

LOS ANGELES UNIFIED SCHOOL DISTRICT

Budget Services & Financial Planning Division



FINAL BUDGET

2021-22

LOS ANGELES UNIFIED SCHOOL DISTRICT

FINAL 2021-22 BUDGET

BOARD OF EDUCATION

Kelly Gonez, Board District 6
Board President

Dr. George McKenna, Board District 1
Mónica Garcia, Board District 2
Scott Schmerelson, Board District 3

Nick Melvoin, Board District 4
Jackie Goldberg, Board District 5
Tanya Ortiz Franklin, Board District 7

Austin Beutner
Superintendent of Schools

Megan K. Reilly
Deputy Superintendent, Business Services and Operations

David D. Hart
Chief Financial Officer

V. Luis Buendia
Deputy Chief Financial Officer

Tony Atienza
Director, Budget Services and Financial Planning Division

Prepared by:
Budget Services and Financial Planning Division
June 2021

TABLE OF CONTENTS

Section I

Board Report I - 1

Section II

Budget at a Glance..... II - 1

LAUSD Budget Summary..... II - 2

 Open Data Portal II - 3

 Spending on People II - 5

 School Staff and Other Resources II - 6

K-12 School Resources and Basis of Allocation..... II - 7

Link to School Level Reports II - 9

 Regular Elementary Schools..... II - 10

Regular Secondary Schools II - 11

 Magnet Schools..... II - 12

Options Schools..... II - 13

 Early Childhood Education Centers II - 14

 Community Adult Schools II - 15

 Support Personnel..... II - 15

 Material and Supply Allocation Rates II - 19

School Staff and Resources – Special Education..... II - 21

LCAP Supplemental Concentration Fund Expenditures II - 22

Student Equity Needs Index II - 24

Targeted Student Population Budget II - 28

Restricted Program School Per Pupil Rates II - 29

Title I, Part A – Socioeconomically Disadvantaged StudentsII – 30

Title II, Part A – Supporting Effective Instruction..... II - 32

Title III, Part A – Limited English Proficiency II - 33

Los Angeles Unified School District

2021-22 BUDGET

Title IV, Part A – Student Support and Academic Enrichment..... II – 34

Black Student Achievement Plan..... II - 35

District Class Size II - 36

District Enrollment Trends and Projections..... II – 39

Section III

Breaking Down LAUSD's Budget (Fund Hierarchy) III – 1

 The Total Budget III - 2

 Operating Funds III - 3

 General Fund III - 4

Description of Funds..... III – 5

 Operating Funds III – 5

 Capital Projects Funds..... III – 6

 Debt Service Funds III - 8

 Internal Service Funds..... III - 8

 Fiduciary Fund III - 8

 Student Body Fund III - 8

 Sources and Uses of Funds III – 9

 Uses of Funds III - 9

How Education is Funded in California III – 11

Local Control Funding Formula..... III – 16

Budget Principles and Processes III – 24

Budget and Finance Policy (Adopted November 2013) III – 26

Debt Management Policy (Adopted June 2019)..... III – 36

Capital Budget..... III – 37

Glossary and Abbreviations III – 38

Section IV

Standardized Account Code Structure (SACS)SACS Page - 1

Section I

Board Report



Board of Education Report

File #: Rep-384-20/21, **Version:** 1

Adoption of the Proposed 2021-22 Budget

June 15, 2021 (Public Hearing)

June 22, 2021 (Adoption)

Office of the Chief Financial Officer

Action Proposed:

Staff seeks authorization for the following actions:

- (1) Adoption of the Proposed 2021-22 Budget to be filed, as approved, with the County Superintendent of Schools on State Form SACS-2021 in the manner prescribed by law.
- (2) Delegation of authority to the Budget Services and Financial Planning Division and the Accounting and Disbursements Division to take all actions necessary to implement the Budget Assumptions and Policies set forth in this Board Report (Attachment B).
- (3) Approval of the enclosed Resolution Regarding Expenditures from the Educational Protection Account (“EPA”) for Fiscal Year 2021-22 in accordance with the provision of Proposition 30. (Attachment C)
- (4) Delegation of authority to the Chief Financial Officer, the Controller, or their designee to make interfund transfers or temporary borrowings among LA Unified’s various funds in accordance with the 2021-22 adopted and revised District budgets and Education Code section 42603. See Attachment D for a history of interfund borrowing.

Background:

Annually, the Board of Education must hold a public hearing and adopt a budget consistent with the provisions of section 42127 of the Education Code. Upon adoption, the budget is to be submitted to the Los Angeles County Office of Education (LACOE) on or before July 1.

With the passage of Proposition 30, LA Unified will receive part of its State entitlement through revenues from the Education Protection Account (EPA). In order to receive these entitlements, the Board of Education must at an open meeting make spending determinations regarding EPA funds.

Proposition 30 revenues are allocated to school districts through the EPA. These are not additional funds outside of Local Control Funding Formula, but rather another source of the general purpose funds (similar to local property taxes) that offsets what would otherwise be state funding.

EPA funds may not be used for any salaries or benefits of administrators or any other administrative costs. LA Unified is also required to annually publish on its web site an accounting of how much EPA funds were received and how the funds were spent.

Sections 42127 and 52062 of the Education Code now require two separate Governing Board public meetings for the Local Control and Accountability Plan (LCAP) and the Budget, one for the public hearing of the LCAP

and Budget and a subsequent meeting for the adoption. The LCAP public hearing and adoption must occur at the same meetings as the budget public hearing and adoption.

As required by Senate Bill (SB) 858/751, Attachment E sets forth the minimum reserve level required in each year, amounts of assigned and unassigned ending balance that exceed the minimum, and reasons for the reserve being greater than the minimum.

The interfund transfer and temporary borrowing authorization is an annual request to allow staff to process accounting transactions related to interfund transfers and temporary borrowings. Interfund transfers are made between funds for various purposes, including transfers for debt service requirements. Temporary borrowings are made in situations where LA Unified advances cash from a fund with sufficient cash balance to pay obligations of a fund with insufficient cash balance. Repayments of the cash advances are made within statutory timelines.

Expected Outcomes:

The outcome of this Board action is an adopted budget for fiscal year 2021-22 that will enable LA Unified to comply with Education Code Section 42127.

A further expected outcome of this Board Action is an adoption of Resolutions Regarding EPA expenditures for 2021-22.

Approval of interfund transfers and temporary borrowings authorization will ensure that interfund transfers or temporary borrowings are authorized beginning in July 2021. LA Unified staff will be able to make required and timely interfund transfers or temporary borrowings in the 2021-22 fiscal year.

Board Options and Consequences:

Should the Board vote to approve, LA Unified will meet the annual budget adoption requirements of Education Code Section 42127. Should the Board vote not to approve, LA Unified will not meet the requirements of Education Code Section 42127.

Non-approval of EPA resolution as set forth in Proposition 30 may place the EPA entitlement at risk.

Without prior approval to process interfund transfers and temporary borrowings, LA Unified staff will not have the authority to make required and timely interfund transfers or temporary borrowings in the 2021-22 fiscal year.

Policy Implications:

Adoption of the Proposed 2021-22 Budget, approval of the Resolution Regarding Expenditures from the EPA, and delegation of authority to make interfund transfers or temporary borrowings will comply with the Education Code requirements.

Budget Impact:

Adoption of the Proposed 2021-22 Budget

Student Impact:

Compliance with Education Code mandate ensures that LA Unified will continue to operate and serve its student population.

Issues and Analysis:

None

Attachments:

Attachment A - Executive Summary

Attachment B - Budget Assumptions and Policies

Attachment C - Education Protection Act Resolution

Attachment D - Interfund Transfer and Temporary Borrowing Schedules

Attachment E - Ending Balance Disclosure

Informatives:

None

Submitted:

06/04/21

RESPECTFULLY SUBMITTED,



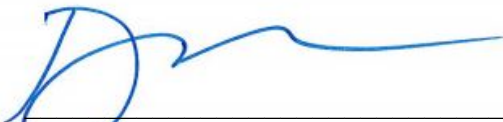
AUSTIN BEUTNER
Superintendent

APPROVED BY:



MEGAN K. REILLY
Deputy Superintendent
Office of the Deputy Superintendent

REVIEWED BY:



DEVORA NAVERA REED
General Counsel

APPROVED & PRESENTED BY:



DAVID D. HART
Chief Financial Officer
Office of the Chief Financial Officer

Approved as to form.

REVIEWED BY:



TONY ATIENZA
Director, Budget Services and Financial Planning

Approved as to budget impact statement.

ADOPTION OF THE PROPOSED 2021-22 BUDGET

Each year, on or before June 30th, the Board adopts a budget for the upcoming fiscal year. The Board is scheduled to conduct a hearing of the 2021-22 Budget on June 15, 2021 and consider its final adoption on June 22, 2021.

The Local Control and Accountability Plan (LCAP) follows the same hearing and adoption period. The Budget and LCAP represent the culmination of public discussions on the LA Unified's instructional priorities and investments.

Highlights

Below are the major highlights from the Proposed 2021-22 Budget:

- LA Unified's proposed budget reflects the Governor's May Revision which provides a mega cost-of-living adjustment (COLA) of 5.07% for the Local Control Funding Formula (LCFF). The mega COLA includes both the compounded COLA of 4.07%, representing the 2020-21 COLA of 2.31% and 2021-22 COLA of 1.70%, and the additional 1% to help schools with the ongoing fiscal pressures.
- Revenues include Federal funds from the Coronavirus Response and Relief Supplemental Appropriations Act of \$1.15 billion, of which \$1.03 billion is recognized in 2021-22, and the American Rescue Plan Act of \$2.6 billion to address impact of the coronavirus pandemic.
- As authorized by Assembly Bill 86 COVID-19 relief package, LA Unified is estimated to receive a total funding of \$155.3 million from the In-Person Instruction Grant, of which \$100.4 million is recognized in 2021-22, and a total funding of \$400.8 million from the Expanded Learning Opportunities Grant, of which \$200.4 million is recognized in 2021-22.
- The Proposed 2021-22 Budget incorporates the 2020-21 projected unassigned ending balance of \$1,361.8 million. Furthermore, reflecting increased COLA revenue from the May Revision results in projected positive unassigned ending balances in fiscal years 2021-22 through 2023-24.
- LA Unified has had and continues to have a structural deficit whereby in-year expenditures exceed in-year revenues. As revenues continue to decrease due to enrollment decline, expenditures have not been reduced proportionately. Though the budget is balanced, a significant amount of fund balance is being drawn upon over the multi-year projection.
- The May Revision triggered a 10% reserve cap beginning in 2022-23. LA Unified shall request an exemption from the reserve cap. In the event the exemption is not approved, LA Unified shall commit funds for specific uses.
- The cash flow projections reflect principal apportionment deferrals based on current legislation. The total principal apportionment amount deferred from fiscal year 2021-22 to fiscal year 2022-23 is projected to be \$466 million. The ending cash balance as of June 30, 2022, is projected to be approximately \$4.8 billion.

Fiscal Picture

LA Unified has positive unassigned ending balances 2021-22 through 2023-24.

In the 2021-22 fiscal year, the unassigned ending balance increases due to the deposit of 2020-21 estimated unrestricted assigned balances into the 2021-22 unassigned balance. Table I provides a summary reconciliation of 2021-22 through 2023-24 from the Second Interim Report (March 2021) to the Proposed Budget (June 2021):

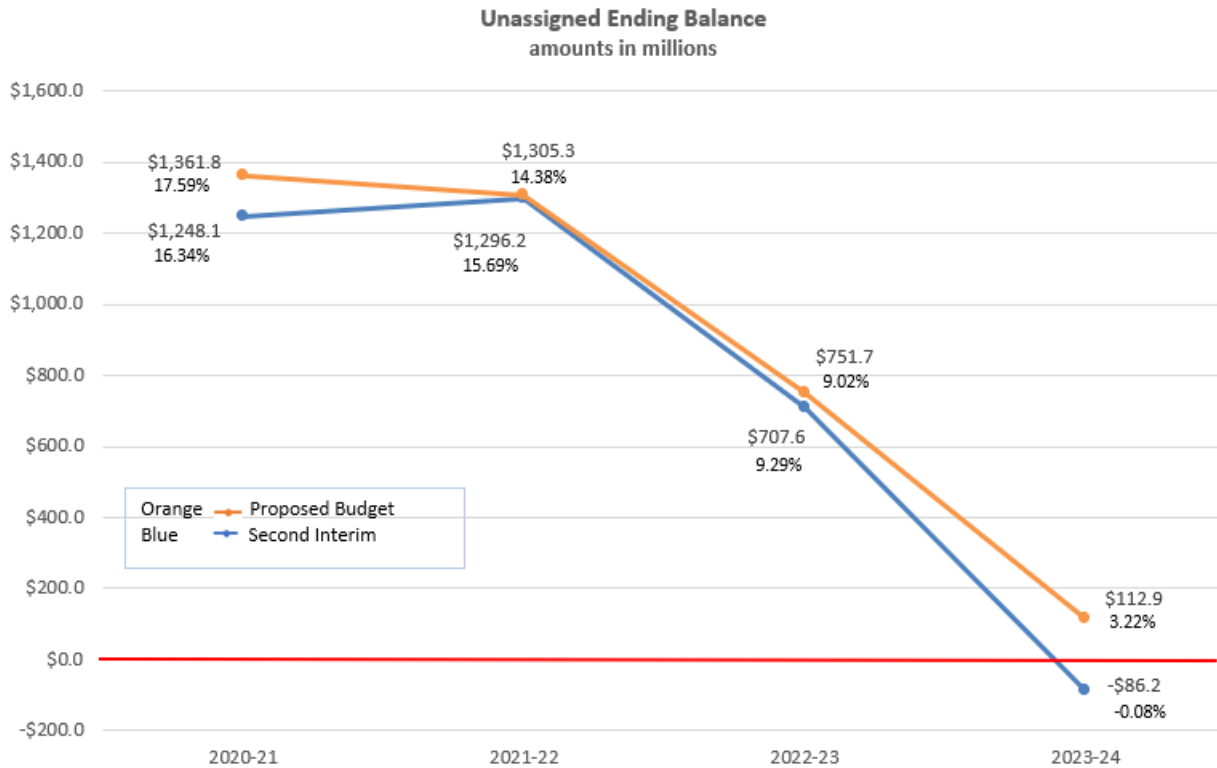
Table I. Estimated Unassigned Ending Balances

Reconciliation from Second Interim to Proposed Budget – March 2021 to June 2021 (Amounts in millions)	2021-22	2022-23	2023-24
Unassigned Ending Balance at Second Interim	\$ 1,296.2	\$ 707.6	\$ (86.2)
Changes from Second Interim to Proposed Budget	9.1	44.1	199.1
Estimated Unassigned Ending Balance	\$ 1,305.3	\$ 751.7	\$ 112.9

Attachment E of the Board Report lists the estimated assigned ending balances for 2021-22 through 2023-24.

Declining Reserve Levels

The unassigned ending balance is estimated to drop from 14.38% in 2021-22 to 3.22% in 2023-24.



Next Steps

As the state faces a historic surplus in revenue, the Governor's spending proposals in the May Revision includes, but is not limited to, Proposition 98 funding of \$93.7 billion and over \$24 billion in reserves, including a historic deposit of \$4.6 billion into public education's rainy-day fund also called the Public School System Stabilization Account (PSSSA)¹. The reserve amount of \$4.6 billion triggers a statutory 10% cap on local reserves beginning in 2022-23. The Ending Balance Disclosure in Attachment E provides additional information on the reserve cap to which LA Unified shall request an exemption from the Los Angeles County Office of Education.

Over the past year, the State's General Fund has made a remarkable recovery with a strong economic performance. The rate of recovery is so strong that revenue is estimated to exceed the state appropriations limit (Gann Limit) by \$16.2 billion. The May Revision proposes a taxpayer refund of \$8.1 billion in 2021-22 through the Golden State Stimulus and an estimated one-time allocation of \$8.1 billion to K-14 schools in 2022-23 as a supplement to Proposition 98 funds¹.

LA Unified anticipates receiving an estimated \$5.2 billion in Federal and State COVID relief funds. These funds bolster crucial services for students most impacted by the pandemic and at the same time provide enrichment services for all students. LA Unified's Path to Recovery Plan accelerates and enriches academic learning, addresses health and safety, promotes mental wellness, and supports specialized populations. Investment priorities in the Path to Recovery Plan include school resources for an alternative bell schedule; tutoring and small group instruction; additional psychiatric social workers; facility upgrades and staffing; and summer school. Appendix I displays the Path to Recovery priorities. Furthermore, the Governor's May Revision potentially provides additional funding that substantiates a full return to campus in the new year.

Modifications to the Governor's May Revision recommend, among others, increased funding for supplemental/concentration grants, a boost to the Special Education base rate, and the additional paydown of deferrals. Negotiations continue between both houses of the Legislature with the goal of approving a budget by the June 15th constitutional deadline and presentation to the Governor for action by June 30th.

LA Unified's budget shall be updated as new financial developments occur. The Unaudited Actuals Report for 2020-21 is the next State statutory report that focuses on the year-end closing and shall be presented to the Board in September. If there are material changes to the Enacted State Budget prior to the Unaudited Actuals Report, a budget update shall be provided sooner.

¹ School Services of California Fiscal Report "An Overview of the 2021-22 Governor's May Revision" posted May 14, 2021.

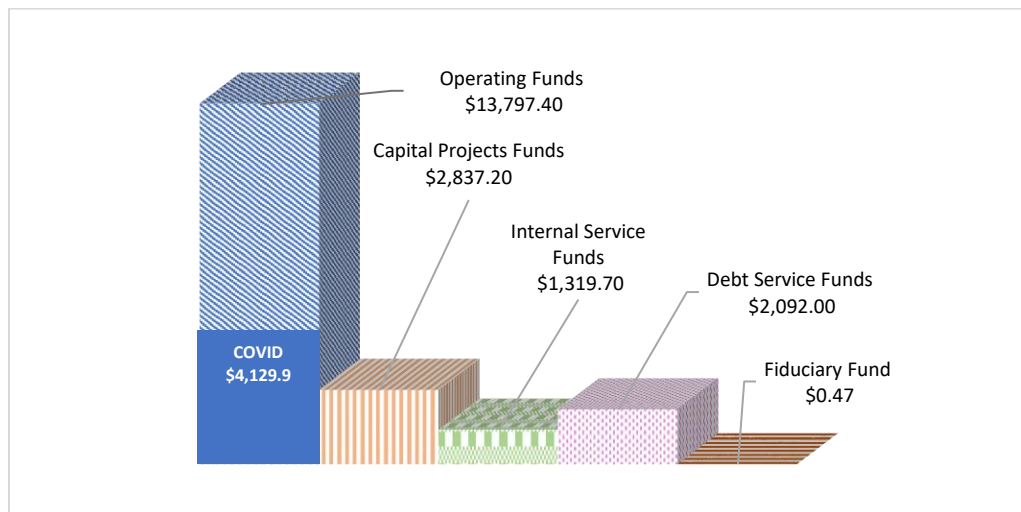
LA UNIFIED TOTAL BUDGET & PATH TO RECOVERY

LA Unified’s total 2021-22 budget, including all funds as categorized and grouped below, is estimated at \$20 billion. The COVID relief dollars which are the primary source of funding for the Path to Recovery Plan are restricted funds within the General Fund.

1. **Operating Funds** is composed of the General Fund, Adult Education Fund, Child Development Fund, and Cafeteria Fund. The total Operating Funds for fiscal year 2021-22 are \$13,797.4 million. These funds are primarily used for the day-to-day operations of LA Unified schools and offices but may also be restricted to the specific purpose of the fund. Federal and State COVID relief dollars of approximately \$4.1 billion are restricted funds within the General Fund.
2. **Capital Projects Funds** total to \$2,837.2 million and account for the acquisition, construction, or upgrade of facilities. The funding comes primarily from the sale of voter-approved bonds. These funds may not be used for the general day-to-day operations, as voters approved them for specific capitalized projects which will benefit current and future students.
3. **Internal Service Funds** total to \$1,319.7 million and are used for the payment of employee health and welfare benefits, workers’ compensation, and liability insurance. The majority of funds accumulated in the Internal Service Funds come from funds generated by positions funded in the other funds. For example, *the cost of a teacher’s health and welfare benefits* funded by the General Fund is transferred from the General Fund to the Health and Welfare Fund, which is one of the Internal Service Funds.
4. **Debt Service Funds** total to \$2,092.0 million and are used for the payment of interest and principal of long-term bonds.
5. **Fiduciary Fund** total to \$0.47 million and is composed of the Other Post-Employment Benefit (OPEB) Fund. This fund is dedicated for the health and welfare benefits of future retirees of LAUSD.

2021-22 TOTAL BUDGET (ALL FUNDS) = \$20 BILLION

(amounts in millions)



Path to Recovery and Other Changes to FY 2021-22 Budget

What's New In 2021-22 School Budgets?

- Reduced Class Size by 2 in grades 4-12
- Additional SENI allocations of \$420M, for a total SENI budget of \$700M
 - Added at start of budget development – Initial Budget Development, \$50M
 - Added at middle of budget development – 2nd Allocation, \$70M
 - Justice is Equity resolution – 3rd Allocation, \$300M
- Earlier access to carryover and federal funds
- Allocations for Black Students Achievement Plan (BSAP) of \$37M
- \$10M investment in School Climate Advocate
- \$36M investment in HEET schools
- Slight increase for instructional materials (+\$2 per enrolled student)
- Full time nurse for each campus, currently ~600 schools have part-time nursing
- All schools will receive mental health support, currently only schools with counseling required as part of students' IEPs are allocated PSWs
- The number of teachers, counselors, and clerical staff for option schools will not be less than the number in school year 2020-21. Growth, if earned, will be implemented as well.

The Path to Recovery – School Year 2021-22

Focus Area	Slides
Safest Possible School Environment - \$392M	4 – 6
Address Learning Gaps - \$1,070M	7 – 17
Support for Mental Health and Specialized Population - \$306M	18 – 20
Additional Initiatives - \$354M	21 – 22
Total - \$2,122M	



Safest Possible School Environment

	Slides
COVID-19 Testing, Contact Tracing and Vaccinations - \$155M	5
Custodial & Facilities, PPE and Transportation - \$237M	6
Total - \$392M	

COVID-19 Testing, Contact Tracing and Vaccinations

Expense	Purpose for Request	Amount
Lab Processing, Contact Tracing Testing Administration	Estimated cost for processing tests by lab vendors (SummerBio, CRL, UCLA), Contact tracing and administration of testing (AMI, Infiniti, etc.)	\$120
Staffing	Finance support team dedicated to receiving COVID funding requests, Office Of Covid positions, and additional support positions	19
Supplies	Associated costs with PPE, tenting, technology, etc.	5
Vaccinations	3rd Party Administration of Vaccinations, incl. PPE, etc.	11
	Total, Testing, Contract Tracing & Vaccinations	\$155

Amounts in Millions

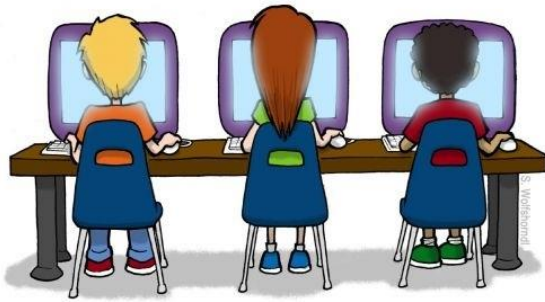
- Assumes testing protocol continues as is through 12/31/21
 - Weekly testing of all on-site staff and students
 - Testing cadence may change as prevalence rates and vaccinations rates recede / increase respectively – upon advice from medical and public health experts
- Assumes vaccination program for 2+ and up at some point in the school year with ~15% of eligible student participation
- Costs are expected to be fully or partially reimbursed through sources outside of CARES, ESSER, ARPA, etc.

Custodial & Facilities, PPE and Transportation

Expense	Purpose for Request	FTEs	Amount
Custodial & Facilities	Air filtration system upgrades	-	45
	Daily cleaning and disinfecting and implementation of social distance requirements	-	3
	Janitorial services for daily cleaning and disinfecting	773	91
PPE	Stock worker and Class A Commercial driver positions to operate commercial vehicles and deliver various covid-19 related freight	25	3
	Protection of District personnel from exposure to Covid	-	30
Transportation	Bus Contracts	-	42
	Excess Time Costs Contract Bus Drivers	-	23
	Total, Custodial & Facilities, PPE, and Transportation	798	\$237

Amounts in Millions

- National-leading standards for safe school campuses
- Additional bus contracts for social distancing requirements
- PPE for all schools



Addressing Learning Gaps

	Slides
Computers, Internet Access and Helpdesk Support - \$145M	<u>8</u>
Instruction and Online Learning Technology & Content - \$158M	<u>9</u>
Humanizing Education for Equitable Transformation - \$36M	<u>10</u>
Primary Promise - \$200M	<u>11 – 12</u>
Professional Development - \$102M	<u>13</u>
Tutoring and Small Group Instruction - \$54M	<u>14</u>
Focused Instruction and Alternative Schedules - \$205M	<u>15</u>
Summer School and Enrichment - \$145M	<u>16</u>
College and Career Readiness - \$25M	<u>17</u>
Total - \$1,070M	

Computers, Internet Access and Helpdesk Support

Expense	Purpose for Request	FTEs	Amount
Hotspots	Annual service for 225k hotspots and 25% annual refresh	-	\$ 35
Student devices, technology kits, and accessories	Headsets, technology kits, ensuring a viable device is provided to students, and relief staff	-	38
Teacher technology kits, class cameras, and accessories	Portable PA system for PE teachers	-	6
	Device refresh for older model technology	-	8
	Cameras for classrooms and teacher technology kits	-	50
	Teacher accessories (headsets, power strips, etc.)	-	8
	Total, Computers, Internet Access & Helpdesk Support	-	\$145

Amounts in Millions

- \$33M Annual cost of monthly connectivity service for students relying on District provided internet from off campus. \$2 million annual cost of a device buffer to provide immediate replacement devices for those that are lost, mal-functioning, or obsolete in order to minimize lost instructional time.
- Teacher device refresh is based on a five -year refresh plan. ITD is providing new devices for approximately 90% of teachers in addition to technology kits
- Relief staff: 70 English/Spanish technical analysts to support through 09/30/21

Instruction and Online Learning Technology & Content

Expense	Purpose for Request	FTEs	Amount
Software Development & Digital Content	Feature development and enhancements, various online applications, update library collections to reflect diversity and improve age of collection	-	\$ 100
Racial Equity in Master Scheduling	Software Contract for Racial Equity in Master Scheduling	-	3
Assessment Management System: real-time assessment and instant collection of student results	Project, hardware, technical, and contingency costs for implementation	-	10
	Teacher Advisors (6 FTEs), Multimedia Designer (1 FTE), Helpdesk Support (6 FTEs), and Sr. Admin Analyst (2 FTEs) for support and implementation at CoS and District level, overtime	15	5
Reopening activities and materials	Home Resource Book 2.0, postage expenditures due to COVID, private school equitable share in ESSER and GEER, books	-	8
Kinder Readiness Program	Funding for classified staff, Specialist (2 FTEs), Instructional Coach (6 FTEs), and PSW (6 FTEs)	14	2
Independent Study	Independent Study Option for Students		30
	Total, Instruction and Online Learning Technology & Content	29	\$ 158

Amounts in Millions

Humanizing Education for Equitable Transformation

Expense	Purpose for Request	FTEs	Amount
Community Partnerships	Build and develop community supports: For example, Motivated Men, Brotherhood Crusade, LA City Civil Rights Office, Young Black Scholars	-	\$ 0.3
Instruction	Culturally Responsive and Sustaining Academic Supports Planning and executing rigorous, culturally relevant and sustaining math and literacy instruction	28	10.4
Leadership	Recruit/develop/support highly qualified administrators, teachers and support staff Create a District program that creates a pipeline of black male candidates to teach at HEET specific schools with a contract commitment of 5 years	53	8.8
Social Emotional Systems	Increase critical wellness, socio-emotional, mental health supports to students and families Increase attendance and decrease suspensions for all African American students	17	1.5
Facilities	Beautification including additional landscaping, gardening services, exterior cleaning, painting, and campus banners and signage	-	15.0
	Total, Humanizing Education for Equitable Transformation	98	\$ 36.0

Amounts in Millions

- HEET is a board-approved resolution that supports 16 schools.
- Instruction includes A-G counselors (4 FTEs), math coaches (10 FTEs), READ experts for middle schools (6 FTEs), APEIS (2 FTEs), intervention/prevention coordinators (2 FTEs), special education coordinators (4 FTEs), and athletic coach stipend.
- Leadership includes principals (0.7 FTE), principal mentors (18 FTEs), A-G math advisors (16 FTEs), administrator and teacher stipends, HR specialist (1 FTE), Equity Designees (16), and senior fiscal specialist (1 FTE).
- Social Emotional Systems include psychologists (11 FTEs) and parent directors/representatives (6 FTEs).

