



Los Angeles Unified School District

# Annual Comprehensive Financial Report



For Fiscal Year Ended  
June 30, 2025

2024-25

Los Angeles, California



**LOS ANGELES UNIFIED SCHOOL DISTRICT  
LOS ANGELES, CALIFORNIA**

**ANNUAL COMPREHENSIVE FINANCIAL REPORT  
FISCAL YEAR ENDED JUNE 30, 2025**

**MR. ALBERTO M. CARVALHO**  
SUPERINTENDENT OF SCHOOLS

**MR. PEDRO SALCIDO**  
DEPUTY SUPERINTENDENT OF SCHOOLS

**MR. SAMAN BRAVO-KARIMI**  
CHIEF FINANCIAL OFFICER  
*(Effective September 15, 2025)*

**DR. KURT JOHN**  
DEPUTY CHIEF FINANCIAL OFFICER  
*(Effective July 14, 2025)*

**MR. ERNIE THOMAS**  
CONTROLLER



**PREPARED BY  
ACCOUNTING AND DISBURSEMENTS DIVISION  
333 S. BEAUDRY AVENUE  
LOS ANGELES, CALIFORNIA 90017**



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# **INTRODUCTORY SECTION**



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**Los Angeles Unified School District**  
333 S. Beaudry Avenue, 24th Floor  
Los Angeles, California 90017  
Phone (213) 241-7000

**Alberto M. Carvalho**  
Superintendent

**Board of Education**  
Scott M. Schmerelson, President  
Dr. Rocío Rivas, Vice President  
Sherlett Hendy Newbill  
Nick Melvoin  
Karla Griego  
Kelly Gonez  
Tanya Ortiz Franklin

December 15, 2025

The Honorable Board of Education  
Los Angeles Unified School District  
333 South Beaudry Avenue  
Los Angeles, California 90017

Dear Board Members and Members of the Los Angeles Unified School District Community:

The Annual Comprehensive Financial Report (ACFR) of the Los Angeles Unified School District (LAUSD or the District), for the fiscal year ended June 30, 2025, is hereby submitted. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included. The report also includes a "State and Federal Compliance Information" section, which is designed to meet the reporting requirements of the Office of the California State Controller, the U.S. General Accounting Office, the U.S. Office of Management and Budget, and the Single Audit Act Amendments of 1996.

We recognize the importance of transparency and accountability to the families, students, staff, and taxpayers who make up our community. This report includes clear summaries, plain-language explanations, charts, and other graphical presentations to help make the District's financial information accessible and understandable to all stakeholders. Our goal is to provide citizens with meaningful insight into how public resources are managed to support the District's schools, programs and community priorities.

### **Independent Audit**

Education Code Section (EC§) 41020 provides that each school district shall arrange for an audit by certified public accountants of its books and accounts, including the District's income by source of funds and expenditures by object and program. The District's contract auditor for FY2024-25 is Simpson & Simpson, CPAs. The independent auditor's report on the basic financial statements is presented in the Financial Section of this report on page 3.

### **Management Discussion and Analysis (MD&A)**

The MD&A provides an objective and easily readable analysis of the District's financial activities on both a short-term and long-term basis. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditors.

## Profile of the Los Angeles Unified School District

The District encompasses approximately 710 square miles in the western section of Los Angeles County. The District's boundaries include most of the City of Los Angeles, all of the Cities of Gardena, Huntington Park, Lomita, Maywood, San Fernando, Vernon and West Hollywood, and portions of the Cities of Bell, Bell Gardens, Beverly Hills, Carson, Commerce, Cudahy, Culver City, Hawthorne, Inglewood, Long Beach, Los Angeles, Lynwood, Montebello, Monterey Park, Rancho Palos Verdes, Santa Clarita, South Gate and Torrance. The District was formed in 1854 as the Common Schools for the City of Los Angeles and became a unified school district in 1960.

As of June 30, 2025, the District operated 436 elementary schools, 79 middle/junior high schools, 87 senior high schools, 59 options schools, 27 multi-level schools, 11 special education schools, 1 home and hospital, 66 magnet schools and 267 magnet centers, 18 primary school centers, 2 community adult schools, 7 regional occupational centers, 2 skills centers, 87 early education centers, 4 infant centers, and 81 California State Preschools. The District is governed by a seven-member Board of Education elected by voters within the District to serve alternating five-year terms. These terms were extended to five years for members elected in 2015 and thereafter. As of June 30, 2025, the District employed 36,136 certificated, 35,850 classified, and 4,221 unclassified employees. Enrollment as of September 2024 was 402,561 students in K-12 schools, 40,447 students in adult schools and centers, and 6,781 students in early education centers.

As a reporting entity, the District is accountable for all activities related to public education in most of the western section of Los Angeles County. This report includes all funds of the District with the exception of the fiscally independent charter schools, which are required to submit their own individual audited financial statements, and the Auxiliary Services Trust Fund, which is not significant in relation to District operations. The Auxiliary Services Trust Fund was established in 1935 to receive and disburse funds for insurance premiums on student body activities and property, "all city" athletic and musical events, grants restricted for student activities, and other miscellaneous activities.

## Economic Condition and Outlook

The UCLA Anderson Forecast's third quarterly report of 2025 highlights continued weakness in the U.S. and California economies which include rising inflation, labor market deterioration, and potential shift in the Federal Reserve's monetary policy. The Forecast predicts the nation's GDP (Gross Domestic Product) growth of 1.0% by the third quarter of 2025 and expected to recover in 2026 and will increase to 2.0% by the fourth quarter of 2026. For California's economic growth to outpace the nation, durable goods manufacturing, including aerospace and technology sectors, need to recover strongly. On the U.S. labor market front, the unemployment rate has risen to 4.3% but the UCLA Forecast points out of particular concern the decline in non-farm payrolls seen by economists as a primary signal to an imminent recession.

California's unemployment rate, historically higher than the nation, is expected to peak at 6.2% early next year and averaging 5.5%, 5.9%, and 4.6% in 2025, 2026, and 2027, respectively. Below is a table that shows the unemployment rate across three years for the United States and California.

Month	U.S.			California		
	2023	2024	2025	2023	2024	2025
January	3.50%	3.70%	4.00%	4.40%	5.10%	5.40%
February	3.60%	3.90%	4.10%	4.50%	5.10%	5.40%
March	3.50%	3.90%	4.20%	4.50%	5.10%	5.30%
April	3.40%	3.90%	4.20%	4.50%	5.20%	5.30%
May	3.60%	4.00%	4.20%	4.60%	5.20%	5.30%
June	3.60%	4.10%	4.10%	4.60%	5.30%	5.40%
July	3.50%	4.20%	4.20%	4.70%	5.40%	5.50%
August	3.70%	4.20%	4.30%	4.80%	5.40%	5.50% (P)
September	3.80%	4.10%	4.40%	4.90%	5.50%	N/A
October	3.90%	4.10%	N/A	5.00%	5.50%	N/A
November	3.70%	4.20%	N/A	5.10%	5.50%	N/A
December	3.80%	4.10%	N/A	5.10%	5.50%	N/A

Source: Bureau of Labor Statistics

Legend: (P) Preliminary / N/A Not Available

Inflation, which is another area of concern, is projected to spike for both the nation and California because of the wide range and elevated tariff. The Consumer Price Index, which measures inflation, is expected to continue to rise for the rest of 2025 and peak at 3.6% in the first quarter of 2026.

The 2025-26 Enacted State Budget reflected a downgraded economic growth and revenue forecast in anticipation of the effect of broad-based tariffs. The lower revenue forecast alongside expenditure growth, mostly from Medi-Cal, resulted in a General Fund deficit of \$12 billion. The State addressed the budget shortfall from a combination of reductions, borrowing, and fund shifts in solutions. While ongoing school programs were protected from cuts in the current year, the education budget has worsened just like the state budget since January. Proposition 98 revised levels decreased by \$3.6 billion across the three-year budget window. Proposition 98 is a voter-approved measure that guarantees minimum annual funding to K-12 schools and community colleges determined by formulas that link Proposition 98 funding to the state’s economic condition. The decrease in the tax revenue projection in anticipation of slow economic growth lowered the minimum guarantee by \$3.6 billion. A lower guarantee can potentially affect LAUSD and other school districts in the state as it creates a lower baseline for future years potentially leading to future cuts in programs. A weak economy and revenue shortfall can also force the state to make tough decisions such as suspending the guarantee, delaying payments, or drawing from reserves. In fact, the 2025-26 Enacted Budget included deferral of \$1.9 billion in Local Control Funding Formula (LCFF) funding from June 2026 to July 2026, and depletion of the Proposition 98 Rainy Day Fund to zero balance by 2025-26.

While the District is estimated to be balanced in 2025-26 and 2026-27, 2027-28 is projected to have a negative ending balance without a fiscal stabilization plan. The District is anticipated to have a structural deficit whereby in-year expenditures exceed in-year revenues. The rising operating costs are outpacing the annual cost-of-living adjustment (COLA) applied to LCFF, Special Education base funding, and other state programs and exacerbated by revenue impact of enrollment decline. The District is in a declining enrollment and the decline is projected to continue through the long term. For the fiscal year 2025-26, actual enrollment decreased by 3.37% or 13,551 students from prior year.

The economic outlook also intersects with the district’s infrastructure condition. As of June 30, 2025, the district’s school buildings range in age from 3 to 115 years. The age of these facilities highlights ongoing maintenance.

