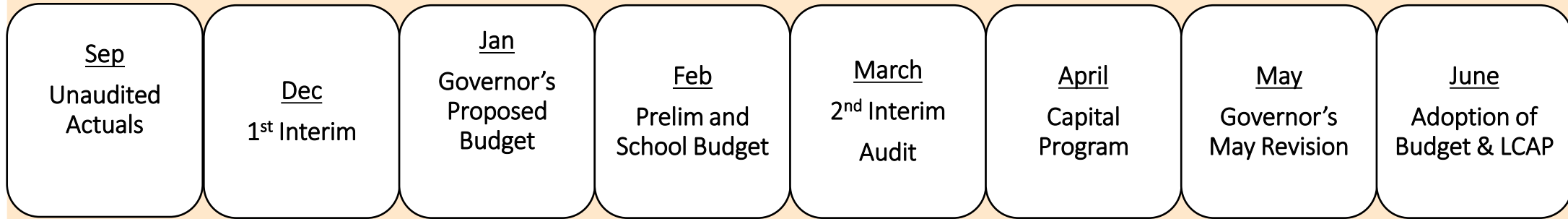




Committee of the Whole – Finance Timeline

January 26, 2021

Overall Budget Process



- Communicating the Budget Process
- Potential Options for changes to resource allocation strategies

- Deeper Dive - Programmatic Budget Subject Areas
- School Budgeting & Staffing Requirements
 - SSC & community engagement

- Budget Policies & Long-term Strategies
- Finalizing Adjustments to Budget Documents
 - Adding Third Year

Key Areas of Federal / State Funding Uncertainty

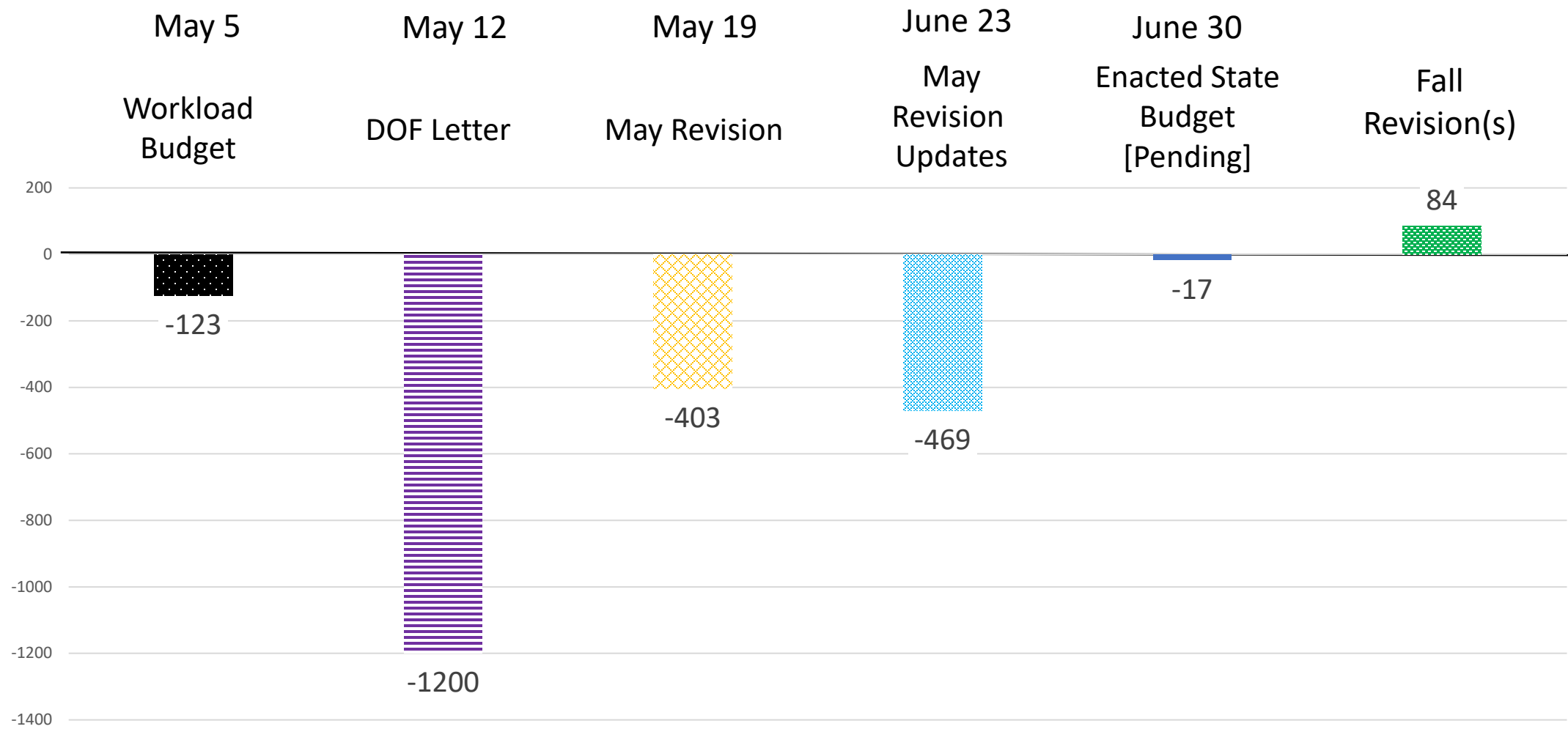
Federal:

- Short-term (next fiscal year) is generally highly-certain with recurring federal funds largely known prior to the beginning of budget development (post E-Cast enrollment projections in January)
- Long-term federal funding is less certain, especially now due to unknown impacts of the 2020 Census as the Census is the primary determinant in State and then Local District allocations for the majority of Federal Funds (Title I, etc)
- One-time funds (e.g. CARES Act) are largely able to be estimated in total from shortly after the passage of legislation at the Federal level, but restrictions on usage of those funds is generally delayed for a number of months as State Education Agencies develop guidelines for LEAs based on their interpretation of the legislation

State:

- Governor's proposed budget in January provides a guideline on potential new or reduced sources of funds for the following year and any major initiatives the State Legislature may address. This is also the first good estimate of the overall fiscal health of the State and impacts to budget line items
- There is typically a large amount of uncertainty between the Governor's proposed budget in January and the Revision in May, lobbying and other community activity will influence the Governor and State Legislature as they contemplate the final budget and allowability rules

Recap – FY 2020-21 Revenue Projections from State

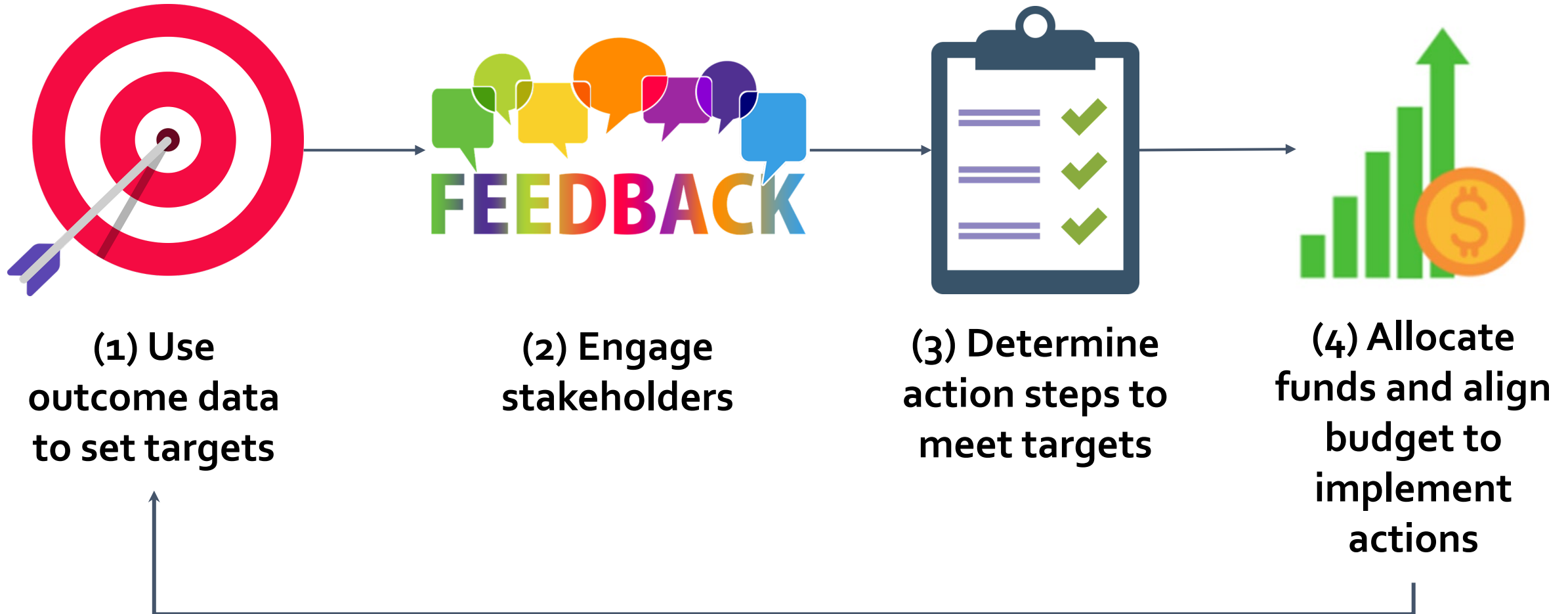


* Excludes one-time state funds
 Amounts in millions

Key LAUSD Budget Documents

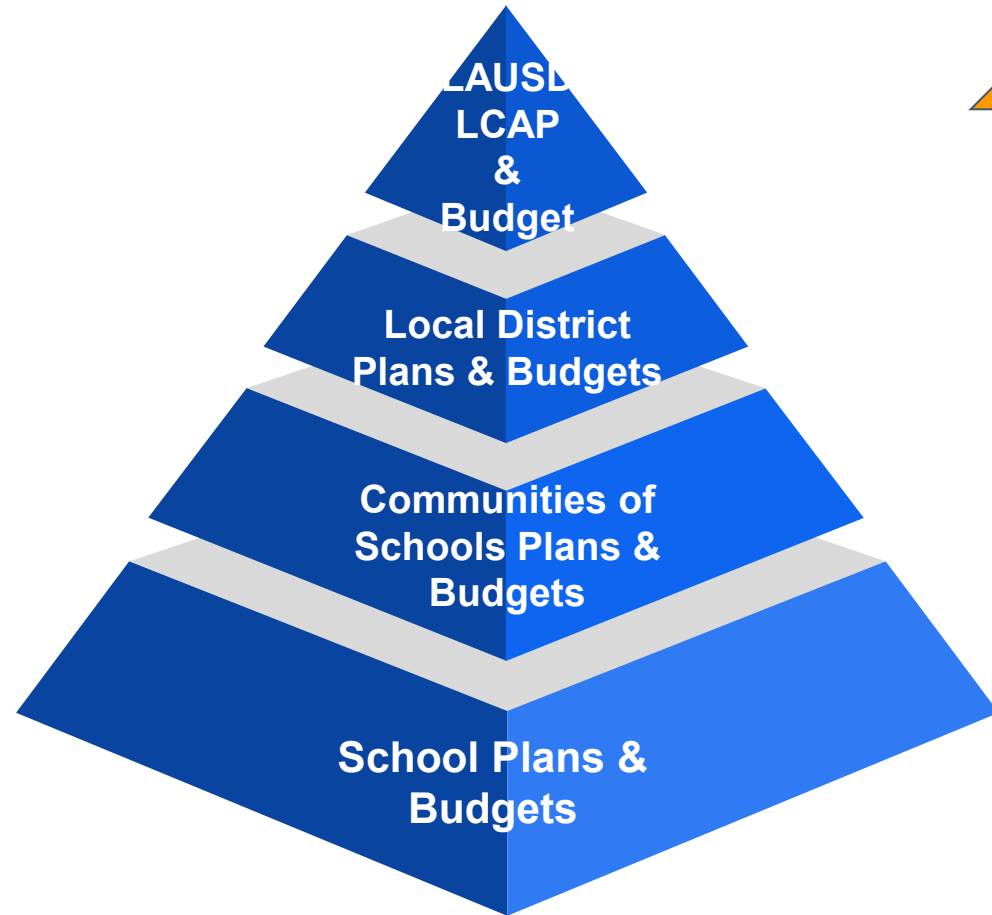