Primary Promise – Focus on Literacy

Expense	Purpose for Request	FTEs	Amount
Primary Promise Intervention Teachers	Resources will be used to: <ul style="list-style-type: none"> • Provide intensive support with a focus on foundational literacy skills • Personalized instruction for the majority of the workday • Schedule daily intervention sessions of 3-5 students • Meet with groups for 20-30 minutes of direct instruction • Use a data-driven instructional approach 	226	\$ 40
Primary Promise Instructional Aides		226	20
Cycle of Improvement (Break Through Teams)		-	3
Action Seminars		-	2
Research Evaluation		-	0.5
After School/Saturday Acceleration		-	20
Literacy Focused PD for Teachers and Assistants		-	15
	Total, Primary Promise-Literacy	452	\$ 100

Amounts in Millions

- 226 low performing focus schools will be provided an Intervention Teacher/Coordinator and Instructional Aide who will work collaboratively to accelerate student achievement.
- Schools were identified using Middle of Year 2019 (MOY) Dynamic Indicators of Basic Early Literacy Skills (DIBELS) data, specifically targeting schools with high percentages of kindergarten through second grade students scoring Below Benchmark (BB) or Well Below Benchmark (WBB). Highest and High-ranking Student Equity Needs Index (SENI) schools were prioritized for identification, and State Identification as Comprehensive Support and Improvement (CSI) or Additional Targeted Support and Improvement (ATSI) was considered.

Primary Promise – Focus on Math

Expense	Purpose for Request	FTEs	Amount
Primary Promise Intervention Teachers	<p>Resources will be used to:</p> <ul style="list-style-type: none"> Provide intensive support with a focus on foundational math skills. Personalized instruction for the majority of the workday Schedule daily intervention sessions of 3-5 students Meet with groups for 20-30 minutes of direct instruction Use a data-driven instructional approach 	226	\$ 39
Primary Promise Instructional Aides		226	18
Mathematics Instructional Materials		-	9
PD (School teams across districts)		-	15
Cycle of Improvement (Break Through Teams)		-	3
Action Seminars		-	2
After School/Saturday Math Acceleration		-	14
		Total, Primary Promise-Math	452

Amounts in Millions

- 226 low performing focus schools will be provided an Intervention Teacher/Coordinator and Instructional Aide who will work collaboratively to accelerate student achievement.
- Highest and High-ranking Student Equity Needs Index (SENI) schools were prioritized for identification, and State Identification as Comprehensive Support and Improvement (CSI) or Additional Targeted Support and Improvement (ATSI) was considered.

Professional Development

Expense	Purpose for Request	FTEs	Amount
CoS admin PD - oversight and implementation of learning recovery initiatives	To provide teachers with follow up PD support from CoS	-	\$ 8
Expand Instructional Technology positions	Support design, implementation and coaching support	168	20
Training for teachers on use of existing systems to drive instruction and close achievement gaps	Offering monthly Saturday PDs for certificated staff	-	3
Various PD for Classified and Certificated employees	Training and hourly rate to support professional development for school staff	-	27
	Micro-Credentialing Programs, Hybrid Learning PD, and Future Ready 2.0	-	13
	Mastery Learning and Grading PD and Expert Positions assigned to CoS (44 FTEs)	44	25
Various PD for self-improvement of Classified employees	Provide classified employees with access to PD through hundreds of online courses	-	6
	Total, Professional Development	212	\$ 102

Amounts in Millions

Tutoring and Small Group Instruction

Expense	Purpose for Request	FTEs	Amount
Tutoring & Small Group Instruction	Saturday School, Inter-sessions, tutoring, assessments	-	\$ 28
	Virtual literacy tutoring sessions	-	19
	Train Teachers Assistants and Instructional Aides	-	7
	Total, Tutoring & Small Group Instruction	-	\$ 54

Amounts in Millions

- Provide in-person tutoring services for small, stable cohorts of students to build upon teaching that occurs during the day and increase the duration, frequency, and intensity of instruction
- Supplement classroom instruction for students, particularly students with disabilities, English Learners, foster youth, homeless youth, and those who are having difficulty accessing instruction and/or learning remotely
- Focus on English Language Arts, English Language Development and Mathematics
- Virtual literacy tutoring sessions will use certificated teachers from across the nation to run small group tutoring (4 students) using Booknook reading software.

Focused Instruction and Alternative Schedules

Expense	Purpose for Request	FTEs	Amount
Alternative Schedules	To maintain class size for a 4x4 and 2x8 Master Scheduling for Secondary Schools	334	\$ 39
Focused Instruction	Teachers	1,402	166
	Total, Focused Instruction and Alternative Schedules	1,736	\$ 205

Amounts in Millions

- Offering incentives to schools to implement an alternative master schedule. This will provide acceleration, enrichment, and additional electives. Alternative schedules provide additional teachers, professional development, and materials for the next three years. In the 2021-22 school year, 111 schools will adopt an alternative master schedule.
- Allows schools to retain teachers and offer focused instruction.

Summer School and Enrichment

Expense	Purpose for Request	FTEs	Amount
Summer School Operations	Community of Schools and Beyond the Bell Programs	-	\$ 42
	High School Program	-	33
	Extended School Year	-	20
	Enrichment	-	25
Other Enrichment	Expanded PE, Arts, Outdoor Education, Racial Justice/Cultural Competency/Identity Affirmation		25
	Total, Summer & Enrichment	-	\$ 145

Amounts in Millions

- Community of Schools Programs (TK-8), June 22 to July 23 – 191 schools
- Beyond the Bell Program (TI schools, TK-8), June 14 to July 30 – 349 schools
- High School Programs (9-12), June 22 to July 23 – 73 schools
- Extended School Year (Elem and Sec), June 28 to July 23 – 59 schools
- Summer programs to support K-12 schools
 - Virtual and on-campus options available
 - Support positions funded include paraprofessionals, clerical support, campus aides, supervision aides, and transportation

College and Career Readiness

Expense	Purpose for Request	FTEs	Amount
Credit recovery and financial aid advisement	Financial aid advisement for college pathways	12	\$ 7
	Credit Recovery Teacher X-Time		18
	Total, College & Career Readiness		\$ 25

Amounts in Millions

- To provide students with resources to assist with financing postsecondary plans and ease access to financial aid to pay for college or career school
 - College Advisement Coordinators (6 FTEs) and Empowerment Counselors (6 FTEs)
 - Naviance college and career readiness software/college planning and career assessment tools
- To provide a menu of options for high school credit recovery programs that allow participating students to recover credits needed for graduation
 - Programs tailored to schools' budgets, resources, and student needs (PASS Credit and Asynchronous PD)
 - Intervention & Credit Recovery in-person and virtual courses
 - Support from teacher mentors



Support for Mental Health and Specialized Population

	Slides
Mental Health Supports - \$177M	<u>19</u>
Special Education - \$129M	<u>20</u>
Total - \$306M	

Mental Health Supports

Expense	Purpose for Request	FTEs	Amount
PSWs and Navigators	Psychiatric Social Workers to allocate to schools and Student & Family Wellness Centers	897	\$ 121
	Student and Family Resource navigators allocated to schools and Student & Family Wellness Centers	357	30
	Other various mental health and medical support services	72	7
System of Support (SOS) Advisors and Mental Health Specialists	SOS Advisors supporting Positive Behavior Interventions and Supports/Restorative Practices at schools and CoS	44	6
	Specialists to support training and supervision of SHHS personnel	44	8
Telehealth Contract and Equipment	Vision equipment, accessories, and 5-year warranty to comply with State mandates	-	1
	Welligent contract to ensure continued availability of teleconferencing/telehealth and service coordination software	-	3
	Total, Mental Health	1,414	\$ 177

Amounts in Millions

- All schools provided with mental health supports, with additional staff allocated based on SENI, COVID 19, and enrollment.
- PSWs and Student Family Resource Navigators are to be assigned to school sites and Student and Family Wellness Centers
- SOS Advisors will be assigned to CoS; Specialists will be assigned to CoS and Student Family Wellness Centers

Special Education

Expense	Purpose for Request	FTEs	Amount
Half-time Bridge Coordinators, additional APEISs, Speech Pathologists, and Psychologists	Increase APEIS allocation based on school need	220	\$ 32
	Increase staffing by allocating five psychologists per Local District to support recoupment service needs	30	4
	Increase staffing by allocating five speech pathologists per Local District to support recoupment service needs and meet IEP goals	30	4
	Half-time bridge coordinators for 170 secondary sites to support completion of IEP timelines and mandates for specialized programs	85	16
IEP recoupment services	Additional staff time for compliance with Federal mandates	-	40
Assessments, materials, professional development, and additional time	Instructional materials and manipulatives for assessments and to avoid sharing	-	21
	Digital content and supports for inclusive practices and transition to in-person learning	-	8
	Professional development	-	3
	Total, Special Education	365	\$ 129

Amounts in Millions

- APEIS and Bridge Coordinator augmentations determined by number of special education classes, IEPs (core and alt curriculum), students with disabilities that are English Language Learners, and cases supporting IEPs and assessments for students attending private school
- Additional allocations for Psychologists and Speech Pathologists based on backlog of assessments, compensatory time backlog, and estimated recoupment services



Additional Initiatives

	Slides
Additional Initiatives – \$354M	<u>22</u>
Total - \$354M	

Additional Initiatives

- **Discretionary Funding for Schools: \$300M (Student Equity Needs Index)**
- **Community of Schools Innovation Grant: ~\$22M**
 - Foster innovation in support of Path to Recovery focus areas, while directly meeting local needs of individual schools and communities
 - Cultivate promising practices in recovery and acceleration that can scale as appropriate
 - Approved proposals will require periodic progress monitoring and implementation updates and documentation of impact
- **Strategic Data and Evaluation Branch: ~\$6M, 20-30 FTE**
- **Student Centered Funding School Support Network: ~\$5M, 25-30 FTE**
 - Build upon the School Fiscal Support roles and develop a differentiated role for Strategic School Specialists to build capacity at the COS and School level in strategic school design, forecasting and BEST practices
- **HR and PC: \$2M, 9 FTEs**
- **School Site Family Engagement: \$18M**
 - Dollars allocated to schools using SENI model
 - COS engagement, teacher differentials, technology
- **Certificated Staff to collect household income forms: \$1M**
- **Outside of Path to Recovery:**
 - \$36M in library materials and aides
 - Partners for Student Success Program (District Match) : \$20M
 - Additional discretionary funding for schools using SENI under TSP: \$400M

BUDGET ASSUMPTIONS AND POLICIES

2021-22 Fiscal Year:

1. The May Revision provides a mega cost-of-living adjustment (COLA) of 5.07% for the Local Control Funding Formula (LCFF). The increase includes both the compounded COLA of 4.07%, representing the 2020-21 statutory COLA of 2.31% and 2021-22 COLA of 1.70%, plus 1% augmentation to help schools with the ongoing fiscal pressures.
2. 1.70% statutory COLA for selected categorical programs outside of LCFF and Special Education.
3. LCFF-funded ADA of 406,695.91 for non-charter schools and 39,448.13 for locally-funded (affiliated) charter schools.
4. Estimated unduplicated pupil count (UPC) and three-year rolling average unduplicated pupil percentage (UPP) of 348,524 or 85.53% for non-charter schools (including County Program students) and 19,359 or 46.63% on average for locally-funded (affiliated) charter schools.
5. Education Protection Account (EPA) portion of LCFF of \$892.0 million to be spent for instruction.
6. LCFF supplemental and concentration expenditure of \$1,555.7 million.
7. State Special Education (AB 602) funding reflects 4.07% compounded COLA resulting in a base rate of \$650.31 per ADA. One-time funding increase of \$28.4 million for Individuals with Disabilities Act (IDEA) provided by the American Rescue Plan.
8. Lottery unrestricted rate per ADA is estimated at \$150 per ADA. Restricted (Proposition 20) rate per ADA is estimated at \$49 per ADA.
9. As authorized by Assembly Bill 86 COVID-19 relief package, LA Unified is estimated to receive total funding of \$155.3 million from the In-Person Instruction Grant, of which \$100.4 million is recognized in 2021-22, and a total funding of \$400.8 million from the Expanded Learning Opportunities Grant, of which \$200.4 million is recognized in 2021-22. Also, the District will receive approximately \$1.15 billion from the Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act-Elementary and Secondary School Emergency Relief (ESSER) II, of which \$1.03 billion is recognized in 2021-22, and \$2.6 billion from the American Rescue Plan (ARP) Act - Elementary and Secondary School Emergency Relief (ESSER) III. These are all one-time COVID-19 resources.

10. LA Unified anticipates using monies received from In-Person Instruction, Expanded Learning Opportunities, ESSER II, and ESSER III for reopening of schools, operations, and continuity of learning of \$1.4 billion for 2021-22; this amount includes Primary Promise of \$200 million.
11. A net enrollment decline of 8,978 from 2020-21 for non-charter and locally-funded (affiliated) charter schools. Direct-funded (independent) charter school enrollment increased by 488.
12. Funding for employee health and medical benefits at the per participant rate set forth in the 2018-2020 Health and Welfare agreement.
13. No contribution to the Other Post-Employment Benefit Plans (OPEB) Trust for 2021-22.
14. Increase of 0.77% in California State Teachers' Retirement System (CalSTRS) rates for 2021-22 from 16.15% to 16.92%.
15. Increase of 2.210% in California Public Employees' Retirement System (CalPERS) rates for 2021-22 from 20.7% to 22.91%.

Summary of Selected Employee Benefits in General Fund Regular Programs:

(in millions)	2020-21	2021-22	2022-23	2023-24
CalSTRS (Employer)	\$440.8	\$510.8	\$546.4	\$530.0
CalSTRS (On Behalf) ¹	\$369.9	\$369.9	\$369.9	\$369.9
CalPERS	\$192.3	\$243.9	\$264.7	\$273.0
Health and Welfare	\$904.4	\$922.6	\$932.9	\$939.3
Workers' Compensation	\$72.6	\$93.7	\$106.9	\$106.8
OPEB Trust	\$0.0	\$0.0	\$0.0	\$0.0

16. A California Consumer Price Index (CPI) of 3.84% on other operating expenditures, except utilities which is projected to increase by 7.92%.
17. Ongoing and major maintenance resources totaling \$281.7 million, reflecting approximately 3% of budgeted General Fund expenditures and other financing uses, excluding CalSTRS On Behalf expenditures and COVID-19 expenditures related to ESSER, GEER, CRF, and State LLM. Based on guidance from CDE and LACOE, COVID-19 expenditures related to ESSER II, ESSER III, In-Person Instruction, and Expanded Learning Opportunities have been included in the calculation of the maintenance set-aside.

¹ State funding portion of the CalSTRS pension liability; this includes a corresponding revenue from the State.

18. Cafeteria Program support of \$9.3 million (\$9.3 million in General Fund) and Child Development support of \$41.8 million
19. Contribution from all funds of \$113.2 million to the Workers’ Compensation fund. Inclusion of total Workers’ Compensation actuarially determined funded liability of \$430.5 million.
20. Primary Promise expenditures of \$100 million using Proportionality carryover.
21. Inclusion of 2021-22 bond measure, debt service, COPs proceeds funds and other financing sources/uses.

Summary of Selected Other Operating Costs in General Fund Regular Program

(In millions)	2020-21	2021-22	2022-23	2023-24
Utilities	\$123.7	\$133.4	\$135.7	\$138.4
Maintenance (RRGM)	\$248.1	\$281.7	\$270.2	\$267.4
Debt Service ²	\$16.3	\$13.3	\$16.3	\$15.6
Child Development Fund Support	\$13.2	\$41.8	\$38.0	\$34.1
Cafeteria Support*	\$0.0	\$0.0	\$2.0	\$2.2
Liability Self-Insurance Contribution	\$77.2	\$60.5	\$63.0	\$61.8
Special Education**	\$945.7	\$943.3	\$995.1	\$1,010.0

* \$9.3 million of Cafeteria-related support is in General Fund.

**The Special Education Support is still inclusive of the LCFF base revenue and does not assume any disproportionality finding.

22. A Reserve for Economic Uncertainties totaling \$97.7 million, reflecting the statutory 1% budgeted expenditure requirement and other financing uses.
23. Inclusion of 2021-22 beginning balances in the General Fund and other funds, reflecting the updated estimated actual ending balance as of June 30, 2020, which includes expenditures related to COVID-19.

² Debt Service is comprised of \$7.2 million in principal and \$6.1 million in interest payments. It is mostly attributable to Administration Building Projects (2012A&B) and Refunding Lease (2020A). The total debt service for all District funds is \$16.4 million.

24. Estimated 2021-22 ending balances for the General Fund and other funds, reflecting the difference between estimated 2021-22 revenue and expenditure levels.
25. Authority to transfer amounts, as necessary, to implement technical adjustments related to the 2021-22 budget.
26. Authority to implement new 2021-22 revenues, if any, and increase budgeted appropriations accordingly.
27. No set-aside for potential disproportionality finding for 2021-22.
28. *A transfer from the Community Redevelopment Agency Fund to repay the General Fund initially allocated for the Ongoing and Major Maintenance resources of \$30 million.
 *Part of the District Fiscal Stabilization Plan in 2017-18.

2022-23 and 2023-24 Fiscal Years:

1. Based on the School Services of California’s Financial Projection Dashboard on the 2021-22 May Revision State Budget, the 2022-23 and 2023-24 Local Control Funding Formula (LCFF) revenue calculation assumes the following:

	2020-21	2021-22	2022-23	2023-24
Statutory COLA	2.31%	1.70%	2.48%	3.11%
Funded COLA	0.00%	5.07%*	2.48%	3.11%

* Mega COLA

2. LCFF-funded ADA of 381,379.33 and 367,372.67 for non-charter schools for 2022-23 and 2023-24, respectively and 39,448.13 for locally-funded (affiliated) charter schools for both 2022-23 and 2023-24.
3. For 2022-23 and 2023-24, 3-year rolling average of 85.56% and 85.23% for non-charter schools (includes County Program students), 47.03% and 46.84% on average for locally-funded (affiliated) charter schools. Estimated unduplicated pupil count of 336,031 and 321,863 for non-charter schools, for 2022-23 and 2023-24 respectively. Estimated unduplicated pupil count of 19,360 for both 2022-23 and 2023-24 for locally-funded (affiliated) charter schools.
4. EPA portion of the LCFF revenue of \$892.0 million in both 2022-23 and 2023-24, for instruction.
5. LA Unified spending on supplemental and concentration of \$1,551.4 million and \$1,541.9 million in 2022-23 and 2023-24, respectively.

6. For 2022-23 and 2023-24, 2.48% and 3.11% statutory COLA on the State portion of Special Education (AB 602 funding).
7. Statutory COLA of 2.48% for 2022-23 and 3.11% for 2023-24 for categorical programs outside of LCFF.
8. For 2022-23, an enrollment decline of 14,598 for non-charter and locally-funded (affiliated) charter schools; direct-funded (independent) charter school enrollment is estimated to increase by 1,378. For 2023-24, an enrollment decline of 16,556 for non-charter and locally-funded (affiliated) charter schools; direct-funded (independent) charter school enrollment is estimated to increase by 1,170.
9. CPI of 2.40% in 2022-23 and 2.23% in 2023-24 on other operating expenditures, except utilities which are projected to increase by an average of 1.84% for each fiscal year.
10. Increase of 2.18% in CalSTRS rates for 2022-23 and no increase for 2023-24 for estimated rates of 19.10% for both years.
11. Increase in CalPERS rate of 3.19% and 1.00% for 2022-23 and 2023-24, respectively, for estimated rates of 26.1% and 27.1%.
12. Funding for employee health and medical benefits at the per participant rate pursuant to the 2018-2020 Health and Welfare agreement.
13. No OPEB contribution in 2022-23 and 2023-24.
14. LA Unified anticipates using monies received from In-Person Instruction, Expanded Learning Opportunities, ESSER II, and ESSER III for reopening of schools, operations, and continuity of learning of \$2.7 billion for 2022-23 and 2023-24.
15. Ongoing and major maintenance resources of \$270.2 million in 2022-23 and \$267.4 million in 2023-24 reflect 3% of General Fund estimated expenditures and other financing uses, excluding CalSTRS State On Behalf expenditures and COVID-19 expenditures related to ESSER, GEER, CRF, and State LLM. Based on guidance from CDE and LACOE, COVID-19 expenditures related to ESSER II, ESSER III, In-Person Instruction, and Expanded Learning Opportunities have been included in the calculation of the maintenance set-aside.
16. A Reserve for Economic Uncertainties totaling \$93.9 million and \$185.7 million for 2022-23 and 2023-24, respectively, reflecting the statutory 1% and 2%, respectively, budgeted expenditure requirement and other financing uses.

17. FY 2022-23 and 2023-24 also reflects the Fiscal Stabilization Plans adopted in December 2017 (First Interim), March 2018 (Second Interim), October 2018 (Revised Final Budget), March 2019 (Second Interim), and June 2019 (Final Budget)

18. Inclusion of the 2021-22 unassigned/unappropriated ending balances in the General Fund of \$1,305.3 million results in an unassigned/unappropriated ending balance of \$112.9 million in 2023-24.

19. LA Unified shall request an exemption from the 10% cap on reserves (combined assigned and unassigned balances) as triggered by the 2021-22 State May Revision Budget beginning in 2022-23.

**RESOLUTION REGARDING EXPENDITURES FROM THE EDUCATION
PROTECTION ACCOUNT FOR FISCAL YEAR 2021-22**

WHEREAS, the voters approved Proposition 30 on November 6, 2012;

WHEREAS, Proposition 30 added Article XIII, Section 36 to the California Constitution effective November 7, 2012;

WHEREAS, the provisions of Article XIII, Section 36(e) create in the state General Fund an Education Protection Account to receive and disburse the revenues derived from the incremental increases in taxes imposed by Article XIII, Section 36(f);

WHEREAS, before June 30th of each year, the Director of Finance shall estimate the total amount of additional revenues, less refunds that will be derived from the incremental increases in tax rates made pursuant to Article XIII, Section 36(f) that will be available for transfer into the Education Protection Account during the next fiscal year;

WHEREAS, if the sum determined by the State Controller is positive, the State Controller shall transfer the amount calculated into the Education Protection Account within ten days preceding the end of the fiscal year;

WHEREAS, all monies in the Education Protection Account are continuously appropriated for the support of school districts, county offices of education, charter schools and community college districts;

WHEREAS, monies deposited in the Education Protection Account shall not be used to pay any costs incurred by the Legislature, the Governor or any agency of state government;

WHEREAS, a community college district, county office of education, school district, or charter school shall have the sole authority to determine how the monies received from the Education Protection Account are spent in the school or schools within its jurisdiction;

WHEREAS, the governing board of the Los Angeles Unified School District (“District”) shall make the spending determinations with respect to monies received from the Education Protection Account in open session of a public meeting of the governing board;

WHEREAS, the monies received from the Education Protection Account shall not be used for salaries or benefits for administrators or any other administrative cost;

WHEREAS, each community college district, county office of education, school district and charter school shall annually publish on its Internet website an accounting of how much money was received from the Education Protection Account and how that money was spent;

WHEREAS, the annual independent financial and compliance audit required of community college districts, county offices of education, school districts and charter schools shall ascertain and verify whether the funds provided from the Education Protection Account have been properly disbursed and expended as required by Article XIII, Section 36 of the California Constitution;

WHEREAS, expenses incurred by community college districts, county offices of education, school districts and charter schools to comply with the additional audit requirements of Article XIII, Section 36 may be paid with funding from the Education Protection Act and shall not be considered administrative costs for purposes of Article XIII, Section 36.

NOW, THEREFORE, IT IS HEREBY RESOLVED:

1. The monies received from the Education Protection Account shall be spent as required by Article XIII, Section 36 and the spending determinations on how the money will be spent shall be made in open session of a public meeting of the governing board of the District;

2. In compliance with Article XIII, Section 36(e), with the California Constitution, the governing board of the District has determined to spend the monies received from the Education Protection Act as set forth in Attachment 2.

DATED _____, 2021.

Board President

Executive Officer of the Board

2021-22 Education Protection Account
 Budgeted Expenditures by Function - Detail

Expenditures through: June 30, 2022
For Fund 01, Resource 1400 Education Protection Account

Description	Object Codes	Amount
AMOUNT AVAILABLE FOR THIS FISCAL YEAR		
Adjusted Beginning Fund Balance	9791-9795	0.00
Revenue Limit Sources	8010-8099	892,039,341.00
Federal Revenue	8100-8299	0.00
Other State Revenue	8300-8599	0.00
Other Local Revenue	8600-8799	0.00
All Other Financing Sources and Contributions	8900-8999	0.00
Deferred Revenue	9650	0.00
TOTAL AVAILABLE		892,039,341.00
EXPENDITURES AND OTHER FINANCING USES		
(Objects 1000-7999)		
Instruction	1000-1999	892,039,341.00
Instruction-Related Services		
Instructional Supervision and Administration	2100-2150	0.00
AU of a Multidistrict SELPA	2200	0.00
Instructional Library, Media, and Technology	2420	0.00
Other Instructional Resources	2490-2495	0.00
School Administration	2700	0.00
Pupil Services		
Guidance and Counseling Services	3110	0.00
Psychological Services	3120	0.00
Attendance and Social Work Services	3130	0.00
Health Services	3140	0.00
Speech Pathology and Audiology Services	3150	0.00
Pupil Testing Services	3160	0.00
Pupil Transportation	3600	0.00
Food Services Other	3700	0.00
Pupil Services	3900	0.00
Ancillary Services	4000-4999	0.00
Community Services	5000-5999	0.00
Enterprise	6000-6999	0.00
General Administration	7000-7999	0.00
Plant Services	8000-8999	0.00
Other Outgo	9000-9999	0.00
TOTAL EXPENDITURES AND OTHER FINANCING USES		892,039,341.00
BALANCE (Total Available minus Total Expenditures and Other Financing Uses)		0.00

**Los Angeles Unified School District
 Temporary Borrowings
 FY 2020-21**

From	To	Amount Transferred*	Purpose	Date Borrowed	Date Settled*
General Fund	Adult Education Fund	\$ 4,000,000	Cash flow requirements	10/12/2020	12/03/2020
General Fund	Adult Education Fund	10,600,000	Cash flow requirements	10/28/2020	12/03/2020
General Fund	Child Development Fund	\$ 3,000,000	Cash flow requirements	07/13/2020	08/10/2020
General Fund	Child Development Fund	4,700,000	Cash flow requirements	07/20/2020	08/10/2020
General Fund	Child Development Fund	7,100,000	Cash flow requirements	10/23/2020	10/28/2020
General Fund	Child Development Fund	5,300,000	Cash flow requirements	04/01/2021	04/08/2021

* as of May 21, 2021

**LOS ANGELES UNIFIED SCHOOL DISTRICT
SCHEDULE OF INTERFUND TRANSFERS**

(In Thousands)

<u>FROM:</u>	<u>TO:</u>	<u>PURPOSE:</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21*</u>
General Fund	Child Development Fund	Support	\$ 22,320	\$ 21,754	\$ 1,500
General Fund	Adult Education Fund	Transfer of Balance	440	690	1,170
General Fund	Cafeteria Fund	Reimbursement of expenditures	1,173	1,023	136
General Fund	Capital Services Fund	Debt service	16,061	24,242	16,093
General Fund	District Bond Funds	Reimbursement of capital expenditures	403	3,096	380
Special Reserve Fund	Capital Services Fund	Debt service	25	11	320
Special Reserve Fund	General Fund	Reimbursement of capital expenditures	130	127	
Special Reserve Fund	District Bond Funds	Reimbursement of capital expenditures	4,207	2,041	3,066
Special Reserve Fund	County School Facilities	Reimbursement of capital expenditures	372	660	
Special Reserve Fund	Capital Facilities Fund	Reimbursement of capital expenditures		9	
Special Reserve Fund-CRA	General Fund	Reimbursement of capital expenditures	20,000	20,000	
Capital Facilities Fund	District Bond Funds	Reimbursement of capital expenditures	34,745	10,105	59,128
Capital Facilities Fund	County School Facilities	Reimbursement of capital expenditures	60		
Child Development Fund	General Fund	Reimbursement of expenditures	150		14
Capital Services	General Fund	Transfer of Balance			235
Capital Services	General Fund	Funding for capital expenditures			440
County School Facilities	General Fund	Reimbursement of capital expenditures	1		
County School Facilities	District Bond Funds	Reimbursement of capital expenditures	82,760	18,493	4,015
County School Facilities	Capital Facilities Fund	Reimbursement of capital expenditures		54	
Building Fd - Measure R	General Fund	Reimbursement of capital expenditures	28	53	
Building Fd - Measure R	District Bond Funds	Reimbursement of capital expenditures	16,270	29,996	38,054
Building Fd - Measure R	County School Facilities	Reimbursement of capital expenditures	795	539	
Building Fd - Bond Proceeds	District Bond Funds	Reimbursement of capital expenditures	7,147	534	8
Building Fd - Bond Proceeds	County School Facilities	Reimbursement of capital expenditures	56	252	
Building Fd - Measure K	County School Facilities	Reimbursement of capital expenditures	1,185	19	1
Building Fd - Measure K	District Bond Funds	Reimbursement of capital expenditures	101,446	6,317	13
Building Fd - Measure K	Special Reserve Fund	Reimbursement of capital expenditures	113		1
Building Fd - Measure Y	General Fund	Reimbursement of capital expenditures	417	93	24
Building Fd - Measure Y	District Bond Funds	Reimbursement of capital expenditures	939	89,213	29,895
Building Fd - Measure Y	County School Facilities	Reimbursement of capital expenditures	626	271	101
Building Fd - Measure Y	Special Reserve Fund	Reimbursement of capital expenditures			12
Building Fd - Measure Q	General Fund	Reimbursement of capital expenditures	4,654	1,871	591
Building Fd - Measure Q	District Bond Funds	Reimbursement of capital expenditures	1,531	1,196	53
Building Fd - Measure Q	Capital Facilities Fund	Reimbursement of capital expenditures		3,030	
Building Fd - Measure Q	County School Facilities	Reimbursement of capital expenditures	38	51	26,307
Building Fd - Measure Q	Special Reserve Fund	Reimbursement of capital expenditures	5	98	76
State School Building- Lease Purchase	District Bond Funds	Reimbursement of capital expenditures		12	
Health & Welfare Benefits Fund	General Fund	Transfer of Balance**			227,000
			\$318,097	\$ 235,850	\$ 408,633

* Transactions are through 4/30/2021

**Transfer of Health and Welfare Fund unspent reserve balance in excess of \$100,000,000 as of December 31, 2020 to General Fund per the 2018-2020 Health Benefit Agreement.