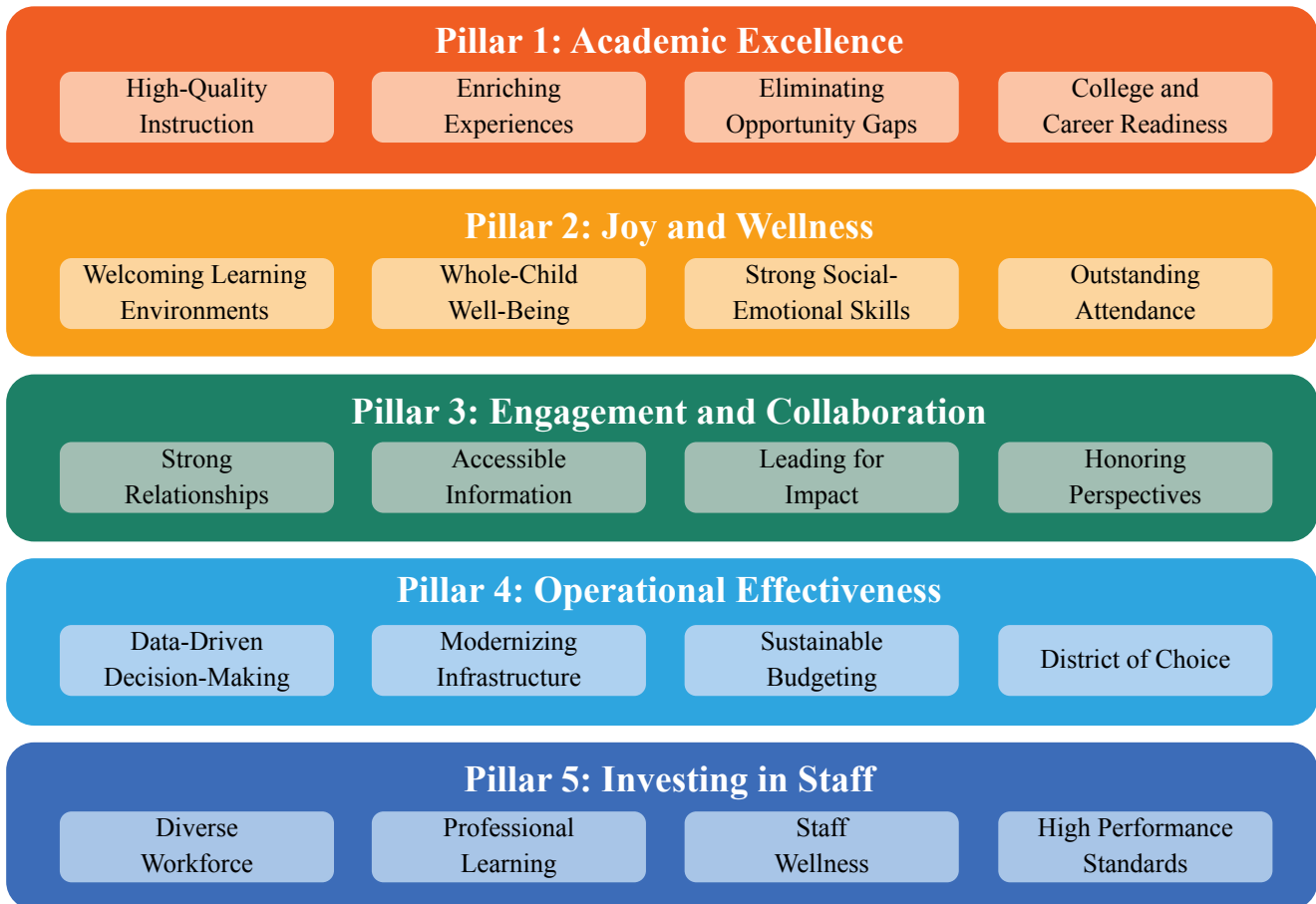
The Legislative Analyst’s Office (LAO) released in November 2025 its annual estimate and analysis of the state’s fiscal condition in anticipation of the 2026-27 budget process. LAO reports an anticipated budget shortfall of \$18 billion in 2026-27. While revenues are estimated to increase mostly from the stock market’s enthusiasm for artificial intelligence technology, higher statewide expenditures together with the constitutional requirements

of Proposition 98 and Proposition 2 add \$5 billion to the \$13 billion deficit estimated for 2026-27 at the time of the 2025-26 Enacted State Budget. In addition, deficits between \$15 billion and \$25 billion would continue through 2028-29. Proposition 98 minimum guarantee for 2026-27 is estimated at \$117.8 billion, an increase of \$3.2 billion from the \$114.6 billion per the 2025-26 Enacted State Budget. The LAO expects most of the increase will be used to fund the estimated COLA of 2.51% projected to cost \$2.5 billion, leaving minimal room for new commitments. The Governor has a mandatory deadline of January 10, 2026, to submit a balanced Fiscal Year 2026-27 budget proposal to the Legislature.

**Superintendent’s Strategic Plan**

In June 2021, the Board of Education approved a set of four goals outlining expected student outcomes by 2026. These goals establish a clear expectation of excellence and growth in four primary areas of success: postsecondary preparedness, literacy, numeracy, and social-emotional wellness to ensure our students are ready for the world. The 2022-26 Strategic Plan was built to guide a singular focus on achieving these goals, providing clear direction for collective planning and for every action taken.

The elements outlined below reflect inspiring approaches that best serve students, as well as the proven work of educators, school leaders, and support staff. Strategies included in this plan constantly evolve and adapt to exemplify the best in public education. Instead of standing alone, these elements are intended to be interconnected, influencing and supporting one another. While the priorities and strategies may be categorized in a particular area, each piece works together in a coherent system to provide an exceptional education program to ensure all students graduate ready for the world.



The District is entering the final year of the 2022–26 Strategic Plan and is encouraged by the progress made through thoughtful implementation and a shared vision for students. The District is proud of the growth shown across key measures of success and remains committed to continuing this important work. The District looks forward to the development of the next Strategic Plan which will follow the same collaborative approach, with strong engagement from stakeholders, Board Members, District staff, and educational partners.

### **Financial Information**

The District maintains internal accounting controls designed to provide reasonable assurance that assets are safeguarded against loss from unauthorized use and disposition. These controls also enable the District to maintain accurate records for preparing financial statements and ensuring accountability for its assets. The concept of reasonable assurance recognizes the importance of a close evaluation of costs and benefits, which requires estimates and judgments by management. The objective is to establish effective internal controls, the cost of which should not exceed the benefits derived therefrom. We believe that the District’s internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

School districts in California are required by EC §41010 to follow the California School Accounting Manual in preparing reports to the State. The District utilizes a single adoption budget schedule that requires Final Budget adoption by the State mandated July 1 deadline. The District is allowed to modify its adopted budget within 45 days of the passage of the State budget.

EC §42600 mandates that a school district’s expenditures may not legally exceed budgeted appropriations by major object classification, namely certificated salaries, classified salaries, employee benefits, books and supplies, services and other operating expenditures, capital outlay, other outgo, and other financing uses. EC §42600 further specifies that districts may not spend more than the amounts authorized in the Final Budget as adjusted during the fiscal year.

Encumbrance accounting is utilized to ensure effective budgetary control and accountability. Unencumbered appropriations lapse at year end and encumbrances outstanding at that time are reported as assigned fund balance for subsequent year expenditures.

### **Blended Component Units**

This ACFR includes the financial activities of the blended component units of the District. A *blended component unit* is a legally separate organization that is so closely related to the primary government that, for financial-reporting purposes, it is treated as though it were part of the District. As required by criteria established by the Governmental Accounting Standards Board (GASB), blended component unit balances and transactions are included within the District’s financial statements, rather than shown separately. See the Notes to Basic Financial Statements for more information.

### **Financial Results**

When unaudited actuals were reported for fiscal year 2024-25, the general fund unassigned/unappropriated balance was \$2.0 billion. The final audited unassigned/unappropriated balance improved slightly to \$2.1 billion.

The District’s total net position improved from a deficit last year of \$2.4 billion to a deficit this year of \$2.1 billion, an improvement of \$0.3 billion. Net Position is total assets plus deferred outflows of resources minus total liabilities minus deferred inflows of resources. This deficit net position includes pension liabilities for retirement plans totaling \$7.1 billion and other postemployment benefit (OPEB) liabilities totaling \$8.2 billion.

For the fiscal year ended June 30, 2025, the District’s combined ending fund balances across all funds decreased \$0.5 billion from \$10.2 billion to \$9.7 billion. The general fund ending balance was \$5.1 billion. This ending balance

includes \$711 million in reserves for economic uncertainties as well as \$1.4 billion in assigned and \$2.1 billion in unassigned balances, of which the total was 37% of general fund expenditures. This was an improvement from unaudited actuals of \$635 million.

The proprietary (internal service) funds reported a negative net position of \$27 million as of June 30, 2025, an increase of \$24 million from fiscal year 2023-24, primarily due to increases in contributions and investment income. In fiscal year 2024-25, the District formed its own captive insurance company, the Los Angeles Unified School District Insurance Company, LLC (Captive). The District established the Captive to manage and control escalating insurance costs, enhance the management of risk, and improve the District's financial stability.

Long-term liabilities increased by \$1.3 billion primarily due to issuance of new general obligation (GO) bonds and offset by a reduction in Certificates of Participation (COPs).

### **Audit Results**

The auditor issued an unmodified or clean opinion again this year. This is the best opinion possible and states the auditors believe our financial present fairly, in all material respects, the financial statements in the audit report.

There were 4 federal program findings and 14 state compliance findings. Eleven of the findings were repeated from last year. Total questioned costs were \$47.8 million.

There were three noteworthy findings. First, \$44.3 million of the total questioned costs resulted from the District not meeting the minimum required expenditure on classroom compensation (Current Expense Formula). The District spent 54.5% on classroom compensation while the Education Code §41372 requires unified school districts to spend 55% on classroom compensation. The District has implemented a process aligned with parameters provided by the California Department of Education that includes manual adjustments to the calculation for programs that are not intended for classroom expenditures, resulting in an improved expense ratio from 47% in fiscal year 2023-24 to 54.5% this year. Consistent with prior years, the District plans to request a waiver to the requirement. The District also anticipates that its fiscal stabilization plan will increase the ratio of classroom compensation in future years.

The second finding involved \$2.1 million of questioned costs for Home-to-School Transportation. Employee time related to indirect costs was incorrectly charged to the Home-to-School Transportation program. The District will strengthen controls over time reporting, approvals, and cost allocations to ensure compliance going forward.

The third finding of note related to proper documentation of Proposition 28 – Arts & Music expenditures. The District lacked supporting documentation for work performed by employees, or the documentation was inadequate. The District will strengthen its controls over documentation of expenditures. Please refer to Other Independent Auditor Reports beginning on page 241 for more detail on these and other findings.

The District remains fully committed to compliance with Federal and State regulations, focusing on improving our internal controls, record keeping, and compliance with all program requirements.

### Acknowledgments

We wish to express our appreciation to the Division of Accounting and Disbursements team, the various District divisions who assisted in the preparation of this report, school based and program staff for their cooperation in providing requested audit information and their assistance in resolving potential audit findings and acknowledge the effort of our independent auditors.

