	\$35.6	\$61.3	\$62.3
3700 Benefits - Retiree Health Benefits	\$219.2	\$203.6	\$289.1	\$279.0	\$289.0	\$288.4
3800 Benefits - PERS Recapture	\$19.3	\$18.1	\$14.0	\$7.1	\$5.6	\$5.6
3900 Benefits - General	\$0.0	\$1.4	\$14.5	\$185.9	\$13.3	\$12.7
<i>Total Employee Benefits</i>	<i>\$1,318.0</i>	<i>\$1,284.5</i>	<i>\$1,407.4</i>	<i>\$1,365.4</i>	<i>\$1,425.1</i>	<i>\$1,412.8</i>
<i>Books and Supplies</i>						
4100 Textbooks	\$87.7	\$45.8	\$62.8	\$73.9	\$47.2	\$51.4
4200 Other Books	\$3.5	\$1.3	\$1.4	\$10.7	\$18.4	\$2.0
4300 Instructional Materials	\$150.1	\$106.1	\$86.9	\$83.9	\$368.4	\$165.5
4400 Non-Capitalized Equipment	\$70.9	\$55.0	\$35.6	\$40.3	\$6.1	\$14.5
4500 General Supplies	\$111.5	\$78.5	\$64.2	\$76.1	\$147.6	\$121.0
4600 Pupil Transportation Supplies	\$11.5	\$9.8	\$8.9	\$10.5	\$10.3	\$10.7
4700 Food Services Supplies	\$0.0	\$0.1	\$0.3	\$0.1	\$0.5	\$0.5
<i>Total Books and Supplies</i>	<i>\$435.3</i>	<i>\$296.7</i>	<i>\$260.1</i>	<i>\$295.6</i>	<i>\$598.5</i>	<i>\$365.4</i>

**SUPERINTENDENT'S 2011-12 FINAL BUDGET**  
**General Fund - Unrestricted and Restricted Programs**  
**Expenditures by Sub-Object**

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
<i>Other Operating Expense</i>						
5100 Instructional Consultants	\$126.4	\$82.5	\$77.1	\$94.5	\$85.0	\$82.5
5200 Travel & Conference Expense	\$15.0	\$10.7	\$8.2	\$7.9	\$32.8	\$8.5
5300 Dues and Memberships	\$0.6	\$0.6	\$0.6	\$0.6	\$0.4	\$0.4
5400 Insurance	\$23.2	\$21.5	\$43.7	\$18.7	\$30.2	\$29.4
5500 Utilities & Housekeeping Services	\$89.3	\$101.5	\$98.9	\$109.2	\$107.3	\$110.3
5600 Rentals, Leases & Repairs	\$73.1	\$72.8	\$45.7	\$46.3	\$63.6	\$56.6
5700 Subagreements	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
5800 Other Services & Operating Expense	\$417.1	\$434.7	\$467.4	\$459.0	\$454.9	\$501.0
5900 Telephone, Pager & Postage	\$20.1	\$20.2	\$19.1	\$21.3	\$19.6	\$22.0
<i>Total Operating Expense</i>	\$764.9	\$744.4	\$760.7	\$757.5	\$793.8	\$810.8
<i>Capital Outlay</i>						
6100 Sites & Improvement of Sites	\$1.1	\$1.5	\$1.0	\$6.1	\$0.5	\$0.5
6200 Buildings & Improvement of Building	\$27.1	\$23.5	\$9.6	\$15.7	\$18.8	\$21.5
6300 Books & Meida for Libraries	\$3.3	(\$0.0)	\$1.2	\$0.0	\$0.0	\$12.3
6400 Equipment	\$5.2	\$2.5	\$3.2	\$46.9	\$49.1	\$1.9
6500 Equipment Replacement	\$0.4	\$0.0	\$3.2	\$11.8	\$8.3	\$7.6
<i>Total Capital Outlay</i>	\$37.0	\$27.5	\$18.2	\$80.5	\$76.7	\$43.9
<i>Other Outgo</i>						
7100 Tuition	\$0.9	\$0.2	\$0.6	\$0.7	\$0.7	\$0.7
7200 Other Transfer Out	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
7300 Interprogram Support Costs	(\$5.9)	(\$8.6)	(\$11.6)	(\$9.1)	(\$24.6)	(\$26.6)
7600 InterfundTransfers	\$63.9	\$86.2	\$224.4	\$126.9	\$213.6	\$213.6
7700 Other Uses	\$3.5	\$2.5	\$1.7	\$1.3	\$1.5	\$4.9
<i>Total Other Outgo</i>	\$62.3	\$80.4	\$215.1	\$119.7	\$191.1	\$192.6
<b>Total Expenditures</b>	\$6,986.3	\$6,663.2	\$6,377.5	\$6,300.1	\$6,541.9	\$6,309.7

# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## General Fund - Unrestricted Programs

### Expenditures by Sub-Object

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
<i>Amounts in \$millions</i>						
<i>Certificated Salaries</i>						
1100 Salaries - Teachers	\$1,644.5	\$1,617.1	\$1,301.8	\$1,448.9	\$1,474.7	\$1,493.5
1200 Salaries - School Administrators	\$138.9	\$158.5	\$131.3	\$126.4	\$111.2	\$124.9
1300 Salaries - Supervisors	\$51.4	\$51.9	\$49.0	\$49.7	\$32.5	\$49.3
1400 Salaries - Librarians	\$11.4	\$11.3	\$9.9	\$5.5	\$5.3	\$6.0
1500 Salaries - Counselors	\$59.7	\$51.2	\$61.8	\$57.3	\$43.3	\$46.9
1600 Salaries - Nurses & Health Employee	\$13.5	\$12.9	\$20.2	\$15.1	\$16.2	\$15.4
1700 Salaries - Superintendents	\$2.7	\$2.6	\$2.0	\$2.3	\$2.4	\$2.4
1800 Salaries - Nonschool Administrators	\$20.9	\$12.9	\$7.3	\$4.6	\$2.7	\$4.4
1900 Other Certificated Employees	\$16.4	\$11.8	\$22.8	\$20.3	\$12.8	\$20.5
<i>Total Certificated Salaries</i>	<i>\$1,959.3</i>	<i>\$1,930.3</i>	<i>\$1,606.1</i>	<i>\$1,730.2</i>	<i>\$1,701.0</i>	<i>\$1,763.1</i>
<i>Classified Salaries</i>						
2100 Instructional Aides	\$4.5	\$4.0	\$2.3	\$3.8	\$3.3	\$4.0
2200 Classified Administrators	\$17.6	\$16.9	\$15.6	\$15.5	\$15.3	\$13.9
2300 Clerical and Office Employees	\$205.6	\$198.4	\$188.1	\$173.0	\$161.7	\$156.9
2400 Maintenance & Operations Employee	\$187.9	\$176.4	\$149.1	\$134.7	\$138.3	\$135.0
2500 Food Service Employees	(\$0.2)	\$0.3	(\$0.3)	\$0.0	\$0.0	\$0.0
2600 Transportation Employees	\$1.6	\$1.7	\$31.4	\$33.9	\$30.6	\$32.5
2900 Other Classified Employees	\$46.2	\$32.0	\$32.4	\$34.7	\$28.2	\$34.2
<i>Total Classified Salaries</i>	<i>\$463.2</i>	<i>\$429.6</i>	<i>\$418.6</i>	<i>\$395.7</i>	<i>\$377.4</i>	<i>\$376.5</i>
<i>Employee Benefits</i>						
3100 State Teachers Retirement System	\$155.8	\$158.0	\$129.6	\$142.2	\$138.4	\$138.8
3200 Public Employees Retirement System	\$55.2	\$49.8	\$56.2	\$49.3	\$62.9	\$48.0
3300 Social Security, Medicare, PARS	\$60.4	\$60.0	\$55.6	\$52.7	\$58.4	\$52.4
3400 Benefits - Employee Health Benefits	\$276.5	\$308.9	\$292.6	\$295.4	\$321.3	\$334.1
3500 Benefits - Unemployment Insurance	\$1.3	\$7.3	\$7.0	\$16.9	\$36.3	\$37.2
3600 Benefits - Workers Compensation	\$43.6	\$0.0	\$54.2	\$24.7	\$36.9	\$37.8
3700 Benefits - Retiree Health Benefits	\$118.5	\$112.0	\$168.2	\$178.3	\$179.4	\$170.6
3800 Benefits - PERS Recapture	\$9.1	\$8.5	\$6.4	\$2.5	\$5.0	\$3.4
3900 Benefits - General	\$0.0	\$1.4	\$14.5	\$13.7	\$13.3	\$12.7
<i>Total Employee Benefits</i>	<i>\$720.5</i>	<i>\$706.0</i>	<i>\$784.2</i>	<i>\$775.6</i>	<i>\$852.0</i>	<i>\$835.0</i>
<i>Books and Supplies</i>						
4100 Textbooks	\$40.3	\$7.9	\$49.8	\$54.1	\$35.6	\$39.7
4200 Other Books	\$1.1	\$0.6	\$0.7	\$1.5	\$18.1	\$1.6
4300 Instructional Materials	\$20.5	\$12.9	\$24.0	\$18.3	\$92.4	\$30.9
4400 Non-Capitalized Equipment	\$10.9	\$5.6	\$9.1	\$6.2	\$2.4	\$3.9
4500 General Supplies	\$40.9	\$15.2	\$22.3	\$29.5	\$53.7	\$50.4
4600 Pupil Transportation Supplies	\$0.3	\$0.2	\$3.9	\$5.8	\$5.9	\$6.0
4700 Food Services Supplies	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<i>Total Books and Supplies</i>	<i>\$113.9</i>	<i>\$42.4</i>	<i>\$109.7</i>	<i>\$115.4</i>	<i>\$208.0</i>	<i>\$132.6</i>

# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## General Fund - Unrestricted Programs

### Expenditures by Sub-Object

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
<i>Other Operating Expense</i>						
5100 Instructional Consultants	\$13.3	\$3.2	\$7.8	\$7.3	\$5.0	\$1.8
5200 Travel & Conference Expense	\$3.3	\$2.3	\$2.4	\$1.9	\$27.2	\$2.8
5300 Dues and Memberships	\$0.5	\$0.5	\$0.5	\$0.4	\$0.4	\$0.4
5400 Insurance	\$23.2	\$21.5	\$43.7	\$18.7	\$30.2	\$29.4
5500 Utilities & Housekeeping Services	\$79.6	\$90.8	\$96.9	\$106.6	\$105.0	\$107.6
5600 Rentals, Leases & Repairs	\$32.7	\$34.3	\$32.7	\$32.5	\$49.3	\$48.1
5700 Subagreements	\$0.0	(\$107.2)	(\$113.6)	(\$88.6)	(\$88.6)	(\$88.6)
5800 Other Services & Operating Expense	\$88.4	\$87.2	\$119.4	\$108.4	\$106.2	\$107.8
5900 Telephone, Pager & Postage	\$17.7	\$17.8	\$17.6	\$19.9	\$18.1	\$20.2
<i>Total Operating Expense</i>	<u>\$258.7</u>	<u>\$150.3</u>	<u>\$207.3</u>	<u>\$207.1</u>	<u>\$252.9</u>	<u>\$229.4</u>
<i>Capital Outlay</i>						
6100 Sites & Improvement of Sites	\$0.5	\$0.3	\$0.8	\$0.7	\$0.5	\$0.4
6200 Buildings & Improvement of Building	\$12.2	\$13.7	\$5.5	\$11.9	\$1.9	\$4.8
6300 Books & Meida for Libraries	\$0.0	(\$0.0)	\$1.2	\$0.0	\$0.0	\$12.3
6400 Equipment	\$2.8	\$0.2	\$2.2	\$0.3	\$1.7	\$0.7
6500 Equipment Replacement	\$0.4	\$0.0	(\$0.0)	\$0.1	\$0.4	\$0.1
<i>Total Capital Outlay</i>	<u>\$15.9</u>	<u>\$14.2</u>	<u>\$9.7</u>	<u>\$13.1</u>	<u>\$4.6</u>	<u>\$18.2</u>
<i>Other Outgo</i>						
7100 Tuition	\$0.9	\$0.2	\$0.6	\$0.7	\$0.7	\$0.7
7200 Other Transfer Out	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
7300 Interprogram Support Costs	(\$198.9)	(\$150.1)	(\$72.4)	(\$59.8)	(\$150.6)	(\$143.0)
7600 InterfundTransfers	\$32.8	\$56.1	\$224.4	\$126.9	\$213.6	\$213.6
7700 Other Uses	\$3.5	\$2.5	\$1.7	\$1.3	\$1.5	\$4.9
<i>Total Other Outgo</i>	<u>(\$161.7)</u>	<u>(\$91.2)</u>	<u>\$154.2</u>	<u>\$69.0</u>	<u>\$65.2</u>	<u>\$76.2</u>
<b>Total Expenditures</b>	<b>\$3,369.9</b>	<b>\$3,181.7</b>	<b>\$3,289.9</b>	<b>\$3,305.9</b>	<b>\$3,461.1</b>	<b>\$3,431.0</b>

**SUPERINTENDENT'S 2011-12 FINAL BUDGET**  
**General Fund - Restricted Programs**  
**Expenditures by Sub-Object**

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2010-12 Authorized Amounts	2010-12 Estimated Amounts
Amounts in \$millions						
<i>Certificated Salaries</i>						
1100 Salaries - Teachers	\$914.6	\$892.5	\$864.4	\$733.2	\$656.7	\$638.0
1200 Salaries - School Administrators	\$63.4	\$41.4	\$31.9	\$32.0	\$26.1	\$27.7
1300 Salaries - Supervisors	\$88.0	\$73.8	\$48.9	\$53.4	\$43.4	\$43.8
1400 Salaries - Librarians	\$1.8	\$1.7	\$1.5	\$3.9	\$2.0	\$2.2
1500 Salaries - Counselors	\$139.6	\$145.7	\$105.6	\$112.2	\$88.8	\$91.2
1600 Salaries - Nurses & Health Employee	\$52.3	\$52.9	\$41.9	\$46.7	\$44.7	\$43.7
1700 Salaries - Superintendents	\$0.3	\$0.3	\$0.1	\$0.1	\$0.1	\$0.1
1800 Salaries - Nonschool Administrators	\$5.0	\$3.9	\$3.2	\$2.6	\$1.8	\$2.0
1900 Other Certificated Employees	\$90.3	\$89.4	\$104.5	\$119.3	\$92.5	\$77.7
<i>Total Certificated Salaries</i>	<i>\$1,355.3</i>	<i>\$1,301.6</i>	<i>\$1,201.9</i>	<i>\$1,103.4</i>	<i>\$956.2</i>	<i>\$926.2</i>
<i>Classified Salaries</i>						
2100 Instructional Aides	\$251.7	\$240.7	\$227.3	\$216.8	\$223.4	\$216.1
2200 Classified Administrators	\$5.2	\$5.4	\$5.3	\$4.6	\$3.9	\$4.8
2300 Clerical and Office Employees	\$92.5	\$92.2	\$74.2	\$61.3	\$57.7	\$53.1
2400 Maintenance & Operations Employee	\$111.7	\$109.8	\$103.3	\$90.8	\$58.8	\$67.2
2500 Food Service Employees	\$0.3	\$0.4	\$0.9	\$0.9	\$0.7	\$0.6
2600 Transportation Employees	\$67.7	\$62.9	\$29.5	\$24.3	\$26.1	\$24.3
2900 Other Classified Employees	\$61.8	\$56.8	\$49.1	\$53.5	\$51.4	\$52.1
<i>Total Classified Salaries</i>	<i>\$591.0</i>	<i>\$568.2</i>	<i>\$489.5</i>	<i>\$452.1</i>	<i>\$422.0</i>	<i>\$418.3</i>
<i>Employee Benefits</i>						
3100 State Teachers Retirement System	\$97.8	\$100.9	\$94.1	\$46.8	\$75.4	\$73.0
3200 Public Employees Retirement System	\$55.2	\$57.8	\$49.7	\$46.0	\$38.1	\$46.2
3300 Social Security, Medicare, PARS	\$64.0	\$61.2	\$56.6	\$34.1	\$45.9	\$48.4
3400 Benefits - Employee Health Benefits	\$234.9	\$252.2	\$245.0	\$167.1	\$254.5	\$241.7
3500 Benefits - Unemployment Insurance	\$1.0	\$5.3	\$5.5	\$7.4	\$24.8	\$24.1
3600 Benefits - Workers Compensation	\$33.9	\$0.0	\$43.7	\$10.9	\$24.4	\$24.5
3700 Benefits - Retiree Health Benefits	\$100.7	\$91.5	\$121.0	\$100.7	\$109.6	\$117.8
3800 Benefits - PERS Recapture	\$10.2	\$9.6	\$7.6	\$4.6	\$0.6	\$2.2
3900 Benefits - General	(\$0.0)	\$0.0	\$0.0	\$172.2	\$0.0	\$0.0
<i>Total Employee Benefits</i>	<i>\$597.6</i>	<i>\$578.5</i>	<i>\$623.2</i>	<i>\$589.8</i>	<i>\$573.2</i>	<i>\$577.9</i>
<i>Books and Supplies</i>						
4100 Textbooks	\$47.3	\$37.9	\$13.0	\$19.8	\$11.6	\$11.6
4200 Other Books	\$2.5	\$0.7	\$0.7	\$9.3	\$0.3	\$0.4
4300 Instructional Materials	\$129.6	\$93.3	\$62.9	\$65.6	\$276.0	\$134.7
4400 Non-Capitalized Equipment	\$60.0	\$49.5	\$26.5	\$34.1	\$3.7	\$10.5
4500 General Supplies	\$70.6	\$63.3	\$41.9	\$46.6	\$93.9	\$70.5
4600 Pupil Transportation Supplies	\$11.3	\$9.6	\$5.0	\$4.8	\$4.5	\$4.7
4700 Food Services Supplies	\$0.0	\$0.1	\$0.3	\$0.1	\$0.5	\$0.5
<i>Total Books and Supplies</i>	<i>\$321.4</i>	<i>\$254.3</i>	<i>\$150.4</i>	<i>\$180.3</i>	<i>\$390.5</i>	<i>\$232.9</i>

**SUPERINTENDENT'S 2011-12 FINAL BUDGET**  
**General Fund - Restricted Programs**  
**Expenditures by Sub-Object**

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2010-12 Authorized Amounts	2010-12 Estimated Amounts
<i>Other Operating Expense</i>						
5100 Instructional Consultants	\$113.1	\$79.4	\$69.3	\$87.2	\$80.0	\$80.7
5200 Travel & Conference Expense	\$11.7	\$8.4	\$5.8	\$6.0	\$5.6	\$5.8
5300 Dues and Memberships	\$0.1	\$0.1	\$0.1	\$0.2	\$0.0	\$0.0
5400 Insurance	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
5500 Utilities & Housekeeping Services	\$9.7	\$10.7	\$2.1	\$2.6	\$2.3	\$2.7
5600 Rentals, Leases & Repairs	\$40.4	\$38.4	\$13.0	\$13.8	\$14.3	\$8.5
5700 Transfers of Direct Costs	\$0.0	\$107.2	\$113.6	\$88.6	\$88.6	\$88.6
5800 Other Services & Operating Expense	\$328.7	\$347.5	\$348.0	\$350.7	\$348.6	\$393.3
5900 Telephone, Pager & Postage	\$2.5	\$2.4	\$1.5	\$1.4	\$1.5	\$1.8
<i>Total Operating Expense</i>	\$506.1	\$594.1	\$553.4	\$550.5	\$540.8	\$581.4
<i>Capital Outlay</i>						
6100 Sites & Improvement of Sites	\$0.6	\$1.1	\$0.3	\$5.4	\$0.0	\$0.1
6200 Buildings & Improvement of Building	\$14.9	\$9.8	\$4.0	\$3.8	\$16.9	\$16.7
6300 Books & Meida for Libraries	\$3.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
6400 Equipment	\$2.3	\$2.4	\$1.0	\$46.6	\$47.4	\$1.2
6500 Equipment Replacement	\$0.0	\$0.0	\$3.2	\$11.7	\$7.9	\$7.6
<i>Total Capital Outlay</i>	\$21.1	\$13.2	\$8.5	\$67.4	\$72.2	\$25.6
<i>Other Outgo</i>						
7200 Other Transfer Out	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
7300 Interprogram Support Costs	\$193.0	\$141.5	\$60.8	\$50.7	\$125.9	\$116.4
7600 InterfundTransfers	\$31.1	\$30.0	\$0.0	\$0.0	\$0.0	\$0.0
<i>Total Other Outgo</i>	\$224.0	\$171.5	\$60.8	\$50.7	\$125.9	\$116.4
<b>Total Expenditures</b>	<b>\$3,616.5</b>	<b>\$3,481.5</b>	<b>\$3,087.6</b>	<b>\$2,994.2</b>	<b>\$3,080.8</b>	<b>\$2,878.7</b>

**SUPERINTENDENT'S 2011-12 FINAL BUDGET**  
**Total Sources General Fund Restricted Programs**

SACS RESOURCE	Beginning Balance	Carryover	New Revenue	Contribution	Total Sources
<b>Federal Sources</b>					
NCLB: Title I, Part A, Basic Grants Low-Income and Neglected	\$0.0	\$58.5	\$340.2	\$0.0	\$398.7
NCLB: ARRA Title I, Part A, Basic Grants Low Income and Neglected	\$0.0	\$12.5	\$0.0	\$0.0	\$12.5
NCLB: Title I, Part D, Local Delinquent Programs	\$0.0	\$0.2	\$0.8	\$0.0	\$1.0
NCLB: ARRA Title I, Part D, Local Delinquent Programs	\$0.0	\$0.1	\$0.0	\$0.0	\$0.1
NCLB: Title I, Part C, Migrant Ed (Regular and Summer Program)	\$0.0	\$0.0	\$1.0	-\$0.3	\$0.8
NCLB: Title I, Migrant Ed Summer Program	\$0.0	\$0.0	\$0.0	\$0.3	\$0.3
NCLB: Title I, School Improvement Grant	\$0.0	\$1.4	\$0.0	\$0.0	\$1.4
NCLB: ARRA Title I, School Improvement Grant	\$0.0	\$8.2	\$0.0	\$0.0	\$8.2
Education Jobs Fund	\$0.0	\$103.5	\$0.0	\$0.0	\$103.5
Special Ed: IDEA Basic Local Assistance Entitlement, Part B, Sec 611 (formerly PL 94-142)	\$0.0	\$0.0	\$121.3	-\$33.0	\$88.4
Special Ed: ARRA IDEA Part B, Sec 611, Basic Local Assistance	\$0.0	\$9.7	\$0.0	\$0.9	\$10.6
Special Ed: IDEA Preschool Grants, Part B, Sec 619	\$0.0	\$0.5	\$5.2	\$0.0	\$5.6
Special Ed: IDEA Preschool Accountability Grants, Part B, Sec 619	\$0.0	\$0.1	\$0.0	\$0.0	\$0.1
Special Ed: ARRA IDEA Part B, Sec 619, Preschool Grants	\$0.0	\$0.5	\$0.0	\$0.0	\$0.5
Special Ed: IDEA Preschool Local Entitlement, Part B, Sec 611	\$0.0	\$1.8	\$11.7	\$0.0	\$13.5
Special Ed: ARRA IDEA Part B, Sec 611, Preschool Local Entitlement	\$0.0	\$1.0	\$0.1	\$0.0	\$1.1
Special Ed: IDEA Preschool Staff Development, Part B, Sec 619	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Special Ed: IDEA Early Intervention Grants	\$0.0	\$0.0	\$1.2	\$0.0	\$1.2
Department of Rehab: Workability II, Transition Partnership	\$0.0	\$0.0	\$0.9	\$0.0	\$0.9
Carl D. Perkins Career and Technical Education: Secondary, Section 131	\$0.0	\$0.0	\$6.4	\$0.0	\$6.4
NCLB: Title IV, Part A, Drug-Free Schools	\$0.0	\$0.1	\$0.0	\$0.0	\$0.1
NCLB: Title II, Part A, Teacher Quality	\$0.0	\$13.6	\$52.7	\$0.0	\$66.3
NCLB: Title II, Part D, Enhancing Education Through Technology, Formula Grants	\$0.0	\$0.3	\$1.4	\$0.0	\$1.7
NCLB: Title II, Part D, Enhancing Education Through Technology, Competitive Grants	\$0.0	\$0.1	\$0.0	\$0.0	\$0.1
NCLB: ARRA Title II, Part D, Enhancing Education Through Technology	\$0.0	\$2.4	\$0.0	\$0.0	\$2.4
NCLB: ARRA Title II, Part D, Enhancing Education Through Technology, Competitive Grants	\$0.0	\$2.1	\$0.0	\$0.0	\$2.1
NCLB: Title II, Part B, CA Mathematics and Science Partnerships	\$0.0	\$0.3	\$0.0	\$0.0	\$0.3
NCLB: Title IV, Part B, 21st Century Community Learning Centers Program	\$0.0	\$3.3	\$18.8	\$0.0	\$22.1
NCLB: Title III, Limited English Proficient (LEP) Student Program	\$0.0	\$10.4	\$20.2	\$0.0	\$30.6
Indian Education	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Other ARRA Programs	\$0.0	\$1.9	\$0.4	\$0.0	\$2.3
Workforce Investment Act (WIA) From Other Agencies (LWIB)	\$0.0	\$0.0	\$1.0	\$0.0	\$1.0
NCLB: Title X McKinney-Vento Homeless Assistance Grants	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Medi-Cal Billing Option	\$19.1	\$0.0	\$16.0	\$0.0	\$35.1
FEMA Public Assistance Funds	\$0.1	\$0.0	\$0.0	\$0.0	\$0.1
Other Restricted Federal	\$2.6	\$10.5	\$67.7	\$0.0	\$80.8
<b>Total Federal Sources</b>	<b>\$21.8</b>	<b>\$243.0</b>	<b>\$667.1</b>	<b>-\$32.1</b>	<b>\$899.8</b>
<b>State Sources</b>					
Continuation Education (Education Code sections 42244 and 48438)	\$0.0	\$0.0	\$18.4	\$8.5	\$26.9
Community Day Schools	\$0.0	\$0.0	\$8.2	\$2.9	\$11.1
After School Education and Safety (ASES)	\$0.0	\$0.0	\$74.2	\$0.0	\$74.2
CSIS: California School Information Service	\$0.0	\$3.5	\$0.0	\$0.0	\$3.5
Emergency Repair Program, Williams Case	\$13.3	\$0.0	\$0.0	\$0.0	\$13.3
Healthy Start: Planning Grants and Operational Grants	\$0.0	\$0.6	\$0.1	\$0.0	\$0.7
Early Mental Health Initiative (EMHI) (Department of Mental Health)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Teacher Recruitment and Retention (09-10)	\$4.9	\$0.0	\$0.0	\$0.0	\$4.9
English Language Acquisition Program, Teacher Training & Student Assistance	\$4.3	\$0.0	\$0.0	\$0.0	\$4.3
Lottery: Instructional Materials	\$0.0	\$0.0	\$11.6	\$0.0	\$11.6
ROCP: Training & Certification for Community Care (Dept Develop Service)	\$0.0	\$0.0	\$0.3	\$0.0	\$0.3
Pupils with Disabilities Attending ROC/P	\$0.0	\$0.0	\$2.4	\$0.0	\$2.4
Governor's CTE Initiative: California Partnership Academies	\$0.0	\$1.0	\$0.0	\$0.0	\$1.0
California Partnership Academies: Green and Clean Academies	\$0.0	\$0.3	\$0.0	\$0.0	\$0.3
Special Education	\$6.7	\$0.0	\$536.4	\$723.1	\$1,266.1
Special Ed: Early Ed Individuals with Exceptional Needs (Infant Program)	\$0.4	\$0.0	\$3.0	\$0.1	\$3.5
Special Ed: Project Workability I LEA	\$0.0	\$0.0	\$0.1	\$0.0	\$0.1
Special Ed: Personnel Staff Development	\$0.0	\$0.1	\$0.0	\$0.0	\$0.1
Tobacco-Use Prevention Education: Grades Nine through Twelve (09-10)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Economic Impact Aid (EIA)	\$1.5	\$0.0	\$26.4	\$0.0	\$27.9
Economic Impact Aid: Limited English Proficiency (LEP)	\$68.8	\$0.0	\$104.2	\$0.0	\$172.9