Ending Balance Reserve Requirements

Beginning in 2015-16, LA Unified must determine the minimum reserve level amounts of estimated assigned and unassigned ending balances that exceed the required minimum under Senate Bill (SB) 858/751. LA Unified must also state reasons for the reserve being greater than the minimum.

Approximately 50% of the assigned ending balances are in the General Fund School Allocation, School Site Program, and Proportionality Carryover categories. The General Fund School allocations are the main account that school sites use for their local needs. These categories also contain any unspent Targeted Student Population (TSP) program and Charter School Categorical Block grant monies at the school sites. Some of these accounts are also associated with specific local revenues such as donations and filming revenues.

The Districtwide assigned balances include a set aside for the benefit reconciliation. These are one-time balances and shall be released once the reconciliation and/or audits are finalized. Additional assigned ending balances include set-asides for specific projects that are to be implemented during the school year such as the summer assistance program, community of schools, and expenses related to Board investments for school needs.

The Unassigned/Unappropriated balances are amounts that could be used for any Board approved purposes and have not been designated for a specific use. However, in LA Unified's case, the unassigned ending balance of \$1,305.3 million in 2021-22 is a factor in balancing 2022-23 and 2023-24.

The Governor's 2021-22 May Revision triggers a 10% cap on reserves beginning in 2022-23. The cap on reserves is defined as any assigned and unassigned categories of fund balance in the General Fund more than 10% of total General Fund expenditures. LA Unified shall request an exemption from Los Angeles County Office of Education on reserves that exceed the cap by \$701.9 million in 2022-23 and \$389.3 million in 2023-24.

The table below shows the calculation of the minimum reserve requirement, as well as the estimated assigned and unassigned ending balance for fiscal years 2021-22 through 2023-24:

Calculation of Minimum (in millions)	2021-22	2022-23	2023-24
Expenditure & Other Financing Uses	\$ 9,756.6	\$ 9,374.2	\$ 9,280.4
Minimum Reserve Levels applicable for the District	1%	1%	2%
Minimum Reserve Requirements	97.6	93.7	185.6
Reserve Cap (10% of Expenditure & Other Financing Uses)		\$ 937.4	\$ 928.0
Estimated Assigned and Unassigned Ending Balance			
Assigned Ending Balances	\$ 592.1	\$ 793.8	\$ 1,018.7
Unassigned Ending Balances			
-Reserve for Economic Uncertainty	97.7	93.9	185.7
-Unassigned/Unappropriated	1,305.3	751.7	112.9
Total Assigned and Unassigned Ending Balance	\$ 1,995.0	\$ 1,639.3	\$ 1,317.3
Excess over Minimum	\$ 1,897.4	\$ 1,545.6	\$ 1,131.7
Excess over Reserve Cap Requirement		\$ 701.9	\$ 389.3

The assigned ending balances are amounts that can be used for any purpose but have been designated for a specific future use. LA Unified's Assigned Ending Balances are grouped into the following categories:

Breakdown of Assigned Balances (in millions)	2021-22	2022-23	2023-24
General Fund School Allocation	\$ 177.8	\$ 145.0	\$ 125.4
School Site Programs	107.5	109.2	111.0
Proportionality Carryover	146.9	179.2	191.9
Districtwide Costs	155.8	356.3	586.4
Central Office	4.1	4.1	4.1
Total Assigned Ending Balance	\$ 592.1	\$ 793.8	\$ 1,018.7

ASSIGNED BALANCES
(Amount in millions)

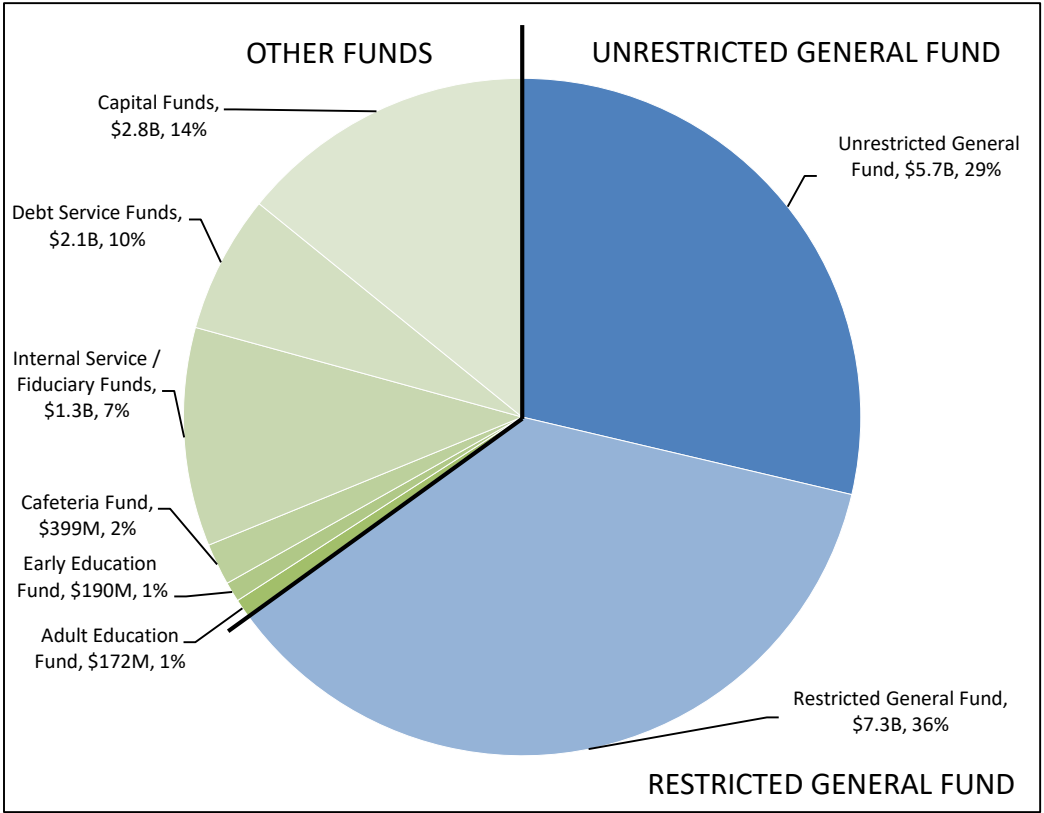
CATEGORY	PROGRAM	PROGRAM NAME	2020-21 Estimates	2021-22 Estimates	2022-23 Estimates	2023-24 Estimates
General Fund School Allocation	13027	General Fund School Program	\$ 232.0	\$ 177.8	\$ 145.0	\$ 125.4
General Fund School Allocation Total			232.0	177.8	145.0	125.4
School Site Programs	Various	Filming/Non-Filming Rental	31.3	34.0	35.5	37.0
School Site Programs	Various	School Donations	26.6	26.6	26.6	26.6
School Site Programs	13723	Charter School Categorical Block Grant	17.2	17.2	17.2	17.2
School Site Programs	14197	Instr Materials Block Grant	13.1	-	-	-
School Site Programs	11665	Band and Drill Uniforms	5.7	5.7	5.7	5.7
School Site Programs	10590	Paraprofessional Teacher Training	5.5	5.5	5.5	5.5
School Site Programs	10257	Software Bundle	3.8	-	-	-
School Site Programs	13724	Charter School Allocation In Lieu Of Economic Impact Aide	3.6	3.6	3.6	3.6
School Site Programs	11125	Community Schools	3.6	3.6	3.6	3.6
School Site Programs	11664	Athletics School Uniform	3.2	-	-	-
School Site Programs	14861	Start-Up Costs-New Schools	2.9	2.9	2.9	2.9
School Site Programs	10315	Utilities Savings Sharing Program	1.9	1.9	1.9	1.9
School Site Programs	10582	Alternative Certification-Internship Secondary	1.1	1.1	1.1	1.1
School Site Programs	14340	Transcripts Of Pupils' Records	1.0	1.0	1.0	1.0
School Site Programs	14129	Districtwide Report Card - Supplemental	0.8	0.8	0.8	0.8
School Site Programs	13950	Instructional Material Account-Library Fines	0.8	0.8	0.8	0.8
School Site Programs	14220	Advance Placement Test Fee	0.7	0.7	0.7	0.7
School Site Programs	14503	Proposition 39 Over-Allocated Space-School	0.6	-	-	-
School Site Programs	10188	National Board Certification - Support	0.4	0.4	0.4	0.4
School Site Programs	10293	Local District Enrollment & Attendance Incentive	0.3	-	-	-
School Site Programs	10598	General Fund Portion-Unified Enrollment	0.3	0.3	0.3	0.3
School Site Programs	13787	Charter School Charges	0.3	0.2	0.2	0.3
School Site Programs	17629	School Determined Education Program (SDEP) -Extended Kindergarten Program	0.3	0.3	0.3	0.3
School Site Programs	14151	Obsolete Textbooks	0.3	0.3	0.3	0.3
School Site Programs	13332	Vision to Learn	0.3	-	-	-
School Site Programs	15829	Star Program	0.2	0.2	0.2	0.2
School Site Programs	10194	Partner Program	0.2	0.2	0.2	0.2
School Site Programs	12702	Verizon Innovative Learning Digital Promise	0.1	0.1	0.1	0.1
School Site Programs	10356	ARC Reimbursement-After School	0.1	0.1	0.1	0.1
School Site Programs	13211	Office of Inspector General Audit Settlement Reimbursement	0.1	0.1	0.1	0.1
School Site Programs	14219	Preliminary Scholastic Aptitude Test (PSAT)/National Merit Scholarship Qualifying Test (NMQT)	0.1	0.1	0.1	0.1
School Site Programs	10600	Classified School Employee Teacher Credential	0.1	0.1	0.1	0.1
School Site Programs	10636	Foundation for Early Childhood	0.1	-	-	-
School Site Programs	16141	General Fund-Computer Reimbursement	0.1	0.1	0.1	0.1
School Site Programs	10581	School Community Violence Prevention	0.1	0.1	0.1	0.1
School Site Programs	13229	Special Education-School Based Enterprise	0.1	0.1	0.1	0.1
School Site Programs	Various	All Others	0.2	0.3	0.5	0.6
School Site Programs	15369	Foreign Student Processing Fee	(0.1)	(0.1)	(0.1)	(0.1)
School Site Programs	11476	Civic Center Permit Program	(0.8)	(0.8)	(0.8)	(0.8)
School Site Programs Total			126.2	107.5	109.2	111.0
Proportionality	10544	TSP (Targeted Student Population)-Pending Allocation	236.5	3.7	40.8	58.4
Proportionality	10984	TSP (Targeted Student Population)-Student Equity Need Index (SENI) Goal 2 Proficiency for All	55.4	55.4	55.4	55.4
Proportionality	10397	TSP (Targeted Student Population)-Pilot Program Schools	31.4	31.4	31.4	31.4
Proportionality	10155	English Learners Transition - Central Office	14.4	9.8	4.9	0.1
Proportionality	10552	TSP (Targeted Student Population)-Student Equity Needs Index (SENI)	10.2	10.2	10.2	10.2
Proportionality	10983	TSP (Targeted Student Population)-Student Equity Need Index (SENI) Goal 1 100% Graduation	9.6	9.6	9.6	9.6
Proportionality	10359	TSP (Targeted Student Population)-Settlement	8.6	8.6	8.6	8.6
Proportionality	10988	TSP (Targeted Student Population)-Student Equity Need Index (SENI) Goal 5 School Safety	7.5	7.5	7.5	7.5
Proportionality	14423	Incentive-Breakfast-Discretionary	4.2	-	-	-
Proportionality	10985	TSP (Targeted Student Population)-Student Equity Need Index (SENI) Goal 3 100% Attendance	4.0	4.0	4.0	4.0
Proportionality	10987	TSP (Targeted Student Population)-Student Equity Needs Index (SENI) Goal 4 Parent & Community Engagement	3.6	3.6	3.6	3.6
Proportionality	10553	TSP (Targeted Student Population)-Transitional Student Equity Needs Index	2.5	2.5	2.5	2.5
Proportionality	10543	TSP (Targeted Student Population)-Innovation-Focus School	0.7	0.7	0.7	0.7
Proportionality Total			388.5	146.9	179.2	191.9
Districtwide Costs	16929	Reserve For One-time Expenditures	119.9	62.4	97.4	132.4
Districtwide Costs	16928	Reserve For Ongoing Expenditures	63.7	54.8	56.7	58.5
Districtwide Costs	14439	Board Approved -Pending Distribution	24.8	30.1	190.3	379.5
Districtwide Costs	13782	Charter Fee for Service - Maintenance & Operations	3.1	0.6	0.9	1.2
Districtwide Costs	10591	White Fleet Vehicle Replacement Plan	2.1	-	-	-
Districtwide Costs	10606	Local District Networks Configuration Projects	2.1	-	-	-
Districtwide Costs	13050	School District-Audit & Examination	1.8	-	-	-
Districtwide Costs	10363	Fingerprint New Requests	0.9	0.9	0.9	0.9
Districtwide Costs	13793	Maintenance & Operation Proposition 39 Charter Co-Location	0.3	5.6	8.3	11.5
Districtwide Costs	10857	Program Support Cost (PSC) & Other Fee for Service	0.3	0.3	0.3	0.3

CATEGORY	PROGRAM	PROGRAM NAME	2020-21 Estimates	2021-22 Estimates	2022-23 Estimates	2023-24 Estimates
Districtwide Costs	13786	Charter School Fee-Instruction Division	0.2	0.2	0.3	0.5
Districtwide Costs	10593	Energy Rebate Conservation Administration	0.1	0.1	0.1	0.1
Districtwide Costs	13745	Charter School Fee For Service	0.1	0.1	0.1	0.2
Districtwide Costs	11481	Agreement with Outside Agency	0.1	0.1	0.1	0.1
Districtwide Costs	13783	Specialized Charter Agreements	-	0.7	1.0	1.4
Districtwide Costs	Various	All Others	0.0	0.0	0.0	0.0
Districtwide Costs	10252	Information Technology Division (ITD) Priority Projects	(0.1)	(0.1)	(0.1)	(0.1)
Districtwide Costs	14790	Information Technology Division (ITD) General Fund-Portion-Disaster Recovery and Business Continuity Core Network	(0.2)	-	-	-
Districtwide Costs Total			219.2	155.8	356.3	586.4
Central Office	10813	Achievement Schools Network Program-Non-School	1.6	-	-	-
Central Office	12654	Board Members Discretionary Funds	1.4	-	-	-
Central Office	10599	General Fund Portion-Learning Management System (LMS)	1.0	-	-	-
Central Office	13736	Charter Schools Unit	0.4	-	-	-
Central Office	10387	Human Capital Data Warehouse	0.3	-	-	-
Central Office	10578	Teacher Quality & Staffing	0.3	-	-	-
Central Office	10621	Proposition 39 Over-Allocated Space-District Administration	0.3	-	-	-
Central Office	10355	General Fund Information Technology Initiative - Educational Technology	0.2	-	-	-
Central Office	10783	Advertising on White Fleet	0.2	-	-	-
Central Office	10868	Porter Ranch Childcare-Central	0.1	-	-	-
Central Office	11669	School Police Reimbursement Account-Rio Hondo Community College	0.1	-	-	-
Central Office	12158	Enterprise Resource Planning (ERP) Program-Project Required-Positions	0.1	-	-	-
Central Office	15871	Vehicle Replacement	0.1	-	-	-
Central Office	14870	Personnel Testing Services	0.1	-	-	-
Central Office	10811	457 Retirement Plan Administration Expense	0.1	-	-	-
Central Office	14834	Rubbish/Recycling Incentive Rebate	0.1	-	-	-
Central Office	14471	Office Determined Needs	0.1	-	-	-
Central Office	10573	California Commission on Teacher Credentialing (CTC) Residency Capacity Program	0.1	-	-	-
Central Office	13277	Sponsorship-Offices	0.1	-	-	-
Central Office	14423	Incentive-Breakfast-Discretionary	-	4.2	4.2	4.2
Central Office	Various	All Others	0.2	-	-	-
Central Office	10255	Toshiba Reimbursement	(0.1)	-	-	-
Central Office	10353	Labor Compliance Penalty Program	(0.1)	(0.1)	(0.1)	(0.1)
Central Office	13203	Long Term Leases-Publishing Costs	(0.2)	-	-	-
Central Office	16512	School Determined Education Program (SDEP)-Citations Processing	(0.4)	-	-	-
Central Office	13315	Beaudry Building Improvement	(0.6)	-	-	-
Central Office Total			5.1	4.1	4.1	4.1
Grand Total			\$ 971.1	\$ 592.1	\$ 793.8	\$ 1,018.7

Section II



2021-2022 Proposed Budget



Description of Budgeted Expenditure Categories

UNRESTRICTED BUDGET

Funds that can be used for any general education purpose.

RESTRICTED BUDGET

Funds that must be used for a specific purpose.

CAPITAL PROJECTS FUNDS

Used for the acquisition or construction of capital facilities. Come primarily from sale of voter-approved bonds.

DEBT SERVICE FUNDS

Account for payment of interest and principal on the District's long-term bonds.

INTERNAL SERVICE/ FIDUCIARY FUNDS

Account for the payment of employee health & welfare benefits, worker's compensation, liability insurance and other post-employment benefits.

CAFETERIA FUND

Resources used to operate the District's food service program.

EARLY EDUCATION FUND

Resources used to operate the District's Early Education Centers.

ADULT EDUCATION FUND

Resources used to operate the District's Adult Education programs.

Summary (all amounts in millions*)

BUDGET BY FUND	Expenditure	% of Budget
Unrestricted General Fund	\$5,749.45	28.7%
Restricted General Fund	\$7,285.75	36.3%
Capital Projects Funds	\$2,837.23	14.2%
Debt Service Funds**	\$2,092.01	10.4%
Internal Service / Fiduciary Funds**	\$1,320.12	6.6%
Cafeteria Fund	\$399.32	2.0%
Early Education Fund	\$190.41	0.9%
Adult Education Fund	\$172.46	0.9%
Total Authorized Budget for FY 2021-2022	\$20,046.75	100%

*Amounts may differ due to rounding.

**These funds are separately set out as required by law for accounting purposes and are also reflected elsewhere in the budget.

LAUSD Budget Summary

Fiscal Year 2021-22

Budget as of June 15, 2021

- Total Budget - \$20.0 Billion
- General Fund Operating Budget - \$13.0 Billion
- General Fund Operating Budget, Adult Fund, Child Development Fund, and Cafeteria Fund - \$13.8 Billion
- General Fund Support
 - Special Education – \$943.3 Million
 - Cafeteria Program - \$9.3 Million (in General Fund)
 - Child Development (Early Childhood Education) - \$41.8 Million

• Per Pupil Revenue Rate

Revenue	Per Enrollment	Per Funded ADA
Local Control Funding Formula	\$12,937	\$12,991
Other Revenue	\$13,418	\$13,472
Per Pupil Revenue Rate Total:	\$26,355	\$26,463

• LCFF Revenue (amounts in millions)

Description	Traditional Schools (Non-Charter)	Affiliated Charter Schools	Total
Base	\$3,669.5	\$354.6	\$4,024.1
Supplemental/Concentration	1,187.9	44.7	1,232.6
Targeted Instructional Improvement Grant (TIIG)	460.4	0.0	460.4
Transportation	77.6	0.0	77.6
Economic Recovery Target	0.0	1.0	1.0
LCFF Revenue Total	\$5,395.4	\$400.3	\$5,795.7

- Unduplicated count percentage (three-year rolling average) – 85.53%
- Enrollment decline is projected at 8,978 students; average loss in revenue is approximately \$156 Million
 - A 1% decline in enrollment is approximately \$52 Million
- Projected Unassigned Ending Balances:
 - Fiscal Year 2021-22 – \$1,305.3 Million
 - Fiscal Year 2022-23 – \$751.7 Million
 - Fiscal Year 2023-24 – \$112.9 Million

Online Resources:

- 2021-22 Final Budget: <https://achieve.lausd.net/Page/1679>

Websites:

- Chief Financial Officer <https://achieve.lausd.net/Page/1679>
- Budget Services and Financial Planning Division <https://achieve.lausd.net/Page/431>
- School Fiscal Services <https://achieve.lausd.net/Page/794>

OPEN DATA PORTAL

As part of our efforts to improve budget transparency, LA Unified has launched a budget tool available to staff, students, and the public in the Open Data Portal. This tool is available in the Open Data Portal at <https://my.lausd.net/opendata/dashboard>.

The budget tool includes information on four of the District’s main operating funds (General Fund, Cafeteria, Adult, and Early Education), and has the following summaries and features:

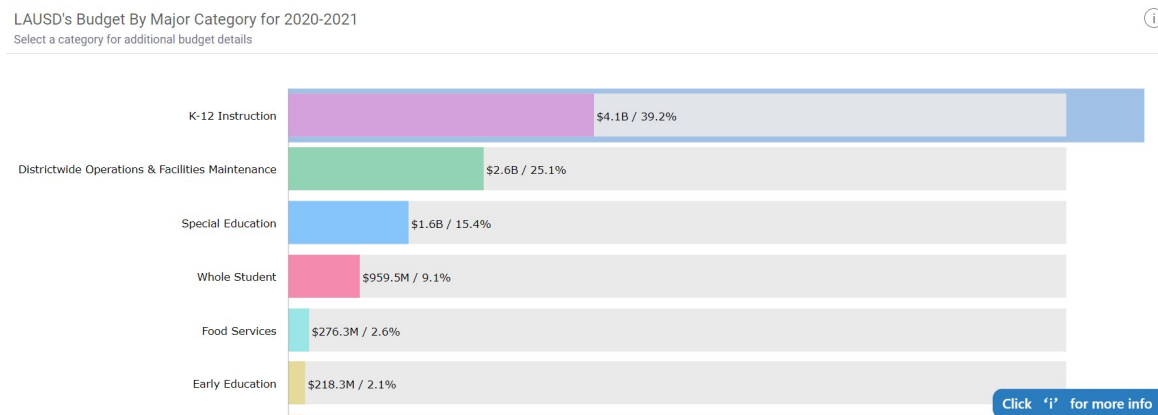
- Budget summaries by category (e.g., Instruction, Special Education, Transportation)
- Budget summaries by school sites
- Tools to compare budgets by category and year
- Users may choose to view summaries either by total amount or by per pupil amount
- Three years of budget data

Below are some examples of financial information that are available on the Open Data Dashboard.

1. Total budget amounts and per pupil budget amounts across the District’s four operating funds:



2. Total budgeted dollars by major category:



School Budget Reports

Individual school budget and spending reports shown below are available on the school's web page and can be accessed at:

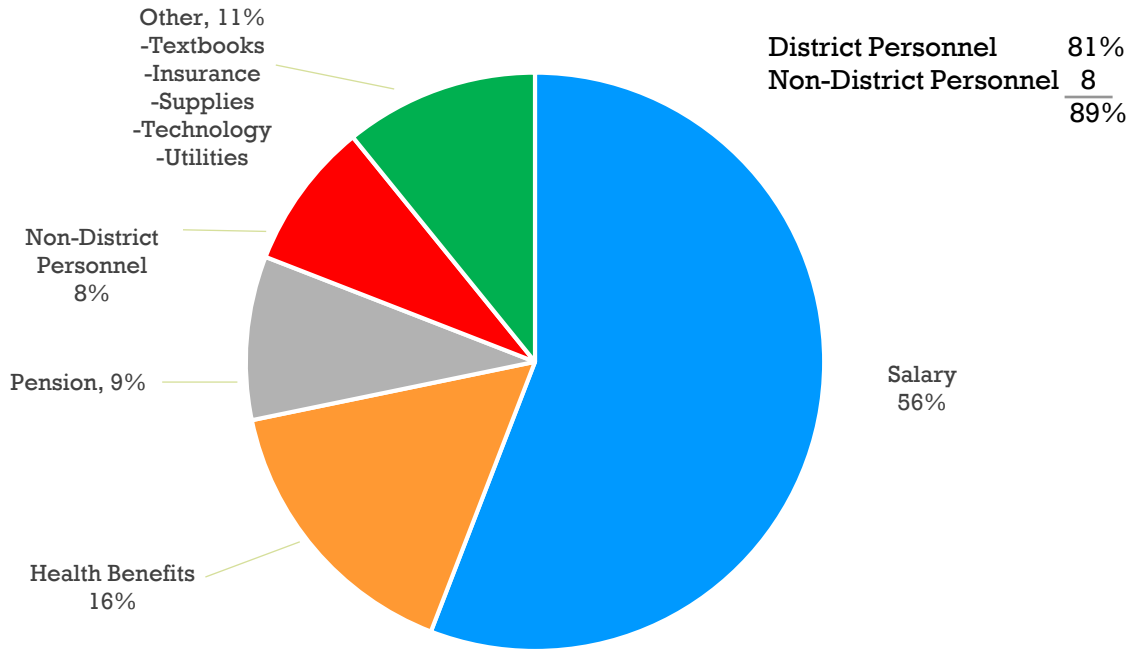
<https://schooldirectory.lausd.net/schooldirectory/>



- **Budget Availability Report** ○ This is a pre-formatted report that shows the current budget, encumbrances, expenditures, and available balances.
- **School Spending Report** ○ This report provides the same data shown in the Budget Availability Report but can be sorted in various ways such as by program code or description and by commitment item or description.
- **School Allocation Summary** ○ This summary reflects school resources in select program codes allocated during budget development. This report does not reflect any encumbrance or expenditure information.
- **Budget Development Reports**
 - The reports are classified by various types of funds. It includes a school's attendance, enrollment, demographic information, as well as the number and cost of staffing. These reports reflect budgets but not encumbrances, expenditures, or available balances.
 - These reports reflect summaries of school allocations/resources for the upcoming school year as of three different points in time shown below.
 - Before school budget development
 - After school budget development
 - After approval of the Board of Education

Budget Summaries by Fiscal Year and Month ○ These reports reflect the same information as the Budget Development Reports above except these are by school year and month. These reports reflect budgets but not encumbrances, expenditures, or available balances.

89% of Our Spending is On People



SCHOOL STAFFING AND OTHER RESOURCES

Introduction

The School Staff and Resources section describes personnel and non-personnel resource allocations made to most district schools based on an approved allocation rates or “norm”. Staffing ratios are provided for regular elementary schools, regular secondary schools, magnet and alternative schools, options schools, early childhood centers, community adult schools, regional occupational centers (ROC) and skills centers.

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

A separate listing is provided for materials and supplies allocations to cover the basic needs of instructional materials, textbooks, custodial, gardening and operational supplies, and school/community advisory committee expenses.

For resources allocated specifically for students with disabilities, please see School Staffing and Resources – Special Education.