Respectfully submitted,

Alberto M. Carvalho  
Superintendent of Schools

Prepared by:



Saman Bravo-Karimi  
Chief Financial Officer

**BOARD OF EDUCATION**

as of December 15, 2025

Scott M. Schmerelson, President  
Board District 3

Sherlett Hendy Newbill  
Board District 1

Dr. Rocio Rivas  
Board District 2

Nick Melvoin  
Board District 4

Karla Griego  
Board District 5

Kelly Gonez  
Board District 6

Tanya Ortiz Franklin  
Board District 7

**PRINCIPAL SCHOOL DISTRICT OFFICIALS**

Alberto M. Carvalho  
Superintendent of Schools

Pedro Salcido  
Deputy Superintendent, Business Services and Operations

Saman Bravo-Karimi  
Chief Financial Officer  
*(Effective September 17, 2025)*

Christopher Mount-Benites  
Chief Financial Officer  
*(August 5, 2024 to July 31, 2025)*

David Hart  
Chief Financial Officer  
*(January 6, 2020 to August 3, 2024)*

Dr. Kurt E. John  
Deputy Chief Financial Officer  
*(Effective July 14, 2025)*

Nolberto Delgadillo  
Deputy Chief Financial Officer  
*(July 23, 2024 to June 30, 2025)*

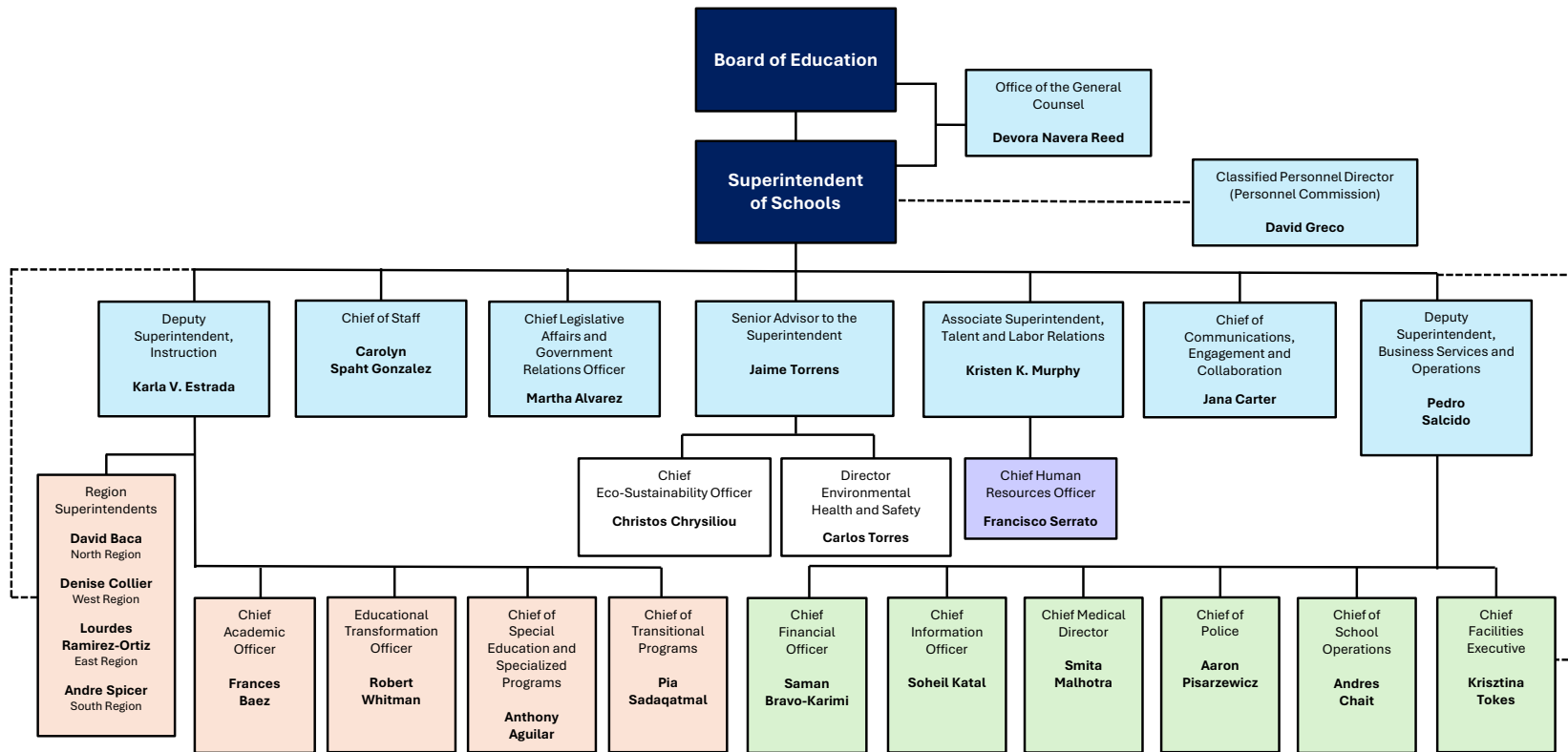
Ernie Thomas  
Controller

**Region Officials  
as of December 15, 2025**

	<b>Region Superintendent</b>	<b>Administrator of Instruction</b>	<b>Administrator of Operations</b>	<b>Administrator of Parent &amp; Community Engagement</b>
<b>North</b>	David Baca	Dr. Alma Flores Mylene Keipp	Jose Razo	Laura Fuentes Dr. Jeremiah Gonzalez
<b>South</b>	Andre Spicer	Rafael Balderas Dr. Afia Hemphill	Mira Pranata	Ursula Martin
<b>East</b>	Dr. Lourdes Ramirez-Ortiz	Cristina Munoz Daniel Gettinger	Gilberto Martinez	Megan Guerrero
<b>West</b>	Denise Collier	Dr. Dechele Byrd Andrew Jenkins	Dr. Blanca Esquivel	Crystal Dukes



## 2025-26 Los Angeles Unified School District Organization Chart



As of December 15, 2025



# **FINANCIAL SECTION**



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SIMPSON & SIMPSON  
CERTIFIED PUBLIC ACCOUNTANTS

FOUNDING PARTNERS  
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MELBA W. SIMPSON, CPA

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(213) 736-6692 FAX  
www.simpsonandsimpsoncpas.com

## Independent Auditor's Report

To The Honorable Board of Education  
Los Angeles Unified School District

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Los Angeles Unified School District** (the District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Los Angeles Unified School District, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### *Basis for Opinions*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the provisions of California Code of Regulations (CCR), Title 5, Education, Section 19810. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### *Change in Accounting Principle*

As discussed in Note 1(r) to the basic financial statements, on July 1, 2024, the District adopted the new accounting and disclosure requirements of Governmental Accounting Standards Board Statement No. 101, *Compensated Absences*. Our opinion is not modified with respect to this matter.



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### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.



### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 7 to 16 and the required supplementary information on pages 78 to 87 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying supplementary information, the state and federal compliance information section on pages 225 to 233, and the schedule of expenditures of federal awards and related notes on pages 234 through 237 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.



### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, statistical section, the state and federal compliance information section on pages 193 to 223, and the other information section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 15, 2025, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Simpson &amp; Simpson".

Los Angeles, California  
December 15, 2025

## Management's Discussion and Analysis (Unaudited)

The following is a discussion and analysis of the Los Angeles Unified School District (District) financial performance for the year ended June 30, 2025. Use this section in conjunction with the District's basic financial statements. Comparative data is presented for this report.

### Highlights

#### *Government-wide Statements*

*Net Position-* The District's total net position improved from a deficit last year of \$2.4 billion to a deficit this year of \$2.1 billion, an improvement of \$0.3 billion. This deficit net position includes pension liabilities for retirement plans totaling \$7.1 billion and other postemployment benefit (OPEB) liabilities totaling \$8.2 billion.

#### *Fund Statements*

*Governmental Funds-* For the fiscal year ended June 30, 2025, the District's combined ending fund balances decreased \$0.5 billion from \$10.2 billion to \$9.7 billion. The general fund assigned and unassigned fund balances, including reserve for economic uncertainties, was \$4.2 billion, or 37% of total general fund expenditures.

*Proprietary Funds-* The proprietary (internal service) funds reported a negative net position of \$27 million as of June 30, 2025, an increase of \$24 million from fiscal year 2023-24, primarily due to increases in contributions and investment income. In fiscal year 2024-25, the District formed its own captive insurance company, the Los Angeles Unified School District Insurance Company, LLC.

#### *Long-Term Debt*

Long-term liabilities increased by \$1.3 billion primarily due to issuance of new general obligation (GO) bonds and offset by a reduction in Certificates of Participation (COPs).

### Overview of the Financial Statements

The focus of this report is on reporting for the District as a whole and on the most significant individual funds. This report presents a comprehensive view of the District's financial activities and makes it easier to compare the performance of the District to that of other districts. The Financial Section of this report presents the District's financial position and activities in five parts:

- MD&A (this part)
- The basic financial statements and notes to basic financial statements
- Required supplementary information
- Other supplementary information presenting combining statements and schedules
- Statistical and economic data

The basic financial statements include government-wide financial statements, fund financial statements, and notes to financial statements, which provide more detailed information to supplement the basic financial statements.

### Reporting on the District as a Whole

The *Government-wide Financial Statements* are designed to present an overall picture of the financial position of the District. These statements consist of the statement of net position and the statement of activities, which are prepared using the economic resources measurement focus and the accrual basis of accounting. This means that all the current year's revenues and expenses are included, regardless of when cash is received or paid, producing a view of financial position similar to that presented by most private sector companies.

(Continued)

## Management's Discussion and Analysis (Unaudited)

The Los Angeles Unified School District Insurance Company, LLC (Captive), although legally separate, functions for all practical purposes as a department of the District, as a blended component unit, and therefore has been included as an integral part of the primary government.

The *Statement of Net Position* combines and consolidates the government's current financial resources with capital assets and long-term obligations. This statement includes all of the government's assets, deferred outflows of resources, liabilities and deferred inflows of resources.

Net position represents one measure of the District's financial health.

Other indicators of the District's financial health include economic trends affecting the District's future revenues such as enrollment trends and the state's revenue economic outlook.

The *Statement of Activities* focuses on both the gross and net cost of various activities (governmental, business-type and component units). These costs are paid by the District's revenues. This statement summarizes the cost of providing (or the subsidy provided by) specific government services and includes all current year revenues and expenses. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

The government-wide Statement of Net position and the Statement of Activities typically divide activities into three columns: governmental activities, business-type activities and discrete component units. However, the District only has governmental activities.

The government-wide financial statements can be found on pages 18-19 of this report.

### Reporting on the District's Most Significant Funds

*Fund Financial Statements* provide additional detail about the District's financial position and activities. Some information presented in the fund financial statements differs from the government-wide financial statements due to the perspective and basis of accounting used. Funds are presented on the fund-level statements as major or nonmajor based on criteria set by the Governmental Accounting Standards Board (GASB). A fund is a separate accounting entity with a self-balancing set of accounts. The District uses funds to keep track of sources of funding and spending related to specific activities.

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and proprietary funds.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

**Governmental Funds.** A majority of the District's activity is reported in governmental funds. Reporting of these funds focuses on the flow of money into and out of the funds and the amounts remaining at fiscal year-end for future spending.

(Continued)

## Management's Discussion and Analysis (Unaudited)

Governmental funds are accounted for using the modified accrual basis of accounting, which measures cash and other assets that can be readily converted to cash. The governmental fund financial statements provide a detailed short-term view of the District's general governmental operations and the basic services it provides. This information helps determine the level of resources available for the District's programs. The reconciliations following the fund financial statements explain the differences between the governmental activities column reported on the government-wide statement of net position and the government-wide statement of activities and the governmental funds reported on the fund financial statements. The general fund, district bonds fund, and bond interest and redemption fund are reported as major governmental funds.

