

# **REPORT ON GOVERNOR'S 2010-11 BUDGET PROPOSAL**

**January 26, 2010**

# Report on Governor's 2010-11 Budget Proposal

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- For the current year, 2009-10, the Governor's January budget proposes no change in revenue limit funding, with the deficit factor remaining at 18.355%
- In 2010-11, the statutory cost of living adjustment (COLA) is negative -0.38% and is fully "funded"
- The deficit factor of 18.355% remains unchanged in the 2010-11 budget
- In addition to the negative COLA and the continuation of the 18.355% deficit factor, the Governor's budget proposes an ongoing targeted cut of \$1.5 billion in 2010-11
  - \$1.2 billion is aimed at "school district administrative costs"
  - \$300 million assumed to follow from the "elimination of administrative costs"
- The Governor's budget provides no specifics on how this will be implemented

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## *Loss in AUSD Revenue 2010-11 (Real Dollars)*

On-going (\$201) per ADA 2009-2010 P2 ADA= 9375	(\$1,884,375)
2010-2011 COLA (-0.38) 2009-2010 P2 ADA= 9375	(\$225,000)
Total	(\$2,109,375)

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## Other Significant Policy Reforms

The Governor's budget proposal includes significant policy reforms. Reforms will:

- Eliminate seniority as a consideration in employment decisions
- Allow layoff notification for teachers up to 60 days after the state budget is adopted
- Eliminate the requirement to give laid-off teachers priority as substitute teachers at their former pay rate
- Suspend most education mandates