



Impact of Governor's Budget on AUSD

BUDGET FACT SHEET

February 4, 2008

Overview

On January 10, Governor Schwarzenegger released a proposed State Budget for 2008-09 that cuts public school funding by \$4+ billion in order to make up for a projected \$14 billion deficit.

Superintendent Ardella Dailey and the Alameda Board of Education must immediately identify ways to cut \$4+ million dollars in programs and services, or find another source of revenue to offset this severe loss of funding to our schools, programs, and staff.

The Governor's budget cut list for schools targets basic per student funding guaranteed by the State Constitution (Prop. 98 passed in 1988), Class Size Reduction subsidies, special education programs required under federal law, child development programs, child nutrition programs, career and technical education for high school students, before and after school grant programs, adult education, and facilities maintenance. In addition, the Governor's Budget does not provide 'equalization aid,' the budget allocation that addresses inequities in school funding and attempts to bring 'low-wealth' school districts, such as Alameda, closer to the state average in per student funding. Finally, the Governor's Budget proposes to delay funding apportionments (the actual cash we receive to pay our bills) from July to September, and all but eliminates reimbursements the State gives school districts for providing specific required services (referred to as 'Mandated Cost Reimbursements').

What's the bottom line for Alameda?

If approved as submitted, **the Governor's Budget would result in a minimum loss of \$4 million in ongoing funding to Alameda Unified School District.** This calculation is based only on the loss to Base Revenue Limit (BRL) funding, the basic per-student funding we receive based on Average Daily Attendance (ADA) of students, currently **86%** of unrestricted revenue. When we add to this, the loss to specific categorical programs such as Special Education, Child Development (Woodstock Child Development Center), Career and Technical Education for high school students (classes such as 'Web Design,' 'TV/Media,' and 'Careers with Children,') and Adult Education, the **total loss could grow to over \$5 million.**

To put this funding loss in perspective, **Alameda Unified School District has cut \$7.7 million over the last seven years,** due to previous State Budget cuts and the impact of several years of declining enrollment in our city. Last year's process to identify \$1.4 million in spending reductions, scaled back from the needed \$2 million, took place over a period of six months and involved numerous, emotionally-charged community meetings, as parents, staff, and community members agonized over what to cut and how to make cuts without hurting students. The final list of spending reductions, approved in February of 2007, included twenty-eight line items, ranging from \$6,000 to \$180,000.

AUSD Has Cut \$7.7 Million in Seven Years	
Budget Year	\$ Budget Reductions
2007-2008	\$1.4 million
2006-2007	\$0.8 million
2005-2006	\$0.5 million
2004-2005	\$0.8 million
2003-2004	\$1.7 million
2002-2003	(\$2.1 million) funded by Measure A
2001-2002	\$1.5 million
2000-2001	\$1.0 million
TOTAL	\$7.7 million

Cutting an additional \$4+ million would severely impact our students and schools and would completely change the face of education in Alameda.

Where do we go from here?

AUSD must begin to identify budget reductions in the next few weeks, even though we will not know the final outcome of the State Budget for several months.

Regardless of how the State Budget may change between now and May/June, and whether or not the State Legislature can agree on the Budget by its June 15 deadline, AUSD and all other California school districts, are required by law to adopt a balanced budget by June 30. We are also required by law to notify any certificated employees by March 15 if there is a possibility that their services may not be needed for the following school year. In order to comply with the timelines, **our Board must approve all spending reductions for the 2008-09 school year, including any potential layoffs, before March 15.**

AUSD Budget Development Calendar	
February 4	Special Board of Education Meeting on Governor's Budget
February 1-29	Superintendent's Cabinet Identifies Spending Reductions
February 6	Superintendent's Council Provides Input
February 7	Superintendent's Sounding Board Provides Feedback
February 12	Update Board of Education on Budget Options
February 13	Superintendent's Council Provides Input
February 14	Superintendent's Sounding Board Provides Feedback
February 19	Community Workshop on Budget Reductions
February 21	Joint Meeting of Superintendent's Council and Sounding Board
February 26	Staff Brings Preliminary Spending Reductions to Board for Information
March 4	Special Board Of Education Meeting for Board to Approve Spending Reductions
March 11	Board Of Education Votes on Resolution to Reduce Staff
March 15	Certificated Employees Notified of Potential Layoff
May 15	Non-Certificated Employees Notified of Potential Layoff
May 15	Governor Releases May Revision to Budget
June 24	Board of Education Approves 2008-2009 Budget

Do we have options other than making severe cuts?

We could refuse to make the depth of cuts necessary on the basis that they would devastate our schools, and we can ask our community supporters to work with us to help develop long-term sustainable funding. However, if we do not submit a balanced budget to the County, we could receive a 'Qualified' or 'Negative' financial status which, if not corrected, would open us to take-over by the State and eliminate local control of our schools. More and more, school districts are taking their financial health into their own hands and turning to their communities to provide financial stability for their schools. Currently at least seven school districts in Alameda County supplement their funding with a local parcel tax, ranging from \$120 to \$1638+. AUSD currently has a \$189 parcel tax that generates \$3.2 million a year. It was first passed in 2001 for \$89, and then increased in 2005. The tax is set to expire in 2012.

How can we increase funding for Alameda schools?

Through the efforts of the Alameda Education Foundation (AEF), the Alameda PTA Council, and concerned Alameda citizens, our community is becoming increasingly aware that AUSD receives the lowest per student funding of any school district in Alameda County. Fortunately there are many highly motivated, dedicated and capable individuals who are working with us to develop a long-term plan to stabilize and increase AUSD funding. These efforts include working with local legislators, exploring options for litigation, and researching the feasibility of an early renewal of our parcel tax. **If you would like to help protect our excellent schools from the Governor's education cuts**, email Brooke Briggance, AEF Executive Director, at brooke@alamedaeducation.org; or Trish Spencer, PTA Council President, at jadetree@alamedanet.net. **The time is now!**

State Funding Per Student ('BRL')		
AUSD has the lowest in Alameda County		
Dublin	\$6,680	1
Emery	\$6,607	2
Pleasanton	\$6,368	3
Sunol Glen	\$6,217	4
Berkeley	\$5,987	5
Piedmont	\$5,838	6
Hayward	\$5,820	7
San Leandro	\$5,812	8
San Lorenzo	\$5,807	9
Castro Valley	\$5,806	10
Newark	\$5,797	11
Albany	\$5,796	12
New Haven	\$5,792	13
Oakland	\$5,790	14
Fremont	\$5,786	15
Livermore	\$5,778	16
Alameda	\$5,777	17

Source: Alameda County Office of Education Estimated 2007-08 BRL