The District's major governmental funds are: General, Capital Projects (District Bonds) and Debt Service (Bond Interest and Redemption). The District's other governmental (nonmajor) funds are: Student Activity, Adult Education, Child Development, Cafeteria, Tax Override, Capital Services, Building, Capital Facilities Account, County School Facilities Bonds, Special Reserve - Community Redevelopment Agency, Special Reserve, Special Reserve - FEMA - Earthquake, and Special Reserve - FEMA - Hazard Mitigation. See notes to basic financial statements for further information.

Data from the other governmental (nonmajor) funds are combined into a single aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

The governmental fund financial statements can be found on pages 20-23 of this report.

**Proprietary Funds (Internal Service Funds).** When the District charges customers for services it provides, these activities are generally reported in proprietary funds. Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. There are two types of Proprietary funds, internal service funds and enterprise funds. The District does not have any enterprise funds. The goal of internal service funds is to measure and recover the full cost of providing goods or services through fees or charges, normally on a break-even basis, including the cost of capital assets used in providing the service.

The District's internal service funds are: health and welfare fund, workers compensation fund, liability self insurance fund, and captive insurance company. These funds provide services on a cost reimbursement basis to other funds of the District.

The District's internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund financial statements for the internal service funds are provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The proprietary fund financial statements can be found on pages 25-27 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28-75 of this report.

**Other Information.** In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the District's progress in funding its obligations to provide pension

(Continued)

**Management’s Discussion and Analysis (Unaudited)**

and OPEB benefits to its employees. Required supplementary information can be found immediately after the notes to the financial statements on pages 77-87.

The *Combining Statements* referred to earlier in connection with nonmajor governmental funds, internal service funds and pension (and other employee benefit) trust funds are presented immediately following the required supplementary information on pensions and OPEB. Combining and individual fund statements and schedules can be found on pages 93-128 of this report.

**Financial Analysis of the District as a Whole (Government-wide)**

**Net Position.** Total assets of the District were \$30.2 billion, an increase of \$0.9 billion or 3% from fiscal year 2023-24. Total liabilities of the District were \$32.1 billion, an increase of \$0.8 billion or 3% from fiscal year 2023-24. Cash and investments remained constant at \$11.7 billion. There was a \$0.9 billion increase in investments primarily due to investments made by the District’s newly formed Captive insurance company.

The District’s bonded indebtedness was \$13 billion, which included new issuances of \$2 billion in District bonds to finance new construction and other projects, refinance prior bonds, and defease \$218 million of Certificates of Participation. Net position was negative \$2.1 billion in fiscal year 2024-25, an increase of \$0.3 billion.

Of the District’s net position, \$4 billion was net investment in capital assets, while \$5.3 billion was restricted for programmatic operations of the District and debt service. Unrestricted net position was negative \$11.4 billion.

**Summary Statements of Net Position (in thousands)**

As of June 30, 2025 and 2024:

	<b>Governmental Activities</b>	
	<b>2025</b>	<b>2024</b>
Assets:		
Current Assets	\$ 13,094,526	\$ 13,034,889
Capital Assets, net	17,134,840	16,325,227
Total Assets	<u>30,229,366</u>	<u>29,360,116</u>
Deferred Outflows of Resources	5,235,439	5,711,320
Liabilities:		
Current Liabilities	1,994,293	1,822,894
Long-term Liabilities	14,772,491	13,508,101
Net Pension Liability	7,134,030	6,942,831
Net Other Postemployment Benefits Liability	8,206,284	8,991,231
Total Liabilities	<u>32,107,098</u>	<u>31,265,057</u>
Deferred Inflows of Resources	5,481,118	6,170,197
Net Position:		
Net investment in capital assets	3,954,536	3,969,958
Restricted for:		
Debt service	1,630,496	1,330,967
Program activities	3,698,160	4,136,934
Unrestricted	<u>(11,406,603)</u>	<u>(11,801,677)</u>
Total Net Position	<u>\$ (2,123,411)</u>	<u>\$ (2,363,818)</u>

**Changes in Net Position.** The District’s net position for fiscal year 2024-25 increased by \$0.3 billion. The District earned program revenues of \$3.4 billion and general revenues of \$8.5 billion, for total revenues of \$11.9 billion, a decrease of \$1.7 billion or 12% from fiscal year 2023-24. The major components of this decrease were operating

(Continued)

**Management’s Discussion and Analysis (Unaudited)**

grants and contributions, which had a decrease of \$1.1 billion, and state aid not restricted to a specific purpose, with a decrease of \$348 million.

The expenses of the District were \$11.7 billion, a decrease of \$0.02 billion, down 0.2% from fiscal year 2023-24. The expense fluctuations in governmental activities are largely attributable to a \$0.4 billion decrease in business support services, \$0.3 billion decrease in interest expense, an increase of \$0.3 billion in student support services, an increase of \$0.1 billion in instructional staff support services, and an increase of \$0.1 billion in instruction. The financial analysis of the District’s funds will further explain the results for changes in the District’s financial condition.

**Summary Statements of Changes in Net Position (in thousands)**

Year ended June 30, 2025 and 2024:

	<b>Governmental Activities</b>	
	<b>2025</b>	<b>2024</b>
Revenues:		
Program Revenues:		
Charges for services	\$ 124,486	\$ 153,569
Operating grants and contributions	3,100,225	4,245,151
Capital grants and contributions	197,365	202,694
Total Program Revenues	<u>3,422,076</u>	<u>4,601,414</u>
General Revenues:		
Property taxes levied for general purposes	2,218,283	2,150,106
Property taxes levied for debt service	1,283,303	1,185,977
Property taxes levied for community redevelopment	63,463	60,653
State aid not restricted to specific purpose	4,237,524	4,585,386
Grants, entitlements, and contributions not restricted to specific programs	186,850	188,281
Unrestricted investment earnings	361,049	284,570
Miscellaneous	172,436	554,812
Total General Revenues	<u>8,522,908</u>	<u>9,009,785</u>
Total Revenues	<u>11,944,984</u>	<u>13,611,199</u>
Expenses:		
Instruction	5,198,631	5,072,381
Support Services:		
Support services – students	990,405	733,509
Support services – instructional staff	979,709	859,470
Support services – general administration	102,060	143,193
Support services – school administration	672,791	682,625
Support services – business	450,863	838,188
Operation and maintenance of plant services	1,062,417	982,270
Student transportation services	241,064	198,150
Data processing services	173,292	156,909
Operation of non-instructional services	732,470	680,183
Facilities acquisition and construction services	131,385	172,218
Other uses	13,851	8,786
Interest expense	334,837	603,781
Depreciation – unallocated	620,802	592,808
Total Expenses	<u>11,704,577</u>	<u>11,724,471</u>
Changes in Net Position	240,407	1,886,728
Net Position – Beginning of Year	<u>(2,363,818)</u>	<u>(4,250,546)</u>
Net Position – End of Year	<u>\$ (2,123,411)</u>	<u>\$ (2,363,818)</u>

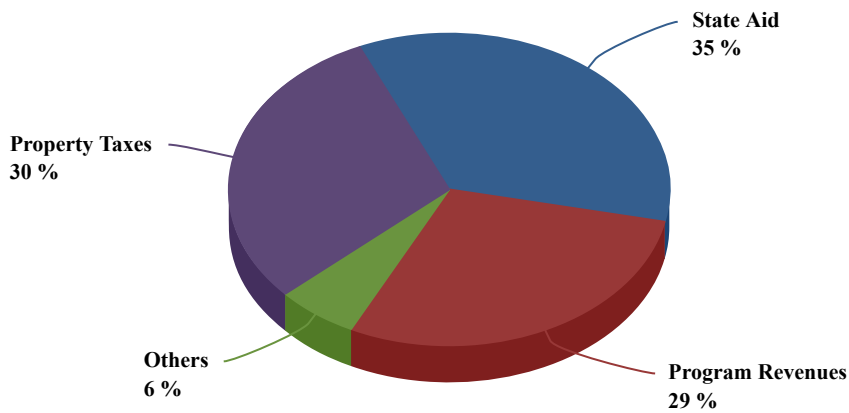
(Continued)

**Management’s Discussion and Analysis (Unaudited)**

**Governmental Activities.** Governmental activities program revenue was \$3.4 billion, including charges for services of \$124 million, operating grants and contributions of \$3.1 billion and capital grants and contributions of \$197 million. Total revenues decreased by \$1.7 billion in fiscal year 2024-25 primarily due to decreased operating grants and contributions and state aid not restricted to a specific purpose. Governmental activities expenses were \$11.7 billion. All functions of governmental activities in the government-wide statement of activities have a net cost, except the operation of non-instructional services and facilities acquisition and construction services which had slight surpluses. The instruction, support services, operation and maintenance of plant services, and student transportation functions account for 83% of governmental activities expenses. The state aid and property taxes provide the primary source of funding, which when added to program revenues, support the payment of governmental services.

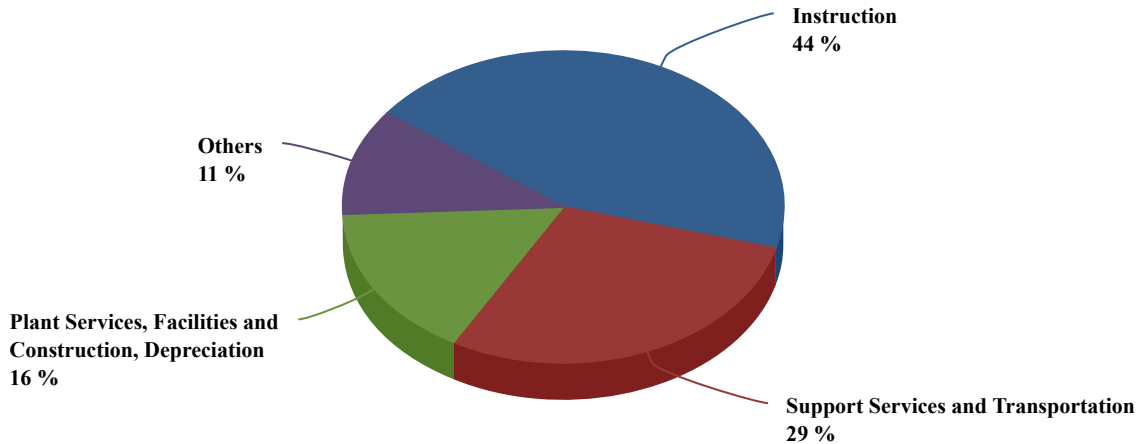
The following graph shows that state aid, property taxes, and operating grants and contributions are the main revenue sources of the District.

**Revenue sources of the District**



The following graph shows that instruction and support services are the main expenses of the District.

