

**BOARD OF EDUCATION
PASADENA UNIFIED SCHOOL DISTRICT
PASADENA, CALIFORNIA**

Topic: RESOLUTION 2039 FOR CONDITIONAL APPROVAL TO MAKE ON-GOING REDUCTIONS

RECOMMENDATION: The Board of Education approve Resolution 2039 for a Conditional Approval to make on-going reductions.

District Priority/Strategy: Accountability: Collaborative planning process at the District level to align services, human resources and financial resources to support achievement and instruction goals.

I. BACKGROUND:

The education community has been severely impacted by the worst budget situation in the history of the State of California. The budget scenarios and assumptions have changed multiple times since May of 2008 at all levels of government agencies. The volatile climate also put the Los Angeles County Office of Education (LACOE) under tremendous pressure in its review and approval of school districts' budget in accordance with the provisions of Education Code Section 42127.

II. STAFF ANALYSIS:

Due to the unprecedented budget situation for all the school districts, LACOE has disapproved 4, conditionally approved 20, and only approved 56 school districts in its review of 2009-10 Budgets for all the school districts under its jurisdiction. Along with the other 19 districts, the PUSD 2009-10 Budget was approved by LACOE with stipulation of submitting a resolution adopted by the District's Governing Board by September 8, 2009, demonstrating its resolve to direct the District to meet the required minimum reserve level for 2010-11 and 2011-12 with the current budget assumptions. In its conditional approval letter, LACOE attributed the large amount of projected deficit spending along with the declining enrollment to be the cause of major concerns. For that reason, the LACOE requires of the District to incorporate in its First Interim Report a fiscal stabilization plan with specific Board-approved revenue enhancements and/or expenditure reductions by December 15, 2009.

Attached is Resolution 2039.

III. FISCAL IMPACT:

As stated above

**Pasadena Unified School District
Board of Education Agenda: August 25, 2009
Prepared by: Dr. John Pappalardo, Chief Finance Officer**

Funding code: Not Required

BOARD OF EDUCATION
PASADENA UNIFIED SCHOOL DISTRICT
Pasadena, California

RESOLUTION No. 2039

ON-GOING BUDGET REDUCTIONS FOR 2010-2012

WHEREAS, 2009-10 District Budget was adopted on June 23, 2009; and the reserve for Economic Uncertainties has met the statutory requirements for the budget year at the time; and

WHEREAS, Los Angeles County Office of Education **Conditionally Approved** District Budget after its jurisdictional review with the provisions of Education Code 42127; and

WHEREAS, the action required of the "conditional approval" is to submit a fiscal stabilization plan that will allow the District to project required minimum reserve levels for 2010-11 and 2011-12;

NOW, THEREFORE, BE IT RESOLVED, the Governing Board is committed to direct the District Administration to meet the reserve requirements in 2010-11 and 2011-12 by either making specific revenue enhancements and/or expenditure reductions and incorporate such fiscal stabilization plan into the District First Interim Report by December 15, 2009.

ADOPTED this 25^h day of August, 2009, by the Pasadena Unified School District Board of Education in Los Angeles County, California.

WITNESS my hand this 25th day of August, 2009.

Secretary of the Board of Education
Pasadena Unified School District

Thomas Selinske, President

Scott Phelps, Vice President

Ed Honowitz, Member

Elizabeth Pomeroy, Member

Ramon Miramontes, Member

Renatta Cooper, Member

Robert Harrison, Member