**SUPERINTENDENT'S 2011-12 FINAL BUDGET**  
**Total Sources General Fund Restricted Programs**

SACS RESOURCE	Beginning Balance	Carryover	New Revenue	Contribution	Total Sources
Partnership Academies Program	\$0.0	\$1.3	\$0.0	\$0.0	\$1.3
Transportation: Home to School	\$1.0	\$0.0	\$36.2	\$0.6	\$37.7
Transportation: Special Education (Severely Disabled/Orthopedically Impaired)	\$0.0	\$0.0	\$40.2	\$12.2	\$52.4
Quality Education Investment Act	\$86.6	\$0.0	\$119.6	\$0.0	\$206.2
Other Restricted State	\$0.4	\$0.8	\$18.2	\$0.0	\$19.4
Ongoing & Major Maintenance Account (RMA: Education Code Section 17070.75)	\$0.0	\$0.0	\$0.0	\$99.2	\$99.2
<b>Total State Sources</b>	<b>\$187.8</b>	<b>\$7.7</b>	<b>\$999.4</b>	<b>\$846.6</b>	<b>\$2,041.5</b>
<b>Local Sources</b>					
Other Restricted Local	\$73.3	\$7.3	\$23.1	\$0.0	\$103.7
<b>Total Local Sources</b>	<b>\$73.3</b>	<b>\$7.3</b>	<b>\$23.1</b>	<b>\$0.0</b>	<b>\$103.7</b>
<b>Total Restricted Program Sources</b>	<b>\$283.0</b>	<b>\$258.0</b>	<b>\$1,689.5</b>	<b>\$814.6</b>	<b>\$3,045.0</b>

# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## General Fund - Selected Programs

### Special Education (D)

This program provides a variety of services for students with special educational needs, as determined by their Individualized Education Programs (IEPs)

#### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
Amounts in \$millions						
<b>Sources of Funds</b>						
<i>Beginning Balance</i>						
Non Spendable-Inventories, Cash, Other	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Restricted Beginning Balances	\$1.2	\$5.7	\$5.9	\$6.8	\$7.1	\$7.1
Assigned Beginning Balances	\$5.9	\$0.7	\$0.0	\$0.0	\$0.0	\$0.0
Unassigned Beginning Balances						
Reserve for Economic Uncertainties	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Reserve for Revenue Uncertainties	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Undesignated Beginning Balances	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Restatement of Beginning Balances	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Audit Adjustments	\$0.0	\$0.0	-\$54.3	\$0.0	\$0.0	\$0.0
<b><i>Total Beginning Balance</i></b>	<b>\$7.1</b>	<b>\$6.4</b>	<b>-\$48.3</b>	<b>\$6.8</b>	<b>\$7.1</b>	<b>\$7.1</b>
<i>Revenue</i>						
Revenue Limit Revenues	\$169.3	\$159.9	\$150.1	\$152.5	\$154.8	\$154.8
Federal Revenues	\$119.0	\$111.8	\$198.7	\$167.9	\$165.9	\$165.9
State Revenues	\$475.9	\$440.1	\$477.1	\$455.7	\$424.3	\$424.3
Local Revenues	\$1.0	\$0.6	\$0.6	\$0.2	\$0.3	\$0.3
Interfund Transfers In	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Flexibility Transfers	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Interprogram Transfers-Unrestricted P	\$617.5	\$675.1	\$634.7	\$628.3	\$740.1	\$703.4
Interprogram Transfers-Restricted Pro	\$23.7	\$25.3	\$23.3	\$21.0	\$20.2	\$20.2
Local Miscellaneous	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Revenue</i></b>	<b>\$1,406.4</b>	<b>\$1,412.7</b>	<b>\$1,484.5</b>	<b>\$1,425.7</b>	<b>\$1,505.7</b>	<b>\$1,469.0</b>
<b><i>Total Sources of Funds</i></b>	<b>\$1,413.5</b>	<b>\$1,419.2</b>	<b>\$1,436.2</b>	<b>\$1,432.5</b>	<b>\$1,512.8</b>	<b>\$1,476.1</b>
<b>Uses of Funds</b>						
<i>Expenditure</i>						
Certificated Salaries	\$480.5	\$461.0	\$430.8	\$424.8	\$449.4	\$423.5
Classified Salaries	\$276.4	\$262.7	\$248.5	\$238.8	\$246.9	\$240.1
Employee Benefits	\$272.7	\$271.5	\$305.9	\$315.2	\$326.9	\$329.7
Books and Supplies	\$13.2	\$8.0	\$10.1	\$34.5	\$38.6	\$29.2
Other Operating Expense	\$224.8	\$350.2	\$358.5	\$339.7	\$328.8	\$330.7
Independent Charter School Portion	\$0.0	\$0.0	\$43.4	\$47.9	\$56.3	\$56.3
Capital Outlay	\$0.4	\$0.1	\$0.1	\$0.1	\$0.3	\$0.1
Other Outgo	\$139.0	\$59.7	\$32.1	\$24.4	\$65.6	\$60.5
<b><i>Total Expenditure</i></b>	<b>\$1,407.1</b>	<b>\$1,413.3</b>	<b>\$1,429.4</b>	<b>\$1,425.4</b>	<b>\$1,512.8</b>	<b>\$1,470.2</b>
<i>Ending Balance</i>						
Non Spendable-Inventories, Cash, Other	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Restricted Ending Balances	\$5.7	\$5.1	\$6.8	\$7.1	\$0.0	\$5.0
Assigned Ending Balances	\$0.7	\$0.9	\$0.0	\$0.0	\$0.0	\$0.9
Unassigned Ending Balances						
Reserve for Economic Uncertainties	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Reserve for Revenue Uncertainties	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Undesignated Ending Balances	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b><i>Total Ending Balance</i></b>	<b>\$6.4</b>	<b>\$5.9</b>	<b>\$6.8</b>	<b>\$7.1</b>	<b>\$0.0</b>	<b>\$5.9</b>
<b><i>Total Uses of Funds</i></b>	<b>\$1,413.5</b>	<b>\$1,419.2</b>	<b>\$1,436.2</b>	<b>\$1,432.5</b>	<b>\$1,512.8</b>	<b>\$1,476.1</b>

# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## General Fund - Selected Programs

### Maintenance (\$)

Provide ongoing and major maintenance for schools and other district buildings. State law requires that Districts receiving State bound funds.

#### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

#### Sources of Funds

##### *Beginning Balance*

Restricted Beginning Balances	\$0.0	\$20.3	\$0.7	\$0.0	\$13.3	\$13.3
Restricted Beginning Balances	\$20.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Audit Adjustments	\$0.0	\$0.0	\$0.0	\$16.0	\$0.0	\$0.0
<i>Total Beginning Balance</i>	\$20.3	\$20.3	\$0.7	\$16.0	\$13.3	\$13.3

##### *Revenue*

Interfund Transfers In	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Interprogram Transfers	\$212.5	\$204.0	\$132.9	\$125.3	\$99.2	\$99.2
<i>Total Revenue</i>	\$212.5	\$204.0	\$132.9	\$125.3	\$99.2	\$99.2
<b><i>Total Sources of Funds</i></b>	<b>\$232.8</b>	<b>\$224.4</b>	<b>\$133.5</b>	<b>\$141.2</b>	<b>\$112.5</b>	<b>\$112.5</b>

#### Uses of Funds

##### *Expenditure*

Certificated Salaries	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Classified Salaries	\$91.2	\$90.8	\$80.3	\$65.4	\$59.1	\$59.4
Employee Benefits	\$33.5	\$33.9	\$39.4	\$30.5	\$21.9	\$31.4
Books and Supplies	\$26.1	\$27.1	\$14.2	\$21.3	\$6.9	\$3.8
Other Operating Expense	\$23.9	\$26.5	\$7.8	\$6.0	\$6.9	\$1.1
Capital Outlay	\$2.8	\$7.7	\$1.2	\$2.8	\$14.9	\$14.1
Other Outgo	\$35.0	\$37.6	\$2.6	\$2.0	\$2.7	\$2.7
<b><i>Total Expenditure</i></b>	<b>\$212.5</b>	<b>\$223.7</b>	<b>\$145.4</b>	<b>\$128.0</b>	<b>\$112.5</b>	<b>\$112.5</b>

##### *Ending Balance*

Restricted Ending Balances	\$20.3	\$0.7	\$0.0	\$13.3	\$0.0	\$0.0
Assigned Ending Balances	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<i>Total Ending Balance</i>	\$20.3	\$0.7	\$0.0	\$13.3	\$0.0	\$0.0
<b><i>Total Uses of Funds</i></b>	<b>\$232.8</b>	<b>\$224.4</b>	<b>\$145.4</b>	<b>\$141.2</b>	<b>\$112.5</b>	<b>\$112.5</b>

# SUPERINTENDENT'S 2011-12 FINAL BUDGET

## General Fund - Selected Programs

### ROC/ROP (J)

This program pays for career-oriented programs at Regional Occupational Centers and at LAUSD high schools. The State provides special funding for these programs.

#### Regular Program

	2007-08 Actual Amounts	2008-09 Actual Amounts	2009-10 Actual Amounts	2010-11 3rd Interim Estimate	2011-12 Authorized Amounts	2011-12 Estimated Amounts
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Amounts in \$millions

#### Sources of Funds

##### *Beginning Balance*

Restricted Beginning Balances	\$0.0	\$9.9	\$7.9	\$0.0	\$2.4	\$2.4
Assigned Beginning Balances	\$12.3	\$0.0	\$0.0	\$1.8	\$0.0	\$0.0
Audit Adjustments	\$0.0	\$0.0	-\$4.5	\$0.0	\$0.0	\$0.0
<b>Total Beginning Balance</b>	<b>\$12.3</b>	<b>\$9.9</b>	<b>\$3.5</b>	<b>\$1.8</b>	<b>\$2.4</b>	<b>\$2.4</b>

##### *Revenue*

Revenue Limit Revenues	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
State Revenues	\$72.5	\$66.3	\$62.6	\$57.8	\$59.2	\$59.2
Local Revenues	\$1.8	\$2.5	\$2.2	\$2.2	\$2.3	\$2.3
Interfund Transfers In	\$10.6	\$10.6	\$10.6	\$0.0	\$0.0	\$0.0
Other Financing Sources	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Flexibility Transfers	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Interprogram Transfers	\$0.3	(\$7.9)	(\$12.5)	\$6.0	(\$6.7)	(\$6.7)
Local Miscellaneous	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
<b>Total Revenue</b>	<b>\$85.2</b>	<b>\$71.6</b>	<b>\$62.9</b>	<b>\$66.1</b>	<b>\$54.8</b>	<b>\$54.8</b>
<b>Total Sources of Funds</b>	<b>\$97.5</b>	<b>\$81.5</b>	<b>\$66.4</b>	<b>\$67.9</b>	<b>\$57.2</b>	<b>\$57.2</b>

#### Uses of Funds

##### *Expenditure*

Certificated Salaries	\$36.5	\$38.1	\$27.2	\$28.3	\$21.8	\$21.3
Classified Salaries	\$12.1	\$12.1	\$10.2	\$10.2	\$8.0	\$9.9
Employee Benefits	\$15.7	\$15.1	\$14.8	\$14.2	\$13.1	\$13.8
Books and Supplies	\$2.2	\$2.6	\$2.2	\$2.6	\$4.4	\$2.4
Other Operating Expense	\$8.6	\$9.0	\$8.3	\$8.6	\$7.0	\$5.7
Capital Outlay	\$10.4	\$0.7	\$0.3	\$0.3	\$0.0	\$0.0
Other Outgo	\$2.2	\$3.9	\$1.7	\$1.4	\$2.9	\$2.9
<b>Total Expenditure</b>	<b>\$87.7</b>	<b>\$81.5</b>	<b>\$64.7</b>	<b>\$65.5</b>	<b>\$57.2</b>	<b>\$56.0</b>

##### *Ending Balance*

Restricted Ending Balances	\$9.9	\$7.9	\$0.0	\$0.0	\$0.0	\$0.0
Assigned Ending Balances	\$0.0	\$0.0	\$1.8	\$2.4	\$0.0	\$1.2
<b>Total Ending Balance</b>	<b>\$9.9</b>	<b>\$7.9</b>	<b>\$1.8</b>	<b>\$2.4</b>	<b>\$0.0</b>	<b>\$1.2</b>
<b>Total Uses of Funds</b>	<b>\$97.5</b>	<b>\$89.4</b>	<b>\$66.4</b>	<b>\$67.9</b>	<b>\$57.2</b>	<b>\$57.2</b>

## APPENDICES

### INTRODUCTION

This Section provides information related to a number of areas of importance with regard to the District's budget for the 2011-12 fiscal year. Included in this Section are the following:

**Appendix A – Budget Principles and Processes.** This section explains the general principles used by the District in preparing its budget, and the process for developing and amending the budget.

**Appendix B – How Education is Funded in California.** This section presents an overview of California's complex funding mechanisms, and summarizes significant legislation that has impacted K-12 funding since the 1970s.

**Appendix C – Average Daily Attendance (ADA).** These pages provide information regarding Average Daily Attendance (ADA), which is the basis utilized by the State to allocate many funding sources to local school districts. ADA is based almost entirely on actual in-seat attendance, without reference to most excused absences. The page provided reflects information regarding estimated 2010-11 ADA data.

**Appendix D – Revenue Limit Information.** The Revenue Limit is the single largest funding source for California school districts. These pages provide information regarding the various revenue limit rates.

**Appendix E - School Staff and Resources.** These pages provide information related to the staffing of District schools, based on existing allocation formulas. This information is provided for elementary and secondary schools, magnet schools, options schools, special education schools and programs, adult schools, regional occupational centers and programs, and other District schools for which the allocation of positions and other resources occurs. Information is also provided regarding the allocation of support staff, instructional materials, and other supplies to District schools.

**Appendix F – Enrollment Trends.** The District uses data on live births in Los Angeles County and historical grade retention ratios, as well as economic factors and other relevant information, to project enrollment. Estimated enrollments in grades 1 through 12 for the 2010-11 through 2012-13 school years are calculated using various scenarios, generally involving weighted and true averages. The grade retention ratio uses past trends to estimate student progress from grade level to grade level. Enrollments in kindergarten are calculated as a percentage of live births in Los Angeles County five years earlier. Separate Enrollment charts are provided for regular District schools, fiscally independent charter schools and total districtwide enrollment.

*Introduction (cont'd)*

**Appendix G – Budget and Finance Policy.** These pages provide the complete text of the District’s Budget and Finance Policy, as adopted by the Board of Education in June 2004.

**Appendix H – District Debt Management Policy.** These pages provide the complete text of the District’s Debt Management Policy, as adopted by the Board of Education.

**Appendix I – Capital Budget.** These pages provide information regarding the District’s capital facilities plan and other major capital expenditures anticipated during the next several years.

**Appendix J - Notes.** These pages provide information regarding a number of items throughout the budget.

**Appendix K - Glossary and Acronyms.** These pages provide definitions of terms and abbreviations appearing throughout the budget document.

## Appendix A

# BUDGET PRINCIPLES AND PROCESSES

## A. Principles of Budgeting and Accounting

The California School Accounting Manual and the California Education Code govern budget development for California school districts, and their standards form the basis for development of the District's Adopted Final Budget. Among these standards are:

*Basis for Accounting.* The California School Accounting Manual mandates that districts use either the accrual basis or the modified accrual basis in accounting for revenues and expenditures. The difference between the two is as follows:

- In the Modified Accrual Basis, revenues are recognized in the period when they become available and measurable, and expenditures when a liability is incurred, regardless of when the receipt or payment of cash takes place. School districts use the modified accrual basis in accounting for governmental funds such as the General Fund and Adult Education Fund.
- In the Accrual Basis, revenues are recorded when earned, and expenditures when a liability is incurred, regardless of when the receipt or payment of cash takes place. School districts use the accrual basis in proprietary funds such as the Cafeteria and Self-Insurance Funds, and fiduciary funds such as the Annuity Reserve Fund.

*Basis for Budgeting.* The California School Accounting Manual also mandates the basis for school district budgeting. It requires that “generally, for California (school districts), the basis of budgeting should be the same as the basis of accounting used in the audited financial statements. Budgetary accounting must conform to the account codes in the standardized account code structure.” California school districts are required to display their budgets by fund, by object, and by function.

Budgetary accounts are “projections and show how much is estimated to be spent or received during a given period of time to carry out the local educational agency’s (LEA’s) goals.” In general, budgetary accounts have two purposes: (1) to record the estimated revenues of a fund by source and amount, and (2) to record and control the limits that are set on the expenditure levels by the appropriations. The recording of actual revenue and expenditures allows a comparison to the amounts that are available to be committed or expended within the limits set by law or by the governing board.

*Revenue Budget.* For each fund, the revenue budget anticipates all income from federal, state, and local sources, as well as the anticipated beginning balance. The total of beginning balance and income is the maximum amount a school district may legally budget to spend for any fund.

Expenditure Budget. Each fund has an expenditure budget reflecting the fund's authorized costs, and, for most funds, the anticipated expenditure level.

Budget by General Fund District Defined Program. Because the General Fund budget comprises many programs, it is divided into District Defined Programs such as Special Education, Regional Occupational Centers/Skills Centers, etc., to bring into focus programs of particular interest.

## **B. The budget process**

Budget Preparation. The first step in preparing the budget is to determine the cost to continue the existing program. Enrollment-related costs are adjusted for projected changes. Costs not directly controllable by the District, such as utilities, retirement contributions, insurance, continuing contractual obligations, and legal costs are adjusted to reflect estimated expenditures for the coming fiscal year.

Estimates of income are developed based on a review of federal and State statutory provisions and local revenue sources. Beginning balance amounts for the budget year are calculated utilizing a comparison of anticipated revenues and expenditures for the current year. The projected beginning balances and revenues are compared to the cost of continuing current programs to determine whether budget reductions may be necessary or whether unanticipated amounts may be available for allocation.

Board and public participation. Board meetings are scheduled for discussion of proposed budget changes. These are public meetings that can be attended in person or viewed on the District's television station at scheduled times. Members of the public may contact the District to speak on individual budget items or on the budget as a whole. A public hearing, at which any member of the public may address the Board regarding the District's proposed budget, is mandated prior to Board adoptions of the Final Budget in June.

## **C. Budget revision process**

Budget adjustments. The Budget Services and Financial Planning Division either receives or initiates well over 20,000 requests annually to adjust or revise the adopted budget. Generally speaking, a budget adjustment (B.A.) enables a school or office to substitute a new use for funds previously budgeted for a particular purpose.

Certain limitations apply to B.A.s For example, schools or offices may not transfer funds from a restricted program into an unrestricted one (e.g., transfers from Title I into a District-funded school instructional materiel account would not be permitted).

B.A.s may be either continuous (ongoing), or limited to the remainder of the current fiscal year. They may be either "routine," requiring only normal handling



by staff, or “non-routine,” requiring formal approval by the Board of Education. Categories of “non-routine” B.A.s are determined by the Board. , and are currently defined as follows:

- A. All B.A.s from object of expenditure 7900(IFS) – Undistributed Reserves.
- B. All B.A.s which increase the total number of regular, non-school-based budgeted positions, except for those that are fully funded from the budgeted resources of the requesting office (“cost-neutral” budget adjustments).

In addition to the above, California Education Code §42602 authorizes Boards of Education to increase income to reflect unanticipated new revenues during the course of the fiscal year.

## APPENDIX B

### HOW EDUCATION IS FUNDED IN CALIFORNIA

Historically, local property taxes have been the major source of funding for public schools, with property tax rates set by local school boards, other local officials, or directly by the citizens. This led to dramatic differences in school district funding, usually depending on the relative property wealth of the surrounding community. During the 1970s and 1980s, courts in many states, including California, ruled that these wealth-related differentials in school support needed to be eradicated. In California, this led to a series of actions aimed at reducing the dramatic differences in school district funding levels.

As a result, California schools today receive the large majority of their funding from the State, primarily from income and sales tax revenues, but also from local property taxes that are collected at the local level but distributed by the State. By their nature, income and sales taxes are more volatile revenue sources than property taxes; during periods of financial downturns, employees may be laid off and securities values may decline, leading to fewer purchases, and less income and capital gains available to be taxed.

California school districts therefore face dramatic cyclical funding variations as the economy rises and falls. Further, California's Governor and State Legislature, whose vote on the State Budget Act determines how State funds may be spent, have enormous control over the ability of local school districts to utilize funding to meet the specific needs of their students. It is estimated that approximately 60% of all school district funds in California are general purpose in nature; the remaining 40% are restricted to specific purposes, such as the needs of special education students, low income students, limited English-proficient students, and specific grade levels. This greatly constrains local boards of education in their spending decisions. They are further constrained in their ability to raise taxes independently of the State. Bond issues, usually limited to building programs, require a 55% vote for passage; parcel tax measures require a 2/3 vote.

The following provides information on past legislation and court rulings that have significantly affected California's educational funding (many of these rulings have been amended by subsequent legislation):

**Senate Bill 90 (1972)** – In 1972, the Legislature established revenue limits for California public schools, placing ceilings on the amount of tax money each district could receive per pupil. The 1972-73 general purpose spending level became the base amount in determining each district's annual revenue limit. This was the beginning of the shift from local to State control of school finance in California.

**Serrano v. Priest (1976)** – This 1976 California Supreme Court decision declared the existing system of financing schools unconstitutional because it violated the equal protection clause of the State Constitution. The Court ruled that property tax rates and per pupil expenditures should be equalized and that, by 1980, the difference in revenue limits per pupil should be less than \$100 (the "Serrano band"). This allowable difference in revenue limits has subsequently been adjusted for inflation. In equalizing funding, districts are divided into three types: elementary, high school, and unified. They are then further divided into small and large districts to ensure that appropriate funding comparisons are made. Special purpose or "categorical" funds are excluded from this calculation.

**Assembly Bill 65 (1977)** – In response to the *Serrano* decision, the California State Legislature passed AB 65, creating an annual inflation adjustment based on a sliding scale in order to equalize revenue limits among districts over time. Higher inflation increases were provided to districts with low revenue limits, with lower (occasionally no) inflation adjustments for high revenue districts.

**Proposition 13 (1978)** – This constitutional amendment (the "Jarvis Amendment") approved by California voters in 1978 limits property taxes to 1% of a property's assessed value, and caps increases in assessed value at 2% annually or the percentage growth in the Consumer Price Index, whichever is less. It also mandated a 2/3 vote for approval of new taxes, such as parcel taxes.

## APPENDIX B

### HOW EDUCATION IS FUNDED IN CALIFORNIA

**Assembly Bill 8 (1978)** – In response to Proposition 13, the Legislature established a formula for dividing property taxes among cities, counties, and school districts. This shielded schools from some of the measure's effects. In the process, the State replaced the lost property taxes and effectively took control of school district funding.

**Gann Limit (Proposition 4, 1979)** – Proposition 4 created a constitutional limit on government spending at every level in the State, including school districts. No agency's expenditures can exceed its Gann Limit, which is adjusted annually for inflation and population increase.

**Senate Bill 813 (1983)** – SB 813 provided additional money to school districts through equalization of revenue limits and new categorical programs, longer school day/year, and higher beginning teachers' salaries. It also established statewide model curriculum standards.

**Lottery Initiative (1984)** – In November 1984, voters approved Proposition 37, a constitutional amendment establishing the California State Lottery. Provisions guarantee that a minimum of 34% of total lottery receipts be distributed to public schools, colleges, and universities. Funds are to supplement, not replace, State support for education. Lottery funds cannot be used for purchase or construction of facilities, for land, or research. Under Proposition 20, passed in March 2000, 50% of lottery funding above the 1997-98 funding level must be used for purchase of instructional materials.

**Proposition 98 (1988)** – This constitutional amendment guarantees a minimum funding level from State and property taxes for K-14 public schools in a complex formula based on State tax revenues. It also requires each school to prepare and publicize an annual School Accountability Report Card (SARC) that covers at least 13 required topics. A 2/3 vote of the Legislature and the Governor's signature are required to suspend Proposition 98 for a year.

**Proposition 111 (1990)** – This constitutional amendment changed the inflation index for the Gann Limit calculation, effectively raising the limit. Additionally, the minimum Proposition 98 funding guarantee was changed to reflect the growth of California's overall economy. It did so by shifting the adjustment from the growth of per capita personal income (which historically has tended to be a lower amount) to the growth in State per capita General Fund revenues plus one-half percent.