SELECT K-12 SCHOOL RESOURCES AND BASIS OF ALLOCATION

Resource	2020-21 Basis of Allocation	2021-22 Basis of Allocation
Administrators	Norm Day enrollment; staffing ratios	Same
Arts	Based on the Arts Equity Index, which evaluates the need for resources based on current arts instruction and resources, professional development, Title I status, and the Student Equity Needs Index.	Same
Campus Aides	Three (3) to eight (8) hours of supervision support per day; number of personnel vary based upon security considerations	Same
Carryovers	Assuming the account is a carryover account, prior year's actual year-end balance; 50% of "projected carryovers were allocated during budget development	Same
Clerical Support	Norm Day enrollment; staffing ratios	Same
Coaches	Allocated by Local Districts based on school needs	Same
Counselors	Norm Day enrollment; staffing ratios	Same
Custodial Support	Norm Day enrollment and square footage of campus	Same
Day-to-day Substitute Teachers	10 days per in-classroom teacher	Same
Financial Managers/Senior Financial Managers	One full-time financial manager per 2 middle schools; one full-time senior financial manager for each high school	Same
General Supplies	Norm Day enrollment <i>times</i> a rate; \$17 per K-12 student	Same
Innovation Funds	Based on ACLU vs. LAUSD case settlement with regards to the use of LCFF's supplemental and concentration funds; last year to spend any remaining funds	No allocation; ended in 2020-21
Instructional Materials	Norm Day enrollment <i>times</i> a rate; \$18 per K-6 student; \$22 per 7-8 student; \$24 per 9-12 student	Same
Librarians	One full-time librarian for each secondary school with a library	Same

2021-22 BUDGET

Resource	2020-21 Basis of Allocation	2021-22 Basis of Allocation
Library Aides	One 3-hour library aide per elementary school with grades K-5 including span schools and special education centers	Same
Nurses	Enrollment, TSP percentage, and health needs	One full-time position for each campus
Psychologists	Norm Day enrollment and staffing ratio	Same
Special Education	Based on IEP program counts and staffing ratios	Same
Student Equity Needs Index (SENI)	Ranks schools using a variety of indicators, including targeted student population (low- income, English learners, foster youth), academic assessments, suspension rates, chronic absenteeism, and asthma severity rate, to name a few.	Same
Teachers	Norm Day enrollment; staffing ratios; Gr. 4-12 staffing ratio is lower by one compared to 2019-20	Norm Day enrollment; staffing ratios; Gr. 4-12 staffing ratio is lower by two compared to 2020-21
Title I	Resources allocated based on the Title I Ranking (percentage of low-income students); the minimum eligibility threshold was 45%.	Same

Norm Day enrollment – count of active students as of Norm Day, the 5th Friday of the instructional calendar

ONLINE LINKS TO SCHOOL-LEVEL BUDGETS

- ✚ **School Allocation Summaries** - <https://achieve.lausd.net/Page/17405>
This shows the summaries of resources by school for select program codes.
- ✚ **SENI Ranking and Allocation Summary** - <https://bit.ly/3okh7NX>
A summary of Student Equity Needs Index (SENI) ranking and corresponding allocation for each school can be viewed from the link above.
- ✚ **Title I Allocations**
A summary of Title I school ranking, per pupil rate, and corresponding allocations per school can be accessed from the links below:
 - Title I Program Allocation Summary - <https://bit.ly/3uUocqX>
 - Comparative Title I School Data - <https://bit.ly/3huPQqx>
 - Title I School Ranking By Alpha Order - <https://bit.ly/3flKY4v>
 - Title I School Ranking By Rank Order - <https://bit.ly/3wbET14>
- ✚ **School Budget Reports** - <https://schooldirectory.lausd.net/schooldirectory/>
School budgets at different points in time can be viewed as follows:
 - Allocations/resources before school budget development
 - Allocations/resources after school budget development
 - Allocations/resources after Board of Education approval
- ✚ **Staffing Bulletins** – <https://achieve.lausd.net/Page/17405>
This link will take you to the staffing ratios for various types of schools. Users may use this link <https://achieve.lausd.net/Page/17405> to estimate staffing allocations.
- ✚ **Class Size Table By Type of School** - <https://bit.ly/3bvMMGG>
This document shows class size averages and class size maximums by type of school and grade level.
- ✚ **General Fund School Programs Manual** - <https://bit.ly/2RZHlsZ>
This document provides information about school resources which includes items such as basis of allocation of resources, and guidelines on how to spend funds for position and non-position items. This also includes guidance on budget development for schools.
- ✚ **School Fiscal Services Branch Website** – <https://achieve.lausd.net/Page/794>
This website takes you to documents and other references for school budgeting and more.

Regular Elementary Schools

Staffing of elementary schools is based on norm tables and district policies. The norm tables prescribe the numbers and types of positions for a given enrollment.

ELEMENTARY SCHOOL NORMS – 2021-2022

Certificated Staff (based on District norm):

1	Teacher per 24 students in kindergarten
1	Teacher per 24 students in grades 1-3
1	Teacher per 35.5 students in grades 4-6*
1	Principal per school
1	Assistant Principal for schools with 1,000 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

Continuing for fiscal year 2021-22, elementary students enrolled in an approved Dual Language Programs such as Dual Language Two-Way Immersion, Dual Language One-Way Immersion, and World Language Immersion Programs (e.g., Spanish, Korean, Mandarin, French, etc.) will be normed separately from the non-dual language classes. Grades K-3 will be normed based on a 24:1 student teacher ratio for each program language; and grades 4-5/6 will be normed separately based on the applicable grade 4-5/6 norm table.

*The district norm in grades 4-5 for targeted high needs and non-high needs elementary schools will be the same in FY 2021-22.

Substitute days – 10 days per norm register-carrying teacher

Classified Staff:

1	School Administrative Assistant per school, plus:
1	Office Technician for schools with enrollments up to 749
2	Office Technicians for schools with enrollment of 750 to 1,499
3	Office Technicians for schools with enrollment of 1,500 to 2,199
4	Office Technicians for schools with enrollment of 2,200 to 2,899
5	Office Technicians for schools with enrollment of 2,900 to 3,599
6	Office Technicians for schools with enrollment of 3,600 to 4,299
7	Office Technicians for schools with enrollment of 4,300 and above

**Designated schools involved in the court-ordered integration programs receive additional positions to provide an overall ratio of one teacher for every 27.0 students in grades 4-6 for non-targeted and targeted high needs Predominantly Hispanic, Black, Asian and other Non-Anglo (PHBAO) schools; and 32.5 students for non-targeted and targeted high needs non-PHBAO schools.*

Regular Secondary Schools

Staffing of secondary schools is based on 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 allocation for only five teaching periods.

SECONDARY SCHOOL NORMS – 2021-2022

Certificated Staff (based on District norm):

1	Teacher per 38.5 students in middle schools*
1	Teacher per 38.5 students in senior high schools**
1	Principal per school
1	Assistant Principal, Secondary Counseling Services per school with enrollment of 700 to 1,354
1	Assistant Principal per school with enrollment of 1,355 to 1,749
2	Assistant Principals per school with enrollment of 1,750 to 2,088
3	Assistant Principals per school with enrollment of 2,089 to 4,233
4	Assistant Principals per school with enrollment of at least 4,234

Continuing for fiscal year 2021-22, secondary schools with students enrolled in an approved Dual Language Program will be allocated 6 auxiliary periods for each program language. e.g., Dual Language Program and World Language Immersion Programs.

*The district norm in grades 6-8 for targeted high needs middle schools will be 1 teacher for 36.5 students.

Substitute days – 10 days per norm register-carrying teacher.

Classified Staff:

1	School Administrative Assistant per school, plus:
1	clerical position for middle schools with enrollments up to 700 plus 1 clerical position for each additional 450 students over 700
1	clerical position for senior high schools with enrollment of up to 700 plus 1 clerical position for each additional 450 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 the court-ordered integration programs received additional positions to provide an overall ratio of one teacher for every 30.0 students in academic classes for non-targeted high needs schools and 28.0 students in academic classes for targeted high needs Predominantly Hispanic, Black, Asian and other Non-Anglo (PHBAO) schools; and 35.5 students in academic classes for non-targeted high needs and 33.5 students in academic classes for targeted high needs Non-PHBAO schools.*

***Designated senior high schools involved in the court-ordered integration programs received additional positions to provide an overall ratio of one teacher for every 30.0 students for academic classes in grades 9th and 10th for Predominantly Hispanic, Black, Asian and other Non-Anglo (PHBAO) schools; and 35.5 students in academic classes in grades 9th and 10th for all other Non-PHBAO schools.*

Magnet Schools

Several Magnet Schools provide services to both elementary and secondary students. Teacher allocations are determined by the magnet and alternative school program norm tables for a given enrollment.

Other personnel allocations are based on district policies.

MAGNET SCHOOLS & CENTERS NORMS – 2021-2022

Magnet schools and centers identified as serving Predominantly Hispanic, Black, Asian, and Other Non-Anglo students (PHBAO):

1	Teacher per 24.0 students in grades K-3
1	Teacher per 27.0 students in grades 4-5*
1	Teacher per 30.0 students in grades 6-8**
1	Teacher per 30.0 students in grades 9-12

All other magnet schools and centers (Non-PHBAO):

1	Teacher per 24.0 students in grades K-3
1	Teacher per 30.0 students in grades 4-5*
1	Teacher per 32.5 students in grades 6-8**
1	Teacher per 32.5 students in grades 9-12

Substitute days – 10 days per norm register-carrying teacher

*There will be one teacher per 27.0 students in grades 4-5 for targeted Predominantly Hispanic, Black, Asian, and Other Non-Anglo (PHBAO) magnet schools/centers and one teacher per 29.5 students for Non-PHBAO targeted high needs magnet elementary schools/centers.

** There will be one teacher per 28.0 students in grades 6-8 for targeted Predominantly Hispanic, Black, Asian, and Other Non-Anglo (PHBAO) magnet middle schools/centers and one teacher per 30.5 students for all other Non-PHBAO targeted high needs middle schools/centers.

Options Schools

Options schools serve 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 behavioral needs, a lower pupil/teacher norm is provided.

OPTION SCHOOLS NORMS – 2021-2022

Continuation Schools

1	Teacher per 29 students
1	Principal per school
1	School Office Manager per school

Opportunity and Community Day Schools

1	Teacher per 21 students
1	Principal per School
1	Assistant Principal per School
1	School Administrative Assistant per School

Independent Study Schools

1	Teacher per 30 students
1	Principal per school
2	Assistant Principals per school
1	School Administrative Assistant per school

Early Childhood Education Centers

Early Childhood Education Centers are staffed based on the guidelines and staffing ratios established by Education Code 8264.8, 5CCR 18290, 18291, and 18292 for administrative, certificated, and classified personnel. The Los Angeles Unified School District maintains at least the following minimum ratios in all early education centers.

California State Preschool Program (CSPP)		General Child Care and Development (CCTR)	
Adult to child ratio	1:8	Adult to child ratio	1:4
Teacher to child ratio	1:24	Teacher to child ratio	1:16

Staffing is allocated based on enrollment capacity and hours of operation. Compliance with these ratios shall be determined based on actual attendance.

EARLY CHILDHOOD EDUCATION CENTER NORMS - 2021-2022

Certificated Staff

1	Principal per early childhood education center
1	Teacher per 24 students in each early childhood education center
*	4-hour teacher

Classified Staff

1	Office Manager per early childhood education center
1	Housekeeper per early childhood education center
1	4-hour Building and Grounds worker per early childhood education center
8	8-hour aides for early childhood education centers with enrollment capacity of 96, <i>plus</i>
4	3-hour aides for early childhood education centers with enrollment capacity of 96
10	8-hour aides for early childhood education centers with enrollment capacity of 120, <i>plus</i>
5	3-hour aides for early childhood education centers with enrollment capacity of 120
12	8-hour aides for early childhood education centers with enrollment capacity of 144, <i>plus</i>
6	3-hour aides for early childhood education centers with enrollment capacity of 144
14	8-hour aides for early childhood education centers with enrollment capacity of 168, <i>plus</i>
7	3-hour aides for early childhood education centers with enrollment capacity of 168
16	8-hour aides for early childhood education centers with enrollment capacity of 192, <i>plus</i>
8	3-hour aides for early childhood education centers with enrollment capacity of 192

*Based on individual school needs

**Regional Occupational Centers (ROC)/Skills Centers (SC) and
Community Adult Schools**

Regional Occupational Centers (ROC)/Skills Centers (SC) and Community Adult Schools (CAS) are staffed based on established staffing guidelines for administrative and classified personnel.

Due to wide variances in the programs offered at each site, teacher hours are allocated based on available funding and community needs. In addition, other District programs allocate additional positions to schools with identified special community needs.

ROC/SKILLS CENTER AND COMMUNITY ADULT SCHOOL NORMS – 2021-2022

Certificated Staff

1	Principal
2	Assistant Principals, Operations
2	Assistant Principals, Adult Counseling Services
*	Teachers, Teacher Advisors, Teacher Counselors

Classified Staff

1	School Administrative Assistant
1	Occupational Center Financial Manager
1	School Office Computer Coordinator
1	Accounting Technician II
*	IT Support Technician
*	Office Technicians
*	Campus Aide
*	Building and Grounds Worker

*Based on individual school needs

SUPPORT PERSONNEL ALLOCATIONS FOR FY 2021-2022

Custodial Personnel – K – 12 Schools

Custodial Personnel allocations for K-12 schools are based on a combination of factors, mainly space (square footage of different types of areas) and student enrollment. For most K - 12 schools, allocations are based on the following:

- The minimum staffing allocation for a K-12 school is 16 hours and each school is allocated a Plant Manager within the allocation. Schools may also be allocated an Assistant Plant Manager based on the number of custodial hours on the night shift. The Plant Manager level is determined by the size of the campus. The placement of an Assistant Plant Manager as well as the levels of both the Plant Manager and Assistant Plant Manager can only be changed after review by Personnel Commission.
- Square footage area of interior space and exterior area hardscape and planted areas are used to determine a time value to clean the spaces daily.
- A Budget reduction factor is applied based on available funding for custodial staffing.
- An Enrollment factor of .41 minute per enrolled student is added back in after the above reduction.
- Custodial time is rounded to the nearest 4-hour increment to determine the amount of staffing budgeted for the school site.
- High schools and middle schools are also allocated C – basis School Facilities Attendant(s) whose main duty is to service restrooms and provide other miscellaneous duties within their job classification description when the school is in session.
- Pool custodians will be assigned to the Maintenance and Operations (M&O) Areas and will service schools' swimming pools in their respective M&O areas.

Custodial allocations are also augmented based on enrollment at schools using the criteria below. These criteria and allocations are subject to change based on availability of funds in Program 11694 Operations-school positions.

- Elementary schools with an enrollment greater than 606 students that are allocated 16 hours of custodial time will receive an additional 4-hour custodial allocation.
- Middle schools with an enrollment greater than 1,744 will receive an additional 4-hour custodial allocation.

Custodial Personnel – Special Education Centers and Special Education Program in K-12 Schools

Custodial staffing allocation for Special Education Centers and for combined special education and traditional school sites is first calculated like a traditional site. Custodial staffing hours may be added to site allocation due to:

- Special Education allocation rules below also apply to traditional schools with 500 or greater enrollment
- Traditional sites or stand-alone special ed sites with 5 or greater classrooms designated for students in the following programs: PCC, PAL, PSC, AUT, IDS, MDS, IDM, MD, EE, VI, and DHH (page II-22).
- The following allocations will be made to the sites described above:
 - 4 custodial hours if using 5-12 classrooms for designated programs
 - 8 custodial hours if using 13-17 classrooms for designated programs

- 12 custodial hours if using 18-23 classrooms for designated programs
- 16 custodial hours if using 24-29 classrooms for designated programs
- 20 custodial hours if using 30 or more classrooms for designated programs

Custodial Personnel – Option Schools

Custodial allocations for continuation schools, opportunity schools, community day schools, and independent study schools are calculated similarly to K-12 sites subject to the following guidelines:

- Continuation schools, opportunity schools, community day schools, and independent study schools are often contained within a larger K-12 campus. For these sites, enrollment and square footage values are included in the main site's allocation.
- The continuation school, opportunity schools, community day school, or independent study school program contribute funding based on the size of the area used on the main campus. The time apportioned to the continuation schools, opportunity schools, community day schools, or independent study schools and the funding program are included on the main site's custodial allotment sheet.

When a continuation school, opportunity school, community day school, or independent study school is not co-located with a larger campus, custodial allocation is calculated similarly to a typical K-12 school site.

Custodial Personnel – Adult Education Sites

Custodial allocations for Adult Education sites are calculated similarly to K-12 sites. Stand-alone Adult Education sites are assigned to a team cleaning group consisting of an appropriate level plant manager and an assistant plant manager as needed. The Division of Adult Education funds custodial staffing for these sites. When Adult Education uses a portion of a larger host campus, the Adult Education custodial team assigned to the Adult Ed centers in that area will provide custodial services for the campus areas used, in coordination with the site's plant manager and administrator. No additional custodial hours will be added to the host school site allotment, as the Adult Ed custodial team will provide needed custodial support.

Campus Aides

Campus aides are allocated to provide a range of three (3) to eight (8) hours of supervision support to schools subject to review and approval by Local District and District Operations based upon security considerations.

Teacher Librarians

Per the District - UTLA agreement of January 2019 (part of the settlement of the UTLA work stoppage), the District funds a full-time Teacher Librarians for all secondary schools, including SPAN schools. The agreement allowed a two-year period for implementation (2019-20 and 2020-21 school years). K-8 SPAN schools are included in this agreement. Each secondary school receives a one (1.0) position. For shared sites, the funding for the 1.0 position is divided among the schools sharing the site. The schools then pool the funding to purchase the 1.0 TL position. The funding provided for the Teacher Librarian position may not be repurposed.

School Nurses

Mandated health requirements must be met. Once the District’s minimum requirements are budgeted in Program 10529 TSP-Nurse/HS Couns School, additional categorical supplemental resources may be purchased to supplement, not supplant. Each school will receive full-time School Nurse allocation as required by the UTLA contract.

However, in the event of a nursing staff shortage, schools may not receive the entirety of their School Nurse time, and District Nursing Services will have the discretion to prioritize nursing time based on students’ health needs. While every effort will be made to minimize changes to the nursing allocation to schools, student health needs criteria will determine the priority for nursing services in the event of a staffing shortage, therefore resulting in possible changes during the school year. These funds should not be used for activities such as health office management or to provide services that can be assigned to trained unlicensed staff. Schools may purchase additional nursing time from their budget based on the health needs of their students.

There is no flexibility allowed on this resource.

School Psychologists

School Psychologists and related personnel are allocated to schools based on student needs 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 addition to special education and general education allocations, schools purchase additional psychological services based on the needs of their students and the schools’ ability to fund the positions.

Pupil Services and Attendance Counselors

Schools purchase Pupil Services and Attendance Counselors services based on their needs for attendance services and the schools' ability to fund the positions.

Black Students Achievement PSA Counselors are allocated at Elementary schools based on the criteria below:

- Greater than 200 Black student total enrollment with at least 1 of the following
OR
- Greater than 100 Black student total enrollment with 2 or more of the following:
 - Referral and suspension rates were greater than their percentage of enrollment at the school
 - Greater than 10 percentage points more Black students disagreed with the school experience survey items than the district average
 - Experienced more chronic absenteeism than the district average
AND
 - Percentage of students that met/exceed grade level standards in English Language Arts and math below district average
OR
 - Humanizing Education for Equitable Transformation (HEET) School

Material and Supply Allocation Rates

Allocations for Instructional materials, school advisory committee expenses, and operational supplies are made to schools according to the following rates.

INSTRUCTIONAL MATERIALS		
<u>Program</u>	<u>2020-2021 Rate</u>	<u>2021-2022 Rate</u>
General Education:		
K-6	\$16 per student	\$18 per student
7-8	\$20 per student	\$22 per student
9-12	\$22 per student	\$24 per student
Instructional Materials Block Grant	*	*
Community Adult Schools	*	*
Options Schools	\$739 per teacher	\$739 per teacher
Regional Occupational Centers and Skills Centers	*	*
Regional Occupational Program	*	*

**Allocations are determined based on school needs*

OPERATIONAL SUPPLIES

	<u>2020-2021 Rate</u>	<u>2021-2022 Rate</u>
Community Adult Schools	\$112.50 per custodial hour (separate site) + \$3.20 per student (all sites)	\$112.50 per custodial hour (separate site) + \$3.20 per student (all sites)
Continuation Schools	\$32.65 per custodial hour + \$7.49 per student	\$32.65 per custodial hour + \$7.49 per student
Opportunity Schools	\$75.50 per custodial hour + \$6.14 per student	\$75.50 per custodial hour + \$6.14 per student
Regular Schools	\$132.60 per custodial hour + \$6.00 per student	\$132.60 per custodial hour + \$6.00 per student
Special Education	\$132.60 per custodial hour + \$6.00 per student	\$132.60 per custodial hour + \$6.00 per student
Administrative Sites	\$204.00 per custodial hour	\$204.00 per custodial hour

Los Angeles Unified School District

2021-22 BUDGET

SCHOOL STAFF AND RESOURCES – SPECIAL EDUCATION

These do not include Related Services and their required teacher ratios.

<u>Acronym</u>	<u>Name</u>	<u>Teacher Norm for Students Up to 8 Years Old</u>	<u>Teacher Norm for Students 9 Years Old & Above</u>	<u>Notes</u>
AUT A	Autism – Alternate Curriculum	8	8	
AUT C	Autism – General Education Curriculum	10	10	
DHH	Deaf and Hard of Hearing	6	8	
ED	Emotional Disturbance	8	8	
IDM	Intellectual Disability Moderate	12	12	
IDS	Intellectual Disability Severe	10	10	
INC	Inclusion	20	20	Supports SWDs in GE classroom settings. Replaces GE Curriculum Special Day & RSP Programs at select schools.
MD	Multiple Disabilities	8	8	
PAL	Preschool for All Learners	10	-	
PAL/CC	Preschool for All Learners Collaborative Classroom	10	-	Part of instructional day is spent with 14-24 GE students and 1 GE teacher
PCC	Preschool Collaborative Classroom Early Education Centers	10	-	Also 1 GE Teacher, only at EECs.
PCC/ETK	Preschool Collaborative Classroom with Expanded Transitional Kindergarten	10	-	Total class norms at 24 with 8 SWD and 16 GE children. Also receives 1 GE Teacher. To replace PCC program at non-EEC locations.
PSC	Preschool Comprehensive Program	8	-	
RSP	Resource Specialist Program	28	28	
SLD	Specific Learning Disability	12	12	
VI	Visually Impaired	6	8	
Special Education Centers and Career Transition Centers		10	10	

2021-22 LCAP Supplemental and Concentration Fund Expenditures

LCAP Goal	LCAP Action #	LCAP Action Title	2021-22 Expenditure
1	3	District-Level Graduation Readiness Supports (A-G Interventions)	\$ 10,601,667
1	4	Targeted School-Level Graduation Readiness Supports	\$ 32,596,841
1	5	College Access Program	\$ 505,646
1	6	Increased Access to Advanced Placement (AP) and International Baccalaureate (IB) Programs	\$ 5,623,428
1	8	Linked Learning	\$ 2,751,169
1	9	Special Education Transition Services	\$ 6,174,555
1	10	SENI Investments to Increase Access to Programs and Supports for 100% Graduation	\$ 67,514,286
2	6	Central District Supports for Instruction	\$ 349,015
2	7	Local District Supports for Instruction	\$ 36,894,228
2	8	Community of School Supports for Instruction	\$ 2,319,927
2	9	School-Level Supports for Individualized Learning Interventions	\$ 430,890,899
2	11	Instructional Technology	\$ 15,864,032
2	13	Supplemental Arts Education	\$ 33,474,508
2	14	Early Education and Expanded Transitional Kindergarten	\$ 195,695,231
2	15	Primary Promise (Elementary Literacy and Mathematics Interventions)	\$ 1,835,547
2	16	Secondary Literacy Supports and Interventions	\$ 4,056,525
2	17	Dual Language Education Program	\$ 118,782,345
2	25	English Learner Supports	\$ 5,183,977
2	26	SENI Investments to Increase Access to Programs and Supports for Proficiency for All	\$ 250,560,420
3	2	Health Access and Equity: Supplemental Student Health Services	\$ 98,641,314
3	5	Supplemental Afterschool Programs	\$ 7,788,541
3	6	Attendance Interventions	\$ 4,038,757
3	7	School Enrollment Placement and Assessment (S.E.P.A.) Center	\$ 1,185,520
3	8	FamilySource System	\$ 1,544,296
3	9	Specialized Student Services (SSS) Programs for Students in Foster Care and Experiencing Homelessness	\$ 36,940,858
3	10	SENI Investments to Increase Access to Programs and Supports for Excellent Attendance	\$ 32,463,827
4	3	Aligned Strategic Planning and Accountability	\$ 221,362
4	4	Student Empowerment	\$ 252,471
4	5	SENI Investments to Increase Access to Programs and Supports for Parent, Student and Community Engagement	\$ 19,115,640
5	3	Supplemental School Climate Support Staff	\$ 8,832,828

LCAP Goal	LCAP Action #	LCAP Action Title	2021-22 Expenditure	
5	4	Mental Health Supports	\$	2,315,288
5	5	Positive Behavior Interventions and Restorative Practices	\$	2,034,500
5	6	SENI Investments to Increase Access to Programs and Supports for School Safety and Climate	\$	53,992,092
			Total = \$	1,491,041,540
Total (including Affiliated Charter Supplemental and Concentration Expenditures) =			\$	1,555,730,000

STUDENT EQUITY NEEDS INDEX (SENI)

The District uses the Student Equity Needs Index score to determine the Targeted Student Population (TSP) allocation to schools.

Overview

There are four fundamental principles in designing an equity-based funding formula:

- Equity – funds should be allocated according to need.
- Transparency – the methodology for allocating funds is clear, simple, and understandable.
- Fairness – schools with similar needs should receive similar funds per TSP student.
- Stability and Feasibility – funds should be allocated in a manner that causes minimal disruption to school planning.

Equity-Based Funding Formula

- Based on the school's SENI score, there are five rankings: Highest, High, Moderate, Low, and Lowest.
- Funds are allocated on a continuous per pupil rate based on the school's Student Equity Needs Index score.
- The SENI per pupil rates for secondary schools are higher than elementary schools to recognize the higher costs to operate middle and high schools.
- In school year 2020-21, it was necessary to establish five new program codes to align and track budgeted expenditures to LAUSD's Local Control Accountability Plan (LCAP) goals. Funds that were originally allocated in program code 10552, SENI, were transferred to the new LCAP program codes below:
 - Program 10983, 100% Graduation
 - Program 10984, Proficiency for All
 - Program 10985, 100% Attendance
 - Program 10987, Parent and Community Engagement
 - Program 10988, School Safety.

Student Equity Needs Index 2018 - Refresh

Student Equity Needs Index 2018					
Highest	Index 2.0 Indicators of Need	Data Range	Index Weight		
			HS	MS	ES
High	Percentage of Foster Youth	Annual	5%	5%	5%
	Percentage of Homeless Youth	Annual	5%	5%	5%
	Percentage of English Learners	Annual	5%	5%	5%
	Percentage of Standard English Learners	Annual	5%	5%	5%
	Percentage of Low-Income S.W.D.	Annual	5%	5%	5%
Moderate	Percentage of Unduplicated Students	Annual	20%	20%	20%
	Suspension Rates	Annual	5%	5%	5%
	1 st Grade DiBELS	Annual			30%
Low	Incoming 6 th /9 th Grade Math SBAC	Annual	10%	15%	
	Incoming 6 th /9 th Grade ELA SBAC	Annual	10%	15%	
	Chronic Absenteeism	Annual	5%	5%	5%
	I-Star Reports	3-Year Avg.	5%	5%	5%
Lowest	Asthma Severity Rate	3-Year Avg.	5%	5%	5%
	Non-Fatal Gun Shot Injuries	3-Year Avg.	5%	5%	5%
	A-G Completion Rate (High School Only)	Annual	10%		

Los Angeles Unified School District

2021-22 BUDGET

STUDENT EQUITY NEEDS INDEX (SENI) PER PUPIL RATES

LOS ANGELES UNIFIED SCHOOL DISTRICT
 STUDENT EQUITY NEEDS INDEX (SENI) PER PUPIL RATES
 FY 2021-22
 As of March 26, 2021

SENI 2021 Quintile	School Type	No. of Schools	No. of Unduplicated Students	Total Allocation
1 - HIGHEST	1-Elementary	100	48,185	51,847,201
	2-Middle School	18	10,934	18,365,746
	3-High School	21	21,002	35,863,810
	4- Span School	3	2,823	3,732,344
1 - HIGHEST Total		142	82,944	109,809,101
2 - HIGH	1-Elementary	99	42,472	38,578,416
	2-Middle School	18	15,217	22,722,089
	3-High School	21	11,438	17,291,185
	4- Span School	5	3,645	4,862,738
2 - HIGH Total		143	72,772	83,454,428
3 - MODERATE	1-Elementary	97	36,858	28,655,173
	2-Middle School	18	15,556	21,061,237
	3-High School	20	22,479	30,375,869
	4- Span School	7	5,375	6,346,680
3 - MODERATE Total		142	80,268	86,438,959
4 - LOW	1-Elementary	98	32,380	21,489,340
	2-Middle School	17	14,103	17,648,179
	3-High School	22	21,425	25,601,770
	4- Span School	6	3,601	3,825,543
4 - LOW Total		143	71,509	68,564,832
5 - LOWEST	1-Elementary	98	20,102	11,331,149
	2-Middle School	17	13,614	14,843,836
	3-High School	19	21,273	21,197,500
	4- Span School	8	6,235	6,539,893
5 - LOWEST Total		142	61,224	53,912,378
6- Option School	Community Day School	9	934	393,325
	Continuation High School	41	4,879	2,000,905
	Opportunity School	6	561	239,425
6- Option School Total		56	6,374	2,633,655
7-Spec. Educ	Special Education School	9	1,116	452,485
7-Spec. Educ Total		9	1,116	452,485
Grand Total		777	376,207	405,265,838

Los Angeles Unified School District

2021-22 BUDGET

STUDENT EQUITY NEEDS INDEX PLUS (SENI+) PER PUPIL RATES

**LOS ANGELES UNIFIED SCHOOL DISTRICT
STUDENT EQUITY NEEDS INDEX PLUS (SENI+) PER PUPIL RATES
FY 2021-22**

SENI+ 2021 Quintile	School Type	No. of Schools	No. of Unduplicated Students	Total Allocation
1 - HIGHEST	1-Elementary	99	47,510	51,438,346
	2-Middle School	18	10,934	11,813,058
	3-High School	22	20,014	21,627,005
	4-Span School	4	3,175	3,316,135
1 - HIGHEST Total		143	81,633	88,194,544
2 - HIGH	1-Elementary	98	42,385	39,322,163
	2-Middle School	18	14,215	13,298,382
	3-High School	21	14,625	13,458,057
	4-Span School	5	3,693	3,271,880
2 - HIGH Total		142	74,918	69,350,481
3 - MODERATE	1-Elementary	98	37,715	29,054,802
	2-Middle School	18	15,444	11,948,271
	3-High School	20	22,897	17,560,846
	4-Span School	6	3,540	2,714,069
3 - MODERATE Total		142	79,596	61,277,988
4 - LOW	1-Elementary	98	32,224	19,949,164
	2-Middle School	17	15,524	9,788,862
	3-High School	21	19,295	12,151,289
	4-Span School	6	5,036	3,107,687
4 - LOW Total		142	72,079	44,997,002
5 - LOWEST	1-Elementary	99	20,163	9,608,278
	2-Middle School	17	13,307	6,257,450
	3-High School	19	20,786	10,097,572
	4-Span School	8	6,235	2,851,515
5 - LOWEST Total		143	60,491	28,814,815
6 - Option School	Community Day School	9	832	660,327
	Continuation High School	39	4,347	3,450,041
	Independent Study	1	1,569	1,245,253
	Opportunity School	4	472	374,608
	Other	1	78	61,905
6 - Option School Total		54	7,298	5,792,134
7 - Special Educ	Special Education School	12	1,982	1,573,036
7 - Special Educ Total		12	1,982	1,573,036
Grand Total		778	377,997	300,000,000

*Allocation method per Equity is Justice 2021 Resolution (Res 023-20/21 adopted by Board of Education, May 11, 2021.