**Expenses of the District**



(Continued)

**Management's Discussion and Analysis (Unaudited)****Financial Analysis of the District's Funds*****Governmental Funds***

As of June 30, 2025, total governmental funds reported fund balances of \$9.7 billion. The general fund reported a \$5.1 billion fund balance, 53% of the total overall fund balance. The District bonds (capital) fund increased \$473 million as a result of issuing \$1.8 billion in bonds offset by \$1.2 billion in capital outlay.

***General Fund***

The fund balance for the general fund as of June 30, 2025, was \$5.1 billion, a decrease of \$1.3 billion from fiscal year 2023-24. The restricted and nonspendable portion of the fund balance is \$940 million and \$1.4 billion assigned. The unassigned portion of the fund balance was \$2.8 billion, which includes \$711 million in the reserve for economic uncertainties. Contributing to the fund balance were decreases in federal revenues of \$1.4 billion and local control funding formula sources of \$280 million. Spending for salaries and benefits increased \$549 million. COVID-19 related federal revenues decreased \$897 million.

***Proprietary Funds (Internal Service Funds)***

Proprietary funds (Internal Service Funds) reported a negative net position of \$27 million in fiscal year 2024-25, an increase of \$24 million from fiscal year 2023-24. In fiscal year 2024-25, the District formed its own captive insurance company, the Los Angeles Unified School District Insurance Company, LLC (Captive). The Captive provides coverage to the District for workers' compensation and liability. In fiscal year 2024-25, the District transferred liabilities for historical losses to the Captive for workers' compensation, general liability, and automobile liability through purchases of loss portfolio transfer policies.

*Health and Welfare Benefits Fund.* The net position for fiscal year 2024-25 totaled \$129 million, an increase of \$131 million from fiscal year 2023-24. In-District premiums increased by \$333 million for fiscal year 2024-25. Premiums and claims expenses increased by \$84 million compared to fiscal year 2023-24. Cash increased by \$101 million in fiscal year 2024-25.

*Workers' Compensation Self Insurance.* The net position for fiscal year 2024-25 totaled \$285 million, a decrease of \$67 million from fiscal year 2023-24. In-District premiums decreased by \$34 million for fiscal year 2024-25. Premiums and claims expenses increased by \$112 million compared to fiscal year 2023-24. Cash decreased from \$709 million to \$98 million primarily due to the purchase of loss portfolio transfer policies which transferred the claims liabilities to the Captive and the initial capital investment in the Captive. The current and noncurrent estimated liability for self-insurance claims was reduced to zero. Other assets of \$150 million is the fund's initial capital investment in the Captive.

*Liability Self Insurance Fund.* The net position for fiscal year 2024-25 totaled a deficit of \$693 million, a decrease of \$292 million from last fiscal year. The current and noncurrent estimated liability for self-insurance claims increased to \$907 million, up from \$725 million in the prior fiscal year as a result of additional estimated claims. Other assets of \$50 million is the fund's initial capital investment in the Captive. The District transferred liabilities for historical losses to the Captive for general liability and automobile liability through purchases of loss portfolio transfer policies. Outstanding liabilities at the end of fiscal year 2024-25 for sexual molestation claims that occurred on/before June 30, 2024, remain in the fund and were not transferred to Captive. The District intends to fund these liabilities using judgment obligation bonds.

(Continued)

## Management's Discussion and Analysis (Unaudited)

*Los Angeles Unified School District Insurance Company, LLC or Captive.* The Captive was formed in fiscal year 2024-25. The Captive provides coverage to the District for workers' compensation, general liability, and automobile liability, including loss portfolio transfer policies which provide coverage for prior claims. Outstanding liabilities at the end of fiscal year 2024-25 for sexual molestation claims that occurred on/before June 30, 2024, remain in the liability self-insurance fund and were not transferred to the Captive. The Captive received an initial capital investment of \$200 million from the workers' compensation fund and liability self-insurance fund.

### General Fund Budgetary Highlights

The District closely monitors and reviews its revenue and expenditure data to ensure maintenance of sufficient ending balance. This monitoring and review occurs from the development of the budgeted data through the State-mandated first and second interim financial reports, and at year end, utilizing actual revenue and expenditure data.

#### *Modified Final Budget vs. Original Final Budget*

The District's Original Final Budget is based on assumptions from the State's May Revision Budget, while the Modified Final Budget is based not only on the State's Enacted Budget, but also on all other known State budgetary changes and changes to the District's priority of program implementations and/or planned expenditures since the Original Final Budget. Differences between the 2024-25 General Fund Original Final Budget and the Modified Final Budget resulted in a lower budgeted ending balance by \$0.8 billion, to \$3.8 billion from \$4.6 billion. Adjustments to the Original Final Budget included an increase in the beginning balance of almost \$0.1 billion, an increase in budgeted revenues and financing sources of \$1.0 billion, and an increase in budgeted expenditures and other financing uses of \$1.9 billion.

The increase in the beginning balance of almost \$0.1 billion between the Original Final Budget and Modified Final Budget was to reflect the actual ending balance as of June 30, 2024, as opposed to the estimated June 30, 2024, ending balance. The net increase in budgeted revenues and other financing sources of \$1.0 billion was mostly due to the recording of interfund transfer in for Special Reserve Fund for Other Than Capital Outlay Projects from General Fund of \$0.6 billion, recognition of fire insurance proceeds of nearly \$0.1 billion, bigger State's on-behalf contribution to the California State Teachers' Retirement System (CalSTRS) of almost \$0.1 billion and the implementation of new grants of \$0.2 billion.

The increase in budgeted expenditures and other financing uses of \$1.9 billion was mostly attributable to the program implementation of Learning Recovery Emergency Block Grant (LREBG) and Expanded Learning Opportunities Program (ELOP) of \$0.6 billion and \$0.4 billion, respectively, as well as the recording of the interfund transfer out from General Fund to Special Reserve Fund for Other Than Capital Outlay Projects of \$0.6 billion.

#### *Actual vs. Modified Final Budget*

The beginning balance remained the same for both the Actual and the Modified Final Budget. There is a minimal negative variance in revenues and other financing sources between the Actual and Modified Final Budget.

The positive variance of \$1.4 billion in expenditures and other financing uses between the Actual and the Modified Final Budget was mostly from school carryover accounts. The unspent portion of these accounts shall carry over into the next fiscal year for further program implementation and/or to pay future obligations. The largest decreases in expenditure were in Books and Supplies (\$1.1 billion), Capital Outlay (\$0.1 billion) and Certificated Salaries (\$0.1 billion).

(Continued)

**Management’s Discussion and Analysis (Unaudited)**

Differences between the Actual and Modified Final Budget resulted in a higher ending balance of \$1.3 billion, from \$3.8 billion to \$5.1 billion.

**Capital Assets and Debt Administration**

*Capital assets.* The District’s investment in capital assets for its governmental activities as of June 30, 2025, amounts to \$17.1 billion (net of accumulated depreciation), an 5.0% increase from prior year. The investment in capital assets includes sites, improvement of sites, buildings and improvements, equipment, construction in progress, lease assets and subscription assets, net of any related accumulated depreciation. The increase is primarily due to comprehensive and major modernization projects, heating, ventilation, and air conditioning (HVAC) projects, improvement at school sites, Cyber and Campus Security projects, School Network System Upgrades, and increase in subscription assets.

Summary of capital assets (net of accumulated depreciation) is as follows (in thousands):

	<b>Governmental Activities</b>	
	<b>2025</b>	<b>2024</b>
Sites	\$ 3,101,510	\$ 3,101,510
Improvement of sites	359,326	333,225
Buildings and improvements	9,138,015	9,102,846
Equipment	456,410	383,687
Construction in progress	3,940,166	3,302,103
Lease assets	68,524	50,174
Subscription assets	70,889	51,682
Total	<u>\$ 17,134,840</u>	<u>\$ 16,325,227</u>

Additional information on the District’s capital assets can be found in Note 7 on page 43 of this report.

**Debt Administration**

**Long-term obligations.** At the close of the current fiscal year, the District’s total long-term obligations amounted to \$30.1 billion. Of this, \$12.7 billion consists of debt to be repaid through voter-approved property taxes. The total long-term obligations increased by \$670.6 million during the fiscal year, primarily due to issuance of new general obligation (GO) bonds net of repayment of Certificates of Participation (COPs).

Summary of long-term obligations is as follows (in thousands):

	<b>Governmental Activities</b>	
	<b>2025</b>	<b>2024</b>
General Obligation (GO) Bonds	\$ 12,698,852	\$ 11,651,806
Certificates of Participation (COPs)	240,202	511,478
Lease Obligations	70,998	51,824
Subscription-based Information Technology Agreements	51,058	43,514
Liability for Compensated Absences	136,856	108,995
Liability for Other Employee Benefits	20,662	24,177
Self-insurance Claims	1,547,987	1,113,152
Net Pension Liability	7,134,030	6,942,831
Other Postemployment Benefits (OPEB)	8,206,284	8,991,231
Arbitrage Payable	5,876	3,155
Total	<u>\$ 30,112,805</u>	<u>\$ 29,442,163</u>

(Continued)

## Management's Discussion and Analysis (Unaudited)

### Long-Term Credit Ratings

Below are the District's long-term credit ratings as of June 30, 2025 from the rating agencies that carry ratings on all or some of the District's outstanding GO bonds and COPs:

1. Moody's Investors Service (Moody's) rated the District's GO bonds and COPs "Aa2" and "A1", respectively, with a Stable Outlook. In addition, Moody's assigned a "Aa3" Issuer Rating (Stable Outlook) to the District.
2. Fitch Ratings (Fitch) rated the District's GO bonds and COPs "AAA" and "A+", respectively, with a Stable Outlook. In addition, Fitch assigned the District an Issuer Default Rating of "AA-" (Stable Outlook).
3. Standard & Poor's (S&P) rated the District's GO bonds "AA-" with a Stable Outlook.
4. Kroll Bond Rating Agency (KBRA) rated the District's GO bonds "AAA" with a Stable Outlook.

State statutes limit the issuance of general obligation bond debt by a unified school district if the outstanding general obligation bonds are more than 2.5% of its total taxable property. The debt limitation for the District as of June 30, 2025, is \$24.3 billion, which is in excess of the District's outstanding general obligation bond debt.

Additional information on the District's long-term obligations can be found in Notes 11 through 14 on pages 65-71 of this report.

### Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. This report is available on the District's website, under the Office of the Chief Financial Officer homepage <https://www.lausd.org/Page/1679>. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Chief Financial Officer, Los Angeles Unified School District, P.O. Box 513307-1307, Los Angeles, California 90051-1307.