**Assembly Bill 1200 (1991)** – AB 1200 established a system for school district accounting practices that specifies how districts must report their revenues and expenditures. It requires that districts project their fiscal solvency two years out, and provide the State with Board-approved financial interim reports twice annually. County offices of education are made responsible for monitoring and providing technical assistance to their districts. AB 2756 (2004) adds to the responsibilities and control of county offices of education over the budget and expenditure reporting of local districts.

**Class Size Reduction, K-3 (SB 1777, 1996)** – This legislation provided incentives for school districts to reduce K-3 classes to a pupil-teacher ratio of no more than 20 to 1, and provided additional funding to districts that met these ratios. A one-time allocation of \$25,000 per added classroom was also made available.

**Senate Bill 1468 (1997)** – This legislation changed the way average daily attendance (ADA) is counted, largely eliminating the concept of "excused absences" and basing ADA on students who are actually at school. To ensure that districts did not lose a large proportion of their revenue, the per-pupil revenue limit rate was adjusted by the average attendance rates of each individual school district.

## APPENDIX B

### HOW EDUCATION IS FUNDED IN CALIFORNIA

**Assembly Bill 1115 (1999)** – Under the terms of this bill, an independent charter school is deemed a school of the chartering school district for the purposes of establishing its special education local plan (“SELPA”) status unless it designates otherwise in its charter petition. As such, independent charter schools which are members of a school district’s SELPA are entitled to an equitable share of special education services and funding.

**Assembly Bill 1600 (1999)** – This bill gave charter schools the option to receive funding directly from the State, rather than from their local district, in the form of a block grant.

**Proposition 39 (2000)** - This constitutional amendment established a 55% vote threshold for the issuance of school facilities construction bonds. In order to issue bonds under Proposition 39, the District must, among other things, use Proposition 39 bond funds only for those projects specifically listed in the ballot measure and strategic execution plans; create and maintain a citizens’ bond oversight committee; and annually ensure that performance and financial audits are conducted for Proposition 39 facilities projects. Proposition 39 also requires the District to make offers of reasonably equivalent District school facility space to independent charter schools.

**Proposition 49 (2002)** - This voter initiative, otherwise known as the "The After School Education and Safety Program Act of 2002," increased state funding for before and after school programs at elementary and middle schools. Funding is provided to the District through a competitive grant process with priority given to those school sites which have a minimum of 50 percent of its student population eligible for the free and reduced lunch program. A portion of funding provided by the State under Proposition 49 satisfies the revenue limit guarantee under Proposition 98.

**Assembly Bill (825)** - Under the terms of this bill, the District receives funding for its Integration Program and for other instructional program needs as part of a targeted instructional improvement block grant.

**Senate Bill 1133 (Quality Education Investment Act of 2006)** – Adopted in 2006 as a settlement of the CTA v. Schwarzenegger et al. lawsuit, the QEIA program provides targeted funding for eligible schools in API deciles 1, 2 and 3. The funding is to be used primarily for class-size reduction purposes and overall academic achievement goals.

**Education Trailer Bill - Senate Bill 4 of the 2009-10 Third Extraordinary Session (SBX3 4)** – For fiscal years 2008-09 through 2012-13, this bill established: (1) the Categorical Program Flexibility and categorized the programs into Tiers I, II, and III and identified Tier III programs as unrestricted; (2) the public hearing requirement as a condition for receipt of Tier III funds; (3) the use of 2008-09 as the base year in calculating for most of the Tier III categorical programs and use of 2007-08 as the base year for calculating the revenue limit-related Tier III categorical programs; and (4) the use of June 30, 2008 ending balances as unrestricted funds with a few program exceptions. In addition, it also established the relaxation of K-3 Class Size Reduction penalties for fiscal years 2008-09 through 2011-12 only.

*Source:* This section of the budget relies heavily on information found in the *State Funding of K-12 Education* section of the State Funding of Education website, and from *EdSource*.

**APPENDIX C**

**AVERAGE DAILY ATTENDANCE**

**General Description**

Average Daily Attendance (ADA) is a measure of pupil attendance which is used as the basis for providing revenue to school districts, as well as a means of measuring unit costs.

Only in-seat attendance or applicable attendance credit is counted when calculating ADA. Generally, ADA is calculated by dividing the total number of pupil days of attendance by the number of instructional days in an ADA reporting period. An exception to this involves the use of fixed divisors (in place of the number of instructional days) in calculating ADA for Adult Education, Regional Occupational Centers, Regional Occupational Programs, Community Day Schools, and Extended School Year (Special Education-Special Day Classes (SDC) and Non-public School).

**ADA Reporting Periods**

**First Period (P-1)** This reporting period is from July 1 through the school month ending on or before December 31. The ADA reported in this period is used by the State to estimate the amount of legally authorized revenue to school districts. It serves as a basis for State progress payments to districts during the second semester.

**Second Period (P-2)** This reporting period is from July 1 through the school month ending on or before April 15. The ADA reported in this period is used by the State to apportion most budget year revenue to school districts.

**Annual Period** This reporting period is from July 1 through June 30. Annual ADA is used primarily to develop unit program costs. The California State Lottery revenue and Revenue Limit for ADA of Community Day Schools, Special Education-SDC Extended School Year, and Non-public Schools are based on annual ADA. Up to fiscal year 2007-08, revenue for Regional Occupational Centers, Regional Occupational Programs, and Community Adult Schools were based on ADA reported in this period, but not for fiscal years 2008-09 through 2014-15. The details are in Appendix F, Revenue Limit Information.

**SUPERINTENDENT'S 2011-12 FINAL BUDGET**

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**ADA As The Basis of Revenue**

Revenue Average Daily Attendance reflects the Average Daily Attendance (ADA) used to calculate the district's revenue. Generally, the basis for K-12 revenue is mostly **P-2 ADA**; while Adult Education Programs, Regional Occupational Centers, and Regional Occupational Programs revenue are based on **annual period ADA**.

For fiscal years 2008-09 through 2014-15, revenue for all Adult Education Programs, Regional Occupational Centers, Regional Occupational Programs, and the additional K-12 funding for Community Day Schools (All Other CDS Pupils only), is earned based on the relative proportion of the District's 2007-08 entitlement to total 2007-08 statewide funding. The funding for fiscal years 2008-09 through 2014-15 is then estimated by taking the 2007-08 percentage and applying it to each fiscal year's total statewide funding available. Absent any legislation, the State will revert to using ADA as the basis of entitlement effective fiscal year 2015-16.

The table below best describes the various types of ADA and which period the revenue is based on.

Grade Level/Program ADA	Reporting Period of Revenue ADA
<b>K-12</b>	P-2
<b>Continuation Education</b>	P-2
<b>Opportunity School</b>	P-2
<b>Home &amp; Hospital</b>	P-2
<b>Special Education-SDC</b>	P-2
<b>Special Education-SDC – Extended School Year</b>	Annual
<b>Community Day School (first four hours)</b>	Annual
<b>Community Day School (additional hours)</b>	Annual (see above paragraph for details)
<b>Non-public School</b>	Annual
<b>Non-public School-LCI</b>	Annual
<b>Non-public School – Extended School Year</b>	Annual
<b>Non-public School-LCI – Extended School Year</b>	Annual
<b>Regional Occupational Center/Program</b>	Annual (see above paragraph for details)
<b>Adult Education</b>	Annual (see above paragraph for details)

**ADA from Special Education Program** includes only those generated by pupils who attend Special Day Classes in special education schools, regular schools, opportunity schools, and continuation high schools. ADA of pupils in regular education classes who receive special education services on a part-time basis is included in K-12 ADA.

In **Adult Education Programs** are hourly programs and pupils are considered in attendance if they attend at least once during the scheduled hour. Only those units of ADA earned that fall under the ten *mandated classes* mentioned below were included in the revenue calculation for prior fiscal years ending in 2007-08. The change in funding methodology for fiscal years 2008-09 to 2014-15 is discussed in the following paragraphs.

1. Parenting
2. Elementary basic education in core academic areas for pupils not possessing a diploma or equivalency and to provide remedial instruction

## SUPERINTENDENT'S 2011-12 FINAL BUDGET

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3. Secondary basic education in core academic areas for pupils not possessing a diploma or equivalency and to provide remedial instruction
4. English-As-A-Second Language (ESL)
5. Citizenship
6. Vocational education; short-term career technical programs with high employment potential
7. Programs for older adults
8. Adults with disabilities
9. Home economics education
10. Health and safety education

A day of attendance in adult education is three hours; 525 hours (three hours per day multiplied by 175 days) equals one adult ADA. Pupil attendance may be more or less than the three hours in a day, and the adult school may operate more or less than the 175 days a year. Therefore, adult ADA is simply total hours of attendance divided by 525. If more than 175 days were offered it is possible for a student to earn more than one ADA.

AB 23 added Section 52617 in the Education Code to provide adjustments to allocation of apportionments to adult education's average daily attendance. School districts that exceed its units of authorized ADA in the two prior fiscal years shall receive a prorated amount of units available relative to the authorized ADA limit of the school district. If it fails to generate its units of authorized ADA in the two prior fiscal years, the authorized (cap) ADA shall be reduced by an amount equal to one-half of the lowest level of unearned ADA in either of the two prior fiscal years. AB23 is suspended for fiscal years 2008-09 through 2014-15.

For fiscal years 2008-09 through 2014-15, the entitlement for this program is not based on ADA but on the relative proportion of funding received in 2007-08 to the total 2007-08 statewide funding. The resulting percentage is then multiplied to each fiscal year's total statewide amount to get to the entitlements for 2008-09 through 2014-15. Beginning 2015-16, the State will revert to the previous methodology of calculating the entitlement.

**Regional Occupational Centers/Programs (ROC/P)** are hourly programs and pupils are considered in attendance if they attend at least once during the scheduled hour. Generally, there is no limit on the number of ROC/P hours that might be earned by a single pupil. If a pupil is enrolled in ROC/P as part of a work experience program, however, the hours are capped at 15 per calendar week.

A day of attendance for pupils in a regional occupational *center* and regional occupational *program* is three hours; 525 hours is equal to one ADA.

For fiscal years 2008-09 through 2014-15, the entitlement for this program is not based on ADA but on the relative proportion of funding received in 2007-08 to the total 2007-08 statewide funding. The resulting percentage is then multiplied to each fiscal year's total statewide amount to get to the entitlements for 2008-09 through 2014-15. Beginning 2015-16, the State will revert to the previous methodology of calculating the entitlement.

As part of the ROC/P, the district offers programs for apprentices which are funded by the State based on the lesser of the actual hours earned or State-approved number of hours.

**SUPERINTENDENT'S 2011-12 FINAL BUDGET**

**AVERAGE DAILY ATTENDANCE TABLE**

<b>K-12</b>	<b><u>2010-11</u></b>	<b><u>2011-12</u></b>	<b><u>2012-13</u></b>
	<b>Funded ADA</b>	<b>Estimated Funded ADA</b>	<b>Estimated Funded ADA</b>
<b>Regular Program</b>			
Non-charter Schools - K-12	536,845.14	514,712.23	496,351.78
Fiscally-dependent Charter Schools – K-12	7,774.02	12,563.37	12,626.11
Fiscally-independent Charter Schools – K-12	66,049.96	79,287.83	90,824.10
<b>Total Regular Program</b>	<b>610,669.12</b>	<b>606,563.43</b>	<b>599,801.99</b>
<b>Special Education Program</b>			
Regular Session Classes – Non-charter Schools	25,741.85	24,870.94	24,092.61
Regular Session Classes – Fiscally-dependent Charter Schools	107.17	231.54	232.48
Regular Session Classes – Fiscally-independent Charter Schools	399.91	407.17	512.03
All Non-public Schools - Non-charter Schools*	3,340.36	3,308.71	3,307.95
Extended Session – Non-charter Schools*	1,244.37	1,478.52	1,403.41
Extended Session – Fiscally-dependent Charter Schools*	0.00	0.00	0.00
Extended Session – Fiscally-independent Charter Schools*	13.98	14.40	18.10
<b>Total Special Education Program</b>	<b>30,847.64</b>	<b>30,311.28</b>	<b>29,566.58</b>
<b>Total K-12 Funded ADA</b>	<b>641,516.76</b>	<b>636,874.71</b>	<b>629,368.57</b>

**Regional Occupational Centers/Programs\*\***

See note below for information on funding.

**Adult Education\*\***

See note below for information on funding.

**Supplemental Instructional Hourly Programs\*\*\***

**Core Academic Program**

See note below for information on funding.

**Remedial Program – Grades 7-12**

See note below for information on funding.

**Recommended For Retention – Grades 2-9**

See note below for information on funding.

\* Funded ADA is based on annual ADA

\*\* Per 2009 SBX3 4, revenue is not based on ADA but on 2007-08 relative proportion of District entitlement to 2007-08 statewide funding, and applying the percentage to the current year's total statewide amount.

\*\*\* Per 2009 SBX3 4, revenue is not based on hours but on 2007-08 relative proportion of District entitlement to 2007-08 statewide funding, and applying the percentage to the current year's total statewide amount.



## NUMBER OF SCHOOLS AND CENTERS

### **School Sites**

The table on the following page shows the preliminary number of schools and centers budgeted for operation for the 2011-12 school year. Generally, Continuation High Schools and Magnet Centers share sites with a regular school. Most Community Adult Schools use regular secondary school facilities in late afternoon and evenings. Regional Occupational Centers are separate sites. The Regional Occupational Programs/Centers consists of a series of individual work locations identified as one school location for purpose of attendance and expenditure reporting.

### **Grade Level Configuration**

Elementary and secondary schools have been organized with grade levels of kindergarten through sixth grade in elementary schools, sixth through eighth grade in middle schools, and ninth through twelfth grade in senior high schools. Some magnet schools follow a traditional grade configuration while others include kindergarten through the twelfth grade. Span schools include combinations of elementary and secondary grades or secondary grades only.

### **School Size**

Individual schools vary widely in enrollment. Elementary schools range from less than 200 to more than 1,300 pupils. Middle schools and senior high schools range from less than 600 to more than 2,000 and from less than 400 to more than 4,000, respectively. Magnet schools range from less than 400 to more than 1,700 pupils. Some Magnet Centers serve less than 100 pupils although other magnet centers enroll 800 or more.

Most Special Education Schools and Opportunity High Schools have enrollments of between 100 and 300 pupils. Continuation High Schools generally have fewer than 200 pupils.

## NUMBER OF SCHOOLS AND CENTERS 2011-12

	<b>TOTAL</b>	<b>MULTI-TRACK</b>	<b>SINGLE TRACK</b>	
K-12 Separate School Campus				<u>Continuous</u>
Primary School Centers	20	1	19	
Elementary Schools	448	17	431	
Middle Schools	85	1	84	
Senior High Schools	94	3	91	
Option Schools	56	0	43	13
Magnet Schools	28	0	28	
Multi-level Schools	15	1	14	
Special Education Schools	17	0	17	
<b>Sub Total</b>	<b>763</b>	<b>23</b>	<b>727</b>	<b>13</b>
K-12 Magnet Centers (on regular school campuses)				
Elementary	45	1	44	
Middle	50	1	49	
Senior	53	1	52	
<b>Sub Total</b>	<b>148</b>	<b>3</b>	<b>145</b>	<b>0</b>
Other Schools				
Community Adult Schools	24	0	24	
Regional Occupational Centers/Program	6	0	6	
Skills Centers	5	0	5	
Early Education Centers	102		102	
<b>Sub Total</b>	<b>137</b>	<b>0</b>	<b>137</b>	<b>0</b>
<b>TOTAL</b>	<b>1048</b>	<b>26</b>	<b>1009</b>	<b>13</b>
Fiscally Independent Charter Schools				
Primary School Centers	14	1	13	
Elementary Schools	43	2	41	
Middle Schools	34	0	34	
Senior High Schools	62	0	62	
Multi-level Schools	34	0	34	
<b>Total Charter Schools</b>	<b>187</b>	<b>3</b>	<b>184</b>	<b>0</b>
<b>GRAND TOTAL SCHOOLS AND CENTERS</b>	<b>1235</b>	<b>29</b>	<b>1193</b>	<b>13</b>

**SUPERINTENDENT'S 2011-12 FINAL BUDGET**

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**APPENDIX D**

**REVENUE LIMIT INFORMATION**

**General Description**

The revenue limit is the basic financial support for District activities. The total amount generated from the revenue limit is calculated using Average Daily Attendance (ADA) of pupils and a unit rate amount expressed as dollars per unit of ADA.

There are two sources of revenue limit income, State income and local property taxes. The State's share of the revenue limit income is the amount in excess of the local property taxes. For the District in 2011-12, it is estimated that the State portion of the revenue limit income comprises 36% of the total General Fund revenue.

Per 2009 Budget Act SBX3 4, categorical programs are classified into Tiers I, II, and III which determines whether a categorical program is allowed flexibility as to use of funds. The categorical programs *associated with the revenue limit* are in Tiers II and III. The Apprenticeship Program is included in Tier II, while the Supplemental Instructional Hourly Programs, Community Day School Additional Funding (All Other CDS Pupils only), Regional Occupational Centers/Program, and Adult Education are included in Tier III. These programs use 2007-08 entitlement as the base year when estimating the entitlements for fiscal years 2008-09 through 2014-15. Other Tier II and Tier III categorical programs not listed in this paragraph use 2008-09 entitlement as the base year. Beginning 2015-16, the State will revert back to the previous method of calculating the entitlements for all categorical programs.

**Revenue Limit Calculations**

The revenue limit calculations are based on the Governor's 2011-12 May Revised Budget.

**K-12 Revenue Limit Per ADA**      The 2011-12 budget calls for a cost of living allowance (COLA) of 2.24% and a deficit rate of 19.754%, which yields a 0% effective COLA.

The revenue limit rate per ADA is as follows:

2010-11 Base Revenue Limit Per ADA	\$6,362.56
2011-12 COLA	143.00
2011-12 Add-on: AB 851 ( <i>Meals For Needy and Beginning Teachers Salary</i> )	55.55
2011-12 Revenue Limit Deficit	- 1,296.08
2011-12 Base Revenue Limit Per ADA	<u>\$5,265.03</u>

**Special Education**

The *base revenue limit per ADA* for Special Education reflects the same COLA and deficit as the K-12 revenue limit. In addition to revenue limit, Special Education funding is provided through the AB602 formula using total SELPA ADA.

## APPENDIX F

### REVENUE LIMIT INFORMATION

<b>Meals For Needy Pupils</b>	Per AB851, beginning 2010-11, both entitlements are based on a per ADA rate received in 2007-08. The 2011-12 rate is derived by dividing the total 2007-08 entitlements for both programs by the 2007-08 revenue limit ADA, and increased or decreased by the COLAs from 2008-09 to 2011-12. This rate is then multiplied by the 2011-12 revenue limit ADA and deficit factor to come up with the 2011-12 total entitlement. See also calculation of the K-12 Revenue Limit Rate Per ADA.
<b>Beginning Teachers Salary</b>	
<b>Supplemental Instructional Hourly Programs</b>	<p>SB813 provides a formula beginning in 1984-85 for funding Summer School programs based on hours of attendance rather than ADA for proficiency classes, mathematics, science, and other academic courses. Since these programs may be offered at various times during the school year and not only during summer, they are now referred to as “Supplemental Instructional Hourly Programs.”</p> <p>The 2011-12 entitlement was estimated by taking the 2007-08 entitlement’s relative proportion to total 2007-08 statewide funding, and multiplying the percentage to the 2011-12 statewide available funding.</p> <p>Per 2009 Budget Act SBX3 4, the Supplemental Instructional Hourly Programs are part of the Tier III categorical programs. Therefore, the district is given the flexibility as to use of funds.</p>
<b>Community Day School Additional Funding</b>	<p>There is no change in the calculation of the “Mandatory Expelled Pupils” portion of the additional funding.</p> <p>The 2011-12 entitlement for “All Other CDS Pupils” was estimated by taking the 2007-08 entitlement’s relative proportion to total 2007-08 statewide funding, and multiplying the percentage to the 2011-12 statewide available funding.</p> <p>Per 2009 Budget Act SBX3 4, the Community Day School Additional Funding for “All Other CDS Pupils” is part of the Tier III categorical programs. Therefore, the district is given the flexibility as to use of funds.</p>
<b>Apprenticeship Program</b>	This Tier II categorical program is estimated to be funded at \$5.04 per hour times the estimated funded hours. There is no flexibility as to use of funds for this program.

## APPENDIX F

### REVENUE LIMIT INFORMATION

#### **Regional Occupational Centers/Programs/ Skills Centers**

The 2011-12 entitlement (excluding CalWORKs) was estimated by taking the 2007-08 entitlement's relative proportion to total 2007-08 statewide funding, and multiplying the percentage to the 2011-12 statewide available funding.

Per 2009 Budget Act SBX3 4, the ROC/P Program is part of the Tier III categorical programs. Therefore, the district is given the flexibility as to use of funds.

#### **Adult Education**

The 2011-12 entitlement (excluding CalWORKs) was estimated by taking the 2007-08 entitlement's relative proportion to total 2007-08 statewide funding, and multiplying the percentage to the 2011-12 statewide available funding.

Per 2009 Budget Act SBX3 4, the Adult Education Program is part of the Tier III categorical programs. Therefore, the district is given the flexibility as to use of funds.

## APPENDIX E

### SCHOOL STAFF AND RESOURCES

#### Introduction

The School Staff and Resources section describes the staff and non-staff allocations made to most District schools based on Board-approved allocation rates or “norms.” Staffing ratios are provided for regular elementary schools, regular secondary schools, magnet and alternative schools, special education schools, community adult schools, regional occupational centers (ROC) and skills centers.

Personnel resources provided on a “norm” basis are such positions as teachers, principals and assistant principals, librarians, instructional aides, and clerical and other office personnel. Staffing allocations are also provided for such non-classroom support personnel as guidance, welfare, and attendance personnel, physical and mental health personnel, and maintenance and operations staff.

A separate listing is provided indicating materiel and supplies allocation rates, which cover such needs as basic instructional materiel, textbooks, custodial, gardening and operational supplies, and school-community advisory committee expenses.

A number of District schools receive funding on the basis of revenues generated by the schools' students, with flexibility provided in the use of funds. These schools include those funded under a per pupil funding model that the District has been piloting since 2009-10 as well as schools funded under the Boston Pilot Schools model. With a few exceptions, District “norms” are not used in the development of budget for such schools.

**APPENDIX E**

**SCHOOL STAFF AND RESOURCES**

**School Staff**

**Regular Elementary Schools**

Staffing of elementary schools is based on established norm tables and District policies. The norm tables prescribe the numbers and types of positions for a given enrollment. For certain positions, enrollment is weighted or adjusted to reflect extraordinary need. In addition to norm tables, other District policies allocate off-norm positions to schools with identified special needs.

**ELEMENTARY NORMS – 2011-12**

**CERTIFICATED** - Based on District Norm Charts

- 1 teacher per 24 students in Kindergarten
- 1 teacher per 24 students in grades 1-3
- 1 teacher per 39 students in grades 4-6\*

For special education classes, see Special Education norms.

- 1 principal per school
- 1 assistant principal for multi-track year round school with 1,000-1,809 students
- 1 assistant principal for single track school with 1,110 to 1,809 students
- 2 assistant principals for schools with 1,810 to 2,419 students
- 3 assistant principals for schools with 2,420 or more students

**CLASSIFIED**

- 1 school administrative assistant per school, plus:
- .5 office technician for schools with enrollments up to 375
- 1 office technicians for schools with enrollments of 376 to 824
- 2 office technicians for schools with enrollments of 825 to 1,574
- 3 office technicians for schools with enrollments of 1,575 to 2,324
- 4 office technicians for schools with enrollments of 2,325 to 3,074
- 5 office technicians for schools with enrollments of 3,075 to 3,554
- 6 office technicians for schools with enrollments of 3,555 and above

\* - *Designated schools involved in the court-ordered integration program received additional positions to provide an overall ratio of one teacher for every 30.5 students in grades 4-6 for Predominantly Hispanic, Black, Asian and other Non-Anglo schools; and 36.0 in grades 4-6 for Desegregated/Receiver schools.*

**APPENDIX E**

**SCHOOL STAFF AND RESOURCES**

**School Staff** *(Continued)*

**Regular Secondary Schools**

Staffing of secondary schools is based on established norm tables and District policies. The norm tables prescribe the numbers and types of positions for a given enrollment. At the secondary level, teacher norm tables are modified to provide only five teaching periods. In addition, other District policies allocate off-norm positions to schools with identified special needs.

**SECONDARY NORMS – 2011-12**

**CERTIFICATED** – Based on District Norm Charts

- 1 teacher per 42.5 students in middle schools\*
- 1 teacher per 42.5 students in senior high schools\*\*
- 1 principal per school
- 1 assistant principal, secondary counseling services per school with enrollment of 800 to 1,354
- 1 assistant principal per school with enrollment of 1,355 to 1,749
- 1 assistant principal per school with enrollment of 1,750 to 2,088
- 1 assistant principal per school with enrollment of 2,089 to 4,233
- 1 assistant principal per school with enrollment of at least 4,234
- \* librarian – sites with grades 9-12 enrollment are allocated librarian positions in the 2011-12 fiscal year. Refer to BUL-1124.6/BUL-1125.5 (norms to allocate certificated personnel to senior high schools and magnet schools and centers) attachment D for specific school site allocation.

**CLASSIFIED**

- 1 school administrative assistant per school, plus:
- .5 clerical position for middle schools with enrollments up to 550 plus 1 clerical position for each additional 500 students over 700
- .5 clerical position for senior high schools with enrollments of enrollments up to 550, plus 1 clerical position for each additional 500 students over 700
- \* financial manager per middle school – financial manager at middle school will serve two (2) sites
- 1 senior financial manager per senior high school

\* - Designated middle schools involved in court-ordered integration programs received additional positions to provide an overall ratio of one teacher for every 34.0 students in academic classes for Predominantly Hispanic, Black, Asian, and Other Non-Anglo schools; and 39.5 students in academic classes for Desegregated/Receiver Schools. In addition, beginning in the 2002-03 school year, Economic Impact Aid funds have been used to lower class size in 6<sup>th</sup>, 7<sup>th</sup>, and 8<sup>th</sup> graders in the Accelerating Academic Literacy (previously known as Developing Readers and Writers Courses) to one teacher for every 28 students.