**To be implemented July 2021

TARGETED STUDENT POPULATION

These funds are intended to support the needs for Low Income, Foster Youth, Redesignated Fluent English Proficient (RFEPs), and English Learners (ELs).

Total Sources	\$ 22,304,455
Estimated Carryover	14,392,521
Total	\$ 36,696,976
Budgeted Expenditures	Amount
Programs	
Advanced Learning Options-Advanced Placement (AP) Readiness	\$ 380,000
College Readiness	505,646
Dual Language Education School Support	275,234
International Baccalaureate	3,723,428
Knowledge of English Yields Success (KEYS)/Asian Pacific and Other Languages Off	523,952
LAS Links CTB-McGrawHill ELD Assessment for EL & SEL	300,000
LD Discretionary Funds/Access to Core Coaches	10,756,698
LD EL Achievement Plan	821,567
Master Plan/Office of Civil Rights and Voluntary Agreement	6,048,949
Subtotal	\$ 23,335,474
School Support	
Access, Equity, and Acceleration Team	\$ 733,201
Counseling Coordinators	157,961
Dual Language Bilingual Program	1,697,733
Federal & State Education Programs	10,000
Human Resources Certificated, Recruitment, Selection, and Credential	146,199
LD/COS Administrators	1,262,985
Migrant Education	164,222
Multilingual and Multicultural Education Department	3,824,331
Office of Data and Accountability /School Information Branch	671,887
Parent and Community Services Branch	900,796
School Enrollment Placement and Assessment (S.E.P.A.)	1,185,520
Translations Unit	188,274
Subtotal	\$ 10,943,109
Reserve - Carryover Adjustment	\$ 2,418,393
Total Uses	\$ 36,696,976

Los Angeles Unified School District

2021-22 BUDGET

RESTRICTED PROGRAM SCHOOL PER PUPIL RATES

LOS ANGELES UNIFIED SCHOOL DISTRICT
 PER PUPIL RATE COMPARISONS
 FY 2020-21 to FY 2021-22
 As of March 11, 2021

Funding Source	Description	Allocation Basis	Program Code	FY 2020-21 Estimated	FY 2020-21 Actual	FY 2021-22 Estimated	FY 2020-21 Actual vs FY 2021-22 Estimated Difference
Title I, Part A **	Socioeconomically Disadvantaged	K-12: 65-100% Poverty	7S046	\$ 775.00	\$ 823.00	\$ 953.00	\$ 130.00
		K-12: 50-64.99% Poverty		\$ 589.00	\$ 625.00	\$ 725.00	\$ 100.00
		K-12: 45-49.99% Poverty		\$ 447.00	\$ 474.00	\$ 549.00	\$ 75.00
Title I, Part A **	Socioeconomically Disadvantaged	Hold Harmless-Schools falling below 50% poverty	7S046	\$ -	\$ -	\$ 379.00	\$ 379.00
Title I, Part A (Parents)	Socioeconomically Disadvantaged	K-12: 65-100% Poverty	7E046	\$ 11.00	\$ 11.00	\$ 11.00	\$ -
		K-12: 50-64.99% Poverty		\$ 9.00	\$ 9.00	\$ 9.00	\$ -
		K-12: 45-49.99% Poverty		\$ 7.00	\$ 7.00	\$ 7.00	\$ -
Title I, Part A (Parents)	Socioeconomically Disadvantaged	Hold Harmless-Schools falling	7E046	\$ -	\$ -	\$ 5.00	\$ 5.00
	Proficient	Schools will not receive the Access to Core Coach allocation and LD will submit the SPSA/approved by MMED	7S176				
		Schools will receive the allocation thru their LD	7U197/7T197				

**Title I Targeted Assistance Schools (TAS) will be funded from program 70S46.

Los Angeles Unified School District

2021-22 BUDGET

TITLE I, PART A SOCIOECONOMICALLY DISADVANTAGED STUDENTS

These funds are used to meet the educational needs of low-achieving students in the District's highest-poverty schools.

	Final Budget
Estimated Entitlement	\$ 342,386,817
FY 21 Additional Entitlement	\$ 21,215,103
Estimated Carryover	93,697,736
Total	\$ 457,299,656

Budgeted Expenditures	No. of Students	Rate	Amount
School Discretionary Per Pupil Allocations			
Poverty % = 100% -65%	322,330	\$ 953	\$ 307,180,490
Poverty % = 64.99% -50%	24,032	\$ 725	17,423,200
Poverty % = 49.99% -45%	2,223	\$ 549	1,220,427
Hold Harmless	333	\$ 379	126,207
Subtotal	348,918		\$ 325,950,324

Reserve-

Parent Involvement Reservation

Per Pupil Allocations

Poverty % = 100% -65%	322,330	\$ 11.00	\$ 3,545,630
Poverty % = 64.99% -50%	24,032	\$ 9.00	216,288
Poverty % = 49.99% -45%	2,223	\$ 7.00	15,561
Hold Harmless	333	\$ 5.00	1,665
	348,918		\$ 3,779,144

Community Representatives	38,781
District Parent Educator Coaches	933,039
LD Administrator of PCE	220,193
LD Pending Distribution	273,461
Mileage for Parents	500
Parent Community Facilitator	26,004
Parent Community Student Services Branch	1,116,380
Private Schools Proportionate Share	21,774
Subtotal	\$ 6,409,276

Private Schools

Per Pupil Allocations	\$ 978,001
-----------------------	-------------------

Mandatory Reservations (Reservation Required)

Homeless Program	\$ 1,175,286
Neglected Program	1,527,233
Subtotal	\$ 2,702,519

Los Angeles Unified School District

2021-22 BUDGET

Other Reservation Allowed

2022 Summer Programs	\$	29,000,000
A-G Diploma Counselor		13,020,985
2021 Summer Programs*		13,000,000
Equity in Math		9,413,591
College and Career Coach (Middle School)		9,229,473
Fall and Spring Programs		7,500,000
Early Literacy		2,844,720
Read Education for Acceleration and Differentiation (READ)		2,209,125
Newcomer Coaches/Counselors		1,467,810
LTEL/Spec Ed PD/AVID Excel/Linked Learning		1,379,980
Newcomer Summer Program		1,020,000
Winter Spring Plus-Credit Recovery		623,670
Support for Option Schools		546,002
Middle School Student Aspirations Training		320,040
Salary Differentials		86,499
SSC Training		80,000
Subtotal	\$	91,741,895

Administration and Indirect Cost

Administration-Basic	\$	4,892,432
Administration-Neglected		153,302
Administration-Private School		1,128,005
District Title I Coordinators		2,020,954
Indirect Cost		21,222,948
Reserve-School Allocation Adjustment for Reconfigured Schools		100,000
Subtotal	\$	29,517,641
Total Expenditures	\$	457,299,656

Notes: *\$30 million of FY 2020-21 budget is allocated to Beyond the Bell for the administration of Extended Learning Opportunities and Newcomer Summer Programs which concludes on July 23, 2021 (FY 2021-22).

TITLE II, PART A SUPPORTING EFFECTIVE INSTRUCTION

General Description

These funds are intended to increase the academic achievement of all students by helping schools improve teacher and principal quality through professional development and provide low-income and minority students greater access to effective teachers and principals.

Estimated Entitlement	\$	26,666,968
Estimated Carryover		10,376,779
Total	\$	37,043,747

Budgeted Expenditures		Amount
Pre K - 12 Curriculum Services		
A-G Intervention	\$	2,143,188
District positions		8,602,339
Integrated Library & Textbook Services		99,682
Office of Chief Academic Officer		7,915,786
Office of Curriculum & Instruction / School Support		154,843
Office of Curriculum & Instruction / Secondary		653,711
Personalized Learning Systems		530,910
Subtotal	\$	20,100,459
Human Resources (HR)		
HR-Administrator Development & Support	\$	621,587
HR-Beginning Teacher Growth & Development		464,529
HR-Certificated Performance Evaluation Support		1,011,783
HR-Certificated Workforce Management		589,051
HR-Credential Services Unit		320,046
HR-Educator Development & Support		167,854
HR-Induction Program, Credentials, and Contracts		1,460,200
HR-Intern, Credentialing, and Added Authorization Program (iCAAP)		2,389,321
HR-Office of Chief Human Resources Officer		2,855,456
HR-Office of Deputy Chief Human Resources Officer		1,020,300
HR-NBC Teachers Unit		356,174
HR-Peer Assistance		83,000
Subtotal	\$	11,339,301
Stipends		
Bilingual Differential Salaries		1,670,000
Subtotal	\$	1,670,000
Private Schools Equitable Share	\$	1,650,105
Other		
Indirect Cost	4.96%	1,750,543
Indirect Cost - Admin (Private Schools)	2.00%	533,339
Subtotal	\$	2,283,882
Total Expenditures	\$	37,043,747

Los Angeles Unified School District

2021-22 | BUDGET

TITLE III, PART A LIMITED ENGLISH PROFICIENCY (LEP)

These funds are used to ensure that limited-English-proficient (LEP) students attain English proficiency and meet the same academic standards that other students are expected to meet.

Estimated Entitlement	\$ 10,877,305
Estimated Carryover	8,895,238
Total	\$ 19,772,543

Budgeted Expenditures	No. of LEP Students	Rate	Amount
Resources to Support Schools			
Local District Support to Schools			\$ 13,009,271
Multilingual and Multicultural Education Department			
Professional Development			4,256,983
Subtotal			\$ 17,266,254
Private Schools Equitable Share	711	\$ 114.40	\$ 81,338
Private School Initial Assessment			\$ 60,000
Indirect Cost (2% Cap)			\$ 387,697
Reserve for Adjustment			\$ 1,977,254
Total Expenditures			\$ 19,772,543

TITLE IV, PART A STUDENT SUPPORT AND ACADEMIC ENRICHMENT

General Description

These funds are intended to increase capacity by providing all students with access to a well-rounded education, improving school conditions for student learning, and improving the use of technology to advance the academic and digital literacy of all students.

Estimated Entitlement	\$ 25,400,052
Estimated Carryover	18,681,342
Total	\$ 44,081,394

Budgeted Expenditures	Amount
Pre K - 12 Curriculum Services	
Access to Well-Rounded Education	\$ 17,786,525
Safe & Healthy Environment	14,844,778
Improve Use of Technology	7,405,830
Subtotal	\$ 40,037,133
Private Schools Equitable Share	\$ 1,453,146
Other	
Indirect Cost	4.96% 2,083,114
Indirect Cost - Admin. (Private Schools)	2.00% 508,001
Subtotal	\$ 2,591,115
Total Expenditures	\$ 44,081,394

BLACK STUDENT ACHIEVEMENT PLAN

The Black Student Achievement Plan (BSAP) provides supplemental services and supports to 53 schools that have high numbers of Black students and high need indicators, specifically Math and English Language Arts proficiency rates below the district average, higher than average referral and suspension rates or identified as a Humanizing Education for Equitable Transformation (HEET) School. BSAP is primarily funded by reinvestment of funds from the Los Angeles School Police Department’s budget.

The goals of the Black Student Achievement Plan are to:

- 1) Ensure materials and instruction are culturally responsive to Black students and provide additional support and intervention to students to close literacy and numeracy skill gaps,
- 2) Work with community groups that have demonstrated success with Black students and families to improve readiness, and
- 3) Reduce over-identification of Black students in suspensions, discipline, and other measures through targeted intervention to address students’ academic and social-emotional needs.

The table below shows the investment details for BSAP.

Administrative Support (schools)	\$525,313
Central Office Support	592,641
Climate and Wellness Grant	4,987,359
Community Contract Services	204,701
Community Representatives	25,942
Coordinators	6,386,712
Counselors (at secondary schools only)	3,921,750
Curriculum Grant	2,000,003
Instructional Materials	647,265
Literacy/Math Coach and Differential	315,153
Professional Development	2,583,597
Pupil Services and Attendance Counselors (at elementary schools only)	4,066,478
Psychiatric Social Workers	8,366,776
School Climate Advocates*	12,914,980
Total	\$47,538,670

*\$9.9 M has not been implemented as of the printing of this book.

DISTRICT CLASS SIZE

This section provides information related to the student teacher ratios at district schools.

The district policy pertaining to the staffing at district schools for most certificated and clerical personnel is based on recommended staffing tables that take into account student enrollment, school type, student needs and other school characteristics.

The chart on the next page provides a historical comparison of teacher to student staffing ratios by school type and integration status.

Los Angeles Unified School District

2021-22 BUDGET

DISTRICT CLASS SIZE

Type of School	Subject(s)	Grade Level	2015-16	2016-17	2017-18	2018-19	2019-20 Target High Needs Sch	2019-20 Targeted Non-High Needs Sch	2020-21 Targeted High Needs Sch	2020-21 Targeted Non-High Needs Sch	2021-22 Targeted High Needs Sch	2021-22 Targeted Non-High Needs Sch
Elementary District Norm	All	K	29.50	29.50	29.50	29.50	29.50	29.50	29.50	29.50	29.50	29.50
Elementary District Norm	All	1-3	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00	32.00
Elementary District Norm	All	4-5/(6)	39.00	39.00	39.00	39.00	36.00	38.00	35.50	37.00	35.50	35.50
Elementary PHBAO	All	K	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00
Elementary PHBAO	All	1-3	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00
Elementary PHBAO	All	4-5/(6)	30.50	30.50	30.50	30.50	27.50	29.50	27.00	28.50	27.00	27.00
Elementary PHBAO Magnet	All	K-3	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00
Elementary PHBAO Magnet	All	4-5/(6)	30.50	30.50	30.50	30.50	27.50	29.50	27.00	28.50	27.00	27.00
Elementary Non-PHBAO	All	K	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00
Elementary Non-PHBAO	All	1-3	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00
Elementary Non-PHBAO	All	4-5/(6)	36.00	36.00	36.00	36.00	33.00	35.00	32.50	34.00	32.50	32.50
Elem Non-PHBAO Magnet	All	K-3	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00	24.00
Elem Non-PHBAO Magnet	All	4-5/(6)	34.00	34.00	34.00	34.00	31.00	33.00	30.00	32.00	29.50	30.00
Middle District Norm	All	6-8	42.50	42.50	42.50	42.50	39.50	41.50	38.50	40.50	36.50	38.50
Middle PHBAO	Academic	6-8	34.00	34.00	34.00	34.00	31.00	33.00	30.00	32.00	28.00	30.00
Middle PHBAO	Non-acad	6-8	42.50	42.50	42.50	42.50	39.50	41.50	38.50	40.50	36.50	38.50
Middle PHBAO	Combined	6-8	36.43	36.43	36.43	36.43	33.40	35.42	32.38	34.41	30.36	32.38
Middle PHBAO Magnet	All	6-8	34.00	34.00	34.00	34.00	31.00	33.00	30.00	32.00	28.00	30.00
Middle Non-PHBAO	Academic	6-8	39.50	39.50	39.50	39.50	36.50	38.50	35.50	37.50	33.50	35.50
Middle Non-PHBAO	Non-acad	6-8	42.50	42.50	42.50	42.50	39.50	41.50	38.50	40.50	36.50	38.50
Middle Non-PHBAO	Combined	6-8	40.45	40.45	40.45	40.45	37.45	39.45	36.45	38.45	34.44	36.45
Middle Non-PHBAO Magnet	All	6-8	36.50	36.50	36.50	36.50	33.50	35.50	32.50	34.50	30.50	32.50

Los Angeles Unified School District

2021-22 BUDGET

DISTRICT CLASS SIZE

Type of School	Subject(s)	Grade Level	2015-16	2016-17	2017-18	2018-19	2019-20 Target High Needs Sch	2019-20 Targeted Non-High Needs Sch	2020-21 Targeted High Needs Sch	2020-21 Targeted Non-High Needs Sch	2021-22 Targeted High Needs Sch	2021-22 Targeted Non-High Needs Sch
High School District Norm	All		42.50	42.50	42.50	42.50	41.50	41.50	40.50	40.50	38.50	38.50
High School PHBAO	Academic	9-10	34.00	34.00	34.00	34.00	33.00	33.00	32.00	32.00	30.00	30.00
High School PHBAO	Non-acad	9-10	42.50	42.50	42.50	42.50	41.50	41.50	40.50	40.50	38.50	38.50
High School PHBAO	Academic	11-12	42.50	42.50	42.50	42.50	41.50	41.50	40.50	40.50	38.50	38.50
High School PHBAO	Non-acad	11-12	42.50	42.50	42.50	42.50	41.50	41.50	40.50	40.50	38.50	38.50
High School PHBAO Magnet	All	9-12	34.00	34.00	34.00	34.00	33.00	33.00	32.00	32.00	30.00	30.00
High School Non-PHBAO	Academic	9-10	39.50	39.50	39.50	39.50	38.50	38.50	37.50	37.50	35.50	35.50
High School Non-PHBAO	Non-acad	9-10	42.50	42.50	42.50	42.50	41.50	41.50	40.50	40.50	38.50	38.50
High School Non-PHBAO	Academic	11-12	42.50	42.50	42.50	42.50	41.50	41.50	40.50	40.50	38.50	38.50
High School Non-PHBAO	Non-acad	11-12	42.50	42.50	42.50	42.50	41.50	41.50	40.50	40.50	38.50	38.50
High School Non-PHBAO Magnet	All	9-12	36.50	36.50	36.50	36.50	35.50	35.50	34.50	34.50	32.50	32.50
Community Day Schools, Opportunity Schools and Pregnant Minors			21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00	21.00
Continuation Schools			29.00	29.00	29.00	29.00	29.00	29.00	29.00	29.00	29.00	29.00
Independent Study - City of Angels			30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00	30.00

DISTRICT ENROLLMENT TRENDS

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

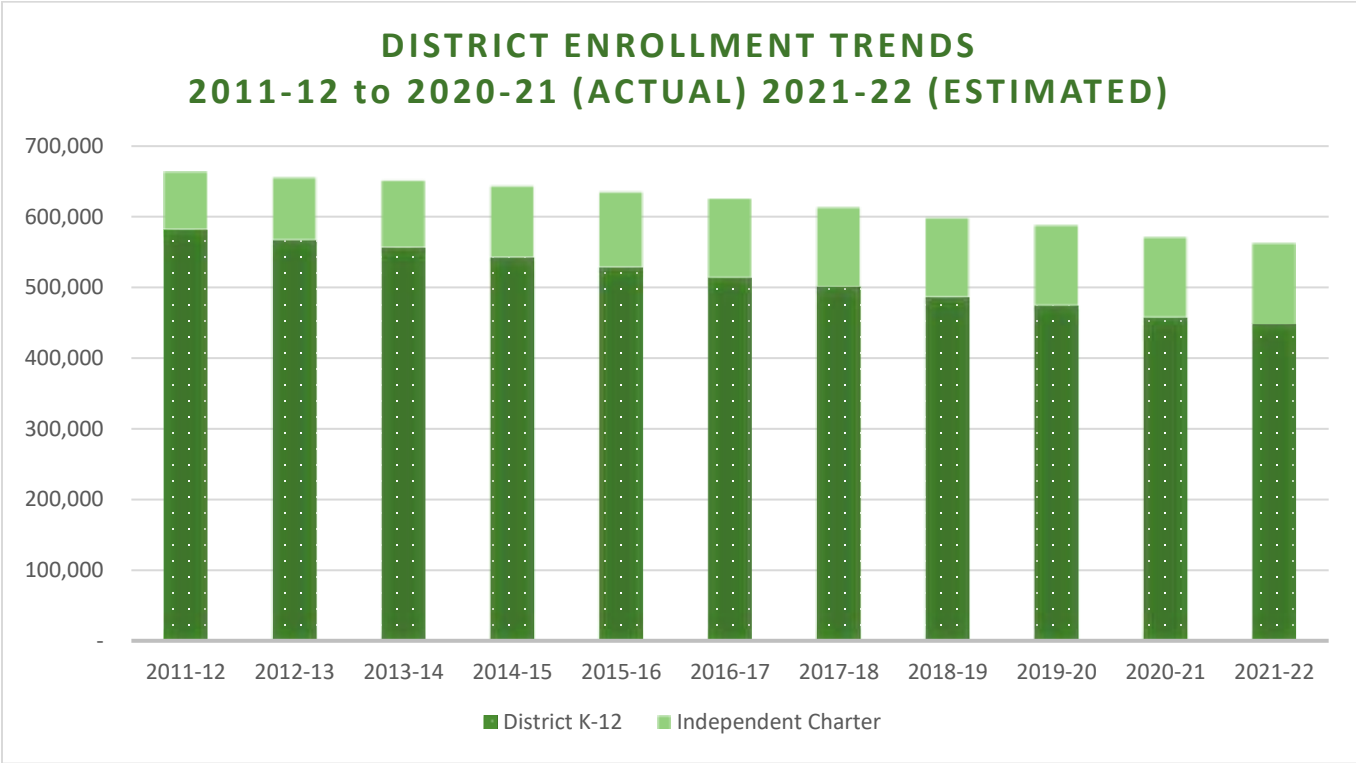
To project enrollment, the Los Angeles Unified School District uses data on live births in Los Angeles County, historical grade retention rates, and other relevant information. The grade retention ratios measure the percentage of students expected to progress to the next grade level from one year to the next based on past trends. Estimated enrollments in grades 1 through 12 are calculated based on a variety of scenarios using weighted and true averages overtime. Kindergarten enrollments are calculated as a percentage of live births in Los Angeles County from five years earlier.

Enrollment peaked in 2002-03 at 746,831 and has declined each year since. This is due to several factors, including the reduced birth rate in Los Angeles County and the increasing cost of living in southern California.

Declining enrollment affects both revenue and expenditures. However, declining enrollment typically causes a more rapid decline in revenue after the first year. This is because declining enrollment districts are essentially “held harmless” for the decline from the previous year. Another contributing factor to the change in revenue and expenditures is the increase in students enrolled in fiscally independent charter schools.

The enrollment projections differentiate between students in fiscally independent charter and non-charter district schools. This helps the district estimate the impact of fiscally independent charter schools on the District’s budget. 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 operation as fiscally independent charter schools (“start-up charters”).

The chart below shows the district enrollment trends for the past decade. The chart depicts the increase in the number of students enrolled in the independent charter schools in contrast with the decline in the district enrollment in K-12 schools.



Los Angeles Unified School District

2021-22 | BUDGET

ENROLLMENT PROJECTION

Norm Day Enrollment - Including Independent Charter Schools

	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
LA County - Live Births Lagged 5 Years	139,679	133,160	130,312	131,697	128,523	130,150	124,440	122,940	116,850	110,167
Graded Enrollment										
Kindergarten	55,604	56,420	55,599	53,412	50,802	49,520	43,273	46,714	44,767	42,447
Grade 1	49,751	46,870	46,625	45,783	44,043	42,481	40,729	39,223	39,413	37,756
Grade 2	49,664	48,747	45,849	45,438	44,612	43,112	41,391	39,825	38,326	38,523
Grade 3	49,773	48,646	47,618	44,477	44,069	43,678	42,037	40,365	38,810	37,364
Grade 4	47,629	48,615	47,295	46,302	43,327	43,212	42,606	41,118	39,501	37,991
Grade 5	46,792	47,041	47,776	46,301	45,344	42,547	42,428	41,748	40,345	38,728
Grade 6	45,435	44,884	44,802	45,114	43,383	42,734	40,393	39,903	39,372	38,027
Grade 7	44,050	44,116	43,847	43,430	43,695	42,375	41,888	40,080	39,748	39,134
Grade 8	44,207	43,410	43,541	42,823	42,509	43,195	41,915	41,224	39,588	39,193
Grade 9	52,493	49,354	48,438	47,202	46,946	47,544	44,327	46,196	45,589	43,696
Grade 10	46,757	47,826	45,722	44,775	43,454	43,388	45,565	41,818	43,709	43,071
Grade 11	42,227	40,267	40,906	40,486	39,692	38,471	40,720	40,218	37,022	38,639
Grade 12	37,113	37,734	37,100	37,630	37,069	36,687	37,185	37,536	37,194	34,185
Total graded enrollment	611,495	603,930	595,118	583,173	568,945	558,944	544,457	535,967	523,384	508,754
K-3 enrollment	204,792	200,683	195,691	189,110	183,526	178,791	167,430	166,127	161,316	156,090
4-6 enrollment	139,856	140,540	139,873	137,717	132,054	128,493	125,427	122,769	119,218	114,746
7-8 enrollment	88,257	87,526	87,388	86,253	86,204	85,570	83,803	81,304	79,336	78,327
9-12 enrollment	178,590	175,181	172,166	170,093	167,161	166,090	167,797	165,768	163,514	159,591
Total graded enrollment	611,495	603,930	595,118	583,173	568,945	558,944	544,457	535,967	523,384	508,754
Other Enrollment										
Special day classes in regular schools	25,237	24,588	24,057	23,813	23,553	22,911	20,966	20,966	20,454	19,882
Special day classes in special ed schools	2,319	2,338	2,098	2,061	2,037	2,056	2,033	2,033	1,983	1,928
Continuation and opportunity schools	4,442	4,351	4,250	4,227	4,209	4,050	3,939	3,939	3,864	3,735
Total Other Enrollment	31,998	31,277	30,405	30,101	29,799	29,017	26,938	26,938	26,301	25,545
Total graded and Other Enrollment	643,493	635,207	625,523	613,274	598,744	587,961	571,395	562,905	549,685	534,299

Los Angeles Unified School District

2021-22 | BUDGET

ENROLLMENT PROJECTION

Norm Day Enrollment - Independent Charter Schools Only

	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
LA County - Live Births Lagged 5 Years	139,679	133,160	130,312	131,697	128,523	130,150	124,440	122,940	116,850	110,167
Graded Enrollment										
Kindergarten	6,368	7,131	7,344	7,509	7,221	7,429	6,992	6,993	7,004	6,985
Grade 1	5,972	5,871	6,262	6,357	6,371	6,436	6,429	6,851	6,783	6,799
Grade 2	5,486	5,917	5,702	6,039	6,109	6,207	6,432	6,389	6,811	6,737
Grade 3	5,166	5,563	5,919	5,515	5,849	6,067	6,233	6,242	6,289	6,698
Grade 4	4,755	5,292	5,684	5,744	5,455	5,867	6,063	6,092	6,221	6,303
Grade 5	5,135	5,692	6,209	6,235	6,374	6,009	6,353	6,441	6,558	6,659
Grade 6	9,295	9,759	10,563	10,300	10,144	10,373	9,653	9,860	9,990	9,948
Grade 7	8,555	9,533	9,840	10,253	10,144	10,264	10,466	9,942	10,010	10,184
Grade 8	7,444	8,393	9,280	9,398	9,763	9,986	10,141	10,100	9,921	10,021
Grade 9	12,053	12,478	12,501	12,298	12,108	12,257	12,163	11,971	12,010	11,897
Grade 10	11,112	11,386	11,905	11,816	11,611	11,556	11,804	11,801	11,807	11,852
Grade 11	10,341	10,296	10,632	10,924	10,932	10,867	11,128	11,302	11,819	11,743
Grade 12	9,288	9,831	9,807	10,104	10,404	10,268	10,574	10,936	11,076	11,644
Total graded enrollment	100,970	107,142	111,648	112,492	112,485	113,586	114,431	114,919	116,297	117,467
K-3 enrollment	22,992	24,482	25,227	25,420	25,550	26,139	26,086	26,475	26,887	27,219
4-6 enrollment	19,185	20,743	22,456	22,279	21,973	22,249	22,069	22,393	22,769	22,910
7-8 enrollment	15,999	17,926	19,120	19,651	19,907	20,250	20,607	20,042	19,931	20,205
9-12 enrollment	42,794	43,991	44,845	45,142	45,055	44,948	45,669	46,010	46,711	47,134
Total graded enrollment	100,970	107,142	111,648	112,492	112,485	113,586	114,431	114,919	116,297	117,467
Other Enrollment										
Special Day Classes in regular schools	90	0	0	0	0	0	0	0	0	0
Special day classes in special ed schools	0	0	0	0	0	0	0	0	0	0
Continuation and Opportunity schools	0	0	0	0	0	0	0	0	0	0
Total Other enrollment	90	0	0	0	0	0	0	0	0	0
Total graded and Other enrollment	101,060	107,142	111,648	112,492	112,485	113,586	114,431	114,919	116,297	117,467