# Basic Financial Statements:



**Los Angeles Unified School District**  
**Statement of Net Position**  
**June 30, 2025**  
**(in thousands)**

	<b>Governmental Activities</b>
Assets:	
Cash	\$ 9,779,976
Cash held by trustee	1,045,467
Investments	919,556
Lease receivable	13,274
Property taxes receivable	141,286
Accounts receivable, net	845,124
Accrued interest receivable	81,668
Prepays	6,532
Inventories	53,932
Accounts receivable, non current	985
Other assets	206,726
Total Current Assets	<u>13,094,526</u>
Capital assets:	
Sites	3,101,510
Improvement of sites	982,886
Buildings and improvements	18,738,727
Equipment	2,907,341
Construction in progress	3,940,166
Lease assets	90,547
Subscription assets	152,762
Less accumulated depreciation	<u>(12,779,099)</u>
Total Capital Assets, Net of Depreciation	<u>17,134,840</u>
Total Assets	<u>30,229,366</u>
Deferred Outflows of Resources	<u>5,235,439</u>
Liabilities:	
Vouchers and accounts payable	578,284
Contracts payable	114,257
Accrued payroll	605,726
Accrued interest	259,814
Other payables	258,720
Unearned revenue	107,539
Tax and revenue anticipation notes and related interest payable	<u>69,953</u>
Total Current Liabilities:	<u>1,994,293</u>
Long-term Liabilities:	
Portion due within one year	2,132,911
Portion due after one year	12,639,580
Net pension liability	7,134,030
Net other post-employment liabilities	<u>8,206,284</u>
Total Liabilities	<u>32,107,098</u>
Deferred Inflows of Resources	<u>5,481,118</u>
Net Position:	
Net investments in capital assets	3,954,536
Restricted for:	
Debt service	1,630,496
Program activities	3,698,160
Unrestricted	<u>(11,406,603)</u>
Total Net Position	<u>\$ (2,123,411)</u>

See accompanying notes to basic financial statements.

**Los Angeles Unified School District  
Statement of Activities  
For Fiscal Year Ended June 30, 2025  
(in thousands)**

Functions/programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction	\$ 5,198,631	\$ 21,711	\$ 1,170,790	\$ -	\$ (4,006,130)
Support Services – students	990,405	1,163	199,338	-	(789,904)
Support Services – instructional staff	979,709	61	412,666	-	(566,982)
Support Services – general administration	102,060	-	(203)	-	(102,263)
Support Services – school administration	672,791	-	166,661	-	(506,130)
Support Services – business	450,863	13,958	142,057	-	(294,848)
Operation and maintenance of plant services	1,062,417	6,233	128,285	-	(927,899)
Student transportation services	241,064	-	13,157	-	(227,907)
Data processing services	173,292	-	(97)	-	(173,389)
Operation of non-instructional services	732,470	1,634	740,039	-	9,203
Facilities acquisition and construction services*	131,385	79,726	119,187	120,689	188,217
Other uses	13,851	-	2,109	-	(11,742)
Interest expense	334,837	-	6,236	76,676	(251,925)
Depreciation – unallocated**	620,802	-	-	-	(620,802)
Total Governmental Activities	<u>\$ 11,704,577</u>	<u>\$ 124,486</u>	<u>\$ 3,100,225</u>	<u>\$ 197,365</u>	<u>\$ (8,282,501)</u>
General revenues:					
Taxes:					
Property taxes, levied for general purposes					2,218,283
Property taxes, levied for debt service					1,283,303
Property taxes, levied for community redevelopment					63,463
State aid not restricted to specific purpose					4,237,524
Grants, entitlements, and contributions not restricted to specific programs					186,850
Unrestricted investment earnings					361,049
Miscellaneous					172,436
Total General Revenues					<u>8,522,908</u>
Change in Net Position					240,407
Net Position – Beginning of Year					<u>(2,363,818)</u>
Net Position – End of Year					<u>\$ (2,123,411)</u>

\* This amount represents expenses incurred in connection with activities related to capital projects that are not otherwise capitalized and included as part of capital assets (for example, project manager fees).

\*\* This amount excludes the depreciation that is included in the direct expenses of the various programs.

See accompanying notes to basic financial statements.

**Los Angeles Unified School District**  
**Balance Sheet**  
**Governmental Funds**  
**June 30, 2025**  
**(in thousands)**

	<b>General Fund</b>	<b>District Bonds</b>	<b>Bond Interest and Redemption</b>	<b>Other Governmental</b>	<b>Total Governmental</b>
<b>Assets:</b>					
Cash	\$ 5,432,230	\$ 1,832,669	\$ 1,287,209	\$ 782,915	\$ 9,335,023
Cash held by trustee	260,284	-	461,235	323,948	1,045,467
Investments	-	-	-	13,363	13,363
Lease receivable	11,183	-	-	2,091	13,274
Taxes receivable	-	-	141,286	-	141,286
Accounts receivable – net	514,775	-	-	125,692	640,467
Accrued interest receivable	55,473	16,228	-	4,426	76,127
Prepays	12,642	23	-	10,809	23,474
Inventories	35,308	-	-	18,624	53,932
Other assets	-	-	-	35	35
<b>Total Assets</b>	<b>6,321,895</b>	<b>1,848,920</b>	<b>1,889,730</b>	<b>1,281,903</b>	<b>11,342,448</b>
Deferred Outflows of Resources	-	-	-	-	-
<b>Total Assets and Deferred Outflows of Resources</b>	<b>\$ 6,321,895</b>	<b>\$ 1,848,920</b>	<b>\$ 1,889,730</b>	<b>\$ 1,281,903</b>	<b>\$ 11,342,448</b>
<b>Liabilities and Fund Balances:</b>					
Vouchers and accounts payable	\$ 354,061	\$ 50,159	\$ -	\$ 52,118	\$ 456,338
Contracts payable	3,831	108,312	-	2,114	114,257
Accrued payroll	574,124	10,220	-	25,250	609,594
Other payables	193,593	14,067	-	7,428	215,088
Unearned revenue	22,479	-	-	27,318	49,797
Tax and revenue anticipation notes and related interest payable	69,953	-	-	-	69,953
<b>Total Liabilities</b>	<b>1,218,041</b>	<b>182,758</b>	<b>-</b>	<b>114,228</b>	<b>1,515,027</b>
<b>Deferred Inflows of Resources:</b>					
Property taxes	-	-	142,978	-	142,978
Leases	11,183	-	-	2,091	13,274
<b>Total Deferred Inflows of Resources</b>	<b>11,183</b>	<b>-</b>	<b>142,978</b>	<b>2,091</b>	<b>156,252</b>
<b>Fund Balances:</b>					
Nonspendable	50,875	519	-	29,448	80,842
Restricted, reported in:					
Major governmental funds	889,614	1,665,643	1,746,752	-	4,302,009
Special revenue funds	-	-	-	444,696	444,696
Debt service funds	-	-	-	581	581
Capital projects funds	-	-	-	669,742	669,742
Assigned, reported in:					
Major governmental funds	1,373,616	-	-	-	1,373,616
Special revenue funds	-	-	-	16,278	16,278
Capital projects funds	-	-	-	4,839	4,839
Unassigned:					
Reserved for economic uncertainties	710,567	-	-	-	710,567
Unassigned	2,067,999	-	-	-	2,067,999
<b>Total Fund Balances</b>	<b>5,092,671</b>	<b>1,666,162</b>	<b>1,746,752</b>	<b>1,165,584</b>	<b>9,671,169</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund balances</b>	<b>\$ 6,321,895</b>	<b>\$ 1,848,920</b>	<b>\$ 1,889,730</b>	<b>\$ 1,281,903</b>	<b>\$ 11,342,448</b>

See accompanying notes to basic financial statements.

**Los Angeles Unified School District  
Reconciliation of the Governmental Funds Balance Sheet to  
the Statement of Net Position  
June 30, 2025  
(in thousands)**

Total Fund Balances – Governmental Funds	\$ 9,671,169
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$29,913,939 and the accumulated depreciation is \$12,779,099.	17,134,840
Prepaid subscription software expenditures are reported as subscription assets in the governmental activities	(16,971)
Property taxes receivable will be collected this year, but are not available soon enough to pay the current period's expenditures and therefore are unearned in the funds.	135,082
Federal subsidies for debt service expenditures are recognized in the governmental funds only when the corresponding interest expenditure is recognized.	7,897
Receivables that will be collected in the following year and thereafter are not available soon enough to pay the current period's expenditures and therefore are not reported in the governmental funds.	985
An internal service fund is used by the District's management to charge the costs of health and welfare, workers' compensation and liability self-insurance premiums and claims to the individual funds. The assets and liabilities of the internal service funds are included in the governmental activities.	(26,586)
Long-term liabilities, including bonds and lease payable, are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds.	(13,480,025)
Deferred outflow/inflow of resources – refunding charges are not reported in the governmental funds.	(96,346)
Proportionate share of net pension liability and related deferred inflow/outflow of resources are not reported in the governmental funds.	(4,990,529)
Net other post-employment benefits liability and related deferred inflow/outflow of resources are not reported in the governmental funds.	(10,462,927)
Total Net Position – Governmental Activities	<u>\$ (2,123,411)</u>

See accompanying notes to basic financial statements.

**Los Angeles Unified School District  
Statement of Revenues, Expenditures, and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2025  
(in thousands)**

	<b>General Fund</b>	<b>District Bonds</b>	<b>Bond Interest and Redemption</b>	<b>Other Governmental</b>	<b>Total Governmental</b>
Revenues:					
Local Control Funding Formula sources	\$ 6,455,802	\$ -	\$ -	\$ -	\$ 6,455,802
Federal revenues	741,902	-	25,963	431,711	1,199,576
Other state revenues	1,864,198	-	3,163	628,610	2,495,971
Other local revenues	615,210	75,425	1,301,269	251,515	2,243,419
Total Revenues	<u>9,677,112</u>	<u>75,425</u>	<u>1,330,395</u>	<u>1,311,836</u>	<u>12,394,768</u>
Expenditures:					
Current:					
Certificated salaries	4,088,493	-	-	135,130	4,223,623
Classified salaries	1,620,262	52,554	-	259,183	1,931,999
Employee benefits	3,154,151	29,133	-	272,482	3,455,766
Books and supplies	460,338	5,966	-	224,716	691,020
Services and other operating expenditures	1,646,174	23,538	-	41,410	1,711,122
Capital outlay	148,032	1,166,119	-	220,353	1,534,504
Debt service					
Debt service – principal	30,627	64	718,320	31,233	780,244
Debt service – bond issuance cost	-	-	840	-	840
Debt service – bond, COPs, and capital leases interest	2,864	8	424,444	22,136	449,452
Other outgo	7,387	-	-	2,327	9,714
Transfers of indirect costs – interfund	(39,278)	-	-	39,278	-
Total Expenditures	<u>11,119,050</u>	<u>1,277,382</u>	<u>1,143,604</u>	<u>1,248,248</u>	<u>14,788,284</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,441,938)</u>	<u>(1,201,957)</u>	<u>186,791</u>	<u>63,588</u>	<u>(2,393,516)</u>
Other Financing Sources (Uses):					
Transfers in	622,682	129,864	-	291,162	1,043,708
Transfers out	(642,767)	(255,469)	-	(145,472)	(1,043,708)
Payment to refunded COPs escrow agent	-	-	-	(238,932)	(238,932)
Capital leases	3,540	497	-	20,960	24,997
Proceeds from sale of capital assets	97,252	-	-	-	97,252
Proceeds from SBITAs	31,969	-	-	8,220	40,189
Proceeds from sale of bonds	-	1,800,000	-	-	1,800,000
Premium on bonds issued	-	-	136,306	-	136,306
Premium on refunding bonds issued	-	-	22,274	-	22,274
Payment to refunded bond escrow agent	-	-	(269,779)	-	(269,779)
Proceed from refunding bonds	-	-	248,345	-	248,345
Total Other Financing Sources (Uses)	<u>112,676</u>	<u>1,674,892</u>	<u>137,146</u>	<u>(64,062)</u>	<u>1,860,652</u>
Net Changes in Fund Balances	<u>(1,329,262)</u>	<u>472,935</u>	<u>323,937</u>	<u>(474)</u>	<u>(532,864)</u>
Fund Balances, July 1, 2024	<u>6,421,933</u>	<u>1,193,227</u>	<u>1,422,815</u>	<u>1,166,058</u>	<u>10,204,033</u>
Fund Balances, June 30, 2025	<u>\$ 5,092,671</u>	<u>\$ 1,666,162</u>	<u>\$ 1,746,752</u>	<u>\$ 1,165,584</u>	<u>\$ 9,671,169</u>