\*\* Designated senior high schools involved in court-ordered integration programs received additional positions to provide an overall ratio of one teacher for every 34.0 9<sup>th</sup> and 10<sup>th</sup> grade students in academic classes for Predominantly Hispanic, Black, Asian, and Other Non-Anglo schools; and 39.5 9<sup>th</sup> and 10<sup>th</sup> grade students in academic classes for Desegregated/Receiver Schools.



**APPENDIX E**

**SCHOOL STAFF AND RESOURCES**

**School Staff** *(Continued)*

**Magnet Schools**

Several Magnet Schools have been established which provide services for both elementary and secondary students. Basic teacher allocations are determined by the magnet and alternative school norm tables for total enrollment. Other staff is based on District policy.

<b><u>MAGNET NORMS – 2011-12</u></b>	
Magnet schools and centers identified as serving Predominantly Hispanic, Black, Asian, and Other Non-Anglo students:	
1	teacher per 24.0 students in grades K-3
1	teacher per 30.5 students in grades 4-5
1	teacher per 34.0 students in grades 6-8
1	teacher per 34.0 students in grades 9-12
All other magnet schools and centers:	
1	teacher per 24.0 students in grades K-3
1	teacher per 34.0 students in grades 4-5
1	teacher per 36.5 students in grades 6-8
1	teacher per 36.5 students in grades 9-12

**Options Schools**

A number of schools have been established to serve the needs of students for whom placement in the regular school environment is not in the best interest of the students. Because these students require an individualized program to meet their unique academic and behavior needs, a lower pupil/teacher norm is provided.

<b><u>CONTINUATION NORMS – 2011-12</u></b>	
1	teacher per 29 students per continuation school
1	principal per continuation school
1	school office manager/clerk per continuation school
<b><u>OPPORTUNITY AND COMMUNITY DAY SCHOOLS NORMS – 2011-12</u></b>	
1	teacher per 21 students per opportunity and community day school
1	principal per opportunity and stand alone community day school
1	assistant principal per opportunity school and stand alone community day school for sites with enrollment greater than 200
1	school administrative assistant per stand alone community day school
<b><u>INDEPENDENT STUDY NORMS – 2011-12</u></b>	
1	teacher per 30 students per independent study school
1	principal
2	assistant principals
1	school administrative assistant

APPENDIX E

SCHOOL STAFF AND RESOURCES

School Staff (Continued)

Special Education Programs & Special Education Schools

**Special Day Programs** serve pupils whose nature or severity of disability precludes participation in a general education program for a majority of the school day.

**Resource Specialist Programs** provide instructional service for individuals with exceptional needs in general education schools. Resource specialist students are assigned to their general education classroom for a majority of the school day and receive services from the resource specialist teacher either directly in a collaborative basis with the general education classroom teacher or a Learning Center Model.

**Designated Instruction and Services** are provided to special education students who require assistance in a particular area, such as language, speech, audiology, mobility, adaptive physical education, vision, counseling, etc.

**SPECIAL EDUCATION NORMS – 2011-12**

**Special Day Programs** - Class size varies depending on type of program. Special day programs have one baseline trainee/assistant except for Autism (AUT) and Emotionally Disturbed (ED) which have 2 baseline trainees/assistants. Special Education Schools have specific student/assistant ratio based on students' eligibilities.

**Designated Instruction and Services** – Student/teacher ratios vary by type of service, except for language, speech, and hearing which may not exceed a caseload of 55 students. There are no trainees/assistants for this program.

- A. Special Education Schools
  - 1 principal per school
  - 1 asst. principal at large enrollment schools or schools serving low incidence groups
  
- B. Elementary Schools
  - 1 school administrative assistant, B Basis
  - 2 office technicians, B Basis
  
- C. Secondary or K-12 Schools
  - 1 school administrative assistant, B Basis
  - 1 senior office technician, B Basis
  - 1 office technician, B Basis

APPENDIX E

SCHOOL STAFF AND RESOURCES

School Staff (Continued)

Community Adult Schools

Community Adult Schools (CAS) are staffed based on established staffing guidelines for administrative and classified personnel. Administrative and classified personnel are allocated based on the prior 18 months of cumulative A.D.A. ending on the latest sixth school month. Subsequent realignment of staffing resources occurs every three years.

Teacher positions are allocated at each school site from the teacher hour allocation. Due to wide variances in the programs offered at each site, teacher hours are allocated based on prior year A.D.A, average school-wide class size index, as well as other subjective criteria. In addition, other District programs allocate additional positions to schools with identified special community needs.

<b><u>COMMUNITY ADULT SCHOOL NORMS – 2011-12</u></b>	
<b><u>CERTIFICATED</u></b>	
1	principal
1	assistant principal, operations
1	assistant principal, adult counseling services
1	3 <sup>rd</sup> assistant principal (operations or adult counseling services) if total A.D.A. exceeds 2,250
<b><u>CLASSIFIED</u></b>	
1	school administrative assistant
1	financial manager
1	school office computer coordinator
2	office technicians if A.D.A. is 1,200 or less,
1*	additional office technician for every 675 A.D.A. in excess of the first 1,200 A.D.A.

\*Subject to availability of funds.

**APPENDIX E**

**SCHOOL STAFF AND RESOURCES**

**School Staff** *(Continued)*

**Regional Occupational Centers (ROC)/Skills Centers (SC)**

Regional Occupational Centers (ROC)/Skills Centers (SC) are staffed based on established staffing guidelines for administrative and classified personnel. Administrative and classified personnel are allocated based on the prior 18 months of cumulative A.D.A. ending on the latest sixth school month. Subsequent realignment of staffing resources occurs every three years.

Teacher positions are allocated at each school site from the teacher hour allocation. Due to wide variances in the programs offered at each site, teacher hours are allocated based on prior year A.D.A., average school-wide class size index, as well as other subjective criteria. In addition, other District programs allocate additional positions to schools with identified special community needs.

<b><u>ROC/SKILLS CENTERS NORMS – 2011-12</u></b>	
<b><u>CERTIFICATED</u></b>	
1	principal
1	assistant principal, operations
1	assistant principal, adult counseling services
1	3 <sup>rd</sup> assistant principal (operations or adult counseling services) if total A.D.A. exceeds 2,250.
<b><u>CLASSIFIED</u></b>	
1	school administrative assistant
1	occupational center financial manager (ROC) or financial manager (SC)
1	school office computer coordinator
6	office technicians with A.D.A. of 2,400 or less for ROC
2	office technicians with A.D.A. of 1,200 or less for SC
1*	additional office technician for every 675 A.D.A. in excess of the first 2,400 A.D.A. for ROC or additional office technician for every 675 A.D. A. in excess of the first 1,200 A.D.A. for SC

\*Subject to availability of funds.

**Regional Occupational Program**

The Regional Occupational Program is staffed based on the same staffing guidelines as Community Adult Schools, Regional Occupational Centers, and Skills Centers. Additional staff may be allocated based on the needs of the secondary schools that the program serves.

**Alternative Education & Work Centers**

Alternative Education and Work Centers (AEWC) which are associated with Community Adult Schools, Regional Occupational Centers, or Skills Centers are located at 26 sites. AEWK provides students who left the comprehensive high schools, with additional educational opportunities leading to a high school diploma or equivalency, apprenticeship, and other career and technical education training programs. An AEWK site is under the principal of a Community Adult School, Regional Occupational Center, or Skills Center. A typical AEWK site has the following staff: 1 outreach consultant, 2-4 teachers, 2-7 teacher assistants, and 1 special officer.

APPENDIX E

SCHOOL STAFF AND RESOURCES

School Staff (Continued)

Support Personnel

**SUPPORT ALLOCATIONS – 2011-12**

Custodial personnel are allocated to schools based on a complex formula involving enrollment, building area, grounds, service to teachers, etc.

District-funded credentialed school nurses are allocated as follows. Schools may purchase additional nursing time from their budget based on student needs.

Elementary Schools	1 day per week
Middle Schools	1 day per week
SPAN Schools	2 days per week
Senior High Schools	2 days per week

School Psychologists and related personnel are allocated to schools based primarily on student population size and type of school. The following allocations represent minimum requirements for general education K-12 schools.

Elementary Schools	.25 day per week
Middle Schools	.4 day per week
Senior High Schools	.5 day per week

In combination with special education and general education allocations, additional school-based psychological services are purchased directly by schools based on need for services and the schools' ability to fund the positions from categorical funds.

School-based Pupil Services and Attendance Counselors are purchased directly by schools based on both the need for child welfare and attendance services in the school population and the schools' ability to fund the positions from categorical funds.

**APPENDIX E**

**SCHOOL STAFF AND RESOURCES**

**School Resources**

**Material and Supplies Allocation Rates**

In addition to the position resources detailed on the preceding pages, instructional materiel, school advisory committee expense funds, and various operational supplies are allocated to schools according to fixed formulas.

**INSTRUCTIONAL MATERIEL**

<u>Program</u>	<u>2010-11 Rate</u>	<u>2011-12 Rate</u>
Regular - K-6	\$ 16.00 per Enrl.	\$ 16.00 per Enrl.
7-8	20.00 per Enrl.	20.00 per Enrl.
9-12	22.00 per Enrl.	22.00 per Enrl.
Instructional Materials Block Grant	*	*
Community Adult School	20.00 per ADA	20.00 per ADA
Options Programs	739.00 per Teacher	739.00 per Teacher
Regional Occupational Centers and Skills Centers	30.00 per ADA	30.00 per ADA
Regional Occupational Program	30.00 per ADA	30.00 per ADA
Special Education – Special Day Classes – Special Education Schools	659.81 per Class	659.81 per Class
Regular Schools	17.85 **	17.85 **

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\* - *Allocations are determined based on schools' need.*

\*\* - *Per active Individualized Education Program (IEP) in Welligent*

**APPENDIX E**

**SCHOOL STAFF AND RESOURCES**

**School Resources (Continued)**

**Material and Supplies Allocation Rates**

**OPERATIONAL SUPPLIES**

<u>Type</u>	<u>2010-11 Rate</u>	<u>2011-12 Rate</u>
Custodial, Gardening, and Other Operational Supplies –		
Community Adult Schools	\$ 112.50 per custodial hour (separate site) +3.20 per enrolled student (all sites)	\$ 112.50 per custodial hour (separate site) +3.20 per enrolled student (all sites)
Continuation Schools	\$ 27.70 per custodial hour +6.35 per enrolled student	\$ 32.65 per custodial hour +7.49 per enrolled student
Opportunity Schools	\$ 64.05 per custodial hour +5.20 per enrolled student	\$ 75.50 per custodial hour +6.14 per enrolled student
Regular Schools	\$ 112.50 per custodial hour +3.20 per enrolled student	\$ 132.60 per custodial hour +3.80 per enrolled student
ROCs and Skills Centers	\$ 130.00 per custodial hour +3.20 per enrolled student	\$ 130.00 per custodial hour +3.20 per enrolled student
ROP	\$ 130.00 per custodial hour +3.20 per enrolled student	\$ 130.00 per custodial hour +3.20 per enrolled student
Special Education	\$ 45.80 per custodial hour +7.70 per enrolled student	\$ 53.95 per custodial hour +9.05 per enrolled student
Administrative Sites	\$ 173.10 per custodial hour	\$ 204.00 per custodial hour

**OTHER**

<u>Type</u>	<u>2010-11 Rate</u>	<u>2011-12 Rate</u>
School Community Advisory Council Expenses –		
Community Adult Schools	\$ 300.00 per School	\$ 300.00 per School
ROCs and Skills Centers	\$ 500.00 per School	\$ 500.00 per School
ROP	\$ 500.00 per School	\$ 500.00 per School

## APPENDIX F

### DISTRICT ENROLLMENT TRENDS

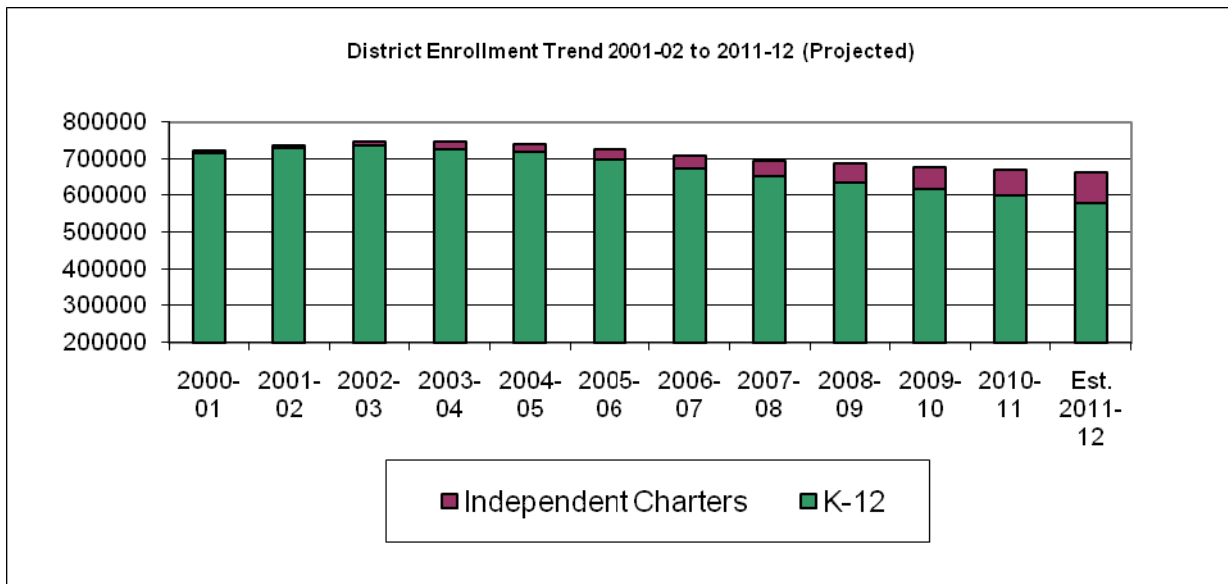
This section provides information and data related to the number of students served in the District's schools.

**Enrollment and Enrollment Projections.** The Los Angeles Unified School District uses data on live births in Los Angeles County and historical grade retention ratios, as well as economic factors and other relevant information, to project enrollment. Estimated enrollments in grades 1 through 12 are calculated using a variety of scenarios, generally involving weighted and true averages. The grade retention ratio measures the percentage of students expected to progress to the next grade level from one year to the next, based on past trends. Enrollments in kindergarten are calculated as a percentage of live births in Los Angeles County five years earlier.

Enrollment peaked in 2002-03 at 746,831, and has declined each year since, due to a variety of complex factors that include the reduced birth rate in Los Angeles County and the increasing cost of living, including housing, in southern California.

Declining enrollment affects both revenue and expenditures, but typically causes a more rapid decline in revenues following the first year, in which declining enrollment districts are essentially "held harmless" for the decline. Another contributing factor to the change in revenue and expenditure Districtwide is the increase in percentage of students enrolled in independent charter schools.

In order to convey the impact of fiscally-independent charter schools on District enrollment, the enrollment projections differentiate students in fiscally-independent charter and non-charter locations. The fiscally-independent charter school data include both schools that have converted from non-charter to fiscally-independent charter school status ("conversion charters") and schools that began their existence as fiscally-independent charter schools ("start-up charters"). The increase in the percentage of students enrolled in independent charter schools is displayed in the chart below.





**ENROLLMENT PROJECTIONS as of May 10, 2011**

**ENROLLMENT PROJECTIONS**

**Norm Day Enrollment - Including Independent Charter Schools**

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated	Estimated
<b>LA County - Live Births Lagged 5 Years</b>	<b>162,036</b>	<b>158,604</b>	<b>156,153</b>	<b>157,391</b>	<b>153,523</b>	<b>151,167</b>	<b>152,192</b>	<b>151,504</b>	<b>150,377</b>	<b>151,837</b>	<b>151,813</b>	<b>151,813</b>

**Graded Enrollment**

Kindergarten	57,228	55,351	55,234	54,462	52,452	50,822	50,877	51,193	51,638	52,139	52,131	50,713
Grade 1	62,924	61,248	58,610	56,872	55,267	53,543	52,305	51,798	51,904	52,613	53,385	53,637
Grade 2	65,226	62,115	59,632	56,097	54,222	53,082	52,338	50,674	50,406	50,769	51,388	52,719
Grade 3	64,609	62,210	59,254	56,530	53,348	51,814	51,418	50,376	49,165	48,914	49,266	49,867
Grade 4	61,469	62,551	60,288	56,568	53,618	51,174	50,692	49,982	49,176	47,994	47,749	48,092
Grade 5	56,197	59,688	60,604	57,531	54,205	51,787	50,206	49,430	49,204	48,246	47,086	46,846
Grade 6	57,083	52,972	56,117	56,262	53,089	50,559	49,246	47,622	47,221	46,768	45,858	44,755
Grade 7	55,404	55,794	51,906	53,815	53,702	51,458	49,557	48,084	46,756	46,285	45,841	44,949
Grade 8	50,856	54,370	54,524	50,262	51,837	51,985	50,452	48,595	47,125	45,848	45,387	44,951
Grade 9	67,744	67,397	70,477	71,056	67,816	66,643	67,029	63,549	60,439	59,318	58,398	58,492
Grade 10	47,539	50,374	50,266	52,045	52,480	51,749	51,900	53,543	52,306	49,444	48,038	46,794
Grade 11	36,912	37,299	39,514	40,303	42,399	43,536	43,082	43,884	45,040	44,784	44,129	44,844
Grade 12	26,302	27,452	28,596	29,090	29,058	31,899	34,755	34,733	36,279	37,910	38,367	38,467
<b>Total graded enrollment</b>	<b>709,493</b>	<b>708,821</b>	<b>705,022</b>	<b>690,893</b>	<b>673,493</b>	<b>660,051</b>	<b>653,857</b>	<b>643,463</b>	<b>636,659</b>	<b>631,032</b>	<b>627,023</b>	<b>625,126</b>

K-5 enrollment	367,653	363,163	353,622	338,060	323,112	312,222	307,836	303,453	301,493	300,675	301,005	301,874
6-8 enrollment	163,343	163,136	162,547	160,339	158,628	154,002	149,255	144,301	141,102	138,901	137,086	134,655
9-12 enrollment	178,497	182,522	188,853	192,494	191,753	193,827	196,766	195,709	194,064	191,456	188,932	188,597
<b>Total graded enrollment</b>	<b>709,493</b>	<b>708,821</b>	<b>705,022</b>	<b>690,893</b>	<b>673,493</b>	<b>660,051</b>	<b>653,857</b>	<b>643,463</b>	<b>636,659</b>	<b>631,032</b>	<b>627,023</b>	<b>625,126</b>

**Ungraded enrollment**

Special day classes in regular schools	28,670	29,064	28,582	27,486	26,713	26,328	26,350	26,465	26,308	24,357	24,002	23,316
Special day classes in special ed schools	4,392	4,153	3,984	3,908	3,673	3,656	3,604	3,552	3,555	3,519	3,516	3,519
Continuation and opportunity schools	4,249	4,542	4,478	4,932	4,558	4,242	4,327	4,961	5,126	5,177	5,011	5,177
Nonpublic schools	27	30	24	10	24	11						
<b>Total ungraded enrollment</b>	<b>37,338</b>	<b>37,789</b>	<b>37,068</b>	<b>36,336</b>	<b>34,968</b>	<b>34,237</b>	<b>34,281</b>	<b>34,978</b>	<b>34,989</b>	<b>33,053</b>	<b>32,529</b>	<b>32,012</b>

<b>Total graded and ungraded enrollment</b>	<b>746,831</b>	<b>746,610</b>	<b>742,090</b>	<b>727,229</b>	<b>708,461</b>	<b>694,288</b>	<b>688,138</b>	<b>678,441</b>	<b>671,648</b>	<b>664,085</b>	<b>659,552</b>	<b>657,138</b>
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**ENROLLMENT PROJECTIONS as of May 10, 2011**

**ENROLLMENT PROJECTIONS**

**Norm Day Enrollment - Independent Charter Schools Only**

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated	Estimated
<b>LA County - Live Births Lagged 5 Years</b>	<b>162,036</b>	<b>158,604</b>	<b>156,153</b>	<b>157,391</b>	<b>153,523</b>	<b>151,167</b>	<b>152,192</b>	<b>151,504</b>	<b>150,377</b>	<b>151,837</b>	<b>151,813</b>	<b>151,813</b>

**Graded Enrollment**

Kindergarten	1,307	1,717	2,059	2,357	2,556	2,755	3,096	3,599	4,704	4,919	5,527	6,169
Grade 1	1,196	1,610	1,836	2,125	2,382	2,662	2,907	3,341	4,174	4,948	5,628	6,391
Grade 2	1,130	1,471	1,640	1,952	2,272	2,481	2,749	3,036	3,782	4,191	4,672	5,217
Grade 3	1,062	1,440	1,580	1,890	2,101	2,376	2,648	2,828	3,427	3,938	4,368	4,881
Grade 4	1,039	1,373	1,548	1,803	2,000	2,238	2,574	2,792	3,259	3,599	3,941	4,324
Grade 5	997	1,482	1,755	1,844	2,164	2,452	2,738	3,141	3,552	4,106	4,562	5,036
Grade 6	897	1,029	1,760	2,270	2,774	3,216	4,304	4,998	5,855	7,368	8,389	9,520
Grade 7	832	1,001	1,197	1,781	2,234	2,825	3,426	4,354	5,276	5,874	6,690	7,469
Grade 8	399	823	1,054	1,180	1,697	2,087	2,705	3,273	4,193	5,066	5,853	6,713
Grade 9	171	2,815	3,987	4,771	5,709	6,656	7,973	9,433	9,822	11,705	13,467	14,528
Grade 10	0	1,845	2,377	3,436	4,034	4,937	6,709	7,824	8,441	10,692	12,340	13,629
Grade 11	0	1,404	1,706	2,073	2,979	3,656	5,266	6,528	7,110	9,411	11,047	12,370
Grade 12	0	1,166	1,125	1,387	1,800	2,505	3,770	5,122	5,892	7,806	9,322	10,572
<b>Total graded enrollment</b>	<b>9,030</b>	<b>19,176</b>	<b>23,624</b>	<b>28,869</b>	<b>34,702</b>	<b>40,846</b>	<b>50,865</b>	<b>60,269</b>	<b>69,487</b>	<b>83,623</b>	<b>95,806</b>	<b>106,819</b>

K-5 enrollment	6,731	9,093	10,418	11,971	13,475	14,964	16,712	18,737	22,898	25,701	28,698	32,018
6-8 enrollment	2,128	2,853	4,011	5,231	6,705	8,128	10,435	12,625	15,324	18,308	20,932	23,702
9-12 enrollment	171	7,230	9,195	11,667	14,522	17,754	23,718	28,907	31,265	39,614	46,176	51,099
<b>Total graded enrollment</b>	<b>9,030</b>	<b>19,176</b>	<b>23,624</b>	<b>28,869</b>	<b>34,702</b>	<b>40,846</b>	<b>50,865</b>	<b>60,269</b>	<b>69,487</b>	<b>83,623</b>	<b>95,806</b>	<b>106,819</b>

**Ungraded enrollment**

Special day classes in regular schools	62	301	228	268	259	227	222	374	448	431	542	733
Special day classes in special ed schools												
Continuation and opportunity schools												
Nonpublic schools												
<b>Total ungraded enrollment</b>	<b>62</b>	<b>301</b>	<b>228</b>	<b>268</b>	<b>259</b>	<b>227</b>	<b>222</b>	<b>374</b>	<b>448</b>	<b>431</b>	<b>542</b>	<b>733</b>

<b>Total graded and ungraded enrollment</b>	<b>9,092</b>	<b>19,477</b>	<b>23,852</b>	<b>29,137</b>	<b>34,961</b>	<b>41,073</b>	<b>51,087</b>	<b>60,643</b>	<b>69,935</b>	<b>84,054</b>	<b>96,348</b>	<b>107,552</b>
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**ENROLLMENT PROJECTIONS as of May 10, 2011**

**ENROLLMENT PROJECTIONS**

**Norm Day Enrollment - Excluding Independent Charter Schools**

	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated	Estimated
<b>LA County - Live Births Lagged 5 Years</b>	<b>162,036</b>	<b>158,604</b>	<b>156,153</b>	<b>157,391</b>	<b>153,523</b>	<b>151,167</b>	<b>152,192</b>	<b>151,504</b>	<b>150,377</b>	<b>151,837</b>	<b>151,813</b>	<b>151,813</b>

**Graded Enrollment**

Kindergarten	55,921	53,634	53,175	52,105	49,896	48,067	47,781	47,594	46,934	47,220	46,604	44,544
Grade 1	61,728	59,638	56,774	54,747	52,885	50,881	49,398	48,457	47,730	47,665	47,757	47,246
Grade 2	64,096	60,644	57,992	54,145	51,950	50,601	49,589	47,638	46,624	46,578	46,716	47,502
Grade 3	63,547	60,770	57,674	54,640	51,247	49,438	48,770	47,548	45,738	44,976	44,898	44,986
Grade 4	60,430	61,178	58,740	54,765	51,618	48,936	48,118	47,190	45,917	44,395	43,808	43,768
Grade 5	55,200	58,206	58,849	55,687	52,041	49,335	47,468	46,289	45,652	44,140	42,524	41,810
Grade 6	56,186	51,943	54,357	53,992	50,315	47,343	44,942	42,624	41,366	39,400	37,469	35,235
Grade 7	54,572	54,793	50,709	52,034	51,468	48,633	46,131	43,730	41,480	40,411	39,151	37,480
Grade 8	50,457	53,547	53,470	49,082	50,140	49,898	47,747	45,322	42,932	40,782	39,534	38,238
Grade 9	67,573	64,582	66,490	66,285	62,107	59,987	59,056	54,116	50,617	47,613	44,931	43,964
Grade 10	47,539	48,529	47,889	48,609	48,446	46,812	45,191	45,719	43,865	38,752	35,698	33,165
Grade 11	36,912	35,895	37,808	38,230	39,420	39,880	37,816	37,356	37,930	35,373	33,082	32,474
Grade 12	26,302	26,286	27,471	27,703	27,258	29,394	30,985	29,611	30,387	30,104	29,045	27,895
<b>Total graded enrollment</b>	<b>700,463</b>	<b>689,645</b>	<b>681,398</b>	<b>662,024</b>	<b>638,791</b>	<b>619,205</b>	<b>602,992</b>	<b>583,194</b>	<b>567,172</b>	<b>547,409</b>	<b>531,217</b>	<b>518,307</b>

K-5 enrollment	360,922	354,070	343,204	326,089	309,637	297,258	291,124	284,716	278,595	274,974	272,307	269,856
6-8 enrollment	161,215	160,283	158,536	155,108	151,923	145,874	138,820	131,676	125,778	120,593	116,154	110,953
9-12 enrollment	178,326	175,292	179,658	180,827	177,231	176,073	173,048	166,802	162,799	151,842	142,756	137,498
<b>Total graded enrollment</b>	<b>700,463</b>	<b>689,645</b>	<b>681,398</b>	<b>662,024</b>	<b>638,791</b>	<b>619,205</b>	<b>602,992</b>	<b>583,194</b>	<b>567,172</b>	<b>547,409</b>	<b>531,217</b>	<b>518,307</b>

**Ungraded enrollment**

Special day classes in regular schools	28,608	28,763	28,354	27,218	26,454	26,101	26,128	26,091	26,043	24,595	24,116	23,582
Special day classes in special ed schools	4,392	4,153	3,984	3,908	3,673	3,656	3,604	3,552	3,546	3,349	3,284	3,211
Continuation and opportunity schools	4,249	4,542	4,478	4,932	4,558	4,242	4,327	4,961	4,952	4,677	4,586	4,484
Nonpublic schools	27	30	24	10	24	11	0	0				
<b>Total ungraded enrollment</b>	<b>37,276</b>	<b>37,488</b>	<b>36,840</b>	<b>36,068</b>	<b>34,709</b>	<b>34,010</b>	<b>34,059</b>	<b>34,604</b>	<b>34,541</b>	<b>32,622</b>	<b>31,987</b>	<b>31,279</b>

<b>Total graded and ungraded enrollment</b>	<b>737,739</b>	<b>727,133</b>	<b>718,238</b>	<b>698,092</b>	<b>673,500</b>	<b>653,215</b>	<b>637,051</b>	<b>617,798</b>	<b>601,713</b>	<b>580,031</b>	<b>563,204</b>	<b>549,586</b>
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## LAUSD BUDGET AND FINANCE POLICY

### Purpose of the Budget and Finance Policy

The California School Accounting Manual, the State's financial guide for school districts, defines a budget as "a plan of financial operation consisting of an estimate of proposed income and expenditures for a given period and purpose". It is through the budget that the Board and Superintendent set priorities and allocate resources.