Los Angeles Unified School District

2021-22 | BUDGET

ENROLLMENT PROJECTION

Norm Day Enrollment - Excluding Independent Charter Schools

	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2019-20 Actual	2020-21 Actual	2021-22 Estimated	2022-23 Estimated	2023-24 Estimated
LA County - Live Births Lagged 5 Years	139,679	133,160	130,312	131,697	128,523	130,150	124,440	122,940	116,850	110,167
Graded Enrolment										
Kindergarten	49,236	49,289	48,255	45,903	43,581	42,091	36,281	39,721	37,763	35,462
Grade 1	43,779	40,999	40,363	39,426	37,672	36,045	34,300	32,372	32,631	30,958
Grade 2	44,178	42,830	40,147	39,399	38,503	36,905	34,959	33,436	31,515	31,786
Grade 3	44,607	43,083	41,699	38,962	38,220	37,611	35,804	34,123	32,521	30,666
Grade 4	42,874	43,323	41,611	40,558	37,872	37,345	36,543	35,026	33,280	31,688
Grade 5	41,657	41,349	41,567	40,066	38,970	36,538	36,075	35,307	33,787	32,069
Grade 6	36,140	35,125	34,239	34,814	33,239	32,361	30,740	30,043	29,383	28,080
Grade 7	35,495	34,583	34,007	33,177	33,551	32,111	31,422	30,138	29,738	28,950
Grade 8	36,763	35,017	34,261	33,425	32,746	33,209	31,774	31,124	29,668	29,173
Grade 9	40,440	36,876	35,937	34,904	34,838	35,287	32,164	34,225	33,580	31,800
Grade 10	35,645	36,440	33,817	32,959	31,843	31,832	33,761	30,017	31,903	31,220
Grade 11	31,886	29,971	30,274	29,562	28,760	27,604	29,592	28,916	25,203	26,897
Grade 12	27,825	27,903	27,293	27,526	26,665	26,419	26,611	26,600	26,118	22,542
Total graded enrollment	510,525	496,788	483,470	470,681	456,460	445,358	430,026	421,048	407,087	391,288
K-3 enrollment	181,800	176,201	170,464	163,690	157,976	152,652	141,344	139,652	134,430	128,872
4-6 enrollment	120,671	119,797	117,417	115,438	110,081	106,244	103,358	100,376	96,450	91,837
7-8 enrollment	72,258	69,600	68,268	66,602	66,297	65,320	63,196	61,262	59,406	58,123
9-12 enrollment	135,796	131,190	127,321	124,951	122,106	121,142	122,128	119,758	116,803	112,457
Total graded enrollment	510,525	496,788	483,470	470,681	456,460	445,358	430,026	421,048	407,087	391,288
Other Enrollment										
Special day classes in regular schools	25,147	24,588	24,057	23,813	23,553	22,911	20,966	20,966	20,454	19,882
Special day classes in special ed schools	2,319	2,338	2,098	2,061	2,037	2,056	2,033	2,033	1,983	1,928
Continuation and opportunity schools	4,442	4,351	4,250	4,227	4,209	4,050	3,939	3,939	3,864	3,735
Total Other enrollment	31,908	31,277	30,405	30,101	29,799	29,017	26,938	26,938	26,301	25,545
Total graded and Other enrollment	542,433	528,065	513,875	500,782	486,259	474,375	456,964	447,986	433,388	416,833

Los Angeles Unified School District

2021-22 | BUDGET

ENROLLMENT PROJECTION

Adult and Early Education Enrollment

	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated	Estimated
Early Education:										
Early Education Center	9,363	9,174	8,674	8,495	8,977	8,977	5,630	9,043	8,748	8,414
Transitional Kindergarten Expansion program	10,156	8,143	6,221	6,391	6,539	6,519	4,553	6,528	6,315	6,074
California State Pre-school program	4,217	4,173	3,970	3,620	3,529	3,445	1,498	3,481	3,368	3,239
Pre-K Special Day program	3,081	2,917	3,003	2,975	2,919	3,100	3,214	3,151	3,048	2,932
Cal-Safe program	62	47	47	47	47	47	21	60	58	56
Total Early Education	26,879	24,454	21,915	21,528	22,011	22,088	14,916	22,263	21,537	20,715
Adult Education (excludes concurrently enrolled students)	75,031	63,628	66,824	67,702	62,968	54,629	23,781	43,300	41,135	40,518
Total adult and early education enrollment	101,910	88,082	88,739	89,230	85,035	76,717	38,697	65,563	62,672	61,233
Total Enrollment (including affiliated, independent charter schools, Adult, and early education schools)	745,403	723,289	714,262	702,504	683,779	664,678	610,092	628,468	612,357	595,532

DISTRICT ENROLLMENT TRENDS

The table below provides the estimated enrollment count for 2021-22 school year, including affiliated and independent charter schools, early education centers, California State Pre-school Programs, pre-K special education, transitional kindergarten expansion program, and community adult schools.

Grade Level/Description	2021-22 Estimated
K-3 Enrollment	166,127
4-6 Enrollment	122,769
7-8 Enrollment	81,304
9-12 Enrollment	165,768
Total Graded Enrollment	535,967
Special Day Classes in Regular Schools	20,966
Special Day Classes in Special Education Schools	2,033
Continuation and Opportunity Schools	3,939
Total Other Enrollment	26,938
Total Graded and Other Enrollment	562,905
Early Education	19,112
Pre-K Special Education	3,151
Adult Education	43,300
Total Graded, Other, Early Ed and Adult Enrollment	628,468

Los Angeles Unified School District

2021-22 BUDGET

SPECIAL EDUCATION ENROLLMENT DATA REPORT BY DISABILITY

Students with Disabilities - Including Fiscally Independent Charter Schools

	ID	HH	DEAF	SLI	VI	ED	OI	OHI	SLD	DB	AUT	TBI	Total
Dec 2009	4,511	1,140	437	8,836	498	2,298	2,422	6,463	46,445	11	9,322	149	82,532
Dec 2010	4,543	1,248	422	12,264	495	2,076	2,419	7,067	40,961	23	10,555	142	82,215
Dec 2011	4,455	1,251	422	12,772	530	2,080	2,372	7,617	39,689	21	10,902	146	82,257
Dec 2012	4,388	1,265	391	12,536	508	1,862	2,242	8,185	39,010	19	12,225	134	82,765
Dec 2013	4,257	1,331	364	12,250	502	1,775	2,276	8,409	38,360	16	12,695	129	82,364
Dec 2014	4,251	1,312	341	11,881	486	1,683	2,263	9,021	37,899	18	13,494	110	82,759
Dec 2015	4,332	1,331	339	12,037	473	1,637	2,197	9,540	37,584	13	14,315	116	83,914
Dec 2016	4,321	1,389	342	12,481	463	1,716	2,148	10,260	37,198	16	15,133	117	85,584
Dec 2017	4,347	1,418	352	12,629	442	1,673	2,059	10,582	36,243	16	15,561	109	85,431
Dec 2018	4,271	1,447	338	12,579	423	1,569	1,970	10,833	35,116	15	16,067	102	84,730
Oct 2019	4,023	1,187	288	15,120	329	1,423	1,784	10,462	31,801	5	16,098	85	82,605
Oct 2020	3,862	1,164	263	12,289	311	1,514	1,702	11,138	32,547	3	15,812	71	80,676

Students with Disabilities - Excluding Fiscally Independent Charter Schools

	ID	HH	DEAF	SLI	VI	ED	OI	OHI	SLD	DB	AUT	TBI	Total
Dec 2009	4,425	1,070	425	8,243	480	2,247	2,378	6,017	43,364	11	9,028	139	77,827
Dec 2010	4,460	1,178	412	11,488	476	2,034	2,374	6,486	37,856	23	10,200	132	77,119
Dec 2011	4,342	1,173	412	11,806	514	2,009	2,304	6,777	35,917	21	10,389	135	75,799
Dec 2012	4,274	1,180	382	11,468	494	1,780	2,175	7,139	34,747	19	11,544	123	75,325
Dec 2013	4,144	1,239	355	11,171	490	1,697	2,208	7,287	34,000	16	11,928	118	74,653
Dec 2014	4,107	1,205	329	10,606	471	1,562	2,185	7,562	32,623	18	12,530	102	73,300
Dec 2015	4,156	1,207	324	10,675	457	1,493	2,113	7,842	31,434	13	13,149	110	72,973
Dec 2016	4,115	1,266	319	11,054	446	1,565	2,065	8,253	30,538	16	13,814	110	73,561
Dec 2017	4,148	1,291	325	11,434	423	1,518	1,970	8,390	29,357	16	14,114	99	73,085
Dec 2018	4,052	1,311	311	11,427	405	1,389	1,885	8,617	28,280	15	14,564	90	72,346
Oct 2019	3,812	1,053	263	13,779	309	1,256	1,716	8,316	25,519	5	14,663	75	70,766
Oct 2020	3,611	1,010	234	10,630	287	1,296	1,612	8,516	25,401	3	14,110	60	66,770

Students with Disabilities - Fiscally Independent Charter Schools Only

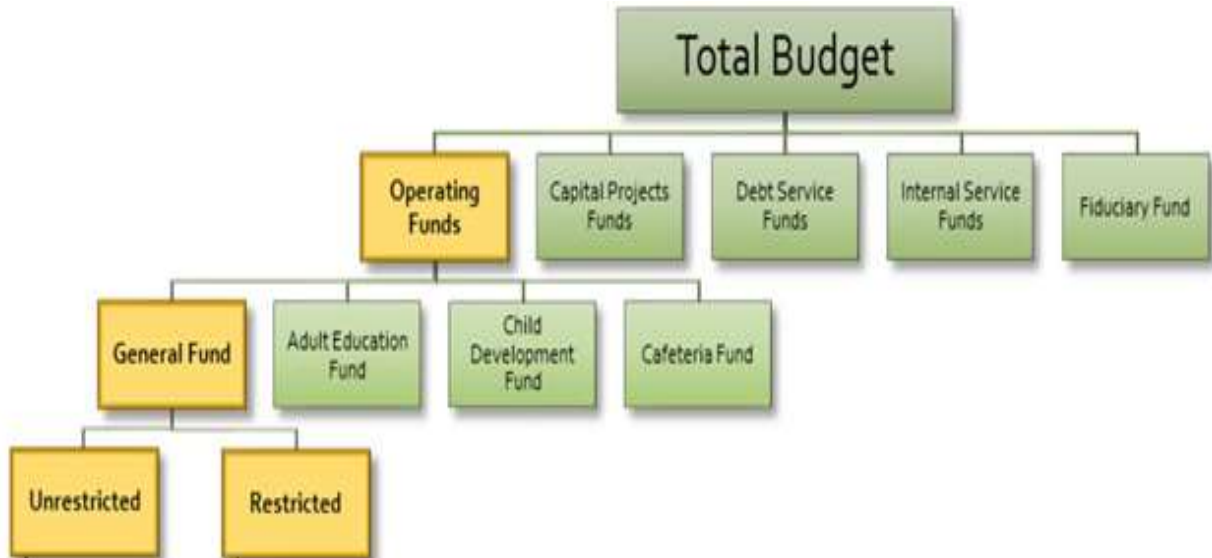
	ID	HH	DEAF	SLI	VI	ED	OI	OHI	SLD	DB	AUT	TBI	Total
Dec 2009	86	70	12	593	18	51	44	446	3,081	0	294	10	4,705
Dec 2010	83	70	10	776	19	42	45	581	3,105	0	355	10	5,096
Dec 2011	113	78	10	966	16	71	68	840	3,772	0	513	11	6,458
Dec 2012	114	85	9	1,068	14	82	67	1,046	4,263	0	681	11	7,440
Dec 2013	113	92	9	1,079	12	78	68	1,122	4,360	0	767	11	7,711
Dec 2014	144	107	12	1,275	15	121	78	1,459	5,276	0	964	8	9,459
Dec 2015	176	124	15	1,362	16	144	84	1,698	6,150	0	1,166	6	10,941
Dec 2016	206	123	23	1,427	17	151	83	2,007	6,660	0	1,319	7	12,023
Dec 2017	199	127	27	1,195	19	155	89	2,192	6,886	0	1,447	10	12,346
Dec 2018	219	136	27	1,152	18	180	85	2,216	6,836	0	1,503	12	12,384
Oct 2019	211	134	25	1,341	20	167	68	2,146	6,282	0	1,435	10	11,839
Oct 2020	251	154	29	1,659	24	218	90	2,622	7,146	0	1,702	11	13,906

*Note: Historically, Students with Disability (SWD) counts were reported using CASEMIS (California Special Education Management Information System) each December. Starting in 2019-20 school year, the California Dept of Education integrated CASEMIS into CALPADS (California Longitudinal Pupil Achievement Data System). CALPADS is submitted in October.

Section III

INTRODUCTION

LAUSD's budget is large and complex. The chart below shows the hierarchy of LAUSD's fund structure based on California's Standardized Account Code Structure (SACS). This will guide and help the reader understand the LAUSD's budget and its various components.



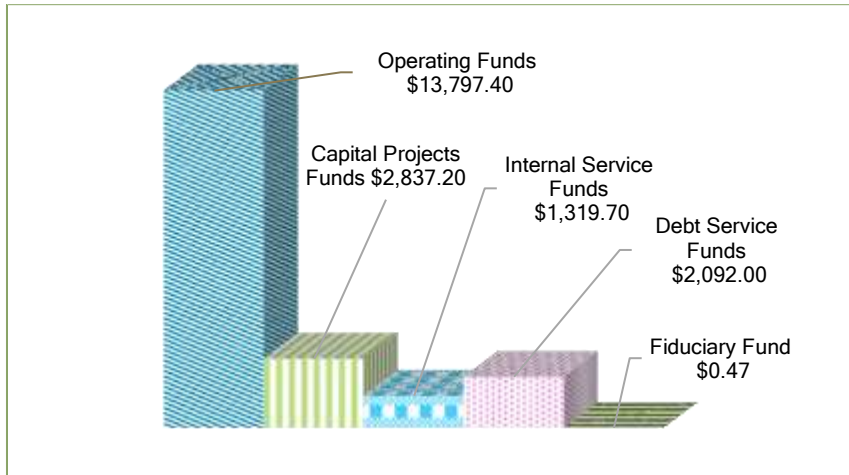
This section is designed to look at LAUSD's fund structure from the overall total budget drilling down to the General Fund, which is the largest Operating Fund of LAUSD. Therefore, this section of the budget overview will focus on the General Fund.

THE TOTAL BUDGET

As required by California law, LAUSD's budget is classified and reported by "fund". The funds are categorized and grouped based on the use of the funds as follows:

1. **Operating Funds**, as discussed further below, is composed of the General Fund, Adult Education Fund, Child Development Fund, and Cafeteria Fund. The total Operating Funds for fiscal year 2021-22 is \$13,797.4 million. These funds are used for the day-to-day operation of LAUSD schools and offices.
2. **Capital Projects Funds** total to \$2,837.2 million and account for the acquisition, construction, or upgrade of facilities. The funding comes primarily from the sale of voter-approved bonds. These funds may not be used for the general day-to-day operations, as voters approved them for specific capitalized projects which will benefit current and future students.
3. **Internal Service Funds** total to \$1,319.7 million and are used for the payment of employee health and welfare benefits, workers' compensation, and liability insurance. The majority of funds accumulated in the Internal Service Funds come from funds generated by positions funded in the other funds. For example, *the cost of a teacher's health and welfare benefits* funded by the General Fund is transferred from the General Fund to the Health and Welfare Fund, which is one of the Internal Service Funds.
4. **Debt Service Funds** total to \$2,092.0 million and are used for the payment of interest and principal of long-term bonds.
5. **Fiduciary Fund** total to \$.47 million and is composed of the Other Post-Employment Benefit (OPEB) Fund. This fund is dedicated for the health and welfare benefits of future retirees of LAUSD.

Figure 1: 2021-22 TOTAL BUDGET (ALL FUNDS) = \$20 BILLION
(amounts in millions)



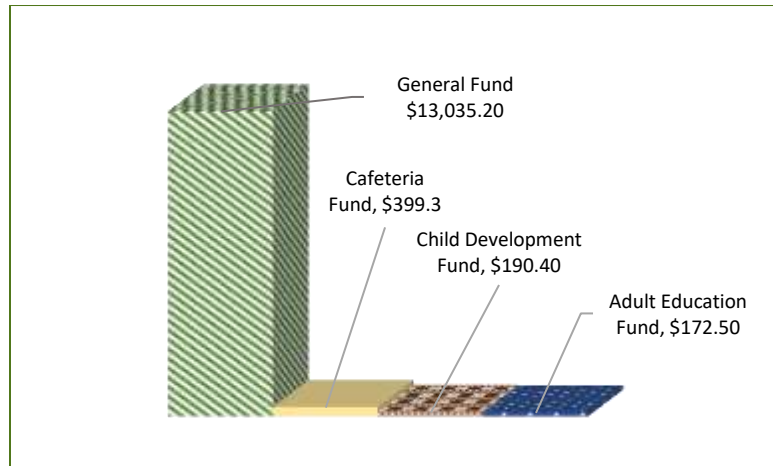
OPERATING FUNDS

As shown on the hierarchy of funds, the Operating Funds category is broken down into the following four individual funds:

1. **General Fund** - \$13,035.20 million includes funds for the basic instructional and administrative expenditures of the District
2. **Cafeteria Fund** - \$399.3 million includes funds for the food service programs
3. **Child Development Fund** - \$190.40 million includes funds dedicated for the operation of the Early Childhood Education program
4. **Adult Education Fund** - \$172.50 million includes funds dedicated for the operation of the Adult Education program.

An instructional program such as the Early Childhood Education (Child Development Fund) may cost more than the revenue it generates. Therefore, a support from the General Fund is necessary. This is also true for operational programs such as the ones offered by the Food Services Division.

Figure 2: 2021-22 OPERATING FUNDS = \$13.8 BILLION
(amounts in millions)



GENERAL FUND

The \$13 billion General Fund includes “unrestricted” and “restricted” funds.

- Unrestricted General Fund – These are funds such as the Local Control Funding Formula (LCFF) Base, Supplemental, and Concentration Grants and one-time Mandated Cost Block Grants that can be used for any general-purpose expenditure.
- Restricted General Fund – These are funds such as the AB 602 Special Education and Title I funds that must be used for specific purposes.

The General Fund is further broken down into major groups as shown below.

General Fund	Unrestricted	Restricted
General Fund School Program	●	
Proportionality Programs	●	
General Program	●	
Special Education Program		●
Ongoing and Major Maintenance Account		●

Some programs within the General Fund may also need support. An example is the Special Education Program which is subsidized by the General Program (unrestricted). The support for the Special Education Program from the General Program is called an “inter-program transfer”, where the transfer of funds occur between programs within the General Fund.

DESCRIPTION OF FUNDS

California State law requires school districts to organize their financial reporting by “fund”. The California School Accounting Manual (CSAM), which governs school district budgeting and accounting processes 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 a Local Educational Agency (LEA) 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 Final Budget is comprised of a General Fund and 23 special funds. The uses of these funds are summarized below.¹

OPERATING FUNDS

*Fund 010: **General Fund*** is used to account for the basic instructional, support, and administrative operations of the District. The General Fund includes services to regular K-12 schools, the special education program, and other programs. The General Fund supports and accounts for both restricted and unrestricted funding sources and expenditures. The restricted sources are summarized in the Restricted General Fund section of this document.

*Fund 110: **Adult Education Fund*** is used to account separately for federal, state, and local revenues for adult education programs, as well as for expenditures that support this 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]).

*Fund 120: **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 supports the activities of the Early Childhood Education Centers that operate throughout the District. This fund may be used only for expenditures for the operation of child development programs and may be subsidized by the General Fund as well.

*Fund 130: **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).

1 Definitions reflect the California School Accounting Manual descriptions where available, augmented by information from the District budget and the District’s 2018-19 Audited Annual Financial Report to reflect specific District use of various funds

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 six separate Building Funds.

*Fund 210: **Building Fund – Measure R*** accounts for the proceeds resulting from the 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.

*Fund 211: **Building Fund – Proposition BB*** accounts for the proceeds resulting from the 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.

*Fund 212: **Building Fund*** accounts for proceeds from the sale of bonds prior to 1997, as well as state allowances and other resources designed for facilities expansion.

*Fund 213: **Building Fund – Measure K*** accounts for the proceeds resulting from the 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.

*Fund 214: **Building Fund – Measure Y*** accounts for the proceeds resulting from the 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.

*Fund 215: **Building Fund – Measure Q*** accounts for the proceeds resulting from the passage of Measure Q which was a local school bond measure approved by the voters in November 2008 to fund critical repair and safety needs, create science labs and other specialized classrooms necessary to teach courses that would help students get into college or start careers after they graduate, and help create classrooms that are up to date in technology and high speed internet.

*Fund 216: **Building Fund – Measure RR*** accounts for the proceeds resulting from the passage of Measure RR, a local school bond measure approved by the voters in November 2020, for school upgrades and safety measures.

*Fund 250: **Capital Facilities Account Fund*** accounts for resources received from developer fees levied upon new residential, commercial, or industrial development projects within the District’s boundaries. The dollars are used to obtain funds for the construction or acquisition of school facilities to relieve overcrowding.

*Fund 300: **State School Building Lease-Purchase Fund*** accounts for state apportionments received in accordance with California Education Code §17700-17780, primarily for relief of overcrowding.

*Fund 351: **County School Facilities Fund*** account for revenues and expenditures resulting from building projects funded primarily or in part from state bond elections or from matching funds. The District used to operate four separate County School Facilities Funds. In 2013-14, these four funds shown below were consolidated into one single County School Facilities Fund.

County School Facilities Fund - 1A accounts 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.

County School Facilities Fund – Proposition 47 accounts 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 – Proposition 55 accounts 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 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 provide additional dollars for existing school facilities programs. Funds also provide new dollars 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.

Special Reserve Funds for Capital Outlay Projects 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:

*Fund 400: **Special Reserve Fund – Community Redevelopment Agency*** accounts 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.

*Fund 401: **Special Reserve Fund*** accounts for District resources designated for capital outlay purposes such as land purchases, ground improvements, facilities construction and improvements, new acquisitions, and related expenditures.

*Fund 402: **Special Reserve Fund – FEMA – Earthquake*** accounts for funds received from the Federal Emergency Management Agency (FEMA) for capital outlay projects resulting from the January 17, 1994 Northridge earthquake.

*Fund 403: **Special Reserve Fund – FEMA – Hazard Mitigation*** accounts 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.

DEBT SERVICE FUNDS

*Fund 510: **Bond Interest and Redemption Fund*** accounts for the payment of the principal and interest on Proposition BB and Measures K, Q, R, and Y bond issues. Revenues are derived from ad valorem taxes levied upon all properties subject to tax by the District.

*Fund 530: **Tax Override Fund*** accounts for the accumulation of resources from ad valorem tax levies for the repayment of State School Building Aid Fund apportionments.

*Fund 560: **Capital Services Fund*** accounts 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

*Fund 670: **Health and Welfare Benefits Fund*** pays 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.

*Fund 671: **Workers' Compensation Self-Insurance Fund*** pays for claims, excess insurance coverage, administrative costs, and related expenditures. An outside claims administrator manages Workers' Compensation claims for the District.

*Fund 672: **Liability Self-Insurance Fund*** pays for claims, excess insurance coverage, administrative costs, and related expenditures, and to provide funds for insurance deductible amounts. An outside claims administrator manages liability claims for the District.

FIDUCIARY FUNDS

*Fund 713: **Other Post-employment Benefits (OPEB) Fund*** accounts for resources to be distributed to a trust account for employees' Other Post-employment Benefits.

*Fund 080: **Student Body Funds*** at the school sites account for cash held by the District on behalf of the student bodies. Governmental Accounting Standards Board (GASB) Statement No. 84, *Fiduciary Activities* necessitates the inclusion of the Student Body Budget in the overall LA Unified Budget.

SOURCES AND USES OF FUNDS

SOURCES OF FUNDS

Beginning Balance

This section of the financial statements basically reflects the ending balance of the prior year. In addition, it may include adjustments due to audit or restatements of amounts.

Revenue

This section entails the various types of revenues received. They are classified based on the source of funds such as the Local Control Funding Formula, federal, state, and local revenues. For example, entitlements or grants coming from the federal government such as the Federal IDEA and Title I are included under federal revenues; while entitlements or grants coming from the state such as the Special Education funding AB 602 is included in the state revenues. It may also include inter-fund transfers-in from other funds.

USES OF FUNDS

Expenditure

This section reflects the amounts of funds spent or to be spent based on the type of expenditure which are called the objects of expenditures. These may be certificated and classified employees' salaries, employee benefits, books and supplies, contracts, and capital outlay. It may also include inter-fund transfers-out to other funds.

- *Certificated Salaries* include salaries for positions that require a credential or permit issued by the Commission on Teacher Credentialing such as salaries of school administrators, teachers, librarians, counselors, nurses, and certificated central office administrators.
- *Classified Salaries* include salaries for positions that do not require a credential or permit issued by the Commission on Teacher Credentialing such as salaries of instructional aides, school administrative assistants, bus drivers, carpenters, custodians, plumbers, and those non-certificated employees who supervise their work.
- *Employee Benefits* include employers' contributions to retirement plans and health and welfare benefits for employees, their dependents, retired employees, and board members; and other post-employment benefits.
- *Books and Supplies* include the cost of textbooks, instructional materials, general supplies, and fuel.

- *Services and Other Operating Expenses* include the cost of contracts, travel and conferences, dues and memberships, utilities, rentals, leases, repairs, and professional or consulting services.
- *Capital Outlay* includes the cost of facilities (land and buildings), books and media for new libraries or major expansion of school libraries, equipment, and equipment replacement. Most of LAUSD's capital outlay costs are in bond funds devoted specifically to school construction and modernization.
- *Other Outgo* includes pass through of apportionments to county-educated LAUSD-resident students, transfers of taxes to direct-funded (fiscally-independent) charter schools, bond redemptions, and bond interest and other service charges.

Ending Balance

This section entails the ending fund balance for the fiscal year which are classified into various categories. GASB 54 implemented a five-tier fund balance classification that sets the parameters and spending constraints as to use of funds.

- *Non-spendable Fund Balance* consists of funds that cannot be spent due to their form. These include 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 that are subject to externally-imposed and legal constraints.
- *Committed Fund Balance* consists of funds that are subject to internal policies and constraints. These policies are self-imposed by the District's highest level of decision-making authority.
- *Assigned Fund Balance* consists of funds that are intended to be used for a specific purpose by the district's highest level or an official with the 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.

HOW EDUCATION IS FUNDED IN CALIFORNIA

Prior to the 1970s, California's schools were financed largely with property tax revenues imposed for the benefit of local school districts. This led to dramatic differences in school district funding. A school district with very high property values could raise more revenue per pupil with a low property tax rate, while a district with low property values could raise less with a much higher property tax rate. The state attempted to reduce these differences by providing more state aid to low-property wealth districts. Despite this effort, per pupil revenues varied considerably between districts. In fiscal year 1968-69, for example, per pupil expenditures ranged from \$577 in Baldwin Park to \$1,232 in Beverly Hills.¹ This disparity led to the important Serrano v. Priest (1976) equal protection litigation, which was resolved through statutory enactments that called for a general equalization of state apportionment revenue to school districts.

In 1978, voters approved Proposition 13. The new law limited property tax rates to 1 percent of a property's assessed value at the time of acquisition. Proposition 13 reduced property tax revenues available for local governments and school districts. To cushion the impact to school districts, the state Legislature shifted state dollars to schools.

With the adoption of Proposition 98 (1988) and Proposition 111 (1990), a minimum funding level from State and local property taxes was provided to K-14 public schools. California schools today receive the large majority of their funding from the State, primarily from income and sales tax revenues. To a much lesser extent, districts also receive some local property revenues that are collected at the local level but distributed by the State. Income and sales taxes are more volatile revenue sources than property taxes. When the economy sours, unemployment rises, leading to fewer purchases. This correspondingly leads to less income and goods to be taxed. As a result, fewer dollars become available for schools.