See accompanying notes to basic financial statements.

**Los Angeles Unified School District**  
**Reconciliation of the Governmental Funds Statement of Revenues, Expenditures,**  
**and Changes in Fund Balances to the Statement of Activities**  
**For the Year Ended June 30, 2025**  
**(in thousands)**

Net Changes in Fund Balances – Governmental Funds	\$ (532,864)
Amounts reported for governmental activities in the statement of activities are different because:	
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.	796,215
Proceeds of new debt and repayment of debt principal are reported as other financing sources and uses in the governmental funds, but constitute additions and reductions to liabilities in the statement of net position.	(819,482)
Premiums, discounts, and refunding charges are reported as other financing sources and uses in the governmental funds, but constitute additions and reductions to liabilities in the statement of net position.	(4,105)
Because some property taxes will not be collected for several months after the District’s fiscal year ends, they are not considered “available” revenues for this year.	23,583
In the statement of activities, compensated absences and other retirement benefits are measured by the amounts the employees earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amounts actually paid).	(24,090)
Interest on long-term debt in the statement of activities differs from the amount reported in the governmental fund because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of financial resources. In the statement of activities, however, interest expense is recognized as interest accrues, regardless of when it is due.	(39,602)
Some expenses, including legal settlements and rebatable arbitrage, are recognized in the government wide statements as soon as the underlying event has occurred but not until due and payable in the governmental funds.	(2,721)
An internal service fund is used by the District’s management to charge the costs of health and welfare, workers’ compensation and liability self-insurance premiums and claims to the individual funds. The net revenue of the internal service fund is reported with governmental activities.	23,907
Legal settlement gains are recognized in the government wide statements as soon as the underlying event has occurred but not until collected in the governmental funds.	(843)
Federal subsidies for debt interest payments are recognized in the government wide statement as soon as it is earned. In the governmental funds, it is recorded when the corresponding interest expenditure is recognized.	6,205
Adoption of GASB 68 recognizes actuarial pension expense in the government wide statements and reclassify actual pension contribution in the current year as deferred outflow of resources.	260,839
Adoption of GASB 75 recognizes actuarial OPEB expense in the government wide statements and reclassify actual pension contribution in the current year as deferred outflow of resources.	553,365
Change in Net Position of Governmental Activities	<u>\$ 240,407</u>

See accompanying notes to basic financial statements.

**Los Angeles Unified School District  
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual  
General Fund  
For the Year Ended June 30, 2025  
(in thousands)**

	Budget		Actual	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues:				
Local Control Funding Formula sources	\$ 6,447,314	\$ 6,453,642	\$ 6,455,802	\$ 2,160
Federal revenues	862,804	928,396	741,902	(186,494)
Other state revenues	1,694,670	1,897,796	1,864,198	(33,598)
Other local revenues	402,548	457,491	615,210	157,719
Total Revenues	9,407,336	9,737,325	9,677,112	(60,213)
Expenditures:				
Current:				
Certificated salaries	4,185,707	4,157,190	4,088,493	68,697
Classified salaries	1,574,129	1,632,283	1,620,262	12,021
Employee benefits	3,069,825	3,166,153	3,154,151	12,002
Books and supplies	1,196,808	1,604,587	460,338	1,144,249
Services and other operating expenditures	1,069,259	1,647,740	1,646,174	1,566
Capital outlay	104,250	246,488	148,032	98,456
Debt service				
Debt service – principal	-	33,000	30,627	2,373
Debt service – bond, COPs, and capital leases interest	-	3,000	2,864	136
Other outgo	6,930	9,333	7,387	1,946
Transfers of indirect costs – interfund	(43,357)	(22,020)	(39,278)	17,258
Total Expenditures	11,163,551	12,477,754	11,119,050	1,358,704
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,756,215)	(2,740,429)	(1,441,938)	1,298,491
Other Financing Sources (Uses):				
Transfers in	30,000	622,682	622,682	-
Contributions	-	1,619	-	(1,619)
Transfers out	(50,171)	(642,849)	(642,767)	82
Capital leases	-	-	3,540	3,540
Proceeds from sale of capital assets	10	97,252	97,252	-
Proceeds from SBITAs	-	-	31,969	31,969
Total Other Financing Sources (Uses)	(20,161)	78,704	112,676	33,972
Net Changes in Fund Balances	(1,776,376)	(2,661,725)	(1,329,262)	1,332,463
Fund Balances, July 1, 2024	6,356,924	6,421,933	6,421,933	-
Fund Balances, June 30, 2025	\$ 4,580,548	\$ 3,760,208	\$ 5,092,671	\$ 1,332,463

See accompanying notes to basic financial statements.

**Los Angeles Unified School District**  
**Statement of Net Position**  
**Proprietary Funds**  
**Governmental Activities – Internal Service Funds**  
**June 30, 2025**  
**(in thousands)**

Assets:

Current:

Cash	\$	444,953
Investments		906,193
Accounts receivable – net		204,656
Accrued interest and dividends receivable		5,539
Prepays		31
Other assets		206,691
Total Current Assets		<u>1,768,063</u>
Total Assets		<u>1,768,063</u>

Deferred Outflows of Resources		<u>5,819</u>
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Liabilities:

Current:

Vouchers and accounts payable		121,946
Accrued payroll		1,335
Other payables		42,721
Unearned Revenue		57,743
Estimated liability for self-insurance claims		768,733
Total Current Liabilities		<u>992,478</u>

Noncurrent:

Estimated liability for self-insurance claims		779,254
Net other postemployment benefits liability		10,550
Net pension liability		12,901
Total Noncurrent Liabilities		<u>802,705</u>
Total Liabilities		<u>1,795,183</u>

Deferred Inflows of Resources		<u>5,285</u>
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Net Position:

Unrestricted		<u>(26,586)</u>
Total Net Position	\$	<u><u>(26,586)</u></u>

See accompanying notes to basic financial statements.

**Los Angeles Unified School District  
 Statement of Revenues, Expenses, and Changes in Fund Net Position  
 Proprietary Funds  
 Governmental Activities – Internal Service Funds  
 For the Year Ended June 30, 2025  
 (in thousands)**

Operating Revenues:	
In-District premiums	\$ 2,857,052
Others	11,570
Total Operating Revenues	<u>2,868,622</u>
Operating Expenses:	
Classified salaries	8,475
Employee benefits	6,402
Supplies	243
Premiums and claims expenses	2,913,004
Claims administration	17,007
Other contracted services	2,286
Total Operating Expenses	<u>2,947,417</u>
Operating Income (Loss)	<u>(78,795)</u>
Nonoperating Revenues (Expenses):	
Investment income	102,844
Miscellaneous expense	(142)
Total Nonoperating Revenues (Expenses)	<u>102,702</u>
Changes in Net Position	<u>23,907</u>
Total Net Position, July 1, 2024	<u>(50,493)</u>
Total Net Position, June 30, 2025	<u>\$ (26,586)</u>

See accompanying notes to basic financial statements.

**Los Angeles Unified School District**  
**Statement of Cash Flows**  
**Proprietary Funds**  
**Governmental Activities – Internal Service Funds**  
**For the Year Ended June 30, 2025**  
**(in thousands)**

Cash Flows from Operating Activities:	
Cash payments to employees for services	\$ (13,108)
Cash payments for goods and services	(2,640,249)
Receipts from assessment to other funds	2,857,052
Receipts from other operating revenue	11,570
Net Cash Provided (Used) by Operating Activities	<u>215,265</u>
Cash Flows from Non-Capital Financing Activities:	
Loan from other funds	<u>(30,000)</u>
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>(30,000)</u>
Cash Flows from Investing Activities:	
Earnings on investments	<u>(798,782)</u>
Net Cash Provided by Investing Activities	<u>(798,782)</u>
Net Decrease in Cash and Cash Equivalents	(613,517)
Cash and Cash Equivalents, July 1	<u>1,058,470</u>
Cash and Cash Equivalents, June 30	<u>\$ 444,953</u>
Reconciliation of Operating Income to Net Cash Used by Operating Activities:	
Operating Income (Loss)	<u>\$ (78,795)</u>
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Net increase (decrease) in pension and other postemployment benefits expense from actuarial valuation	1,491
Change in Assets: Decrease (Increase)	
Accounts receivable	(141,717)
Prepays	13,880
Other assets	(200,526)
Change in Liabilities: Increase (Decrease)	
Vouchers and accounts payable	105,141
Accrued payroll	278
Other payables	22,935
Unearned Revenue	57,743
Estimated liability for self-insurance claims – current	388,494
Estimated liability for self-insurance claims – noncurrent	46,341
Total Adjustments	<u>294,060</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 215,265</u>

See accompanying notes to basic financial statements.

# Notes to Basic Financial Statements



**Notes to Basic Financial Statements****(1) Summary of Significant Accounting Policies**

The Los Angeles Unified School District (District) accounts for its financial transactions in accordance with the policies and procedures of the California Department of Education's *California School Accounting Manual*. The accounting policies of the District conform to U.S. generally accepted accounting principles as prescribed by the Governmental Accounting Standards Board (GASB).

The following summary of the more significant accounting policies of the District is provided to assist the reader in interpreting the basic financial statements presented in this section. These policies, as presented, should be viewed as an integral part of the accompanying basic financial statements.