With regard to the budget process, California school districts, including LAUSD, are bound by legal requirements, administrative regulations, and oversight processes. These include:

#### Legal Requirements for Budget

- Budgets must show a plan for all proposed expenditures of the school district and of all estimated revenues for the fiscal year (Education Code 42122).
- School districts must choose either a single or dual budget adoption schedule. Single-adoption districts must approve a "final budget" by June 30, but may continue to amend the budget throughout the fiscal year as needed. Dual-adoption districts approve a preliminary budget by June 30 and a final budget by September 8, but may continue to amend the budget throughout the fiscal year as needed.
- School districts may not spend more than authorized in the adopted Final Budget as adjusted during the fiscal year (Education Code 42600).

#### Administrative Regulations for Budget

- The California School Accounting Manual, published by the State Department of Education, provides detailed definitions of income and expenditure categories together with approved budget and accounting practices.
- Each year the Superintendent of Public Instruction issues budget and expenditure documents which specify the income and expenditure categories to be reflected in each school district budget.

#### Oversight Processes for Budget

- The Los Angeles County Office of Education (LACOE) is primarily charged with monitoring the financial health of the District with oversight and review from the Superintendent of Public Instruction (Education Code 33127, 33128, 42120 et. seq., 42637).
- Should a district's financial condition deteriorate below the State's standards, the LACOE is authorized to take corrective action including assuming management of that District's financial affairs (Education Code 42127.3).

The District is also bound to comply with the accounting standards and rules promulgated by the Governmental Accounting Standards Board (GASB). Further, the Government Finance Officers Association (GFOA) promulgates best practices for finance, accounting, and budgeting by government agencies.

## LAUSD BUDGET AND FINANCE POLICY

Consistent with State law and regulation, the LAUSD budget is developed, adopted, refined and reviewed on a timely basis, through an annual cycle, as highlighted by the table below.

### Timetable of LAUSD Budget Process

Timing	Activity
December	<ul style="list-style-type: none"> <li>• First Interim Report released -projects current year revenues, expenditures, &amp; balances.</li> </ul>
January	<ul style="list-style-type: none"> <li>• Governor proposes State Budget for next fiscal year to the Legislature</li> <li>• District Staff analyzes Governor's Proposed State Budget for Board</li> <li>• District staff presents enrollment projections to Board</li> </ul>
March	<ul style="list-style-type: none"> <li>• Controller presents Second Interim Report projecting current year revenues, expenditures, &amp; balances</li> <li>• Budget Services &amp; Financial Planning Division presents District's 3-year financial forecast to Board</li> <li>• Board discusses recommendations for Budget Issues</li> <li>• Regular Program funding levels presented</li> </ul>
April	<ul style="list-style-type: none"> <li>• Board receives input from stakeholders regarding next year's budget</li> <li>• Board votes on adoption of Budget Issues for next year's budget</li> </ul>
May	<ul style="list-style-type: none"> <li>• Governor releases May Revision of proposed State Budget</li> <li>• Categorical Funding levels presented</li> <li>• Monies allocated to multi-track year round schools</li> </ul>
June	<ul style="list-style-type: none"> <li>• Board adopts Final Budget for coming year</li> </ul>
June / July/August	<ul style="list-style-type: none"> <li>• State budget adopted</li> <li>• If necessary, Board holds special meetings to consider changes to Final Budget</li> <li>• Monies allocated to single-track schools</li> </ul>

## LAUSD BUDGET AND FINANCE POLICY

### Finance and Budget Policy

To assist the Board of Education in making sound policy, guide the development of the District's budget, enhance the management of the District's finances, minimize the risk of LACOE action, and reduce potential audit concerns, the Board has adopted this Finance and Budget Policy which is based on five core principles. The budget should:

1. Reflect District policies and goals.
2. Be based on sound financial principles.
3. Be clear and easy to understand.
4. Be timely, and easy to manage at the school level.
5. Be based on a process that informs stakeholders.

This policy was developed after reviewing the document "Recommended Budget Practices" developed by the Government Finance Officers Association and is consistent with the standards and criteria established by the State Board of Education (Education Code Sections 33127, 33128), as well as current GASB rules and standards. To the extent that LAUSD's current budgeting and accounting practices are not in compliance with this policy, implementation of this policy is to be phased in.

The Finance and Budget Policy is a "living document." LAUSD expects that it will evolve over time to best connect District policy, budgeting and financing principles.

#### ***Principle One: The budget should be based on the goals of the Board and Superintendent.***

All units of government are charged with fulfilling their programmatic mission while maintaining fiscal integrity. The Board and Superintendent have the primary responsibility for developing and articulating the District's goals consistent with this charge. As the budget is developed and presented, these goals should be considered.

#### ***Principle Two: The budget should be based on sound financial principles.***

LAUSD's budget should be based on financial principles that will keep the District financially viable and able to sustain its key programs over time. The following specific financial principles, based on law, expert advice and experience, are offered to this end.

- a) Balanced Operating Budget
- b) Appropriate Use of One-Time Revenues
- c) Alignment of Budget with Expected Expenditures
- d) Adequate Reserves
- e) Revenue Maximization
- f) Revenue Estimation

## LAUSD BUDGET AND FINANCE POLICY

- g) Cost Recovery Through Fees and Charges
- h) Multi-Year Capital Plan and Budget
- i) Asset Management
- j) Equipment Replacement
- k) Prudent Debt Management
- l) Program Sustainability
- m) GASB Compliance

### **A) BALANCED OPERATING BUDGET**

LAUSD should have a balanced budget because it is sound financial policy and because it is required by law. State law requires the Superintendent to annually prepare and recommend a balanced budget where operating revenues are equal to, or exceed, operating expenditures (Education Code Sections 42100, 42127.5). Any year-end operating surpluses will be used in the following year to maintain reserve levels set by policy for equipment and/or other “one-time only” General Fund expenditures. Any exception to this policy shall be clearly identified in the proposed budget, showing the magnitude of the exception and the reason for it.

LAUSD shall manage the operating budget in a manner that balances revenues and expenditures under normal operating conditions. Annual appropriations shall be made to responsibly address all identified liabilities, including pension, vacation accrual, workers’ compensation and asset replacement needs.

The District shall strive to adopt a “pay-as-you-go” approach to balancing its current expense budget and limit debt financing to capital items.

The Office of the Chief Financial Officer shall prepare the First Period Interim Financial Report and the Second Period Interim Financial Report in accordance with the law and shall make appropriate recommendations to the Board if financial adjustments are necessary.

### **B) APPROPRIATE USE OF ONE-TIME REVENUES**

Ongoing expenditures of LAUSD should not exceed ongoing revenues. To the extent feasible, one-time revenues will be applied toward one-time expenditures. By definition, one-time revenues cannot be relied on in future budget periods. This policy on the use of one-time revenues provides guidance to minimize disruptive effects on services due to non-recurrence of these sources. The Chief Financial Officer shall be responsible for identifying one-time revenues and expenditures and for making recommendations regarding their use.

Any new or unanticipated unrestricted revenues recognized during the fiscal year should be applied to reduce any operating imbalance, before being used for other purposes.

## LAUSD BUDGET AND FINANCE POLICY

### C) ALIGNMENT OF BUDGET WITH EXPECTED EXPENDITURES

It is expected that actual expenditures will closely approximate the appropriation. To the extent that funding is required for expenditures that span fiscal years, appropriate financial techniques should be identified and employed.

### D) ADEQUATE RESERVES

LAUSD shall strive to maintain certain reserve funds to provide financial stability and accounts to provide for replacement of depreciated equipment. These reserve funds shall be for operations or for liabilities, and shall include:

Operating Reserves: The purpose of operating reserves is to set aside monies for current year obligations. These reserves include:

- Reserve for Anticipated Balances
- Emergency Reserve
- Reserve for Economic Uncertainties
- Reserves for Revolving Cash, Stores, and Prepaid Expenditures

Liability Reserves: The purpose of the Liability Reserves is to set aside monies for legally mandated, but currently unfunded obligations of the District. Liability reserves include:

- Liability Self-Insurance Account
- Workers Compensation Fund – Unfunded Liability
- Health & Welfare Fund - Retirement Benefits for Active Employees
- Health & Welfare Fund – Retirement Benefits for Retired Employees

Other reserves may be created as necessary. When a reserve is created, the Board will be informed of the reason for it and how it will ultimately be used. Newly established reserves shall be phased-in over a period of years to be determined.

#### **Operating Reserves:**

The purpose of the operating reserves is to stabilize the District's operating budget in the face of uncertainties. Ideally the Board, Superintendent and Chief Financial Officer shall strive to fund the combination of operating reserves identified above at a level which is 5% or more of General Fund Regular Program revenues. This level is consistent with the bond rating criteria of Fitch Ratings, Moody's Investors Service, and Standard and



## LAUSD BUDGET AND FINANCE POLICY

Poor's. Funding levels of reserves shall be reviewed annually and adjusted as appropriate.

Reserve for Anticipated Balances: At the time the final budget is adopted, District staff will provide estimates of unexpended appropriation authority within the General Fund Regular Program. These estimates will be used to create an expenditure budget that more accurately reflects the District's actual expenditure expectations and expectations regarding the ending balance. The reserve for anticipated balances that is created by this process shall be in addition to other reserves noted in this section and cannot be made available for any other use unless the underlying appropriation authority is reduced. These reserves should be funded at an aggregate, major object code level of appropriation (e.g., 1000 – Certificated Salaries, 2000 – Classified Salaries, 3000 – Employee Benefits, 5000 – Services, 6000 – Capital Outlay, 7000 – Other Outgo).

Emergency Reserve: LAUSD will strive to maintain a General Fund Regular Program emergency reserve in years of good funding. The minimum funding goal of this reserve is 2% General Fund Regular Program revenues. The Emergency Reserve is available to fund one-time emergency, unanticipated expenditure requirements or offset unanticipated revenue fluctuations occurring within a fiscal year. The Board may approve withdrawal of funds from the emergency reserve after the Chief Financial Officer finds that the General Fund's budgeted balances will be exhausted during the fiscal year. The emergency reserve will only be accessed when the result of emergency expenditures or an unexpected revenue reduction would be that the General Fund would likely end the fiscal year with a negative ending fund balance. Restoration of the Emergency Reserves will begin the fiscal year following their use. The Chief Financial Officer will recommend an appropriate level of funding to the Board. This planned reserve is intended to be in addition to the reserve for economic uncertainty.

Reserve For Economic Uncertainties: This General Fund Regular Program reserve is required by State law. The minimum funding of this reserve is 1% of General Fund Regular Program appropriations. The Reserve For Economic Uncertainties will be budgeted and appropriated annually to avoid the need for service level reductions in the event an economic downturn causes revenues to come in lower than budget. (For 2003-04 and 2004-05, districts have been allowed to reduce this reserve to 0.5% of the General Fund Regular Program budget.)

Reserves for Revolving Cash, Stores, and Prepaid Expenditures:

It is the District's current accounting practice to establish a reserve for revolving cash, stores, and prepaid expenditures. This reserve will be continued as an operating reserves under the proposed policy.

**Liability Reserves:**

The purpose of the Liability Reserves is to set aside monies for legally mandated, future obligations of the District. Fully funding these reserves over time can prevent disruptive

## LAUSD BUDGET AND FINANCE POLICY

reductions to LAUSD operating programs that would occur if the liabilities were funded rapidly at their due dates.

Liability Self Insurance Fund: The General Fund shall make annual contributions to the Liability Self Insurance Fund to set aside resources for potential costs not covered by the District's other insurance programs. Historically, the Liability Self Insurance Fund has covered legal liability settlements other than workers compensation. It has not covered settlements and judgments associated with school construction (which are covered elsewhere), or major costs associated with disasters or other fiscally negative events that are not reimbursable from insurance or from the Federal or State government. Each year, the Chief Financial Officer shall recommend to the Board an appropriate level of funding for the Liability Self Insurance Fund. The Board will strive to maintain the Fund in an amount consistent with uninsured obligations.

Workers Compensation Fund: An employee who is injured on the job may receive medical treatment and partial replacement of lost income for a short time or a period of many years, depending on the nature of the injury. The total cost of workers compensation claims should be estimated and funded in the year the claim is incurred. This fund should equal the actuarially determined liability associated with workers compensation claims. Each year, the Chief Financial Officer shall recommend to the Board an appropriate level of funding for the Workers Compensation Fund.

Health & Welfare Fund: Retirement Benefits for Active Employees: Most active LAUSD employees have the prospect of receiving medical, dental and vision benefits after retirement. Historically, LAUSD has funded these benefits on a pay-as-you-go basis. New accounting rules require that the District estimate and fully disclose the amount these benefits are likely to cost in the future. Each year, the Chief Financial Officer shall recommend to the Board an appropriate level of funding for the Health & Welfare Fund. The Board will strive to accumulate resources over time with the ultimate goal of fully reserving the amount needed for these benefits.

Health & Welfare Fund: Retirement Benefits for Retired Employees: Most retired LAUSD employees receive District-funded medical, dental and vision benefits, coordinated with federal Medicare benefits. Historically, LAUSD has funded these benefits on a pay-as-you-go basis. New accounting rules require that we estimate and fully disclose the amount these benefits are likely to cost in the future. Each year, the Chief Financial Officer shall recommend to the Board an appropriate level of funding for the Health & Welfare Fund. The Board will strive to accumulate resources over time with the ultimate goal of fully reserving the amount needed for these benefits.

### E) SPECIAL RESERVE FUND FOR EQUIPMENT REPLACEMENT

A means is needed to replace aging vehicles, computers and other equipment which have reached the end of their useful lives. To this end, there should be a Special Reserve Fund for Equipment Replacement which is maintained at a rate based on accumulated depreciation determined by the Chief Financial Officer.

## LAUSD BUDGET AND FINANCE POLICY

### F) REVENUE MAXIMIZATION

LAUSD receives the preponderance of its funding from the State of California. To supplement these funds LAUSD shall seek additional revenue from a variety of sources including the Federal Government, Foundations, Corporations, parent and community organizations and through changes to legislation. These additional resources should be for purposes which are consistent with the District's goals and objectives and which complement the LAUSD's resources. LAUSD shall also seek the approval of granting agencies to provide flexibility in the use of scarce resources. In addition, LAUSD shall aggressively pursue reimbursement for state-mandated costs.

### G) REVENUE ESTIMATION

Developing a revenue budget is complicated by the fact that there may be significant delays between the time the District develops an expectation that it will receive revenue, the time a specific commitment is made to provide the revenue, and the time the revenue is actually received. It is appropriate to include revenue in the budget before a specific funding commitment is made and the funds are actually received. However, it may be necessary to withhold the authority to spend part or all of the budgeted revenue until there is more certainty about its receipt.

The Chief Financial Officer shall strive to include in the budget all revenues that can reasonably be expected for the fiscal year. The Chief Financial Officer shall appropriate funds for expenditure based on a prudent assessment of the risks associated with each revenue source.

### H) COST RECOVERY THROUGH FEES AND CHARGES

LAUSD may charge fees to recover costs of certain services, such as those provided to charter schools. LAUSD shall set fees so that they cover the entire cost of the service provided. All costs (direct and indirect) shall be considered in establishing the appropriate fee. The amount of a fee will be set by the LAUSD at its discretion and shall cover all appropriate costs subject to any legal restrictions.

### I) MULTI-YEAR CAPITAL PLAN AND BUDGET

In addition to its ongoing operating programs for instruction and support, LAUSD conducts a very sizable program to build and refurbish facilities and systems. Consistent with this responsibility, LAUSD will strive to provide comprehensive planning and budgeting for its capital needs by:

- Developing, on a periodic basis, a Statement of Need for capital programs.
- Adopting annually a multi-year capital budget that identifies the projects that are planned, the estimated cost of each project, the expected sources of revenue for each project, and the fiscal year or years in which project funds must be committed.

## **LAUSD BUDGET AND FINANCE POLICY**

- Presenting annually an analysis of the future operational impact of the capital projects.

### **J) ASSET MANAGEMENT**

The District shall:

- Budget appropriate amounts so that physical assets are properly maintained and replaced when needed.
- Maintain inventories of assets and the condition of major assets assessed on a regular basis to develop appropriate replacement and maintenance programs.
- Prepare a maintenance plan that identifies the commitment needed to maintain the value of its assets and protect the health and safety of students and employees.
- Estimate and set aside annually resources for preventative maintenance.

### **K) PRUDENT DEBT MANAGEMENT**

LAUSD shall adhere to the Debt Management Policy as adopted by the Board of Education.

### **L) PROGRAM SUSTAINABILITY**

LAUSD's mission is long-term and ongoing. To meet its near and longer-term goals, the District should plan and budget resources and commitments in a way that provides a sustainable approach to its mission. To achieve this sustainability, LAUSD should strive to:

- Link multi-year programs to multi-year funding. When funding is non-continuous, the program should be identified as non-sustainable.
- Set parameters for multi-year programs and offices by identifying specific "sunset dates" for program termination as well as the ending date for personnel assignments funded in the program.
- Identify programs as either mandatory or discretionary. If mandatory, there will be disclosure of the legal source to the mandate.
- Make defined fiscal commitments rather than open-ended commitments (e.g. fund health benefits at a specific cost level rather than a specific service level).
- Identify impact on the budget of unfunded mandates and other spending pressures.

### **M) GASB STANDARDS FOR FINANCIAL ACCOUNTING AND REPORTING**

The Governmental Accounting Standards Board promulgates rules governing financial accounting and reporting. LAUSD shall strive to comply with these rules. It will be an ongoing goal of LAUSD to strive to receive the GFOA Certificate for Excellence in Financial Reporting each year.

## LAUSD BUDGET AND FINANCE POLICY

For example, in order to comply with the requirements of the Governmental Accounting Standards Board, the District will soon be required to disclose the amount we owe our employees for vacation or sick time they have not yet used. It is prudent to book this liability as an expense annually.

### *Principle Three: The budget should be clear and easy to understand.*

LAUSD's budget and related financial documents are relied upon for crucial financial information by a broad cross-section of stakeholders in the District, including administrators, teachers, parents, community groups and oversight bodies. LAUSD's budget should be organized and presented in such a way that both lay persons and experts can understand:

- What the District intends to do and how it intends to do it
- The District's overall financial condition
- The historical context for LAUSD programs

The budget must meet requirements under State statute including those related to structure, presentation, and form. In addition LAUSD should strive to develop its annual budget in a manner consistent with the GFOA standards for budget presentation. These guidelines are established to provide appropriate disclosure of financial information to the public and other interested parties, while facilitating management decisions on program expenditures.

Consistent with the GFOA standards, LAUSD has identified guidelines for the presentation of budgets. These standards provided guidance for development of LAUSD's budgets from four perspectives, as a:

1. Policy Document
2. Financial Plan
3. Operations Guide
4. Communications Device

### **A) GUIDELINES FOR LAUSD BUDGET AS A POLICY DOCUMENT**

LAUSD's budget should include an overview message that articulates priorities and issues for the budget for the new fiscal year, as well as provide a clear statement of organization-wide financial and programmatic policies and goals that address long-term concerns and issues. The budget should describe the District's short-term financial and operational policies that guide the development of the budget for the upcoming year.

### **B) GUIDELINES FOR LAUSD BUDGET AS A FINANCIAL PLAN**

As a blueprint for the financial implications of LAUSD's annual plan, the budget should provide fiscal information such as the following:

- Present a summary of major revenues and expenditures, as well as other sources and uses, to provide an overview of total resources budgeted by the organization.

## **LAUSD BUDGET AND FINANCE POLICY**

- Include summaries of revenues, other resources, and expenditures for the prior year, current year and budget year.
- Identify self-funded enterprise operations and set goals for their level of financial self-sufficiency.
- Explain the underlying assumptions for the revenue estimates and discuss significant revenue trends.
- Identify funding by:
  - Source, including Federal, State, Local, Non-Profit, or other.
  - Type, including general fund, special fund-restricted by external agency, special fund-restricted by LAUSD policy, or other.
- Estimate projected changes in fund balances and fund balances available for appropriation.
- Include or be accompanied by a budget for capital expenditures and a list of major capital projects for the budget year and describe the impact of capital spending on the current and future operating budgets.
- Include financial data on current debt obligations and the relationship between current debt levels and statutory limitations.

### **C) GUIDELINES FOR LAUSD BUDGET AS AN OPERATIONS GUIDE**

The budget, once adopted will become a key guide to LAUSD's operations. The budget should:

- Describe activities, services or functions carried out by organizational unit and by program. (This information need not be in the main budget document but should be accessible to all operating units of the District and any person interested in the District's finances.)
- Include an organization chart for the entire organization.
- Provide a schedule or summary tables of personnel or position counts for the prior and current budget years, including description of significant changes.

### **D) GUIDELINES FOR LAUSD BUDGET AS A COMMUNICATION DEVICE**

One of LAUSD's budget's most important role is as a communications tool. It is a document that must meet the needs of a wide and varied audience. The budget should:

#### Provide Context

- Provide a summary information, including issues, trends and choices as executive summary or "Popular Budget".
- Describe the process for preparing, reviewing and adopting the budget for the coming fiscal year.
- Include statistical and supplemental demographic data to describe the LAUSD and the community it serves.

## LAUSD BUDGET AND FINANCE POLICY

### Include Visual Aids

- Offer visually inviting graphs, charts and formatting to enhance understanding and usability of the document.
- Include a glossary for any terminology not readily understood by a reasonably informed lay reader.
- Provide the document in electronic form on the District website.

### ***Principle Four: The budget should be timely and easy to manage at the school level.***

Budgeting is a dynamic process that includes a development period and an implementation period, each of which may require a series of adjustments. The process of managing the budget is easier for schools and offices if they have access to systems and training. The Chief Financial Officer retains responsibility for defining the parameters under which schools and offices are allowed to manage their budgets, as set forth by the Board of Education.

### ***Principle Five: The budget process should inform stakeholders.***

Prior to the adoption of the final budget, District staff should present the budget to stakeholders. The Board should also conduct a formal public review of the budget, prior to its adoption.

# LAUSD BUDGET AND FINANCE POLICY

## FUND BALANCE POLICY AND PROCEDURES

### I. PURPOSE

This Fund Balance Policy establishes the policy and procedures for reporting and maintaining fund balance in the District's financial statements. The policy also authorizes and directs the Chief Financial Officer to prepare financial reports which accurately categorize fund balance as per Governmental Accounting Standards Board (GASB) Statement No. 54, Fund Balance Reporting and Government Fund Type Definitions, effective beginning the 2010-11 fiscal year.

### II. GENERAL POLICY

There are five separate components of fund balance, each of which identifies the extent to which the District is bound by constraints on the specific purpose for which amounts can be spent.

- Nonspendable fund balance (*inherently nonspendable*)
- Restricted fund balance (*externally enforceable limitations on use*)
- Committed fund balance (*self-imposed limitations on use*)
- Assigned fund balance (*limitation resulting from intended use*)
- Unassigned fund balance (*residual resources for unrestricted use*)

The first two components listed above are not addressed in this policy due to the nature of their restrictions. An example of nonspendable fund balance is inventory. Restricted fund balance is either imposed by law or constrained by grantors, contributors, or laws or regulations of other governments. This policy is focused on the last three components listed above.

The District considers restricted fund balances to have been spent first when an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts in any of the unrestricted classifications of fund balance could be used, the District considers committed amounts to be reduced first, followed by assigned amounts, and then unassigned amounts.

### III. PROVISIONS

#### Committed Fund Balance

The Governing Board, as the District's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal actions. Commitment of funds can be made through the adoption of the budget as long as the intent to commit the funds is specifically stated. These committed amounts cannot be used for any other purpose unless the Governing Board removes or changes the specific use through formal action. Governing Board action to commit fund balance needs to occur within the fiscal reporting period, no later than June 30. The amount which will be committed can be determined subsequently but prior to the release of the District's financial statements.



## LAUSD BUDGET AND FINANCE POLICY

Pursuant to GASB 54, the District commits to maintaining the Deferred Maintenance and Adult Education funds to support programs for which the funds were originally established. Amounts transferred into or retained in the funds will be determined annually per Board adoption of the budget and approval of the year end unaudited actuals report.