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. 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.

In 2013, the Governor FINAL revised the state's allocation formula for school districts to increase flexibility at the local level. This proposal is known as the Local Control Funding Formula (LCFF). Under LCFF, the state provides a base grant for all students and additional

¹ California Budget Project, *School Finance in California and the Proposition 98 Guarantee* (April 2006).

grants for high-need students such as English Learners and socio-economically disadvantaged pupils.

The following provides information on legislation and court rulings that have significantly affected California's funding for education.²

Senate Bill 90 (1972) – In 1972, the Legislature established revenue limits for California public schools. The legislation placed ceilings on the amount of tax money each district could receive per pupil. This was in order to help reduce the wide differences in school funding between high and low property-wealth districts. The 1972-73 general purpose spending level became the base amount in determining each district's annual revenue limit.

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.

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.

² Many of these rulings have been amended by subsequent legislations.

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 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.

Assembly Bill 602 (1997) – This legislation revised the state’s allocation formula for special education funding for school districts. The formula distributes a large share of special education funds based on total student population of each school district, rather than the number of special education students at each district or the specific needs of those students.

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 offer 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 school sites that have at least 50 percent of its students receiving free and reduced priced lunch. A portion of state funding under Proposition 49 satisfies the revenue limit guarantee under Proposition 98.

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. QEIA ended in fiscal year 2016-17.

Assembly Bill 825 (2009) – 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.

Education Trailer Bill - Senate Bill 4 of the 2009-10 Third Extraordinary Session (SBX3 4, 2009) – For fiscal years 2008-09 through 2012-13, this bill established: (1) Categorical Program Flexibility, which grouped categorical 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. See the glossary for additional details on Tiers I, II, and III programs. In addition, SBX3 4 relaxed K-3 Class Size Reduction penalties for fiscal years 2008-09 through 2011-12 only.

Proposition 30 (2012) – The initiative passed on November 2012 provides for a personal income tax increase over seven years for California residents with an annual income over \$250,000, through the end of 2018. This also provides for an increase in sales tax by 0.25 percent over four years (from January 1, 2013 through December 31, 2016). This initiative funds K-12 public education among other purposes.

Local Control Funding Formula (2013) – This legislation simplified the state’s funding allocation formula for school districts. The funding formula intends to increase transparency for state funding to schools and increase decision-making as to expenditure of funds at the local education agency level. Under LCFF, the state provides a base grant for all students and additional grants for high-need students such as English learners, low income, and foster youth.

Proposition 39 (2013) – The California Clean Energy Jobs Act changed the corporate income tax code and allocates projected revenue to the state General Fund and the Clean Energy Job Creation Fund for five fiscal years beginning 2013-14. Under the initiative, available funds are to be used for eligible projects to improve energy efficiency and expand clean energy generation in schools. School Districts can request funding by submitting an application to the California Energy Commission.

Proposition 55 (2016) - Extends by twelve years the temporary personal income tax increases enacted in 2012 (Proposition 30) on earnings over \$250,000, with revenues allocated to K-12 schools, California Community Colleges, and, in certain years, healthcare. Proposition 55 will raise tax revenue by between \$4 billion and \$9 billion a year. Half of funds will go to schools and community colleges, up to \$2 billion a year would go to Medi-Cal, and up to \$1.5 billion will be saved and applied to debt.

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, from *EdSource*.

LOCAL CONTROL FUNDING FORMULA

Up until fiscal year 2012-13, the Revenue Limit was the basic and the largest financial support for District activities. In fiscal year 2013-14, Governor Jerry Brown implemented the new State funding formula for local education agencies called Local Control Funding Formula (LCFF). AB 97 was enacted, amending California Education Code 42238.07 which relates to education finance. The goal of LCFF is to significantly simplify how state funding is provided to local education agencies (LEAs), to create transparency of funding, and to grant local control of funds.

The LCFF eliminated the Revenue Limit and most of the state categorical program funding streams. The categorical programs that were folded in the LCFF are not bound by the program compliance requirements that existed before the implementation of LCFF. Below is a list of categorical programs participated in by LAUSD that are now folded in the LCFF.

- Administrator Training Program
- Adult Education
- Advanced Placement (AP) Program - Exam Fee Assistance
- Arts and Music Block Grant
- Bilingual Teacher Training and Assistance Program
- California High School Exit Exam Intensive Instruction
- California School Age Families Education (Cal-SAFE)
- Certificated Staff Mentoring Program
- Charter School Categorical Block Grant
- Charter School In-lieu of EIA
- Class-Size Reduction, Grade 9
- Class-Size Reduction, Grades K-3
- Community-Based English Tutoring (CBET)
- Community Day School Additional Funding
- Community Day School Additional Funding For Mandatory Expelled Pupils
- Core Academic Program (Supplemental Instruction)
- Deferred Maintenance
- Economic Impact Aid (EIA)
- Education Technology - California Technology Assistance Project (CTAP)
- Education Technology – Statewide Education Technology Services (SETS)
- Gifted & Talented Education (GATE)
- Instructional Materials, IMFRP
- Low STAR Score and at Risk of Retention (Supplemental Instruction)
- Math & Reading Professional Development
- Math & Reading Professional Development - English Learners
- Middle & High School Counseling
- National Board Certification Teacher Incentive Grant
- New Charter School Supplemental Categorical Block Grant
- Oral Health Assessments
- Peer Assistance & Review Program
- Physical Education Teacher Incentive Program
- Professional Development Block Grant

Pupil Retention Block Grant
 Pupil Transportation Programs
 Reader Services for Blind Teachers
 Regional Occupational Centers / Programs
 Remedial Program (Supplemental Instruction)
 Retained & Recommended for Retention (Supplemental Instruction)
 School and Library Improvement Block Grant
 School Safety & Violence Prevention Block Grant, Grades 8-12 (Carl Washington)
 School Safety Consolidated Competitive Grant
 Standards for Preparation and Licensing of Teachers (CTC)
 Targeted Instructional Improvement Block Grant
 Teacher Credentialing Block Grant (BTSA)
 Teacher Dismissal Apportionments

Unlike the Revenue Limit which was largely based on COLA and average daily attendance (ADA), the LCFF includes several variables to calculate an LEA's entitlement. These are ADA, COLA, enrollment, unduplicated pupil count, and gap funding percentage.

To familiarize one's self with the LCFF calculation, it would help to know the definitions of the various terminologies used in LCFF. Below are the various terminologies and their brief definitions in the order as they are encountered in the formula.

Grade Span LCFF funding uses grade span ADAs such as K-3, 4-6, 7-8, and 9-12. Transitional Kindergarten (TK) is included in the Kindergarten ADA.

Average Daily Attendance (ADA) The change in the reporting of ADA was driven by the LCFF formula where ADAs are summed into grade spans of K-3, 4-6, 7-8, and 9-12. LCFF uses the ADA of students from the beginning of the school year to the school month ending on or before April 15th of a fiscal year. This period of attendance is called the Second Principal Apportionment (P-2) ADA. After adjusting LAUSD's prior year ADA for students who transferred to and from LAUSD and charter schools, Education Code 42238.5 allows school districts to use the larger of the current year or prior year's P-2 ADA; while charter schools use the current year's P-2 ADA. A small portion of the funded ADA comes from the Annual ADA, i.e., ADAs from the beginning to the end of the school year. The ADAs are sub-totaled by grade span which is multiplied by the corresponding funding rates per ADA.

Cost of Living Adjustment (COLA)	This is a percentage calculated by the State and is based on the Implicit Price Deflator as of the month of May prior to the beginning of each fiscal year. The LCFF rates per ADA are increased annually to reflect the COLA.
Base Grant Per ADA	Each Base Grant Per ADA is composed of a base rate per ADA plus COLA. The Base Grant Per ADA is unique for each of the grade span and is applied to the respective grade span ADA to calculate the initial Base Grant Funding. For grades K-3, the Base Grant Per ADA includes the K-3 Grade Span Adjustment. The State provides an additional 10.4% of the initial K-3 Base Grant as funding for K-3 Class Size Reduction. For grades 9-12, the Base Grant Per ADA includes the 9-12 Career Technical Education (CTE) Adjustment. The State provides an additional 2.6% of the initial 9-12 Base Grant as funding for CTE.
Base Grant Funding	The Base Grant Funding is the result of multiplying the Base Grant Per ADA of each grade span by the funded ADAs of each respective grade span.
Enrollment	This refers to the total count of K-12 students enrolled as of the fall Census Day (first Wednesday in October).
Targeted Disadvantaged Students/Unduplicated Pupils	The unduplicated student count refers to pupils who are identified as either English Learner, met the requirements for free or reduced-priced meals, or in foster care. A student falling into one or more of the criteria mentioned is counted once even if the student meets more than one of the criteria; hence, the term unduplicated pupil count. All pupil counts are based on Fall 1 certified enrollment reported in the California Longitudinal Pupil Achievement Data System (CALPADS) as of fall Census Day (first Wednesday in October).
Unduplicated Pupil Percentage	This is calculated by dividing the total unduplicated pupil count by the total enrollment and is used in the calculation of the Supplemental and Concentration Grant Funding. With the assumption of LCFF beginning in fiscal year 2013-14, this is expressed as an “average” percentage, i.e., for fiscal year 2014-15, 2-year average; for fiscal year 2015-16, a 3-year average; and for fiscal years 2016-17 and on, a 3-year average of the last three fiscal years including the current fiscal year.

Supplemental Grant Funding	Every Targeted Disadvantaged Student generates additional funding above the Base Grant Funding through the Supplemental Grant Funding. For each grade span, this is calculated by multiplying the Base Grant Funding by the Unduplicated Pupil Percentage times 20%.
Concentration Grant Funding	In addition to the Supplemental Grant Funding, school districts that have unduplicated pupil percentage greater than 55% are entitled to the Concentration Grant Funding. For each grade span, this is calculated by multiplying the Base Grant Funding by the Unduplicated Pupil Percentage in excess of 55% times 50%.
Allowance and Add-On Funding	For LAUSD, this includes the Targeted Instructional Improvement Block Grant (TIIBG) and the Home-To-School Transportation in the amounts received in fiscal year 2012-13.
LCFF Target Entitlement	The LCFF Target Entitlement is the sum of the Base Grant Funding, Supplemental Grant Funding, Concentration Grant Funding, and Allowance and Add-on Funding. It is recalculated for each of the implementation year based on the current fiscal year's funded ADA and COLA.
Floor Entitlement	This represents the minimum LCFF amount an LEA may receive for a fiscal year. This is composed of the following: 1) the 2012-13 Revenue Limit per ADA times the current year funded ADA, 2) total amount of the 2012-13 Categorical Programs that were folded into LCFF, and 3) the prior year cumulative gap rates per ADA times the current year funded ADA.
Current Year Gap	This is the difference between the Target Entitlement and the Floor Entitlement. If the Target Entitlement is greater than the Floor Entitlement, the LEA has not reached its full LCFF implementation entitlement. Hence, there is still a gap or a need to reach full implementation. Otherwise, the LEA will be funded based on the Target Entitlement and is deemed to have reached the full implementation amount of LCFF.
Statewide Gap Funding Rate	Based on the State's available resources, the Gap Funding Rate is set at the State level and is used to calculate the Current Year Gap Funding.

Current Year Gap Funding

This represents the “funded” portion of the gap between the Target Entitlement and the Floor Entitlement and is funded incrementally each fiscal year until full funding of the Target Entitlement is realized.

Economic Recovery Target

It is the difference between the amount a school district or charter school would have received under the old funding system (Revenue Limit, Charter School Block Grants, and Categorical Programs) and the estimated amount it would receive for LCFF funding based on certain criteria. This is not applicable to LAUSD because only school districts and charter schools that were at, or below, the 90th percentile of per-pupil funding rates of school districts under the old funding system as determined at the 2013-14 P-2 certification, are eligible for ERT payments.

Transition Funding

This represents the amount of LCFF entitlement a LEA receives for the fiscal year. If the Target Entitlement has not been realized, each current year’s LCFF funding is composed of the Floor Entitlement and the Current Year Gap Funding. If the Target Entitlement has been realized, the Transition Funding is the Target Entitlement. The Transition Funding is funded through: 1) local property taxes, 2) the Education Protection Act (EPA) which was enacted by Proposition 30 in November 2012, and 3) state aid. The portion of the Transition Funding that is not funded by local property taxes and EPA is funded by state aid.

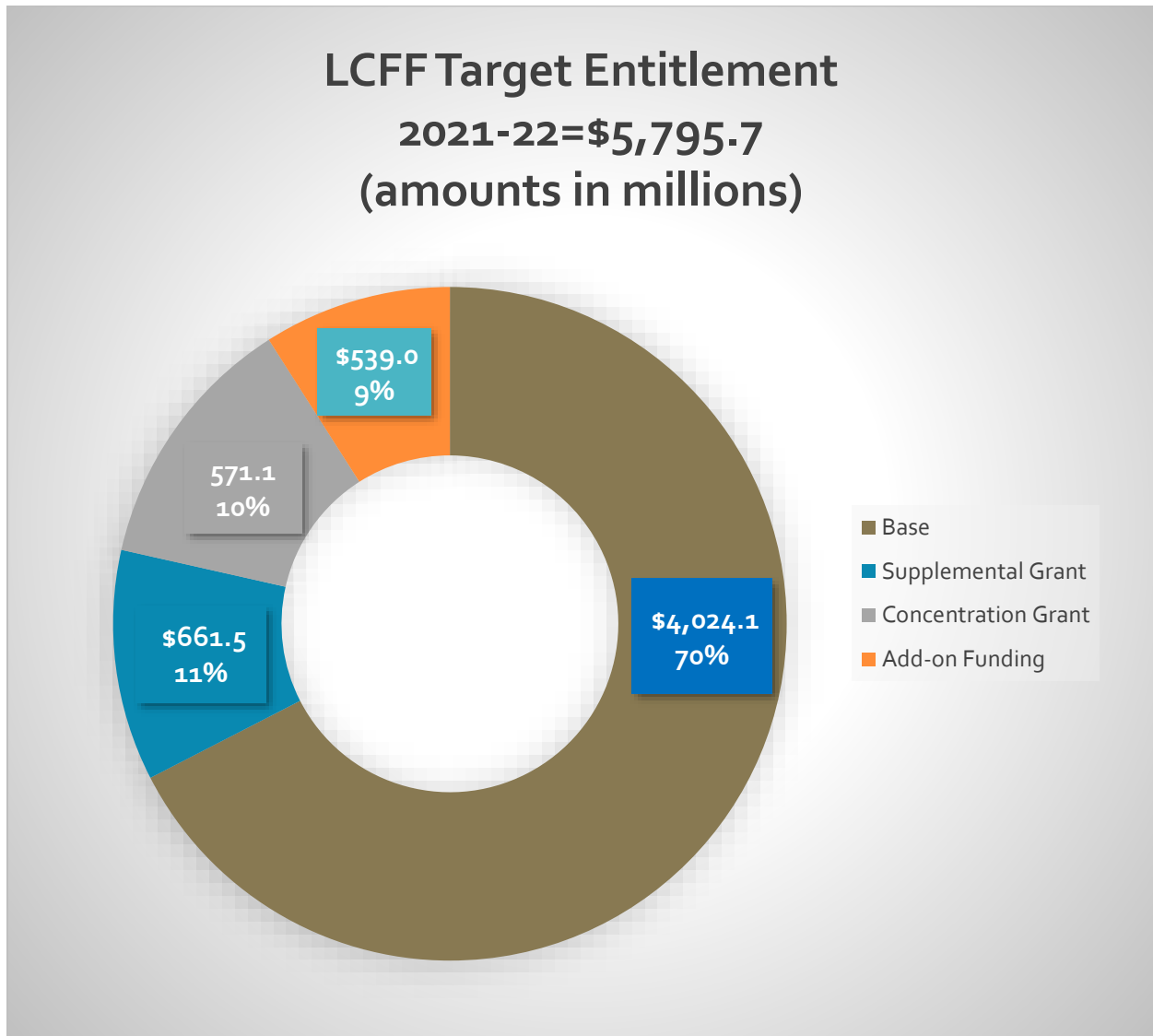
The 2018-19 Enacted State Budget fully implemented the LCFF and closed the funding gap. Since then, local educational agencies are funded at their Target Entitlement.

As a condition of receiving the K-3 Grade Span Adjustment, LAUSD is required to maintain an average K-3 class size enrollment of not more than 24 pupils or a collectively bargained alternative class size at each school site. Failure of one school site to maintain the maximum average K-3 class size of 24:1, will jeopardize the whole K-3 Grade Span Adjustment funding. On the other hand, charter schools do not have to maintain or make progress toward the required average class size of 24 pupils.

The Supplemental and Concentration Grant Funding are dependent on an LEA’s number of unduplicated student count, specifically, the percentage of the unduplicated count to total enrollment. Although LCFF funding is considered unrestricted, the Supplemental and Concentration Grant Funding are earmarked to be spent on the Targeted Disadvantaged Student population. LEAs are required to specify on the Local Control Accountability Plan (LCAP), the amount of expenditures for the Targeted Disadvantaged Student population.

The 2021-22 May Revision provides a 5.07% increase for the Local Control Funding Formula (LCFF). The increase includes both the compounded cost-of-living adjustment (COLA) of 4.07%, representing the 2020-21 (COLA) of 2.31% and 2021-22 (COLA) of 1.70%, and the additional 1% to help schools with the ongoing fiscal pressures.

Below is a graph that shows LAUSD's LCFF Target Entitlement by component for the K-12 schools including affiliated charter schools.



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.

Below is an example of how ADA is calculated. Suppose over 3 instructional days, 30 students attended on Day 1, 29 students attended on Day 2, and 31 students attended on Day 3. The total number of pupil days of attendance would be calculated as $30 + 29 + 31 = 90$. Since there are 3 instructional days in this period, the ADA would be $90/3 = 30$.

Day 1	30 students
Day 2	29 students
Day 3	31 students
Total days of attendance of all	90
Total number of instructional days	3
Average Daily Attendance	$90/3 = 30$

An exception to this involves the use of fixed divisors (in place of the number of instructional days) in calculating ADA for Community Day Schools and Extended Year Special Education (Special Day Program and Nonpublic Schools).

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 LCFF revenue of Community Day Schools, Special Education-Nonpublic Schools, and Extended Year Special Education (Special Day Program and Nonpublic Schools) are based on *annual ADA*.

ADA as the Basis of Revenue

Revenue ADA reflects the ADA used to calculate the district’s revenue. Generally, the basis for K-12 revenue is mostly **P-2 ADA**; while Community Day Schools, Extend Year Special Education, and Special Education-Nonpublic School are based on **annual ADA**.

K-12 ADA includes ADA generated by General Education and Special Education students in comprehensive schools, Continuation Schools, Opportunity Schools, Home and Hospital, and Special Education Schools.

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

Grade Level/Program ADA	Reporting Period of Revenue ADA
K-12	P-2
Community Day School	Annual
Extended Year Special Education-SDP	Annual
Special Education-Nonpublic School	Annual
Extended Year Special Education-Nonpublic School	Annual

For a school district experiencing an enrollment decline from one year to the next, Education Code Section 42238 allows school districts to use the greater of the current year or prior year total ADA as the funded LCFF ADA, adjusted for prior year ADA of students who transferred to and from the school district and its charter schools. On the other hand, charter schools are funded based on the current year ADA only.

BUDGET PRINCIPLES AND PROCESS

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 are recognized 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 are recorded 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 Self-Insurance Funds.

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 available amounts 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.

B. 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. 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, a budget adjustment (B.A.) enables a school or office to use 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 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.

ADOPTED BUDGET AND FINANCE POLICY (NOVEMBER 2013)

I. 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.

California school districts, including LAUSD, are bound by legal requirements, administrative regulations, and oversight protocols during the budget process. 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 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 provides detailed definitions of income and expenditure categories together with approved budget and accounting practices.
- The Superintendent of Public Instruction annually issues budget and expenditure documents that 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) monitors 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, LACOE is authorized to take corrective action. This could include assuming management of that District's financial affairs (Education Code 42127.3).

The District must also comply with the Governmental Accounting Standards Board's (GASB) accounting standards and rules. The budget process should also strive to meet the Government Finance Officers Association's (GFOA) best practices for finance, accounting, and budgeting by government agencies.

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
October/November	<ul style="list-style-type: none"> • Board discussions on budget priorities and investments for the next fiscal year
December	<ul style="list-style-type: none"> • First Interim Report released projecting current and future year’s revenues, expenditures, and balances. • Board decisions on investments for implementation during budget development
January	<ul style="list-style-type: none"> • Governor proposes the State Budget to the Legislature for the next fiscal year • District Staff analyzes Governor's Proposed State Budget for Board • Materials and allocations for budget development finalized
February/March/April	<ul style="list-style-type: none"> • Schools and Offices Budget Development
March	<ul style="list-style-type: none"> • Second Interim Report released projecting current year revenues, expenditures, & balances • Budget Services & Financial Planning Division presents District's 3-year multi-year projection to the Board • General Fund - funding levels presented
May	<ul style="list-style-type: none"> • Governor releases May Revision of proposed State Budget • Categorical Funding levels presented to the Board
June	<ul style="list-style-type: none"> • Board adopts Final Budget for coming year
June/July/August	<ul style="list-style-type: none"> • State budget adopted • If necessary, Board holds special meetings to consider changes to Final Budget

Updated to reflect current timeline June 2021

II. 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. Be based on the goals of the Board and Superintendent.
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 GFOA. The policy is also 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 of Education and Superintendent.

The Board of Education and Superintendent have the primary responsibility for developing and articulating the District’s goals; these goals will be the framework for the budget.

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 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) Structurally Balanced Operating Budget
- b) Appropriate Use of One-Time Revenues
- c) Alignment of Budget with Expected Expenditures
- d) Maintenance of Appropriate and Adequate Fund Balance and Reserves
- e) Revenue Maximization
- f) Revenue and Expenditure Estimation
- g) Cost Recovery through Fees and Charges
- h) Capital Plan
- i) Asset Management
- j) Prudent Debt Management
- k) Program Sustainability
- l) GASB Compliance

A) STRUCTURALLY BALANCED OPERATING BUDGET

The Superintendent must annually prepare and recommend a structurally balanced budget where operating revenues are equal to, or exceed, operating expenditures (Education Code Sections 42100, 42127.5).

The Office of the Chief Financial Officer shall prepare the First and Second Period Interim Financial Reports in accordance with the law and make appropriate recommendations to the Board if financial adjustments are necessary. Annual appropriations shall be made to responsibly address all identified liabilities, including pension, vacation accrual, workers’ compensation, and retiree health needs.

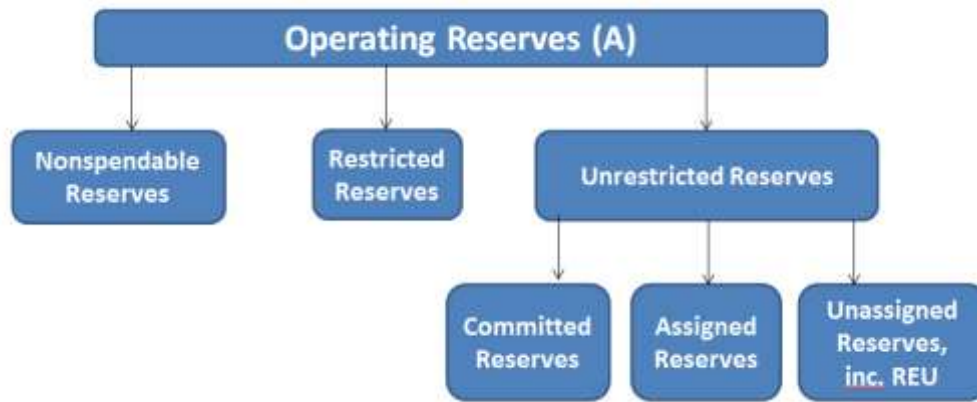
B) SECTION B IS DELETED PER BOARD OF EDUCATION AMENDMENT

C) ALIGNMENT OF BUDGET WITH EXPECTED EXPENDITURES

Actual expenditures should closely approximate the estimated appropriation. To the extent that funding is required for expenditures spanning fiscal years, appropriate financial techniques should be identified and employed.

D) MAINTENANCE OF APPROPRIATE AND ADEQUATE FUND BALANCES AND RESERVES

LAUSD shall strive to maintain certain reserve funds to provide financial stability. The reserves describe in these policies supersedes all prior District reserve policies. These reserve funds shall be for operations or for liabilities, and includes, but not limited to, the following described categories:



A. Operating Reserves:

The purpose of operating reserves is to set aside monies and to meet the minimum reserves policy target in the Three-Year Sustainability Plan.

The current classifications of fund balances¹ are as follows:

- Non-spendable fund balance (*inherently non-spendable*) This category includes reserves for Revolving Cash, Stores, and Prepaid Expenditures
- Restricted fund balance (*externally enforceable limitations on use*) This category includes balances related federal and state programs.
- Committed fund balance (*self-imposed limitations on use*)
- Assigned fund balance (*limitation resulting from intended use*)
- Unassigned fund balance (*residual resources for unrestricted use*)

¹ Under GASB Statement No. 54, Fund Balance Reporting and Government Fund Type Definitions.

General Fund Balance Policy:

The District shall maintain Total General Fund balances at a level which is 5 % or more of Total General Fund expenditures and net transfers out (the “5% Minimum Reserve Threshold”). This level is the minimum necessary to sustain the District’s strong credit ratings.

Reserve funding levels shall be reviewed annually and adjusted as appropriate. The reserve policy is as follows:

1. The District shall maintain at least the 5% Minimum Reserve Threshold in the Three-Year Sustainability Plan.
2. Whenever the District projects a failure to meet the 5% Minimum Reserve Threshold, all one-time monies received shall be set-aside until the Threshold is met in each of the years.
3. In addition, other recommendations will be developed to restore reserve balances.

These recommendations will be completed within the next fiscal year.

Reserve for Economic Uncertainties:

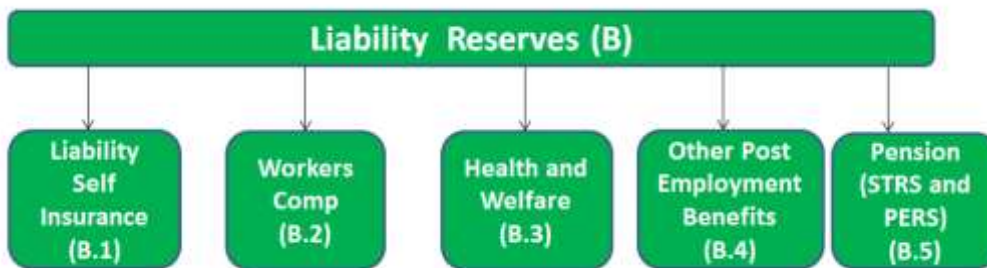
This is a legally required reserve which is currently at 1% of total General Fund expenditures and other financing uses.

Reserves for Revolving Cash, Stores, and Prepaid Expenditures:

The District’s accounting practice establishes a reserve for revolving cash, stores, and prepaid expenditures.

B. Liability Reserves:

The purpose of the Liability Reserves is to set aside monies for legal liabilities. Funding these liability reserves provides resources to help prevent disruptive reductions to LAUSD operating programs.



B.1 Liability Self-Insurance Fund:

Liability Self Insurance funding will be based on the current year claims and the amount to fully fund the estimated liability as determined by a third party actuarial report.

B.2 Worker’s Compensation Fund:

Worker’s Compensation funding will be based on the current year claims and the amount to fully fund the estimated liability as determined by a third party actuarial report.

B.3 Health and Welfare Fund:

Health & Welfare funding will be based on the Health and Welfare Memorandum of Agreement in place.

B.4 Other Post-Employment Benefits (OPEB) Fund:

The District will establish an irrevocable trust for its OPEB liability (OPEB Trust) to:

1. Minimize encroachment on the District's operating budget;
2. Provide funding to protect retiree benefits;
3. Improve the return on investment on the Trust assets;
4. Align contributions to more adequately recover costs from federal, capital and grant programs;
5. Provide a proactive response to address the impacts of GASB 45 on the District's finances; and
6. Preserve the District's net assets.

Contributions to the Trust will be annually calculated and distributed as follows:

1. An annual per employee set aside, at rates consistent with the District's current budget assumptions and policies, will be contributed to the OPEB Trust on or before June 30th. Such contributions will be subject to maintaining an Unrestricted General Fund balance of 5% of the unrestricted revenue. These Trust contributions will be made from all appropriate funding sources. The annual OPEB per employee growth rates will continue until such time that the District will be able to reasonably meet its unfunded liability in accordance with GASB standards.²
2. In the event that the Unrestricted General Fund is above 5% of the unrestricted revenues (after the annual OPEB contribution has been determined), an additional contribution from the assigned OPEB reserve will be placed in the Trust.

E) REVENUE MAXIMIZATION

LAUSD receives the majority of its funding from the State of California. To supplement these funds, LAUSD shall seek additional revenues from other funding sources including the Federal Government, foundations, corporations, mandate funding, parent and community organizations, and through new and changes to funding legislations. These additional resources should be for purposes that 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.