- 1st Interim Report – A midyear update to the current fiscal year budget and a forecast of the next two fiscal years of the General Fund.
- 2nd Interim Report – A second look of the budget that serves as an update to the 1st Interim Report.
- 3rd Interim Report – Required to report if District’s forecast either at 1st Interim or subsequently at 2nd interim shows that it may not be able to meet its financial obligations for the current or next two fiscal years.
- Estimated Actuals – End-of-year projected ending balances for all District funds, not only General Fund.
- LCAP – The Local Control and Accountability Plan (LCAP) is a three-year plan that describes the goals, actions, services, and expenditures to support positive student outcomes that address state and local priorities.
- Budget – A plan of financial operation for a single fiscal year consisting of an estimate of proposed revenue and expenditures for a given period and purpose. An adopted budget is recorded at the beginning of the fiscal year and modified during the year with new appropriations and expenditures.
- Unaudited Actuals – Year end actual financial results of all funds.

LCAP Process Centers on Student Outcomes to Drive Planning and Budgeting



Local Plans and Engagement Inform the District LCAP

Examples of Engagement



- District Parent Advisory Committee and English Learner Advisory Committee
- Stakeholder Focus Groups
- District/CoS/Local District Surveys
- CoS/Local District Town Halls
- CoS/Local District Advisory Groups
- School Site Committees
- School Site Parent Meetings