### **Assigned Fund Balance**

Amounts that are neither restricted nor committed may be constrained by the District's intent to be used for specific purposes. This policy hereby delegates the authority to assign amounts to the Superintendent, or designee.

### **Unassigned Fund Balance**

These are residual positive net resources for the General Fund in excess of what can properly be classified in one of the other four categories. There are some reserves that do not meet the requirements of the aforementioned components of fund balance. For financial statement reporting purposes these reserves are included in the unassigned fund balance. This includes:

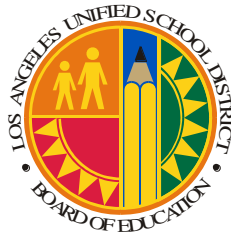
- **Reserve For Economic Uncertainty**– The District will maintain an economic uncertainty reserve, consisting of unassigned amounts, of at least 1% of total General Fund operating expenditures in accordance with Section 15450 of the California Code of Regulations. The primary purpose of this reserve is to avoid the need for service level reductions in the event that an economic downturn causes revenues to be substantially lower than budgeted. In the event that the District must expend all or part of this reserve, the District will identify and implement a budgetary plan to replenish this reserve the following year. This reserve may be increased by legal requirement.

**APPENDIX H**

**LAUSD Debt Management Policy**

Los Angeles Unified School District  
**DEBT MANAGEMENT POLICY**

Fiscal Year 2009-10



Prepared by:

**The Office of the Chief Financial Officer**

April 13, 2010

## DEBT MANAGEMENT POLICY

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The policies set forth in this Debt Management Policy (the “Policy”) have been developed to provide guidelines for the issuance of general obligation bonds, certificates of participation (“COPs”) and other forms of indebtedness by the Los Angeles Unified School District (the “District”). While the issuance of debt can be an appropriate method of financing capital projects, careful and consistent monitoring of such debt issuance is required to preserve the District’s credit strength and budget and financial flexibility. These guidelines will serve the District in determining the appropriate uses for debt financing and debt structures as well as establishing prudent debt management goals.

## Background

The District enjoys some of the highest credit ratings of any major urban school district in the nation. The District’s general obligation bonds are rated Aa3 by Moody’s Investors Service and AA- by Standard & Poor’s Corporation. The District’s COPs ratings are A1 (Moody’s, for non-abatement leases), A2 (Moody’s, for leases subject to abatement) and A+ (Standard & Poor’s, for both lease types). These high credit ratings reduce the interest costs paid by the District on the amounts borrowed. Lower interest costs result in lower tax rates paid by the District’s taxpayers and a reduced burden on the General Fund. These debt management policies are intended to maintain the District’s high credit ratings so that access to borrowed funds is provided at the lowest possible interest rates. Additionally, these policies are intended to set forth selection criteria for certain financial consultants and attorneys which will ensure a fair and open selection process, provide opportunities for all firms (including small business enterprises) to participate in District contracts, and result in the selection of the best qualified advisors.

The District faces continuing capital infrastructure and cash requirements. In particular, the District is presently engaged in building new schools and modernizing schools with the Facilities Improvement Program to be completed over the next several years. The costs of these requirements will be met, in large part, through the issuance of various types of debt instruments and other long-term financial obligations. Under “Proposition BB”, “Measure K”, “Measure R”, “Measure Y” and “Measure Q” adopted by the voters in April 1997, November 2002, March 2004, November 2005 and November 2008, respectively, the District has already raised a combined \$20.605 billion in general obligation bond authorization for its Facilities Improvement Program and other capital and General Fund relief projects. Consequently, the District needs to anticipate increases in historical levels of such debt and other obligations, some of which may be repaid from the District’s General Fund.<sup>1</sup> With these increases, the effects of decisions regarding type of issue, method of sale, and payment structure become ever more critical to the District’s fiscal health. To help ensure the District’s creditworthiness, an established policy of managing the District’s debt is essential. To this end, the Board of Education of the District (the “Board”) recognizes this Policy to be financially prudent and in the District’s best economic interest.

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<sup>1</sup> For purposes of this policy, long-term obligations such as lease payments in support of COPs will be considered “debt.”

Article I. **Purpose and Goals**

The purpose of the Policy is to provide a functional tool for debt management and capital planning, as well as to enhance the District's ability to manage its debt and lease financings in a conservative and prudent manner. In following this Policy, the District shall pursue the following goals:

- The District shall strive to fund capital improvements from referendum-approved bond issues to preserve the availability of its General Funds for District operating purposes and other purposes that cannot be funded by such bond issues.
- The District shall endeavor to attain the best possible credit rating for each debt issue (with or without credit enhancement) in order to reduce interest costs, within the context of preserving financial flexibility and meeting capital funding requirements.
- The District shall take all practical precautions and proactive measures to avoid any financial decision which will negatively impact current credit ratings on existing or future debt issues.
- The District shall remain mindful of debt limits in relation to assessed value growth within the school district and the tax burden needed to meet long-term capital requirements.
- The District shall consider market conditions and District cash flows when timing the issuance of debt.
- The District shall determine the amortization (maturity) schedule which will best fit with the overall debt structure of the District at the time the new debt is issued.
- The District shall give consideration to matching the term of the issue to the useful lives of assets whenever practicable and economic, while considering repair and replacement costs of those assets to be incurred in future years as an offset to the useful lives, and the related length of time in the payout structure.
- The District shall, when planning for the issuance of new debt, consider the impact of such new debt on overlapping debt and the financing plans of local, state and other governments which overlap with the District.
- The District shall, when issuing debt, assess financial alternatives to include new and innovative financing approaches, including whenever feasible categorical grants, revolving loans or other State/federal aid, so as to minimize the encroachment on the District's General Fund.
- The District shall, when planning for the sizing and timing of debt issuance, consider its ability to expend the funds obtained in a timely, efficient and economical manner.

The key financial management tools and goals that are intrinsic to the Policy include:

- A. **Fund Balance Policy:** The District recognizes the importance of emergency reserves, including liquidity in the General Fund, that can provide a financial cushion in years of poor revenue receipts. A Reserve Fund Policy has been adopted by the Board.
- B. **Capital Financing Plan:** The Office of the Chief Financial Officer will prepare a 5 year Capital Financing Plan in conjunction with the capital budget. The Plan will detail the sources of financing for all facilities in the capital budget, establish funding priorities and review the impact of all borrowings on the District's long-term debt affordability ratios. The Plan will consider all potential sources of financing, including non-debt options and ensure that these financing sources are in accordance with the goals of this policy. The Office of the Chief Financial Officer will revise the Plan annually. See Articles III and IV herein.
- C. **Annual Debt Report:** The Chief Financial Officer will annually prepare for and submit to the Superintendent and the Board a Debt Report which reviews the outstanding debt of the District as further described under Section 4.02 herein.

## Article II. **Authorization**

### Section 2.01 **Authority and Purposes of the Issuance of Debt**

The laws of the State of California authorize the issuance of debt by the District, and confer upon it the power and authority to make lease payments, contract debt, borrow money, and issue bonds for public improvement projects. Under these provisions, the District may contract debt to pay for the cost of acquiring, constructing, reconstructing, rehabilitating, replacing, improving, extending, enlarging, and equipping such projects: to refund existing debt; or to provide for cash flow needs.

### Section 2.02 **Types of Debt Authorized to be Issued**

- A. **Short-Term:** The District may issue fixed-rate and/or variable rate short-term debt which may include tax and revenue anticipation notes ("TRANS") when such instruments allow the District to meet its cash flow requirements. However, the District shall generally manage its cash position in a manner so that internally generated cash flow is sufficient to meet expenditures. The District may also issue commercial paper in the context of providing funding of shorter term acquisitions, such as equipment, or interim funding for capital costs that will ultimately be replaced with COPs. The District may also participate in an annual pooled financing of delinquent property taxes to the extent that the Chief Financial Officer determines such financing produces significant benefit to the District. The District may also issue bond anticipation notes ("BANs") to provide interim financing for bond projects that will ultimately be taken out by permanent general obligation bonds.

- B. Long-Term: Debt issues may be used to finance essential capital facilities, projects and certain equipment where it is appropriate to spread the cost of the projects over more than one budget year. In so doing, the District recognizes that future taxpayers who will benefit from the investment will pay a share of its cost. Projects which are not appropriate for spreading costs over future years will not be financed with long-term debt. Long-term debt will, under no circumstances, be used to fund District operations. The District may issue long-term debt which may include, but is not limited to, general obligation bonds (“G. O. Bonds”). G.O. Bonds may be issued pursuant to Proposition 39 which permits bonding authorization if approved by at least 55% of voters versus the two-thirds approval requirement under other statutes. The District may also enter into long-term leases and/or COPs for public facilities, property, and equipment. In the event that lease revenue bond (“LRB”) financing costs are significantly lower than COPs financing costs, the District may consider using a lease revenue bond structure for financing public facilities, property, and equipment. The District may issue COPs or LRBs in variable rate mode so long as the requirements in Section 3.08. (A) hereof are met.
- C. Equipment Financing: Lease obligations are a routine and appropriate means of financing capital equipment. However, lease obligations also have the greatest impact on budget flexibility. Therefore, efforts will be made to fund capital equipment with pay-as-you-go financing where feasible, and only the highest priority equipment purchases will be funded with lease obligations. With the exception of leases undertaken through the District’s standard procurement process, all equipment with a useful life of less than six years shall be funded on a pay-as-you-go basis unless the following conditions are met:
- i. In connection with the proposed District budget, the Superintendent makes the finding that there is an “economic necessity” based on a significant economic downturn, earthquake or other natural disaster and there are no other viable sources of funds to fund the equipment purchase.
  - ii. The Board concurs with the Superintendent’s finding in the adoption of the budget.
  - iii. The various debt ceilings in Section 3.08 of this Policy are not exceeded.
- D. Lease Financing of Real Property: Lease financing for facilities is appropriate for facilities for which there is insufficient time to obtain voter approval or in instances where obtaining voter approval is not feasible. Such financings will be structured in accordance with Section 3.01 of the Policy. If and when voter approved debt proceeds become available subsequently, the District will use such proceeds to take out the financing where appropriate.
- E. Identified Repayment Source: The District will, when feasible, issue debt with a defined revenue source in order to preserve the use of General Fund supported debt for projects with no stream of user-fee revenues. Examples of revenue sources include voter-approved taxes that repay general obligation or special tax bonds.



- F. Use of General Obligation Bonds: Voter-approved general obligation bonds typically provide the lowest cost of borrowing and do not impact the District's General Fund. General obligation bond debt to the extent authorized for the District requires either two-thirds approval of the voters (in the case of traditional general obligation bonds) or 55% approval of the voters (in the case of general obligation bonds issued pursuant to Proposition 39). In recognition of the difficulty in achieving the required two-thirds voter approval or 55% voter approval, as the case may be, to issue general obligation bonds, such bonds will be generally limited to facilities and projects that provide wide public benefit and for which broad public support has been generated.
- G. Use of Revenue Bonds: Revenue bonds supported solely from fees are not included when bond rating agencies calculate debt ratios. Repayment of such bonds would rely on dedicated, pledged funds such as developer fees and/or redevelopment agency pass-throughs. Accordingly, in order to preserve General Fund debt capacity and budget flexibility, revenue bonds will be preferred to General Fund supported debt when a distinct and identifiable revenue stream can be identified to support the issuance of bonds.
- H. Use of Asset Transfer COPs: The District will restrict the use of an "asset transfer" COP financing to finance emergency capital needs for which there are no other viable financing options. Additionally, asset transfer COPs may be used if significant savings in financing costs can be generated compared to other financing alternatives.
- I. Pay-As-You-Go Financing: Except in extenuating circumstances, the District will fund routine maintenance projects in each year's capital program with pay-as-you-go financing. Extenuating circumstances may include unusually large and non-recurring budgeted expenditures, or when depleted reserves and weak revenues would require the delay or deletion of necessary capital projects.
- J. Use of Special Financing Structures: The District may use special financing structures permitted by the federal government if they are determined to result in significantly lower financing costs versus traditional tax-exempt bonds and/or COPs.

Pursuant to State law, the District can issue either fixed-rate, variable rate or capital appreciation debt, depending on the applicable law.

### Section 2.03 **State Law**

Section 18 of Article XVI of the State Constitution contains the basic "debt limitation" formula applicable to the District.

Sections 1(b)(2) and 1(b)(3) of Article XIII A of the State Constitution allow the District to issue traditional general obligation bonds and Proposition 39 bonds, respectively. The statutory authority for issuing general obligation bonds is contained in Section 15000 *et seq.* of the Education Code. Additional provisions applicable only to Proposition 39 general obligation

bonds are contained in Section 15264 *et seq.* of the Education Code. An alternative procedure for issuing general obligation bonds is also available in Section 53506 *et seq.* of the Government Code.

The statutory authority for issuing TRANs is contained in Section 53850 *et seq.* of the Government Code. Authority for lease financings is found in Section 17455 *et seq.* of the Education Code and additional authority is contained in Sections 17400 *et seq.*, 17430 *et seq.* and 17450 *et seq.* of the Education Code. The District may also issue Mello-Roos bonds pursuant to Section 53311 *et seq.* of the Government Code.

#### Section 2.04 **Annual Review**

The Policy shall be reviewed and updated at least annually and presented to the Board for approval as necessary. The Chief Financial Officer is the designated administrator of the Policy and has overall responsibility, with the Board's approval, for decisions related to the structuring of all District debt issues. The Chief Financial Officer may delegate the day-to-day responsibility for managing the District's debt and lease financings. The Board is the obligated issuer of all District debt and awards all purchase contracts for bonds, COPs, TRANs and any other debt issuances.

### Article III. **Structural Features, Legal and Credit Concerns**

#### Section 3.01 **Structure of Debt Issues**

A. Maturity of Debt: The duration of a debt issue shall be consistent, to the extent possible, with the economic or useful life of the improvement or asset that the issue is financing. The final maturity of the debt shall be equal to or less than the useful life of the assets being financed, and the average life of the financing shall not exceed 120% of the average life of the assets being financed. In addition, the District shall consider the overall impact of the current and future debt burden of the financing when determining the duration of the debt issue.

- i. General Obligation Bonds: The final maturity of General Obligation bonds will be limited to the shorter of the average useful life of the asset financed or 25 years when such bonds are issued pursuant to the Education Code. General Obligation bonds may be structured with a term to maturity no longer than 40 years if issued pursuant to the Government Code; however, the selected term to maturity would have to be appropriate relative to the average useful lives of the assets financed. General Obligation bond issues will generally be sized to the amount reasonably expected to be required for two year's expenditure requirements.
- ii. Lease-Purchase Obligations: The final maturity of equipment obligations will be limited to the average useful life of the equipment to be financed. The final maturity of real property obligations will be determined by the size of the financing, 15 years for small issues, 20 years for large issues and 30 years for exceptional projects.

- iii. Mello-Roos Obligations and Revenue Bonds: These obligations, although repaid through additional taxes levied on a discrete group of taxpayers or from pledged developer fees and/or redevelopment funds, constitute overlapping indebtedness of the District and have an impact on the overall level of debt affordability. The District will develop separate guidelines for the issuance of such obligations as the need arises.

B. Debt Service Structure: The District shall design the financing schedule and repayment of debt so as to take best advantage of market conditions, provide flexibility, and, as practical, to recapture or maximize its debt capacity for future use. Annual debt service payments will generally be amortized on a level basis per component financed; however, slower principal amortization may occur more quickly or slowly where permissible to meet debt repayment and flexibility goals.

C. Capitalized Interest: Unless required for structuring purposes, the District will avoid the use of capitalized interest in order to avoid unnecessarily increasing the bond size and interest expense. Certain types of financings such as COPs may require that interest on the debt be paid from capitalized interest until the District has use and possession of the underlying project. However, the District may pledge assets using an asset-transfer structure as collateral for the issue in order to eliminate the need for capitalized interest.

D. Call Provisions: The Chief Financial Officer and Controller, based upon analysis from the financial advisors of the economics of callable versus non-callable features, shall set forth call provisions for each issue.

### Section 3.02 **Sale of Securities**

There are three methods of sale: competitive, negotiated and private placement. The preferred method of sale shall be the competitive method as it is likely to result in the lowest interest cost to the District. All three methods of sale shall be considered for all issuance of debt, however, as each method has the potential to achieve the lowest financing cost given the right conditions. Any award through negotiation shall be subject to approval by the District, generally by the Chief Financial Officer or other person designated by the Chief Financial Officer, to ensure that interest costs are in accordance with comparable market interest rates. When a competitive bidding process is deemed the most advantageous method of sale for the District, award will be based upon, among other factors, the lowest offered True Interest Cost ("TIC"). While not used as frequently as negotiated or competitive sale methods, a private placement sale would be appropriate when the financing can or must be structured for a single or limited number of purchasers or where the terms of the private placement are more beneficial to the District than either a negotiated or competitive sale.

### Section 3.03 **Markets**

The District shall consider products and conditions in domestic capital markets in meeting the District's financing needs. When practical in its financing program, the District shall consider local and regional markets as well as retail and institutional investors.

### Section 3.04 **Credit Enhancements and Derivatives**

The District may enter into credit enhancement agreements such as municipal bond insurance, surety bonds, letters of credit and lines of credit with commercial banks, municipal bond insurance companies, or other financial entities when their use is judged to lower borrowing costs, eliminate restrictive covenants, or have a net economic benefit to the financing. The credit rating of any counterparty must be at least A+ at the time of the transaction. The District shall use a competitive process to select providers of such products to the extent applicable. In order to assure that the District purchases bond insurance cost-effectively, the Chief Financial Officer will review a bond insurance break-even analysis by maturity before selecting which maturities to insure.

The District may also undertake hedging strategies in connection with its debt issues. The Chief Financial Officer will develop an appropriate policy regarding interest rate swaps, interest rate caps and collars, rate locks and other derivatives for approval by the Board. Such policy, if approved, will be integrated into this Policy.

### Section 3.05 **Impact on Operating Budget and District Debt Burden**

When considering any debt issuance, the potential impact of debt service and additional operating costs induced by new projects on the operating budget of the District, both short and long-term, will be evaluated. The ratio of annual debt service to General Fund expenditures is one method as is the additional debt burden of overlapping agencies and taxpayers. The cost of debt issued for major capital repairs or replacements should be judged against the potential cost of delaying such repairs.

### Section 3.06 **Debt Limitation**

Section 15106 of the Education Code limits the District's total outstanding bonded debt (i.e., the principal portion only) to 2.5% of the assessed valuation of the taxable property of the District. Thus, Section 15106 of the Education Code limits the issuance of new debt when the District has total bonded indebtedness in excess of 2.5% of the assessed valuation in the District. TRANs and lease payment obligations in support of COPs generally do not count against this limit except as provided in Section 17422 of the Education Code.

### Section 3.07 **Debt Issued to Finance Operating Costs**

The District cannot finance general operating costs from debt having maturities greater than thirteen months. However, the District may deem it necessary to finance cash flow requirements under certain conditions. Such cash flow borrowing must be payable from taxes, income, revenue, cash receipts and other moneys attributable to the fiscal year in which the debt is issued. General operating costs include, but may not be limited to, those items normally funded in the District's annual operating budget and having a useful life of less than one year.

### Section 3.08 **Debt Burden Ratios and Debt Affordability Criteria**

- A. **Debt Burden Ratios:** As noted in Section 3.06, the District may issue "bonds" in an amount no greater than 2.5% of taxable property within the school district. The 2.5%

issuance limit is known as the District's bonding capacity, with "bonds" referring to G.O. Bonds. Even though COPs do not technically constitute "debt" under California's Constitution and, thus, are excluded from the 2.5% bonding limit, the rating agencies and the investor community evaluate the District's debt position based on all of its outstanding long-term obligations whether or not such obligations are repaid from taxpayer-approved tax levies, the General Fund or developer fee sources. Therefore, the debt burden ratios described below will include both G.O. Bonds and COPs obligations as "debt" in the respective calculations. This conforms with market convention for the general use of the term "debt" and "debt service" as applied to a broad variety of instruments in the municipal market, regardless of their precise legal status or source of repayment. "Debt" excludes short-term obligations such as tax and revenue anticipation notes.

The following debt burden ratios should be considered in developing debt issuance plans:

- Ratio of Outstanding Debt to Assessed Value. The ratio "Direct Debt" shall be calculated using both G.O. Bonds and COPs. In addition, the ratio "Overall Direct Debt" or "Overall Debt" shall be calculated by aggregating all debt issues attributable to agencies located in the District as presented in the California Municipal Statistics Overlapping Debt Statement. It is important to monitor the levels and growth of Direct Debt and Overall Debt as they portray the debt burden borne by the District's taxpayers and serve as proxies for taxpayer capacity to take on additional debt in the future.
- Ratio of Outstanding Debt Per Capita. The formula for this computation is Outstanding Debt divided by the population residing within the District, based upon the most recent estimates as determined by the United States Bureau of the Census. Ratios shall be computed for both "Direct Debt Per Capita" and "Overall Debt Per Capita".
- Ratio of Annual Lease Debt Service to General Funds Expenditures. The formula for this computation is annual lease debt service expenditures divided by General Funds (i.e., General and Debt Service Funds) expenditures (excluding interfund transfers) as reported in the most recent CAFR.
- Proportion of Fixed-Rate and Variable-Rate COPs Issues. The District can benefit from some variable rate exposure in its portfolio of COPs issues. However, the District shall keep its variable rate exposure, to the extent not hedged or swapped to fixed rate, at or below 20% of the total principal of outstanding COPs or \$100 million, whichever is less. "Hedges" include unrestricted cash resources as well as interest rate products such as caps and collars. Under no circumstances will the District issue variable rate debt for arbitrage purposes. If variable rate debt is used, the Chief Financial Officer will periodically, but at least annually, determine whether it is appropriate to convert the debt to bear fixed interest rates.

B. Debt Affordability: The determination of how much indebtedness the District should incur will be based on a Capital Financing Plan (the "Plan") that is currently being developed by the Office of the Chief Financial Officer, which analyzes the long-term infrastructure needs of the District, and the impact of planned debt issuances on the long-term affordability of all outstanding debt. The Plan will be based on the District's current five-year capital plan and will

include all District financings to be repaid from the General Fund, special funds or *ad valorem* property taxes. The affordability of the incurrence of debt will be determined by calculating various debt ratios (itemized below) which would result after issuance of the debt and analyzing the trends over time.

C. Targets and Ceilings for Debt Affordability: One of the factors contributing to the District's high credit ratings is its moderate General Fund-supported debt level relative to other large issuers and as compared to the resources available to repay the debt. The issuance of debt to be repaid from the General Fund and other internal District resources (typically, the District's certificates of participation) must be carefully monitored to maintain a balance between debt and said resources.

The District's credit environment is also affected by the District's issuance of its general obligation bonds paid from voter approved tax levies as well as the debt issuance activities of other agencies (for example, the City of Los Angeles, the County of Los Angeles and the Los Angeles Community College District) whose jurisdictions overlap those of the District. It is important for the District to examine debt burden ratios for such debt as well, even though such debt is not paid from the District's General Fund or other internal resources. Further, the tax receipts used to repay the Districts general obligation bonds are levied and collected by the County of Los Angeles and are not controlled by the District.

Table 1 provides a listing of the debt burden factors that will be monitored by the Chief Financial Officer in the case of debt to be repaid from the General Fund or other District resources. The measured debt factors will be compared to targeted and maximum levels for those factors. The targets and ceilings are intended to guide policy. The targets and ceilings do not mean that debt issuance is automatically approved if there is room under a particular target or ceiling. On the contrary, each and every proposed debt issuance must be individually presented to and approved by the Board of Education.

Table 2 indicates the benchmark debt burden ratios to be monitored by the Chief Financial Officer that recognize the combined direct debt and overall debt of the District, as applicable. The Office of the Chief Financial Officer shall annually prepare or cause to be prepared a Debt Report providing details of the calculations of debt ratios and projections of the impact of future debt issuance on the District's direct debt. The Office of the Chief Financial Officer shall also develop appropriate appendices to the Debt Report containing relevant information on any rating agency and/or Government Finance Officer's Association debt policy guidelines with respect to debt burden ratios.

- i. Debt Ratios: The following table sets forth the debt ratios to be monitored under the Policy and their targeted levels and Policy ceilings, if applicable.

**Table 1**

<b>Debt Factor</b>	<b>Target</b>	<b>Ceiling</b>
COP Debt Service Limit (gross)	2.0% of General Funds Expenditures	2.5% of General Funds Expenditures
COP Gross Annual Debt Service Cap	\$105 Million	

**Table 2**

<b>Debt Burden Ratio</b>	<b>Benchmark</b>
Direct Debt to Assessed Value	Moody's Median for Aa Rated School Districts With Student Population Above 200,000
	Standard & Poor's Mean for AA Rated School Districts With Student Population Above 150,000
Overall Debt to Assessed Value	Moody's Median for Aa Rated School Districts With Student Population Above 200,000
	Standard & Poor's Mean for AA Rated School Districts With Student Population Above 150,000
Direct Debt Per Capita	Standard & Poor's Median for AA Rated School Districts With Student Population Above 150,000
	Standard & Poor's Mean for AA Rated School Districts With Student Population Above 150,000
Overall Debt Per Capita	Standard & Poor's Median for AA Rated School Districts With Student Population Above 150,000
	Standard & Poor's Mean for AA Rated School Districts With Student Population Above 150,000

“Direct Debt” includes all debt that is repaid from the General Fund or from any tax revenues deposited into special funds not supporting revenue bonds.

“Overall Debt” includes any debt that is paid from general tax revenues and special assessments by residents in the District. This includes debt issued by other agencies whose taxing boundaries overlap the District, such as the City of Los Angeles, the County of Los Angeles and the Metropolitan Water District, but excludes revenue bonds with dedicated repayment sources.

D. Monitor Impact on District Taxpayer of Voter-Approved Taxes: In addition to the analysis of the District’s debt affordability, the Plan will review the impact of debt issuance on District taxpayers. This analysis will incorporate the District’s general obligation bond tax levies

as well as tax rates imposed by overlapping jurisdictions as reported in the District's Comprehensive Annual Financial Report (CAFR). In addition, the District will monitor the performance of the actual tax levy rate per \$100,000 of assessed value for each general obligation bond authorization versus what the tax levy rate was expected to be at the time of the original bond election and include said performance in the Debt Report. The Measure K, Measure R, Measure Y and Measure Q Bonds were each authorized with a tax levy limitation of \$60 per \$100,000 of assessed value to repay bonds issued under each authorization (Measure).

