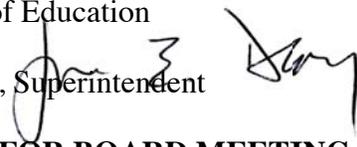


INTEROFFICE CORRESPONDENCE  
Los Angeles Unified School District  
Office of the Superintendent

**TO:** Members, Board of Education **DATE:** April 12, 2013  
**FROM:** Dr. John E. Deasy, Superintendent   
**SUBJECT: BOARD ITEMS FOR BOARD MEETING - TUESDAY, APRIL 16, 2013**

A number of clarifications as our budget process closes. In reading the public statements from UTLA and AALA, their positions to demand that the Board accelerate the restoration of positions and reversals of previous cuts, I am concerned about helping you as they prepare for their public action with you at your May Board meeting. I have directed the following with respect to budget preparation.

- 1) For the last several years I have authorized hundreds of off norm positions across the district. Most of these positions were requested by individual Board offices for different circumstances for specific sites. It has become very obvious that the inequitable distribution of these positions flies in the face of generally restoring positions or providing raises (which a number of Board Members have said publically that it is their desire to do) or restoring cuts across the system or fulfilling previous Board Resolutions which also require additional funding. We have norms which you authorize in the budget and I have been providing off norm positions throughout the district for the last two years. Therefore I have removed every off norm position in the budget for the upcoming school year. I have placed the funds that were to support these positions in a line item. We will seek direction from the Board during its public meeting to authorize any off norm positions throughout the district going forward. This will result in bumping of individuals or individuals that will not have positions particularly administrators. I am sure our unions will understand because they have been so vocal about restorations universally across the system.
- 2) A Board action item will be coming to the Board separately to continue Breakfast in the Classroom. This program as you know was designed for two reasons to provide breakfast to the overwhelming majority of our youth who live in circumstances of poverty in a setting that assured they would be able to participate in, versus the choice of going or not going to the cafeteria, and the increased revenue from this program has provided the ability to maintain and hire numerous cafeteria employees and help offset the cafeteria deficit as we continue not to want to raise prices. This year's revenue enhancement from the dramatic raise in participation was six million new dollars to the district. This allowed the district to maintain nine hundred positions. The district will be prepared to send out layoff notices should you decide not to continue the program. We look forward to the Board's direction on this however; anticipated revenues have been removed from the budget because the programs is currently awaiting authorization and the positions that are associated with the program are also not in the budget.
- 3) Any new building proposal, where I have been asked to facilitate that happening obviously requires ongoing general fund expenses once opened. At a time where the general fund is still reeling from a structural deficit and multiple demands on the general

fund going forward. I will look forward to Board authorization for each and every new construction project.

- 4) We have a number of past resolutions which have required funding from the general fund and we have struggled to meet these as we reversed furloughs to provide all of our employees with a full year salary. We have precious dollars this year and new dollars next year and competing demands from Labor Unions quite clearly articulated to roll back of cuts, pay raises and restoration of positions. To place you in the most optimal position for negotiations and responses to what I believe will be a very public and intense meeting in May. We will bring each of the resolutions waiting funding back to the Board for re-authorization and a decision on where the funds come from to be dedicated to for these various programs.
- 5) The expansion of individual programs and small schools frequently increases ongoing support from the general fund. The administration will be bringing individual programs forward for your direction to continue their expansions and the specific supplemental dollar amounts associated so that we can make a transparent decision about investment in these programs or in other demands coming to the Board so that we may attempt to remove any mystery about our fixed dollars and where we need to place them.
- 6) We will seek the vote of the Board to authorize the continuation of all programs and or small schools that are under enrolled or no longer fiscally sustainable by a combination of the revenues needed and the revenues generated, so that we can make the best decision on maintaining these programs realizing the investment of precious general fund dollars.
- 7) KLCS is requesting 1.4 million in additional funding for next year to maintain its programing. We will seek the Board's direction and decision on this investment in light of the other competing investments for precious general fund dollars that could be used to buy personnel in schools.
- 8) We have built a number of schools in the past two years and have not maintained the school police force at the ratio that we had prior to the last three years of new school openings. The administration will seek authorization of the Board whether to include or not include an increase in the police force from the general fund portion of the budget.

In summary, the proposed budget currently has no dedicated funding stream for any of the items above except for item one of this memo. The administration looks forward to receiving direction from you on these and other items as we put together the final budget and seek to be a strong partner with the demands of our Labor partners.