F) REVENUE AND EXPENDITURE ESTIMATION

LAUSD 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

² Beginning in 2017-18 as part of the fiscal stabilization plan, there is no OPEB contribution.

revenue source. The authority to spend in part or all of the budgeted revenue will be provided based on revenue certainty.

Reserve for Anticipated Balances:

This is a non-budget add reserve requested by the Los Angeles County of Education to allow for technical adjustment for expenditure.

G) 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, including all direct and indirect costs subject to any legal restrictions.

H) CAPITAL PLAN

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.
- Annually adopting a multi-year capital budget that identifies the projects 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.
- Annually presenting an analysis of the future operational impact of the capital projects.

I) ASSET MANAGEMENT

The District will strive to:

- 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 to sustain the need to maintain the value of its assets and protect the health and safety of students and employees.
- Annually estimate and set aside resources for preventative maintenance.
- Maintain a restricted account within the general fund for the exclusive purpose of providing funds for ongoing and major maintenance of school buildings to comply with the requirements set forth in Education Code Section 17070.75 and 17070.77. Deposit into this account, in each fiscal year for at least 20 years after receipt of School Facility Program (SFP) funds, an amount equal to or greater than required percent of the total general fund expenditures of the District, including other financing uses, for that fiscal year.

J) PRUDENT DEBT MANAGEMENT

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

K) PROGRAM SUSTAINABILITY

To achieve sustainability, LAUSD should strive to:

- Link multi-year programs to multi-year funding. When funding is non-continuous, the program should be identified as limited.
- 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.
- 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.

L) GASB STANDARDS FOR FINANCIAL ACCOUNTING AND REPORTING

The Governmental Accounting Standards Board promotes rules governing financial accounting and reporting. LAUSD shall comply with these rules. LAUSD shall strive to receive the GFOA Certificate for Excellence in Financial Reporting annually.

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

A broad cross-section of stakeholders in the District rely on LAUSD’s budget and related financial documents for crucial financial information. These stakeholders include parents, teachers, community groups, administrators, 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

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.

LAUSD has identified guidelines for the presentation of budgets consistent with GFOA standards from four perspectives:

- a) Policy Document
- b) Financial Plan
- c) Operations Guide
- d) 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 District will define the parameters under which schools and offices will manage their budgets.

Principle Five: The budget process should inform stakeholders.

Prior to the adoption of the final budget, District staff will inform stakeholders in accordance with the budget Timetable and materials will be posted to the website.

III. FUND BALANCE POLICY AND PROCEDURES

A. 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.

B. GENERAL POLICY

There are five separate components of fund balance. Each component 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 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.

C. PROVISIONS Committed Fund Balance

The Governing Board, as the District's highest level of decision-making authority, may commit Fund balances 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 expenditures and other financing uses 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.

Los Angeles Unified School District

DEBT MANAGEMENT POLICY



LINK TO DEBT MANAGEMENT POLICY

<https://bit.ly/3d9bCdx>

CAPITAL BUDGET

For up-to-date information about the District's major capital programs, please visit the following District websites:

Existing and New Facilities:

<http://www.laschools.org/new-site/sep/>

Information Technology Division:

<https://achieve.lausd.net/page/12419>

GLOSSARY AND ABBREVIATIONS

GLOSSARY

Abatement – A complete or partial cancellation of an expenditure or revenue item.

Academic Performance Index (API) – The API measures student achievement on certain standardized tests. Several Governor’s Initiative programs use schools’ API scores and their growth over time on the Index to determine funding.

Accounts Payable – Amounts due and owed to private persons, business firms, governmental units, or others for goods received and/or services rendered. It 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. It 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 “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 Services Division manages the utilities budget for schools and offices, but the expenditures are distributed to schools and offices.

Administrative Service Charge – A credit (negative) amount budgeted 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.

Arbitration – A form of alternative dispute resolution in which a third party reviews the evidence in the case and imposes a decision that is legally binding for both sides and enforceable.

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 (budgeted) Amount – The maximum budget authority granted by the governing board, as opposed to the “estimated amount”. “Authorized” and “estimated” amounts will differ when, for example, actual grant revenues or expenditures are projected to be less than the authorized amount.

Authorized Positions – Positions, both filled and vacant, for which authority is provided in the budget.

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 Grant Funding – In LCFF, it is the result of multiplying the Base Grant Per ADA of each grade span by the funded ADAs of each respective grade span. All students generate Base funding.

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”) – Is an adjustment that may increase or decrease revenues or expenditures, or a change in amounts between objects of expenditures. The adjustment can be for the current fiscal year or for multi-years.

California State Lottery – Proposition 37, passed by the voters in November 1984, established the California Lottery. The lottery distributes funds to school 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,” school 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 (Local Education Agency) threshold for capitalization.” Categories of expenses recorded as capital expenditures include land, buildings, site improvements, and some types of equipment. Equipment also includes library books and project management costs that can be 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.

Career Technology Education - A program of study that involves a multiyear sequence of courses that integrates core academic knowledge with technical and occupational knowledge to provide students with a pathway to postsecondary education and careers.

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 cost center or may be carried forward and redistributed as part of a new fiscal 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) are recorded 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 Programs – Programs that fund 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 teaching credential. These include teachers, counselors, assistant principals, and principals.

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.

Charter School – Under State law, charter schools operate semi-autonomously of the District. A locally-funded (affiliated) charter school continues to receive funding from the District but develops curriculum that may differ from that of a non-charter school. A direct-funded (fiscally- independent) charter school receives funding directly from the State and develops curriculum in compliance with state and federal guidelines.

Child Days of Enrollment – Children’s centers generate revenue based on Child Days of Enrollment as opposed to K-12 schools which uses average daily attendance as the basis for revenue.

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 teaching credential such as clerical and custodial staff.

COLA – See “Cost of Living Adjustment”

Common Core State Standards (CCSS) - Common standards across all states for English and Math. This is a change from the previous state-by-state systems. Instead of taking the California Standards Test in May, students will take the new test, called the Smarter Balanced Assessment.

Community Day School (CDS) – A school site that serve students who have been expelled, referred by SARB, or denied attendance at a regular school site. By law, these schools must be located on sites separated from regular District campuses.

Compensatory Education – Comprised of Every Student Succeeds Act Titles I (Socioeconomically Disadvantaged Students), II (High Quality Teachers), and III (English Learners). Provides supplemental funding for schools qualifying for resources under program guidelines.

Concentration Grant Funding – In LCFF, school districts that have unduplicated pupil percentage greater than 55% are entitled to the Concentration Grant Funding. For each grade span, this is calculated by multiplying the Base Grant Funding by the Unduplicated Pupil Percentage in excess of 55% times 50%.

Concurrently-Enrolled – Students that are enrolled simultaneously in a K-12 school and in a Regional Occupational Center or Adult Education Program.

Continuous – See “Ongoing.”

Coronavirus (COVID-19) – The viral disease that emerged in China in December 2019.

Coronavirus Aid, Relief and Economic Security Act (CARES) (S. 3548) – One of three coronavirus relief bills passed by Congress in March 2020. At roughly \$2 trillion dollars, the CARES Act is the largest stimulus bill in U.S. history. The other two relief bills include the Coronavirus Preparedness and Response Supplemental Appropriations Act of 2020 (H.R. 6074), and the Families First Coronavirus Response Act (H.R. 6201)

Cost of Living Adjustment (COLA) - This is a percentage calculated by the State and is based on the Implicit Price Deflator as of the month of May prior to the beginning of each fiscal year. The LCFF rates per ADA are increased annually to reflect the COLA.

Current Expense of Education – The current General Fund operating expenditures for kindergarten through grade twelve. This excludes expenditures for food services, community services, non-agency activities, fringe benefits for retired persons, 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 Spending – The excess of actual expenditures over actual revenues (also referred to as an operating deficit).

Designated Ending Balance – The portion of the previous year’s ending balance committed by statute or by District policy and therefore unavailable for general purpose spending.

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 a 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.

Education Protection Act (EPA) - The Education Protection Account (EPA) provides local educational agencies (LEAs) with general purpose state aid funding pursuant to Proposition 30, The Schools and Local Public Safety Protection Act of 2012, approved by the voters on November 6, 2012. The EPA funding is a component of an LEA's total LCFF entitlement as calculated in the Principal Apportionment.

Education Stabilization Fund (ESF) – Authorized under the CARES Act, the ESF appropriated approximately \$31 billion to create funding streams for several distinct education programs that addressed the impact of the Novel Coronavirus Disease 2019 (COVID-19) on educational services across the nation.

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). In 2015, Congress amended NCLB and reauthorized it as the Every Student Succeeds Act (ESSA).

Elementary and Secondary School Emergency Relief Fund (ESSER) – Resources under the federal CARES Act to provide school districts with emergency relief funds to address the impact of COVID-19 on elementary and secondary schools across the nation.

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 inter-program adjustments, usually from General Fund – Unrestricted 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 (Local Education Agency) 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.

Estimated (Budgeted) Amount – The estimated amount of revenues or expenditures, as opposed to the "authorized" amount, which is the maximum budget authority granted by the governing board. "Authorized" and "estimated" amounts will differ when, for example, actual grant revenues or expenditures are projected to be less than the authorized amount.

Every Student Succeeds Act (ESSA) – ESSA was signed by President Obama on December 20, 2015, and reauthorizes the 50-year-old Elementary and Secondary Education Act (ESEA), the nation's national education law. See "Elementary and Secondary Education Act (ESEA)"

Expenditure – The cost of goods received or services rendered.

Extended Learning Opportunities (ELO) - ELO Grants shall be expended for extending instructional learning time, accelerating progress to close learning gaps, integrated pupil supports, community learning hubs, supports for credit deficient pupils, additional academic services, and training for school staff. The LEA must use at least 85 percent (85%) of its apportionment for expenditures related to providing in-person services; at least 10 percent (10%) of the funding on paraprofessionals to provide supplemental instruction and support; use up to 15 percent (15%) of its apportionment to increase or improve services for students participating in distance learning or to support activities intended to prepare the LEA for in-person instruction

Federal Emergency Management Act (FEMA) – 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 employed as states faced crippling budget shortfalls.

Fees – Amounts collected from or paid to individuals or groups for services or for use of a facility or service rendered.

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 1st and ends on June 30th.

Function – Under the Standardized Account Code Structure (SACS), function refers to activities or services performed to accomplish a goal.

Fund – 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.

- **Non-spendable Fund Balance** consists of funds that cannot be spent due to their form. These include 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 that are subject to externally imposed and legal constraints.

- **Committed Fund Balance** consists of funds that are subject to internal policies and constraints. These policies are self-imposed by the District's highest level of decision making authority.
- **Assigned Fund Balance** consists of funds that are intended to be used for a specific purpose by the district's highest level or an official with the 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.

Goal – Under the Standardized Account Code Structure (SACS), a goal defines an objective or set of objectives for the LEA (Local Education Agency). 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.

Governor's Emergency Education Relief Fund (GEER) – Resources under the federal CARES Act to provide school districts with emergency relief funds to address the impact of COVID-19 on elementary and secondary schools across the nation. Allocations based in part on low-income student counts.

Grade Span – In LCFF, it refers to the grouping of student grade levels such as K-3, 4-6, 7-8, and 9-12.

Grant – A contribution, either in money or material goods, made by federal, state, or local entities to the District. Grants may be competitive or formula-based entitlements.

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.

In-Person Instruction Grant (IPI) - IPI Grant funds may be used for any purpose consistent with providing in-person instruction for any pupil participating in in-person instruction, including, but not limited to, COVID-19 testing, cleaning and disinfection, personal protective equipment, ventilation and other school site upgrades necessary for health and safety, salaries for certificated or classified employees providing in-person instruction or services, and social and mental health support services provided in conjunction with in-person instruction.

Inter-fund 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 – District funds dedicated to self-insurance of costs such as employee health and medical benefits, liability insurance, and worker’s compensation.

Inter-program Costs – 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 “inter-program” transfers from the unrestricted General Program.

LCAP – Local Control Accountability Plan – See “Local Control Accountability Plan” below.

LCFF – Local Control Funding Formula – See “Local Control Funding Formula” below.

Least Restrictive Environment – A special Education program; describes the legal requirement to educate students with disabilities with their non-disabled peers to the greatest extent appropriate.

Limited – See “One-time.”

Local Control Accountability Plan (LCAP) – A Board-adopted Districtwide plan identifying the academic interventions and strategies that will be implemented to address the academic needs of students receiving supplemental and concentration funding under the Governor’s Local Control Funding Formula (LCFF). The plan is a required component of the annual District budget document adopted by each district Board of Education.

Local Control Funding Formula (LCFF) – The Governor’s public education funding reform, which replaced the Revenue Limit funding formula and most state categorical sources, with a base grant funding, and needs-based supplemental grant funding based on the number of identified students who are English Learners, socio-economically disadvantaged, or who are in foster care. The formula also provides a concentration grant funding for Districts with unduplicated student counts exceeding 55% in any one of the previously mentioned supplemental funding categories.

Local Education Agency (LEA) – This pertains to a school district, a charter school, or a county office of education which operates a public elementary or secondary school.

Mandated Cost Reimbursements – The California constitution requires that the State reimburse local governmental entities, including school districts, 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 – The “Safe Healthy Neighborhood Schools Act (of 2002)” is a school bond measure that authorizes LAUSD to issue \$3.35 billion in bonds for repair and renovation of existing schools and to build neighborhood schools to improve local schools and relieve classroom overcrowding. Passed by 64% of the Los Angeles County voters; November 2002. <http://www.laschools.org/bond/faq>

Measure Q – The “Safe, Healthy Neighborhood Schools Act (of 2008)” is a school bond measure that authorizes LAUSD to issue \$7 billion in bonds to continue repair/upgrade of aging classrooms. Passed by 69% of the Los Angeles County voters; November 2008. <http://www.laschools.org/bond/faq>

Measure R – The “Safe and Healthy Neighborhood Schools Improvement Act of 2004” is a school bond measure that authorizes LAUSD to issue \$3.87 billion in bonds to continue repair/upgrade of aging classrooms and build neighborhood schools. Passed by 63% of the Los Angeles County voters; March 2004. <http://www.laschools.org/bond/faq>

Measure RR – The “LAUSD School Safety and Upgrade Act (of 2020) is a school bond measure that authorizes LAUSD to issue \$7 billion in bonds for construction, rehabilitation or replacement of school facilities. [Board Places \\$7 Billion School Construction Bond Issue on the Ballot for November 3, 2020 \(08-04-20\) \(lausd.net\)](http://www.lausd.net)

Measure Y – The “Safe and Healthy Neighborhood Schools Repair and Construction Measure of 2005” is a school bond measure that authorizes LAUSD to issue \$3.985 billion in bonds to continue repair/upgrade of aging classrooms and to build new neighborhood schools. Passed by 66% of the Los Angeles County voters; November 2005. <http://www.laschools.org/bond/faq>

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.

Multi-year 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.

Next Generation Science Standards (NGSS) - New K–12 science standards have been developed that are rich in content and practice, arranged in a coherent manner across disciplines and grades to provide all students an internationally benchmarked science education.

Norms – For most schools, the District uses Board-approved “norms” to determine the base number of teachers, school administrators, school clerical positions, and various resources at each school. Norms generally use student enrollments to determine the resources to be allocated to individual schools. For example, norms may dictate that schools should receive 1 teacher per 30 students, one clerical employee per 100 students, one counselor per 500 students, etc.

To calculate norm allocations, the District uses the number of students enrolled at each school on “norm day,” which is generally the Friday of the fourth week of school. Other factors may also be used in norm allocations. For example, the allocation of custodians is based on a complex formula that includes the school’s square footage. 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.

One-time – 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.

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.

Program Code – Five-digit code used in budgeting and controlling expenditures. Use of program codes facilitates tracking and identification of specific expenditures. Also referred to as *Appropriation Code*.

Proposition 20 - The “Cardenas Textbook Act of 2000” – changed the way the portion of the state's annual lottery revenues are distributed to public education by mandating that of the future growth in lottery funds, 50-percent of that increase must go to K-14 public schools to be spent on instructional materials. Passed by 53% the **California** voters; March 2000.
[http://ballotpedia.org/California Proposition 20, Lottery Funds for Textbooks \(2000\)](http://ballotpedia.org/California_Proposition_20,_Lottery_Funds_for_Textbooks_(2000))

Proposition 30 - The Schools and Local Public Safety Protection Act of 2012, approved by the voters on November 6, 2012, temporarily increases the state’s sales tax rate for all taxpayers and the personal income tax rates for upper-income taxpayers. This partly funds the LCFF.

Proposition 39 – The California Energy Conservation Grant, provides funding to support energy efficiency and alternative energy projects, along with related improvements and repairs that contribute to reduced operating costs and improved health and safety conditions in public schools.

Proposition 47 – The “Kindergarten-University Public Education Facilities Bond Act of 2002” – Authorized California to issue \$13.05 billion in bonds to provide funding for necessary education facilities to relieve overcrowding and to repair older schools. Funds will be targeted to areas of the greatest need and must be spent according to strict accountability

measures. Passed by 59% of the California voters; November 2002.

[http://ballotpedia.org/California Proposition 47, Bonds for School Construction \(2002\)](http://ballotpedia.org/California Proposition 47, Bonds for School Construction (2002))

Proposition 49 – The “Before and After School Programs Act,” increased funding for before and after school programs in California. Starting in 2004-2005, it permanently earmarked a portion of the state's general fund for before and after school programs. Passed by 56.7% of the California voters; November 2002.

[http://ballotpedia.org/California Proposition 49, Funding for Before and After School Programs \(2002\)](http://ballotpedia.org/California Proposition 49, Funding for Before and After School Programs (2002))

Proposition 55 – The “State Kindergarten-University Public Education Facilities Bond Act of 2004” authorized the State of California to issue \$10 billion of general obligation bonds for construction and renovation of K-12 school facilities and \$2.3 billion of general obligation bonds for construction and renovation of higher education facilities. Passed by 50.1-percent of the California voters; March of 2004.

[http://ballotpedia.org/California Proposition 55, Bonds for Schools \(March 2004\)](http://ballotpedia.org/California Proposition 55, Bonds for Schools (March 2004))

Proposition 98 – The “Classroom Instructional Improvement and Accountability Act (of 1988): requires a minimum percentage of the state budget to be spent on K-14 education, guaranteeing an annual increase in education in the California budget. As a result of Proposition 98, a minimum of 40% of California's general fund spending is mandated to be spent on education. Passed by 50.7-percent of the California voters; November 1988.

[http://ballotpedia.org/California Proposition 98, Mandatory Education Spending \(1988\)](http://ballotpedia.org/California Proposition 98, Mandatory Education Spending (1988))

Proposition BB – A school bond measure that authorizes LAUSD to use \$2.4 billion in bonds for the construction of new schools and the repair and modernization of existing schools through the district to improve local schools and relieve classroom overcrowding. Passed by 71% of the Los Angeles County voters; April 1997. <http://www.laschools.org/bond/faq>

Proportionality Requirement – A Local Control Funding Formula calculation that identifies the minimum level of increased or improved services for students in need that must be demonstrated by the District each year.

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 began in 2007-08.

RAB – See “Reserve for Anticipated Balances”

Regional Occupational Centers (ROC) – Provide vocational training classes for high school youth and adults in a variety of occupations.

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.

Reserve for Anticipated Balances (RAB) – The Reserve for Anticipated Balances serves to identify the difference between the estimated and authorized budgeted revenues and/or authorized and estimated expenditures in the adopted budget.

Reserve for Economic Uncertainties (REU) – Districts are required to maintain a reserve to offset the potential impact of unanticipated expenditures or revenue shortfalls. For LAUSD, it is a minimum of 1% of General Fund total expenditures and other financing uses.

Restricted – Program funding that is limited to specific students or types of expenditure, e.g., Title I, AB 602 Special Education funds, etc. See “Categorical” and “Unrestricted.”

Revenues – The funding available to an organization from outside sources. Revenues are the primary financial resource of a fund.

Routine Restricted Maintenance Account or Routine Repair and General Maintenance Program – Provides for the repair of school district buildings, equipment, and grounds, as well as for planning and implementation of alterations and improvements of existing structures. School districts are required to commit 3% of their budgeted total General Fund expenditures and other financing uses 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, if any, can comprise half of one percent. 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. It replaced the J-200 reporting form. “SACS” is the abbreviation commonly used for Standardized Account Code Structure.

Smarter Balanced Assessments - Next-generation assessments that are aligned to the Common Core State Standards (CCSS). (<http://www.corestandards.org/>) in English language arts/literacy and mathematics for grades 3-8 and 11. The Smarter Balanced Assessment System will give parents and students more accurate and actionable information about what students are learning. Because these assessments are computer adaptive (<http://www.smarterbalanced.org/assessments/>), they will also provide better information about the needs and successes of individual students.

Special Education Program – A school-based program providing instruction and support services based on an Individualized Education Program (IEP). To qualify for an IEP, a student must be assessed and determined to have a disability as defined by the Individuals with Disabilities Education Act (IDEA) and have a need for specialized services in order to access the instructional program.

Special Education Local Plan Area (SELPA) – IDEA requires that each State organize in a way that allows effective programming and services be provided to students with disabilities. In the State of California, the mechanism used to meet this requirement is the Special Education Local Planning Area or SELPA. Each SELPA develops and maintains a local plan describing how special education programs and services are provided to students with disabilities within the boundaries of the SELPA. Due to its size, the Los Angeles Unified School District is a single-district SELPA.

Special Education – Low Incidence – In order to ensure students with certain disabilities have access to highly specialized equipment and materials, the State of California provides restricted funding to support the needs of students who are Deaf or Hard of Hearing, Blind or Visually Impaired and/or who have serious physical disability. The state refers to these disabilities as “low incidence.”

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 Teachers’ Retirement System (STRS) – State law requires certificated employees, school districts, and the State to contribute to this retirement fund.

Statutory COLA – See “Cost of Living Adjustment”

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 Equity Needs Index (SENI) – An index of school needs that includes community indicators such as suspension rates and English language arts and math assessments, as well as traditional indicators such as low-income and English learner student populations.

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. The *Crawford v. LAUSD* legal decision formally created this program.

Supplemental Grant Funding – In LCFF, every student identified as either English Learner, eligible for free or reduced-priced meal, or foster youth, generate this funding. This is calculated by multiplying the Base Grant Funding by the Unduplicated Pupil Percentage times 20%. This funding is dedicated to students identified as indicated above.

Targeted Instructional Improvement Block Grant (TIIBG) – Funds the costs of ongoing desegregation efforts and, if funds remain, the needs of underachieving schools. It replaces Student Integration funding in the 2002-03 State Budget.

Targeted Student Population – Under the Local Control Funding Formula, targeted pupils are those classified as English learners (EL), meet income requirements to receive free or reduced-price meal (FRPM), foster youth, or any combination of these factors.

Tax and Revenue Anticipation Notes (TRANS) – Short-term notes issued in anticipation of receipt of revenues, typically for cash flow purposes.

Teachers As A Priority (TAP) Program – State-funded program intended to enhance the ability of low-performing schools to attract and retain quality teaching staff.

Undesignated Ending Balance – The portion of the current fiscal year’s ending balance that is uncommitted and available for discretionary use for the following fiscal year. All balances are one-time 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.

Weighted Student Formula – A method of allocating resources based on the characteristics of student populations. Weighted student formulas provide a basic per pupil allocation with additional resources – based on student weights – for economically-disadvantaged, English learners, special education, or other defined student populations.

ABBREVIATIONS

A&I – Alterations and Improvements of Buildings or Sites

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

AEP – Adult Education Program

AEWC – Alternative Education and Work Center

AFDC – Aid for Dependent Children

AP – Advanced Placement

API – Academic Performance Index

ARP(A) – American Rescue Plan Act

AYP – Adequate Yearly Progress

BA – Budget Adjustment (“Budget Transfer”)

BSA – Budgeting for Student Achievement

BTSA – Beginning Teacher Support and Assessment

CE – Certificated Salaries

CAEP – California Adult Education Program

CAH – California High School Exit Examination

CALPADS – California Longitudinal Pupil Achievement Data System

CalWORKs – California Work Opportunity and Responsibility to Kids

CARES – Coronavirus Aid, Relief, and Economic Security Act

CAP – Capacity Adjustment Program; a TIIBG/Student Integration 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

COPs – Certificates of Participation

COVID-19 – Coronavirus 2019

CPI – Consumer Price Index

CPR – California Performance Review

CRA – Community Redevelopment Agency

CRF – Coronavirus Relief Fund

CRRSA – Coronavirus Response and Relief Supplemental Appropriations Act

CSAM - California School Accounting Manual

CSR – Class Size Reduction

CSR – Comprehensive School Reform

CST – California Standards Test

CTA – California Teachers' Association

CTE – Career Technology Education

CTEIG – Career Technology Education Incentive Grant

CY – Current Year

DDP – District-Defined Program

DIS – Designated Instructional Services (or Designated Instruction and Services); a Special Education program

DOF – California Department of Finance

DRS– Desegregated Receiver Schools; aTIIBG/Student Integration Program

E.C. – Education Code

EIA – Economic Impact Aid. This program had two components: EIA-Limited English Proficient and EIA-Compensatory Education

ELAP – English Language Acquisition Program

EL – English Learner

ELL – English Language Literacy Program

EPA – Education Protection Act

ERAF – Education Revenue Augmentation Fund

ERP – Enterprise Resource Planning

ESEA – Elementary and Secondary Education Act

ESF – Education Stabilization Fund

ESSA – Every Student Succeeds Act

ESSER – Elementary and Secondary School Emergency Relief Fund

ESL – English as Second Language

FEMA – Federal Emergency Management Act, or Federal Emergency Management Agency

FRPM – Free or Reduced Price Meal

FSEP – Federal and State Education Programs

FTE – Full-time Equivalent

GAAP – Generally Accepted Accounting Principles

GASB – Governmental Accounting Standards Board

GATE – Gifted and Talented Education Program

GED – General Educational Development

GEER – Governor’s Emergency Education Relief Fund

GFOA – Government Finance Officers’ Association

GO – General Obligation (Bond)

IASA – Improving America’s Schools Act

IDEA – Individuals with Disabilities Education Act

IEP – Individualized Education Program

IMA – Instructional Materials (or “Materiel”)

ITD – Information Technology Division

KLCS – TV – The District-owned and operated television station

LACOE – Los Angeles County Office of Education

LAEP – Los Angeles Educational Partnership

LAO – Legislative Analyst’s Office

LCAP – Local Control Accountability Plan

LCFF – Local Control Funding Formula

LCI – Licensed Children’s Institution

LEA – Local Educational Agency

LEP – Limited English Proficient or Proficiency

LLMF – Learning Loss Mitigation Funding

LRE– Least Restrictive Environment; a Special Education program

NC – Non-Certificated (Classified) Salaries

NCLB – No Child Left Behind

NPA – Nonpublic Agency; a Special Education program

NPS – Nonpublic School; a Special Education program

NSF – National Science Foundation

OASDHI - Old Age, Survivors’, Disability and Health Insurance (Social Security)

OPEB – Other Post-Employment Benefits

P-1 – The First Principal Apportionment period (for attendance accounting and State allocation purposes)

P-2 – The Second Principal Apportionment period (for attendance accounting and State allocation purposes)

PD – Pending Distribution

PARS – Public Agency Retirement System

PERS – Public Employees’ Retirement System

PHBAO –Primarily Latino, Black, Asian, and Other Non-Anglo; a TIIBG/Student Integration Program

PI – Program Improvement

PL – Public Law. Applies to federal legislation (e.g., Public Law 94-142 would be abbreviated as PL 94-142)

PPF – Per Pupil Funding

PSP – Priority Staffing Program; a TIIBG/Student Integration Program

PWT – Permits With Transportation; a TIIBG/Student Integration Program

PYA – Prior Year Adjustment

QEIA – Quality Education Investment Act

QZAB – Qualified Zone Academy Bonds

RIF – Reduction in force

ROC/P – Regional Occupational Centers/Programs

RRGM – Routine Repair and General Maintenance

RSP – Resource Specialist Program; a Special Education 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 Day Class; a Special Education program

SCF – Student Centered Funding

SELPA – Special Education Local Plan Area

SENI – Student Equity Needs Index

SFP (or SFEP) – Specially-Funded Programs (or Specially-Funded Educational Programs).
Now referred to as restricted programs.

SI – School Improvement Program

SRLDP – School Readiness Language Development Program; a TIIBG/Student Integration Program

STAR – Standardized Testing and Reporting

STRS – State Teachers' Retirement System

TAP (or TAAP) – Teachers As A Priority

TIIBG – Targeted Instructional Improvement Block Grant

TRANS – Tax and Revenue Anticipation Notes

TSP – Targeted Student Population

TUPE – Tobacco Use Prevention Education

UCTP – Urban Classroom Teacher Program; a TIIBG/Student Integration Program

WIA – Workforce Investment Act

WIOA – Workforce Investment and Opportunity Act (replaced WIA)

WSF – Weighted Student Funding Formula

YRS – Year-Round Schools