### **Section 3.09 Use of Corporations as Lessor for COPs Issues**

The District has established two special purpose corporations to assist in COPs financings as lessor: the LAUSD Financing Corporation and the LAUSD Administration Building Financing Corporation. The District shall use these corporations rather than private corporations as lessor whenever feasible. The District shall maintain proper records relating to the corporations and prepare audits as required.

## **Article IV. Related Issues**

### **Section 4.01 Capital Improvement Program**

Planning and management of the District's Capital Improvement Program rests primarily with the Facilities Services Division under the Superintendent's direction, subject to review by the Bond Oversight Committee and approval by the Board of Education. The Facilities Master Plan and Strategic Execution Plans provide an overall description of the District's current Facilities Improvement Program. The Facilities Services Division will, as appropriate, supplement and revise these plans in keeping with the District's current needs for the acquisition, development and/or improvement of District's real estate and facilities. The plans must include a summary of total cost of each project, schedules for the projects, the expected quarterly cash requirements, and annual appropriations, in order for the projects to be completed.

The Office of the Chief Financial Officer shall prepare an annual capital financing plan and a capital program budget as part of the annual budget for the District. The capital program budget shall identify all appropriations for the capital program, sources of funds, uses of funds, future funding requirements for project completion and an estimate of the capital program's impact on subsequent operating budgets. The District Board, upon advice from the Chief Financial Officer, may consider incurring subsequent debt to fund multiple phases of the Facilities Improvement Program.

### **Section 4.02 Reporting of Debt**

The Comprehensive Annual Financial Report will serve as the repository for statements of indebtedness. The annual debt statement certifies the amount of (i) new debt issued, (ii) debt outstanding, (iii) debt authorized but not issued, (iv) assessed valuation and (v) outstanding debt expressed as a percentage of assessed valuation, each as of the end of the fiscal year to which the CAFR relates. The CAFR will be posted on the District's website as well as the District's dissemination agent's website.



#### **Section 4.03 Financial Disclosure**

The District shall prepare or cause to be prepared appropriate disclosures as required by Securities and Exchange Commission Rule 15c2-12, the federal government, the State of California, rating agencies, bond insurers, underwriters, bond counsel, investors, taxpayers, and other persons or entities entitled to disclosure to ensure compliance with applicable laws and regulations and agreements to provide ongoing disclosure.

The District shall make available its annual CAFRs, budgets and Official Statements on the official District website and/or on the dissemination agent's website so that interested persons have a convenient way to locate major financial reports and documents pertaining to the District's finances and debt.

#### **Section 4.04 Review of Financing Proposals**

All capital financing proposals involving a pledge of the District's credit through the sale of securities, execution of loans, or lease agreements or otherwise directly or indirectly the lending or pledging of the District's credit initially shall be referred to the Chief Financial Officer who shall determine the financial feasibility of such proposal and make recommendations accordingly to the Board.

#### **Section 4.05 Establishing Financing Priorities**

The Chief Financial Officer shall administer and coordinate the Policy and the District's debt issuance program and activities, including timing of issuance, method of sale, structuring the issue, and marketing strategies. The Chief Financial Officer shall, as appropriate, report to the Superintendent and the Board regarding the status of the current and future year programs and make specific recommendations.

#### **Section 4.06 Rating Agency and Credit Enhancer Relations**

The District shall endeavor to maintain effective relations with the rating agencies and credit enhancers. The Chief Financial Officer along with the District's financial advisors shall meet with, make presentations to, or otherwise communicate with the rating agencies, and credit enhancers on a consistent and as appropriate basis in order to keep the agencies informed concerning the District's capital plans, debt issuance program, and other appropriate financial information.

#### **Section 4.07 Investment Community Relations**

The District shall endeavor to maintain a positive relationship with the investment community. The Chief Financial Officer shall, as necessary, prepare reports and other forms of communication regarding the District's indebtedness, as well as its future financing plans. This includes information presented to the media and other public sources of information. To the extent applicable, such communications shall be posted on the District's website.

#### **Section 4.08 Refunding and Restructuring Policy**

Whenever deemed to be in the best interest of the District, the District shall consider refunding or restructuring outstanding debt when financially advantageous or beneficial for debt repayment and structuring flexibility. The Chief Financial Officer shall review a net present value analysis of any proposed refunding in order to make a determination regarding the cost-effectiveness of the proposed refunding. The target net present value savings as a percentage of the refunded aggregate principal amount shall be no less than 3% per maturity unless, at the discretion of the Chief Financial Officer, a lower percentage is more applicable, for situations including, but not limited to, maturities with only a few years until maturity or COPs being defeased or redeemed from proceeds of G.O. Bonds or other structuring considerations. The Chief Financial Officer shall be empowered to restructure escrow funds for the District's refunded Bonds and COPs from time to time when savings can be achieved. The Chief Financial Officer shall review a savings analysis of any proposed restructuring in order to make a determination regarding its cost-effectiveness. The target net savings shall be no less than \$1.0 million unless, at the discretion of the Chief Financial Officer, a lower amount is more appropriate given the nature of the particular escrow fund. Any savings from such restructuring shall be applied in accordance with legal and tax considerations and legal analysis at the time such savings are available.

#### **Section 4.09 Investment of Borrowed Proceeds**

The District acknowledges its on-going fiduciary responsibilities to actively manage the proceeds of debt issued for public purposes in a manner that is consistent with California law governing the investment of public funds and with the permitted securities covenants of related bond documents executed by the District. Where applicable, the District's official investment policy shall govern specific methods of investment of bond related proceeds. The District shall competitively bid the purchase of investment securities, investment contracts, float contracts, forward purchase agreements and any other investments pertaining to its tax-exempt debt issues. A registered investment advisor or the County of Los Angeles Treasurer-Tax Collector shall solicit bids for investment products. The District's underwriters, but not its financial advisors, may bid on investment products. Preservation of principal will be the primary goal of any investment strategy followed by the availability of funds, followed by return on investment.

The management of public funds shall enable the District to respond to changes in markets or changes in payment or construction schedules so as to (i) ensure liquidity and (ii) minimize risk.

#### **Section 4.10 Federal Arbitrage Rebate Requirement**

The District shall maintain or cause to be maintained an appropriate system of accounting to calculate bond investment arbitrage earnings in accordance with the Tax Reform Act of 1986, as amended or supplemented and applicable United States Treasury regulations related thereto.

#### **Section 4.11 Transaction Records**

The Chief Financial Officer or designee shall maintain complete records of decisions made in connection with each financing, including the selection of members of the financing team, the structuring of the financing, selection of credit enhancement products and providers, and selection of investment products. Each transaction file shall include the official transcript for the

financing, the final number runs and a post-pricing summary of the debt issue. The Chief Financial Officer shall timely provide a summary of each financing to the Board.

#### Section 4.12 **Financing Team Members**

##### A. Retention of Consultants

- i. General: All financial advisors, bond counsel, disclosure counsel and underwriters will be selected from a pool to be created through a Request for Proposals (RFP) or Request for Qualifications (RFQ) process, whichever is most appropriate given the circumstances. In isolated instances, such contracts may be awarded on a sole source basis if it is clear that an RFP/RFQ process would not be feasible or in the District's interests. The District's contracting policies will apply to all contracts with finance professionals. Generally, contracts for financial advisor, underwriter and bond counsel will be for five years with two one-year renewal options.

Based upon evaluation of submitted statements of qualifications, underwriting firms will be assigned to one of three specific tiers: the senior manager tier (with those firms eligible to serve as senior or co-senior manager); the co-manager tier (with those firms eligible to serve as co-manager); and the emerging firms tier (with those firms eligible to serve as co-manager). In the event the par amount of a transaction is \$100 million or less, firms in the co-manager tier may compete to serve as senior manager, in keeping with the District's procurement policy that competition is the cornerstone of the procurement process.

In the event the District issues bonds through a negotiated sale, the selection of underwriters will be based upon a mini-RFP process and will generally be for a single transaction. Underwriters may be selected for multiple transactions if multiple issuances are planned for the same project.

Whenever possible, members of the financing team for each specific transaction will be identified and presented to the Board as part of the financing transaction Board report or as a separate informative.

- ii. General Financial Advisor: The District will retain a general financial advisory team to provide general advice on the District's debt management program, financial condition, budget options and bond rating agency relations. Additionally, the general financial advisor will structure the District's General Obligation bond issuances and may be used on an as-needed basis to structure bond issuances that do not fall into the other categories of District debt obligations.
- iii. As-Needed Bond Counsel: The District will select a bond counsel team to be used on an as-needed basis to structure bond issuances which do not fall into the other

categories of District debt obligations. Additionally, one or more of the firms will be selected to provide general legal advice on debt financing.

- iv. Other District Bond Programs: Financial advisory and bond counsel teams will be selected for the District's general lease financings, TRANs, Mello-Roos, special revenue bonds and any other bond program which may be created. Depending on particular expertise and consultant availability, some firms may be used on more than one program. However, efforts will be made to establish different teams to provide a number of firms the opportunity to participate in District contracts.

B. Use of Independent Financial Advisors

- i. Use of Independent Financial Advisors on Competitive Sales: The District will strive to hire financial advisors who do not participate in the underwriting or trading of bonds or other securities. Under certain circumstances, however, it may be in the District's interests to hire an investment banking firm to act as financial advisor on specific bond issues. In the event that a financial advisor working for the District does underwrite, the firm will, under no circumstances, be permitted to lead a syndicate which is bidding on the project for which the firm is acting as financial advisor. In some circumstances, such as a very routine financing and financings for which the financial advisor did not play a lead role in structuring the transaction and upon request of the firm, the District may allow the firm to participate in a bidding syndicate in a non-book running role.
- ii. Use of Independent Financial Advisors on Negotiated Sales: In recognition of the fact that in a negotiated sale the goals of the underwriters and the issuer are inherently in conflict, the District will hire financial advisors who do not participate in the underwriting or trading of bonds or other securities to represent the District. The only exception to this policy would be that if all independent financial advisory firms which responded to the RFP are found to be unqualified. In this event, the District may hire an underwriter to act as financial advisor to the District. However, the underwriter would be prevented from participating in the underwriting of the transaction, and no firm which had any profit sharing or other type of agreement with any member of the underwriting team for the transaction in question or any other transaction for any issuer would be allowed to serve as financial advisor.
- iii. Use of Investment Advisors for Investment Advice: Although, in most instances, the Office of the Chief Financial Officer will make all investment decisions relative to temporary investments pending the expenditure of bond proceeds, a registered investment advisor may provide investment advice on refundings and other transactions with specialized investment needs.

C. Disclosure by Financing Team Members; Ethics

All financing team members will be required to provide full and complete disclosure, under penalty of perjury, relative to any and all agreements with other financing team members and outside parties. The extent of the disclosure may vary depending on the nature of the transaction. However, in general terms, no agreements will be permitted which would compromise a firm's ability to provide independent advice which is solely in the best interests of the District, or which could reasonably be perceived as a conflict of interest. All financing team members shall abide by the Board's code of ethics.

**Section 4.13 Special Situations**

Changes in the capital markets, District programs and other unforeseen circumstances may from time to time produce situations that are not covered by the Policy. These situations may require modifications or exceptions to achieve policy goals. Management flexibility is appropriate and necessary in such situations, provided specific authorization is received from the Board.

## **Appendix I**

### **CAPITAL BUDGET**

For up-to-date information about the District's major capital programs, please visit the following District websites:

Existing and New Facilities: [www.laschools.org/efsep](http://www.laschools.org/efsep)

Information Technology Division: visit [www.lausd.net](http://www.lausd.net) and select ITD division under Offices

**SUPERINTENDENT'S 2011-12 FINAL BUDGET**

**APPENDIX J**

**NOTES**

**NOTE 1 - SUMMARY OF ALL FUNDS**

Interfund Adjustments	2007-08 Actual Revenue and Expenditures	2008-09 Actual Revenue and Expenditures	2009-10 Actual Revenue and Expenditures	2010-11 Third Interim Revenues and Expenditures	2011-12 Budgeted Revenues and Expenditures
General Fund	\$ 133,093,379	\$ 79,016,313	\$ 62,910,487	\$ 80,774,412	
Cafeteria Fund	8,213,651	16,587,485	24,013,148	21,256,223	\$ 22,214,371
Adult Education Fund	-	6,871	168,283,839	69,764,281	132,055,273
Child Development Fund	-	-	165,134	3,284,351	14,946,604
Deferred Maintenance Fund	31,048,373	30,000,000	940,905	348,575	
Special Reserve Fund	23,166,381	16,134,328	3,301,804	116,520	-
Special Reserve Fund - FEMA	618,154	469,424	-		-
Building Fund - Measure Y	8,908,714	383,670	1,767,635	5,063,983	-
Building Fund - Measure R	36,734,638	93,246,459	64,990,226	92,874,911	-
Building Fund - Measure K	102,891,720	52,904,396	17,526,945	1,071,704	-
Building Fund - Bond Proceeds	58,604,745	45,209,627	21,880,936	10,362,811	-
County School Facilities Fund	4,058,015	3,293,702	20,096,065	1,365,212	-
County School Facilities Fund - Prop 47	1,345,707	2,931,454	1,547,825	3,964,720	-
County School Facilities Fund - Prop 55	9,027,337	26,223,373	5,980,421	17,315,281	-
County School Facilities Fund - Prop 1D		616,515	3,703,755	655,484	-
State School Building Lease/Purchase Fund	21,711,622	226,285	3,107,014	1,582,194	-
Capital Facilities Fund	2,085,395	274,198	331,157		-
Capital Services Fund	58,439,202	208,315,396	123,131,134	46,567,078	50,472,401
Workers' Compensation Fund	85,938,179	48,904	107,692,179	46,000,000	68,645,452
Health & Welfare Benefits Fund	831,647,735	880,325,784	951,260,488	948,626,162	959,746,816
Liability Self-Insurance Fund	25,647,951	19,853,019	40,182,923	12,408,256	22,650,000
<b>Total Interfund Adjustments</b>	<b>\$ 1,443,180,898</b>	<b>\$ 1,476,067,203</b>	<b>\$ 1,622,814,020</b>	<b>\$ 1,363,402,158</b>	<b>\$ 1,270,730,917</b>



**SUPERINTENDENT'S 2011-12 FINAL BUDGET**

**NOTE 2 - CAPITAL SERVICES FUND**

Other Uses

The following table shows the source of funds for repayment of Certificates of Participation (COPs) and other long-term obligations, their purposes, the requirements in 2010-12, and the year in which these obligations will be fully repaid.

	<u>Beginning Date</u>	<u>Ending Date</u>	<u>2010-11 Payment</u>
2000A COPs-QZAB	1999-2000	2011-12	\$ 27,778,779
2000B COPs-Multiple Properties	2000-01	2010-11	
2001B COPs-Beaudry	2000-01	2031-32	3,445,000
2002C COPs-Beaudry	2001-02	2031-32	604,265
2003B COPs-Capital Project	2002-03	2028-29	2,156,338
2004A COPs-Refi/Refunding	2003-04	2014-15	2,389,566
2005 COPs-QZAB-Repay/Int	2004-05	2011-12	634,407
2007A COPs-Information Technology Projects	2006-07	2016-17	8,495,347
2008A COPs-Refunding of 2005A	2008-09	2023-24	8,758,961
2008B COPs-Refunding of 2005B	2008-09	2030-31	1,626,506
2009A COPs-Repayment Food Project	2008-09	2018-19	786,791
2010A COPs-Refunding of 1997A & 1998A	2009-10	2016-17	9,593,325
2010B COPs-Repayment Capital Project I	2009-10	2034-35	8,813,340
2010C COPs-Repayment Capital Project II	2009-10	2035-36	1,567,663
			<u>\$ 76,650,288</u>

**SUPERINTENDENT'S 2011-12 FINAL BUDGET**

**NOTE 3 – CAFETERIA FUND**

	Number of Meals Served	Reimbursement Rate	2011-12 Amount
<b><u>Federal Revenue</u></b>			
<b>National School Lunch Program</b>			
Special Summer			
Lunch	1,069,451	\$ 3.3000	\$ 3,529,189
Breakfast	342,421	1.8800	643,751
Snack	165,424	0.7700	127,377
			<b>\$ 4,300,317</b>
Special Assistance Program			
Lunch			
Free	52,226,982	2.7800	145,191,010
Reduced-price	4,203,978	2.3800	10,005,468
Full Price	8,092,819	0.2800	2,265,989
National School Breakfast (Regular)			
Free	1,485,394	1.5000	2,228,090
Reduced-price	124,973	1.2000	149,968
Full Price	198,691	0.2600	51,660
Needy Breakfast			
Free	30,385,179	1.7900	54,389,470
Reduced-price	2,556,443	1.4800	3,783,536
Full Price	4,064,410	0.2600	1,056,747
Snacks			
Free	10,796,755	0.7500	8,097,566
Reduced-price	10,437	0.3800	3,966
Full Price	50,569	0.0600	3,034
			<b>\$ 227,226,504</b>
<b>Child and Adult Care Food Program</b>			
Lunch			
Free	1,811,897	2.7200	\$ 4,928,360
Reduced-price	181,190	2.3200	420,360
Full Price	353,930	0.2600	92,022
Breakfast			
Free	1,652,254	1.4800	2,445,337
Reduced-price	165,225	1.1800	194,966
Full Price	322,746	0.2600	83,914
Snack			
Free	1,656,311	0.7400	1,225,670
Reduced-price	165,631	0.3700	61,284
Full Price	323,539	0.0600	19,412
			<b>\$ 9,471,325</b>
Cash In-lieu of Commodities	2,347,017	0.2025	\$ 475,271
<b>Donated Commodities</b>			12,254,806
<b>Total Federal Revenue</b>			<b>\$ 253,728,223</b>

**SUPERINTENDENT'S 2011-12 FINAL BUDGET**

**NOTE 2 – CAFETERIA FUND (continued)**

	Number of Meals Served	Reimbursement Rate	2011-12 Amount
<b><u>State Revenue</u></b>			
<b>National School Lunch Program</b>			
Lunch			
Free	52,226,982	\$ 0.2195	\$ 11,463,822
Reduced-price	4,203,978	0.2195	922,773
Breakfast (Regular)			
Free	1,485,394	0.2195	326,044
Reduced-price	124,973	0.2195	27,432
Breakfast (Needy)			
Free	30,385,179	0.2195	6,669,547
Reduced-price	2,556,443	0.2195	561,139
			<b>\$ 19,970,757</b>
<b>Child and Adult Care Food Program</b>			
Lunch			
Free	1,811,897	0.1634	\$ 296,065
Reduced-price	181,190	0.1634	29,606
Full Price	353,930	0.1634	57,832
Breakfast			
Free	1,652,254	0.1634	269,978
Reduced-price	165,225	0.1634	26,998
Full Price	322,746	0.1634	52,737
			<b>\$ 733,216</b>
Total State Revenue			<b>\$ 20,703,973</b>
<i>Note: Effective 2001-02, Cafeteria Fund revenues for fiscally-independent charter schools are excluded from this fund.</i>			

## APPENDIX K

### GLOSSARY OF BUDGET TERMS AND ABBREVIATIONS

#### Budget Terms

**Abatement** – A complete or partial cancellation of an expenditure or revenue item.

**AB 825 Block Grants** – In 2005, the State combined more than two dozen categorical programs into six block grants for purposes of flexibility. The six block grants are: (1) the “Protected Pair” – The Pupil Retention Block Grant and the Teacher Credentialing Block Grant; and (2) the “Flexible Four” – The Professional Development Block Grant, the School Safety Consolidated Competitive Grant, the Targeted Instructional Improvement Block Grant, and the School and Library Improvement Block Grant. The “Flexible Four” allow districts to transfer a maximum of 15% of program funds from the block grant into other block grants or other State categorical programs, or 20% in from other block grants; the “Protected Pair” allows transfers of up to 20% in but no transfers out.

**Academic Performance Index** – The API scale measures student achievement on certain standardized tests. Schools’ scores on the API scale, and their improvement as reflected by API scores, form the basis for funding in several Governor’s Initiative programs.

**Accounts Payable** – Amounts due and owed to private persons, business firms, governmental units, or others for goods received and/or services rendered. Includes amounts billed but not yet paid.

**Accounts Receivable** - Amounts due and owed from private persons, business firms, governmental units, or others for goods received and/or services rendered. Includes amounts billed but not received.

**Accrual Basis of Accounting** – An accounting method in which revenues are recorded when earned, and expenditures when a liability is incurred, regardless of when the receipt or payment of cash takes place. School districts use the accrual basis of accounting for proprietary funds such as the Cafeteria and Self-Insurance funds, and fiduciary funds such as the Annuity Reserve Fund. (See also Cash Basis of Accounting and Modified Accrual Basis of Accounting).

**Administered Budget** – An administered budget refers to resources managed by a division but spent elsewhere. For example, Facilities Division manages the utilities budget for schools and offices, but the expenditures attributed to schools and offices, not the Facilities Division.

**Administrative Services Credit** – A credit (negative) amount budget to reflect indirect Administrative Services costs charged to certain programs. This is necessary to eliminate duplication of the cost in the total District budget.

**Ad Valorem Tax** – A tax based on a percentage of the value of goods or services.

**American Recovery and Reinvestment Act (ARRA)** – Also known as the federal stimulus bill, the American Recovery and Reinvestment Act was signed into law in February, 2009. The legislation is designed to stimulate the U.S. economy and provides additional funding for education nationwide from 2009 to 2011.

**Appropriation** – An authorization, granted by the governing board, to make expenditures and to incur obligations for special purposes. An appropriation is usually limited in purpose, amount, and the time period during which it may be expended.

**Audit** – An examination of documents, records, and accounts for the purpose of (1) determining the propriety of transactions; (2) ascertaining whether transactions are recorded properly; and (3) determining whether statements drawn from accounts reflect an accurate picture of financial operations and financial status for a given period of time.

**Authorized Positions** – Positions, both filled and vacant, for which authority is provided in the budget. All positions are budgeted as full positions, even if they provide service on a part-time basis.

**Budget Terms** (*Continued*):

**Average Daily Attendance** – A measure of pupil attendance used as the basis for providing revenue to school districts and as a measure of unit costs. Only in-seat attendance is counted in computing ADA.

**Base Revenue Limit** – The basic State funding to K-12 education. It is expressed either as an amount per ADA or as a dollar amount. The District's most important funding source, Base Revenue Limit funding is comprised of a combination of State tax revenues and local property tax allocations.

**Block Grant** – A funding methodology in which the granting authority (e.g., the State) groups multiple programs into one entity for funding purposes. This is usually done for purposes of improving funding flexibility; districts may choose to increase or decrease funding for programs within the block grant, depending upon the perception of the individual district regarding the relative value of the individual programs.

**Bond** – A certificate containing a written promise to pay a specified amount of money, called the face value, at a fixed time in the future, called the date of maturity, and specifying interest at a fixed rate, usually payable periodically.

**Budget** – A plan of financial operation consisting of an estimate of proposed revenue and expenditures for a given period and purpose. The term usually indicates a financial plan for a single fiscal year.

**Budget Adjustment (or "Budget Transfer")** – A change among budgeted items.

**California State Lottery** – Implemented through Proposition 37, passed by the voters in November, 1984, the lottery distributes funds to local districts for instructional purposes. Lottery funds cannot be used for purchase or construction of facilities, for land, or research. Because the initiative does not define "instructional," local districts have wide latitude in the use of lottery funds. Districts are required to utilize 50% of any increased funding above the 1997-1998 base year for instructional materials.

**Capital Expenditures** – According to the California School Accounting Manual, capital expenditures are those "for sites, buildings, books, and equipment, including leases with option to purchase, that meet the LEA's threshold for capitalization." Among the categories of expenses recorded as capital expenditures are: land, buildings, site improvements, and some types of equipment; this category also covers library books, as well as the costs of project management that can be clearly assigned to an individual capital project.

**Capital Outlay** – Amounts paid for fixed assets or additions to fixed assets, including land or existing buildings, improvement of grounds, construction of buildings, additions to buildings, remodeling of buildings, or initial and additional equipment.

**Capital Project Funds** – District Funds dedicated to facilities construction and repair.

**Carryover (or Carryforward)** – Unexpended balances that are carried forward from one fiscal year to the next in accordance with programmatic or District guidelines. Funds may carry forward at a particular location or may be carried forward and redistributed as part of a new year's allocation, depending on program guidelines.

**Cash Basis of Accounting** – An accounting method in which revenues are recorded when cash is received and expenditures (or expenses) when cash is disbursed. School districts do not use the cash basis of accounting. (See Accrual Basis of Accounting and Modified Accrual Basis of Accounting).

**Categorical Mega-Item** – Refers to a variety of categorical programs grouped into one funding item in the State Budget by legislative action in order to avoid possible vetoes of specific programs. Districts are given authority to transfer a percentage of Mega-Item funding between programs comprising the Mega-Item.

**Categorical Programs** – Programs funding activities that are supplemental to the District's basic instructional program. These programs may be included in the General Fund Restricted, Unrestricted, or in a number of Special Funds.

**Certificated Salaries** – Salaries paid for services that require a credential.

**Certificates of Participation (COPs)** – A financing technique which provides funding through the sale of papers, backed by a specific capital asset, for capital cost items.

**Budget Terms (Continued):**

**Charter School** – A school that under State law operates semi-autonomously of the District. A “fiscally independent” charter school receives funding from the State and utilizes the funds to best serve the needs of its students; an “affiliated” charter school continues to receive funding from the District but develops curriculum that may differ from that of the District.

**Charter-Like School**. A school that is budgeted on the basis of per-pupil allocations rather than norms, similar to a charter school, but does not become a charter school.

**Child Days of Enrollment** – Children’s Centers generate revenue on the basis of Child Days of Enrollment, an alternative to the ADA calculations used for schools.

**Civic Center Rentals** - Rental of space at school sites during non-school hours by designated groups. The District is required to charge an appropriate amount for the use of the facilities. These charges become part of the District’s General Fund revenues.

**Classified Salaries** – Salaries for services that do not require a credential.

**Community Day School** – A school site for service to students who have been expelled, referred by SARB, or denied attendance at a regular school site. By law, CDSs must be located on sites separated from regular District campuses.

**Compensatory Education** – Comprised of ESEA – Title I, Economic Impact Aid, and School Improvement Programs; provides supplementary funding for schools with a specified percentage of students who qualify for funding under program guidelines.

**Concept 6 Calendar** – A 3-track, year-round calendar calling for students to attend 163 days with 6.6 daily hours of instruction.

**Concurrently Enrolled** – Students enrolled simultaneously in a K-12 school and in a Regional Occupational Center or Adult Education Program.

**Continuous** – See “Ongoing.”

**Current Expense of Education** – The current General Fund operating expenditures for kindergarten through grade twelve, excluding expenditures for food services, community services, non-agency activities, fringe benefits for retired persons, and acquisition and construction of facilities, and other outgo items.

**Debt Limit** – The maximum amount of legally permitted debt.

**Debt Service** – Expenditures for retirement of debt and interest on debt (e.g., COPS and bonds).

**Deficit Factor** – A percentage deduction from a funding source such as the revenue limit.

**Deficit Spending** – The excess of actual expenditures over actual revenues (also referred to as an operating deficit).

**Designated Balance** – The portion of the previous year’s ending balance committed by statute or by District policy and therefore unavailable for general purpose allocations.

**Developer Fees** – District revenue resulting from fees levied upon new residential, commercial, or industrial development projects within the District’s boundaries in order to obtain additional funds for the construction of schools.

**Direct Services** – Services that are delivered at the school site where the student is the direct recipient or beneficiary of the services. Examples include personnel that provide direct, hands-on instruction to students.

**District Defined Programs** – Programs within the General Fund that are summarized as distinct programs within the budget document. District Defined Programs are selected for increased recognition in the budget because they have significant financial implications or because the Board has indicated a desire that financial information about the program be reflected in the budget document.

**Budget Terms** (*Continued*):

**Elementary and Secondary Education Act (ESEA)** - In 1965, President Lyndon B. Johnson passed the Elementary and Secondary Education Act as a part of the "War on Poverty." ESEA emphasizes equal access to education and establishes high standards and accountability. The law authorizes federally funded education programs that are administered by the states. In 2002, Congress amended ESEA and reauthorized it as the No Child Left Behind Act (NCLB).

**Employee Benefits** – Expenditures for employer contributions to retirement plans, for social security, workers' compensation, unemployment insurance, health and medical benefits, and other employee "fringe benefits."

**Encroachment** – Costs of a District Defined Program such as Special Education that exceed the program's earned income. Encroachment is covered through Interprogram Adjustments, usually from General Program resources.

**Encumbrance** – An obligation such as a salary, purchase order, contract, or other commitment to spend, that has been recognized in the accounting records but not yet finalized as a formal expenditure.

**Enterprise Funds** – Funds used to account for activities of an LEA that, because of their income-producing character, are similar to those found in the private sector.

**Entitlement** – An apportionment that is based on specific qualifications or a formula defined in statute.

**Equalization Aid** – Funds provided by the State to improve the revenue equity between districts receiving relatively low revenue limit amounts per-ADA and districts receiving relatively higher amounts. Equalization aid is typically provided on the basis of type and size of school districts; small elementary district revenue limits are compared with other small elementary districts; large unified districts such as LAUSD are compared with other large unified districts, etc.

**Expenditure** – The cost of goods delivered or services rendered.

**Federal Emergency Management Act** – A funding source for building repairs related to the January 17, 1994 earthquake, and for hazard mitigation measures. FEMA funds may also be allocated for other natural disasters.

**Federal Jobs Bill**

United States Senate Bill S3206, otherwise known as the Keep Our Educators Working Act of 2010, provided \$23 billion to help keep teachers, principals, librarians and other school personnel on the job as states faced crippling budget shortfalls.

**Fees** – Amounts collected from or paid to individuals or groups for services or for use of a facility.

**Fiduciary Funds** – District Funds utilized as holding accounts for amounts owed to employees under various agreements.

**Final Budget** – The Final Budget is the District's official operating budget upon Board adoption, which must occur prior to June 30 of the preceding budget year. The Final Budget is submitted to the Los Angeles County Office of Education (LACOE) for approval in accordance with guidelines provided in the Education Code.

**Fiscal Year** – A period of one year, the beginning and ending dates of which are fixed by statute. The fiscal year for California school districts begins July 1 and ends on June 30.

**Function** – Under the Standardized Account Code Structure (SACS), function refers to activities or services performed to accomplish a goal.

**Fund** – Defined as "a sum of money or other resources set aside for the purpose of carrying on specific activities or attaining certain objectives."

**Fund Balance** – According to the California School Accounting Manual (Procedure No. 207), the fund balance is determined by subtracting the fund's total liabilities from the total assets. The difference is the fund balance. Fund Balance Classification - GASB 54 implements a five-tier fund balance classification that depicts the extent to which the district is bound by spending constraint imposed on the use of its resources.

**Budget Terms (Continued):**

- **Nonspendable Fund Balance** consists of funds that cannot be spend due to their form such as inventory and prepaid items or funds that are legally or contractually required to remain intact such as the principal of a permanent endowment.
- **Restricted Fund Balance** consists of funds subject to externally imposed and legally enforceable constraints.
- **Committed Fund Balance** consists of funds subject to internal constraints self-imposed through a formal action by the District's highest level of decision making authority (governing board).
- **Assigned Fund Balance** consists of funds intended to be used for a specific purpose by the district's highest level or an official that has been given authority to assign funds.
- **Unassigned Fund Balance** consists of residual fund balance that has not been classified in the previous four categories. It represents resources available for future spending.

**General Fund** – The Fund used to summarize costs of the District's basic operations. The District's General Fund includes both Restricted and Unrestricted activities.

**Gifted and Talented Education** – A State-funded program within the General Fund which provides supplementary funding for identified qualifying students.

**Goal** – Under SACS, a goal defines an objective or set of objectives for the LEA. It is used to account for the cost of instruction and other services by the instructional goals and objectives of an LEA.

**Governor's Budget** – The Governor's Proposed State Budget, or "Governor's Budget," is published each January, and represents his initial public disclosure of his financial assumptions and spending priorities for the coming fiscal year.

**Grant** – A contribution, either in money or material goods, made by one governmental agency to another. Grants may be for specific or, rarely, for general purposes.

**Hourly Programs** – Programs funded by the State on the basis of hours of attendance rather than ADA. Refers primarily to summer and intersession classes, but also applies to programs such as after-school intervention, Saturday School, etc.

**Implemented Budget** – Budget for Restricted Programs that has been allocated to specific appropriations for expenditure.

**Indirect Cost** – Elements of cost necessary in the operation of a district or in the performance of a service that are of such nature that the amount applicable to each accounting unit cannot be determined readily. It consists of those business and administrative costs (e.g., accounting, budgeting, personnel, purchasing) that benefit the entire district.

**Indirect Cost Rate** – A method for claiming reimbursement of indirect costs from federal and state categorical funds. It is the ratio (expressed as a percentage) of the indirect costs to direct base costs.

**Interfund Transfers** – Income and expenditures initially recorded in the General Fund and then transferred, in accordance with accounting requirements, to a Special Fund.

**Interim Reports** – Accounting reports prepared as of a date or a period during the fiscal year. They include budgetary estimates, financial transactions during current year-to-date, and end-of-year projections. California school districts are required to publish a first interim report in December based upon October data, and a second interim report in March based on January data. A third interim report may be required by the County Office of Education if it has significant concerns regarding the financial viability of a district.

**Internal Service Funds** – Funds to the District dedicated to self-insurance of such costs as employee health and medical benefits, liability insurance, and worker's compensation.

**Interprogram** – Costs of a District Defined Program that exceed the program's income must be covered from other General Fund revenues. Such costs are covered through "interprogram" transfers from the General Program.

**Least Restrictive Environment (Special Education Program)** – A term used to describe the placement requirements for identified students with special needs into schools and programs.



**Budget Terms** (*Continued*):

**Limited** – See “Onetime.”

**Mandated Cost Reimbursements** – The California Constitution requires that the State reimburse local governmental entities, including school district, for the cost of complying with State or court mandates. The reimbursement is known as a Mandated Cost Reimbursement.

**May Revision (or “May Revise”)** – Published each May, this State document updates the Governor’s Budget published in January with regard to the Governor’s State revenue projections and spending priorities for the coming fiscal year.

**Measure K** – A local school facilities bond measure, passed by the voters on November 5, 2002. Measure K proceeds may be used to repair, renovate, acquire, construct or lease school buildings, including classrooms, libraries, restrooms, science laboratories, and other capital projects. Proceeds may also be used: to acquire instructional materials (including library books); upgrade fire/security systems; perform earthquake retrofitting; install lighting, plumbing, and heating; remove asbestos and lead paint; upgrade wiring for computers; and build new neighborhood schools to relieve overcrowding. Funds may not be used for non-Measure K-related administrative salaries.

**Measure Q** – Passed by voters in November of 2008; provides additional funding to continue repair/upgrade of aging classrooms.

**Measure R** – Passed by the voters in March of 2004; provides additional funding for reduction of overcrowding, construction of schools, repair and upgrade of aging classrooms, and other facilities-related purposes.

**Measure Y** – Passed by the voters in November of 2005; provides additional funding to return all schools to a two-semester calendar, end involuntary busing, focus on critically needed schools for younger students, and ensure that every community receives its fair share of new schools and classrooms. Measure Y will continue repair and upgrade of aging and deteriorating classrooms and restrooms, build new schools, upgrade fire and safety and emergency response equipment, and eliminate asbestos and lead paint hazards.

**Modified Accrual Basis of Accounting** – In the modified accrual basis of accounting, revenues are recognized in the period when they become available and measurable, and expenditures when a liability is incurred, regardless of when the receipt or payment of cash takes place. School districts use the modified accrual basis of accounting for operating funds such as the General Fund and Adult Education Fund.

**Multiyear Financial Plan** – A plan that presents financial estimates of programs in tabular form for a period of years. These estimates reflect the future financial impact of current decisions. California school districts are required to publish three-year financial plans reflecting estimates for the budget year and two subsequent fiscal years.

**Ninety/Thirty (90/30) Calendar** – A year-round calendar in which students are assigned for 90 schools days, off for 30, then on for 90.

**Norms** – Most District schools receive their base allocations of teachers, school administrators, school clerical positions, and various resources, on the basis of Board-approved “norms,” which determine the resources to be allocated to individual schools. Most norms are based on numbers of students on “norm day,” which is generally the Friday of the fourth week of school, but other factors may be used in norm allocations (e.g., the allocation of custodians is based on a complex formula that includes the size of the school). The District norms are published in the form of “norm tables” which describe the factors utilized in determining the individual norms.

**Objects of Expenditure** – California school districts are required to develop their budgets and report expenditures by “Object of Expenditure,” which reflects specific categories of cost such as Teachers’ Salaries, Textbooks, etc.

**Onetime** – Revenue or expenditure line-items not expected to continue into the subsequent year.

**Ongoing** – Revenue or expenditure line-items that are expected to continue into the subsequent year.

**Operational Budget** – The positions and other resources which enable an operating unit to perform the functions for which it is responsible. Distinguished from administered budgets in that the unit controlling and benefiting from the resources are one and the same.

**Budget Terms (Continued):**

**Overdraft** – The amount by which expenditures and encumbrances exceed the budget available for them.

**Pending Distribution** – Accounts in the budget held for distribution to expendable appropriations during the course of the fiscal year. Generally, funds are placed in a Pending Distribution account because of funding uncertainty or because no spending plan has been received. Funds must be transferred from the Pending Distribution account to expendable accounts before spending may occur.

**Position Control** – A system developed to control salary and benefit costs by comparing budgeted positions to assignments and payroll so that only employees with budgeted positions and active assignments can be paid.

**Preliminary Budget** – The first budget published by the District annually (usually in March or April), it is intended to provide to Board Members and the public information regarding available revenues and expenditure requirements for the coming fiscal year, in order to assist in financial planning. The Preliminary Budget is based on information from the Governor's Proposed (January) Budget, and from the First Interim Financial Report, as well as from other sources.

**Program Code** – Four-digit code used in budgeting and controlling of expenditures. Use of program codes facilitates tracking and identification of specific expenditures. Also referred to as *Appropriation Code*.

**Proposition 20** – 50% of lottery funding above the 1997-98 funding level must be used for purchase of instructional materials, in accordance with Proposition 20, passed by the voters in March, 2000.

**Proposition 47** - The passage of Proposition 47 in November 2002 authorized the sale of bonds to provide funding for the State School Facilities Fund, which provides for new school facility construction, modernization projects, and facility hardship grants.

**Proposition 49** – Passed by the voters in 2002, a program providing for major expansion of existing before- and after-school programs beginning with the 2006-07 school year.

**Proposition 55** – The State Kindergarten-University Public Education Facilities Bond Act of 2004 was passed by the voters in March of 2004. Provides funds for locally approved bond measures for the purpose of building new schools and classrooms to relieve overcrowding.

**Proposition 98** – Passed by the voters in 1988, Proposition 98 provides the formula by which the amount of money to be allocated to statewide K-14 education in California is determined.

**Proposition BB** – LAUSD facilities bond measure passed by the voters in April of 1997.

**Public Employees' Retirement System (PERS)** – Unless exempted by state law, classified employees, their district, and the State contribute to this retirement fund.

**Quality Education Investment Act** – Funds approved as part of the settlement of the *CTA v. Schwarzenegger* lawsuit, intended to improve education, primarily through class-size reduction, at Decile 1 and 2 schools. Funds are provided over a seven-year period, with participating schools determined through a random lottery. Schools must meet achievement criteria in order to remain eligible for funding. Funding for this program begins in 2007-08.

**Regional Occupational Centers** – Provide classes in a variety of occupations leading to employment of adults and high school youth.

**Requisition** – A document submitted initiating a purchase order to secure specified articles, services, or issuance of materials from stores, a warehouse, or a vendor.

**Reserve** – An account used to earmark a portion of a Fund, to indicate that it is not currently available for expenditure or is set aside for future use at the Board's discretion. Amounts held in reserve cannot be expended without the Board's formal approval.

**Budget Terms (Continued):**

**Reserve for Economic Uncertainties** – The District is required to maintain a 1% reserve to offset the potential impact of unanticipated overexpenditures or revenue shortfalls.

**Restricted** – Program funding that is limited to specific students or types of expenditure. E.g., Gifted and Talented, Title I, etc. See *Categorical*. Also see *Unrestricted*.

**Revenue Limit** – The revenue limit is the largest and most important revenue source to the General Fund. The revenue limit is funded from a combination of State funds and local property taxes, and is allocated on the basis of a rate per A.D.A. multiplied by the District's P2 A.D.A. The State COLA provides the basis for increasing the revenue limit.

**Revenues** – The funding available to an organization from outside sources. Revenues are the primary financial resource of a Fund.

**Routine Repair and General Maintenance Program** – Provides for the repair of District buildings, equipment, and grounds, as well as for planning and implementation of alterations and improvements of existing structures. Districts are required to commit 3% of their budgeted General Fund amount for purposes of routine repair and general maintenance as a condition of participating in the State building program. The General Fund transfer to the Deferred Maintenance Fund can comprise ½%; maintenance costs to other funds such as the Adult Education Fund or Child Development Fund can also be applied toward the 3% requirement.

**SACS-2000** – The form used by local school districts to report financial information to the County Office of Education. Replaced the J-200 reporting form. "SACS" is the abbreviation commonly used for "Standardized Account Code Structure."

**Special Education Program** – Provides instructional and other services to students who have special needs resulting from physical, emotional, intellectual or learning disabilities.

**Special Education – Incidence Factor** – A State special education component that provides funding to SELPAs with unusually high proportions of high-cost special education students. Also known as the Special Disability Allowance (SDA).

**Special Education Local Plan Area (SELPA)** – In 1977, all California school districts and county offices were required to form geographical regions of sufficient size and scope to provide the federal mandated special education programs and services to meet the unique needs of individual children residing within the region's boundaries. Each region, or SELPA, develops and maintains a local plan describing how the SELPA will guarantee and provide special education programs and services. Because of its size, Los Angeles Unified is a single-district SELPA.

**Special Education – Low Incidence** – A separate funding stream within the Special Education Program intended for purchase of equipment needed for instruction of identified students with specified disabilities.

**Special Education Mandate Settlement** – Funding received as a result of a settlement related to the State's special education requirements exceeding federal requirements.

**Special Funds** – Separate financial entities within the budget which provide for specified activities, as defined in the California Education Code. Examples are Adult Education Fund, Building Fund, Cafeteria Fund, etc.

**Standardized Account Code Structure (SACS)** – Statewide standardization of school district budgeting and accounting codes, in order to increase uniformity of accounting and facilitate statewide data collection and analysis.

**State Mandated Cost Reimbursements** – Revenue received by the District in reimbursement for programs or activities resulting from State mandates or court orders. The California State Constitution requires that the State reimburse local governmental agencies for mandated activities.

**State Teachers' Retirement System (STRS)** – State law requires certificated employees, school districts, and the state to contribute to this retirement fund.

**Stimulus** – See American Recovery and Reinvestment Act.

**Budget Terms (Continued):**

**Statutory COLA** – The cost of living adjustment (COLA) calculated based on the percentage change in the annual average value of the Implicit Price Deflator for State and Local Government Purchases of Goods and Services for the United States, as published by the United States Department of Commerce (Education Code §42238.1[a][2]).

**Student Body Fund** – An agency fund to control the receipts and the disbursements of student association activities. Student body funds are not the property of the school district and are not reflected in the District budget or accounts.

**Student Integration Program** – Combined the Court-Ordered and Voluntary Desegregation Programs to create a wide variety of programs to address the harms of racial isolation in District schools. Was formally created by the Crawford v. LAUSD legal decision.

**Targeted Instructional Improvement Grant** – Provides funding to cover costs of ongoing desegregation efforts and, if funds remain, to meet the needs of underachieving schools. Replaces Student Integration funding in the 2002-03 State Budget.

**Tax and Revenue Anticipation Notes** – Short-term notes issued in anticipation of receipt of revenues, typically for cash flow purposes.

**Teachers As A Priority** – State-funded program intended to enhance the ability of low-performing schools to attract and retain quality teaching staffs.

**The “Deal”** – In 2004-05, in order to bring the State Budget into better balance, the Governor agreed with the Education Coalition that public education would receive \$2 billion less than its Proposition 98 entitlement. The Governor indicated that public education would continue to receive its fair share of any unanticipated revenues. In 2005-06, despite substantial State revenue increases in both 2004-05 and 2005-06, the Governor did not provide additional funding to public education, leading to the *CTA and O’Connell v. Schwarzenegger* lawsuit. In the 2006-07 State budget, the lawsuit is settled out-of-court, and the Governor agrees to provide the additional funds.

**Tier I Program** – Refers to categorical programs which were not reduced in the State Budget that was approved by the legislature and signed by the Governor in February 2009. School districts cannot redirect funding for these programs to other educational purposes.

**Tier II Program** – Refers to categorical programs for which funding was reduced in the State Budget that was approved by the legislature and signed by the Governor in February 2009. School districts cannot redirect funding for these programs to other educational purposes.

**Tier III Program** – Refers to categorical programs for which funding was reduced in the State Budget that was approved by the legislature and signed by the Governor in February 2009. School districts can redirect funding for these programs to any other educational purpose over a five-year period ending July 1, 2013.

**Undesignated Balance** – The portion of the previous year’s ending balance that is uncommitted and available for discretionary use. All balances are onetime in nature.

**Ungraded** – Some programs, such as special education, group children into classes based on ability level rather than grade level. Such programs are reflected in the “Ungraded” section of attendance/enrollment reports.

**Unimplemented Budget** – Reflects Restricted Program income that has not yet been received but is anticipated in the budget. As grants are received during the year, the budgets of these programs will be implemented, or placed into expendable appropriations.

**Unrestricted** – Refers to programs which provide funding that may be used for any educational purpose at the discretion of the Board of Education.

## **Budget Abbreviations**

**A&I** – Alterations and Improvements of Buildings or Sites.

**ARRA** – American Recovery and Reinvestment Act

**AB** – Assembly Bill. Applies to State legislation (e.g., Assembly Bill 602 would be abbreviated as AB 602).

**ABE** - Adult Basic Education Program.

**ACA** – Assembly Concurrent Amendment.

**ACR** – Assembly Concurrent Resolution.

**ADA** – Average Daily Attendance.

**AEWC** – Alternative Education and Work Center.

**AFDC** – Aid for Dependent Children.

**AP** – Advanced Placement.

**API** – Academic Performance Index.

**AYP** – Adequate Yearly Progress

**BA** – Budget Adjustment (“Budget Transfer”)

**BRASS** – Budget Reporting and Analysis Support System.

**BTS** – Business Tools for Schools

**BTSA** – Beginning Teacher Support and Assessment

**C** – Certificated Salaries.

**CAHSEE** – California High School Exit Examination.

**CalWORKS** – California Work Opportunity and Responsibility to Kids

**CAP (TIIG/Student Integration Program)** – Capacity Adjustment Program.

**CBEDS** – California Basic Education Data System.

**CBEST** – California Basic Education Skills Test

**CBET** – Community-Based English Tutoring Program.

**CDE** – Child Days of Enrollment (used in Child Development Fund).

**CDE** – California Department of Education.

**CDS** – Community Day Schools.

**COLA** – Cost of Living Adjustment.

**Comp Ed.** – Compensatory Education.

**Budget Abbreviations (Continued):**

**COPs** – Certificates of Participation.

**CPI** – Consumer Price Index

**CPR** – California Performance Review

**CRA** – Community Redevelopment Agency.

**CSR** – Class Size Reduction

**CSR** – Comprehensive School Reform.

**CST** – California Standards Test

**CTA** – California Teachers' Association

**CY** – Current year.

**DDP** - District Defined Program.

**DIS (Special Education Program)** – Designated Instructional Services (or Designated Instruction and Services).

**DOF** – California Department of Finance.

**DRS (TIIG/Student Integration Program)** – Designated Receiver Schools.

**EIA** – Economic Impact Aid. This program has two components: EIA-Bilingual and EIA-Compensatory Education.

**ELAP** – English Language Acquisition Program.

**ELL** – English Language Literacy Program.

**ERAF** – Education Revenue Augmentation Fund.

**ERP** – Enterprise Resource Planning

**ESEA** – Elementary and Secondary Education Act.

**ESL** – English as Second Language.

**FEMA** – Federal Emergency Management Act, or Federal Emergency Management Agency.

**FSEP** – Federal and State Education Programs

**FTE** – Full-time Equivalent

**GAAP** – Generally Accepted Accounting Principles

**GASB** – Governmental Accounting Standards Board

**GAIN (Adult Education Program)** – Greater Avenues for Independence.

**GATE** – Gifted and Talented Education Program.

**GED** – General Educational Development

**GFOA** – Government and Financial Officers' Association

**Budget Abbreviations (Continued):**

**GO** – General Obligation (Bond)

**HPSGP** – High Priority Schools Grant Program

**IASA** – Improving America’s Schools Act.

**IAU** – Independent Analysis Unit.

**IDEA** – Individuals with Disabilities Education Act

**IEP** – Individualized Education Program

**II/USP** – Immediate Intervention/Underperforming Schools Program

**IMA** – Instructional Materials (or “Materiel”).

**ITD** – Information Technology Division.

**JTPA** – Job Training Partnership Act.

**KLCS – TV** – The District-owned and operated television station.

**LAAMP** – Los Angeles Annenberg Metropolitan Project.

**LACOE** – Los Angeles County Office of Education.

**LAEP** – Los Angeles Educational Partnership.

**LAO** – Legislative Analyst’s Office

**LCI** – Licensed Children’s Institution

**LEA** – Local Educational Agency (generally refers to a local school district).

**LEP** – Limited English Proficient or Proficiency.

**LRE (Special Education Program)** – Least Restrictive Environment.

**MTYRE** – Multi-Track Year-Round Education

**NC** – Non-Certificated (Classified) Salaries.

**NCLB** – No Child Left Behind

**NPA (Special Education Program)** – Nonpublic Agency.

**NPS (Special Education Program)** – Nonpublic School.

**NSF** – National Science Foundation.

**OASDHI** - Old Age, Survivors’, Disability and Health Insurance (Social Security).

**OPEB** – Other Post-Employment Benefits.

**P1** – The First Principal Apportionment (for attendance accounting and State allocation purposes)

**Budget Abbreviations (Continued):**

**P2** – The Second Principal Apportionment (for attendance accounting and State allocation purposes)

**PAR** – Peer Assistance and Review.

**PD** – Pending Distribution.

**PERS** – Public Employees' Retirement System.

**PHBAO (TIIG/Student Integration Program)** – Primarily Hispanic, Black, Asian and Other Non-White.

**PI** – Program Improvement

**PL** – Public Law. Applies to federal legislation (e.g., Public Law 94-142 would be abbreviated as PL 94-142).

**PSP (TIIG/Student Integration Program)** – Priority Staffing Program.

**PWT (TIIG/Student Integration Program)** – Permits With Transportation.

**PYA** – Prior Year Adjustment.

**QEIA** – Quality Education Investment Act

**QZAB** – Qualified Zone Academy Bonds.

**RIF** – Reduction in force.

**ROC/P** – Regional Occupational Centers/Programs.

**ROC/SC** – Regional Occupational Centers/Skills Centers.

**RRGM** – Routine Repair and General Maintenance.

**RSP (Special Education Program)** – Resource Specialist Program.

**SACS** – Standardized Account Code Structure.

**SARB** – School Attendance Review Board.

**SARC** – School Accountability Report Card

**SB** – Senate Bill. Applies to State legislation (e.g., Senate Bill 602 would be abbreviated SB 602).

**SBE** – State Board of Education.

**SCA** – Senate Constitutional Amendment.

**SDC (Special Education Program)** – Special Day Class.

**SELPA** – Special Education Local Plan Area

**SFP (or SFEP)** – Specially Funded Programs (or Specially Funded Educational Programs). Now referred to as Restricted Programs.

**SFSF** – State Fiscal Stabilization Fund

**SI** – School Improvement Program.

**SRLDP (TIIG/Student Integration Program)** – School Readiness Language Development Program.

**STAR** – Standardized Testing and Reporting



**Budget Abbreviations** *(Continued)*:

**STRS** – State Teachers’ Retirement System.

**TAP (or TAAP)** – Teachers As A Priority.

**TIIG** – Targeted Instructional Improvement Grant.

**TRANS** – Tax and Revenue Anticipation Notes.

**TUPE** – Tobacco Use Prevention Education.

**UCTP (TIIG/Student Integration Program)** – Urban Classroom Teacher Program.

**WIA** – Workforce Investment Act.

**YRS** – Year-Round Schools.