**(a) Reporting Entity**

The District is primarily responsible for all activities related to K-12 public education in most of the western section of Los Angeles County, State of California. The governing authority, as designated by the State Legislature, consists of seven elected officials who together constitute the Board of Education (Board). Those organizations, functions, and activities (component units) for which the Board has accountability comprise the District's reporting entity.

The District's Annual Comprehensive Financial Report includes all funds of the District and its component units with the exception of the fiscally independent charter schools, which are required to submit audited financial statements individually to the State, and the Auxiliary Services Trust Fund, which is not significant in relation to District operations. This fund was established in 1935 to receive and disburse funds for insurance premiums on student body activities and property, "all city" athletic and musical events, and grants restricted for student related activities. The District has certain oversight responsibilities for these operations but there is no financial interdependency between the financial activities of the District and the fiscally independent charter schools or the Auxiliary Services Trust Fund.

**Blended Component Units**

The LAUSD Financing Corporation and the LAUSD Administration Building Finance Corporation (the Corporations) were formed in 2000 and 2001, respectively, to finance properties leased by the District. The Corporations have a financial and operational relationship which meets the reporting entity definition criteria of GASB for inclusion of the Corporations as blended component units of the District. These Corporations are nonprofit public benefit corporations and they were formed to provide financing assistance to the District for construction and acquisition of major capital facilities. The District currently occupies all completed Corporation facilities under lease purchase agreements. At the end of the lease terms, or pursuant to relevant transaction documents with the District, or upon dissolution of the Corporations, title to all Corporations property passes to the District.

On July 1, 2014, the District entered into a joint venture agreement with Los Angeles Trust for Children's Health as the original participant to form Los Angeles Unified School District Risk Management Authority (LAUSDRMA). LAUSDRMA was formed to permit the participants to jointly exercise their common powers to self-insure, pool, and jointly fund and purchase insurance, and to establish insurance programs for a variety of risks. This joint venture also meets GASB's reporting definition criteria of a blended component unit. Detailed information about LAUSDRMA's Financial Statements is available in a separately issued financial report. Copies of the said report may be obtained by written request to General Manager/Secretary, LAUSDRMA, 333 S. Beaudry Avenue, 28<sup>th</sup> Floor, Los Angeles, CA 90017.

(Continued)

## Notes to Basic Financial Statements

### **(b) Government-wide and Fund Financial Statements**

The District's basic financial statements consist of fund financial statements and government-wide statements which are intended to provide an overall viewpoint of the District's finances.

The government-wide financial statements, which are the statement of net position and the statement of activities, report information on all District funds excluding the effect of interfund activities. Governmental activities are supported by taxes, intergovernmental revenues, and other revenues, whereas business-type activities which are primarily supported by fees for service provided. The District does not conduct any business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues.

Fund financial statements are reported for governmental funds and proprietary funds. Governmental fund financial statements include: balance sheet; statement of revenues, expenditures, and change in fund balances; and statement of revenues, expenditures, and change in fund balances - budget and actual. Proprietary fund financial statements include: statement of net position; statement of revenues, expenses, and changes in fund net position; and statement of cash flows. Major individual governmental funds are reported as separate columns in the fund financial statements on pages 20 and 22. Nonmajor funds are aggregated in a single column.

### **(c) Measurement Focus and Basis of Accounting**

The government-wide financial statements, proprietary fund statements and trust fund statements are prepared using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recorded when both measurable and available to finance expenditures of the fiscal period. "Available" means collectible within the current period or soon enough thereafter to pay current liabilities. Application of this criteria requires consideration of the materiality of the item in question and due regard for the practicality of accrual, as well as consistency in application.

Federal revenues and State apportionments and allowances are determined to be available and measurable when entitlement occurs or related eligible expenditures are incurred. Secured and unsecured property taxes related to debt service and community redevelopment purposes that are estimated to be collectible and receivable within 60 days of the current period are recorded as revenue. Investment income is accrued when earned. All other revenues are not considered both measurable and available to finance expenditures of the fiscal period to accrual.

(Continued)

## Notes to Basic Financial Statements

Expenditures for the governmental funds are generally recognized when the related fund liability is incurred, except debt service expenditures and expenditures related to compensated absences which are recognized when payment is due.

### (d) *Financial Statement Presentation*

The District's audited annual financial report includes the following:

- Management's Discussion and Analysis is a narrative introduction and analytical overview of the District's financial activities as required by GASB Statement No. 34. This narrative overview is in a format similar to that in the private sector's corporate annual reports.
- Government-wide financial statements are prepared using full accrual accounting for all of the District's activities. Therefore, current assets and liabilities, deferred outflow and inflow of resources, capital and other long-term assets, and long-term liabilities are included in the financial statements.
- Statement of net position displays the financial position of the District including all capital assets and related accumulated depreciation, long-term liabilities, and net pension and other postemployment benefits (OPEB) liabilities.
- Statement of activities focuses on the cost of functions and programs and the effect of these on the District's net position. This financial report is also prepared using the full accrual basis and includes depreciation expense.

### (e) *Fund Accounting*

The District's accounting system is organized and operated on the basis of funds. Fund Accounting emphasizes accountability rather than profitability. Resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. A description of the activities of the various funds is provided below:

#### **Major Governmental Funds**

The District has the following major governmental funds for the fiscal year 2024-25:

*General Fund* – The General Fund is used to account for all financial resources relating to educational activities and the general business operations of the District, including educational programs funded by other governmental agencies. The General Fund consists of unrestricted and restricted funds. The Special Reserve Fund for Other Than Capital Outlay Projects (Fund 17) is authorized by Education Code Section 42840 to accumulate General Fund monies for general operating purposes other than capital outlay. The California School Accounting Manual notes that this fund does not meet the GASB Statement No. 54 definition of a special revenue fund and functions effectively as an extension of the General Fund. Accordingly, for presentation in these financial statements, Fund 17 has been combined with the General Fund.

*District Bond Funds* – This category represents the total of the following building accounts: Building Account – Measure K, established to account for bond proceeds received by the passage of such measure in the Election of 2002; Building Account – Measure R, established to account for bond proceeds received by the passage of such measure in the Election of 2004; Building Account – Measure Y, established to account for bond proceeds received by the passage of such measure in the Election of 2005; Building Account – Measure Q, established to account for bond proceeds received by the passage of such measure

(Continued)

## Notes to Basic Financial Statements

in the Election of 2008; and Building Account - Measure RR, established to account for bond proceeds received by the passage of such measure in the Election of 2020 - and Building Account - Measure US, established to account for bond proceeds received by the passage of such measure in the Election of 2024.

*Bond Interest and Redemption Fund* – This Debt Service Fund is used to account for the payment of principal and interest on the general obligation bond issues (Measure K, Measure R, Measure Y, Measure Q, Measure RR, and Measure US). Revenues are derived from ad valorem taxes levied upon all taxable property in the District.

### Other Governmental Funds

The District has the following nonmajor governmental funds:

*Special Revenue Funds* – Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted or committed to expenditures for the specific purpose (other than debt service or capital projects) of the individual funds. The District maintains the following Special Revenue Funds: Student Activity Special Revenue, Adult Education, Child Development, and Cafeteria.

*Debt Service Funds* – Debt Service Funds are used to account for all financial resources that are restricted, committed, or assigned to expenditures for the repayment of general long-term debt principal and interest. The District maintains the following nonmajor Debt Service Funds: Tax Override and Capital Services. The Bond Interest and Redemption Fund is reported separately as a major fund in fiscal year 2024-25.

*Capital Projects Funds* – Capital Projects Funds are used to account for all financial resources that are restricted, committed, or assigned to expenditures for the acquisition or construction of major capital facilities and equipment other than those financed by the General and Special Revenue Funds. The District maintains the following nonmajor Capital Projects Funds: Building, Capital Facilities Account, County School Facilities Bonds, Special Reserve – Community Redevelopment Agency, Special Reserve, Special Reserve – FEMA – Earthquake, and Special Reserve – FEMA – Hazard Mitigation. The District Bond Funds (Measure K, Measure R, Measure Y, Measure Q, Measure RR, and Measure US) is reported as a single major fund in fiscal year 2024-25.

### Proprietary Funds

The District has the following Proprietary Funds:

*Internal Service Funds* – Internal Service Funds are used to account for all financial resources intended to provide self-insurance services to other operating funds of the District on a cost-reimbursement basis. The District maintains the following Internal Service Funds: Health and Welfare Benefits, Workers' Compensation Self-insurance, and Liability Self-Insurance. The Health and Welfare Benefits Fund was established to pay for claims, administrative costs, insurance premiums, and related expenditures; the Workers' Compensation Self-Insurance Fund and the Liability Self-Insurance Fund were established to pay for claims, excess insurance coverage, administrative costs, and related expenditures.

Under the full accrual basis of accounting that is generally accepted for Internal Service Funds, total estimated liabilities for self-insurance are recorded based on estimated claims liabilities, including the estimated liability for incurred but not reported claims. For the Workers' Compensation Self-Insurance and Liability Self-Insurance Funds, the estimates are determined by applying an appropriate discount rate to estimated future claim payments. No discount is applied to estimated Health and Welfare Benefits Fund claims because they are generally paid within a short period of time after the claims are filed.

(Continued)

**Notes to Basic Financial Statements**

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's internal service funds are charges to other operating funds for self-insurance services. Operating expenses include the cost of services including insurance premiums, claims, and administrative costs. All revenues and expenses not meeting this definition are nonoperating revenues and expenses.

*Los Angeles Unified Captive Insurance Fund* - The Los Angeles Unified Captive Insurance Fund is a proprietary fund used to account for the Los Angeles Unified School District's Insurance Company, LLC's captive insurance. The captive insurance company was established in June 2024. Beginning October 2024, the District transferred funds for capital contributions, loss portfolio transfers, and premiums. Captive provides coverage for general liability, automobile liability and workers' compensation.

**(f) Budgetary Control and Encumbrances**

School districts in California are required by Education Code Section 41010 to follow the *California School Accounting Manual* in preparing reports to the State. The District utilizes a single-adoption budget schedule that requires Final Budget adoption by the State-mandated July 1 deadline. The District is allowed to modify its adopted budget within 45 days of the passage of the State budget. In addition, the District revises the budget during the year to give consideration to unanticipated revenues and expenditures (see Note 4 – Budgetary Appropriation Amendments).

In accordance with the District's Board policy, management has the authority to make routine transfers of budget appropriations among major categories within a fund. Routine budget transfers are summarized and periodically reported to the Board for ratification. Nonroutine transfers may not be processed without prior Board approval.

During the year, several supplementary appropriations were necessary. The original and final revised budgets are presented in the financial statements. Budgets for all governmental fund types are adopted on a basis consistent with generally accepted accounting principles. Budgets are adopted for the General, Special Revenue, Debt Service, Capital Projects, and Internal Service Funds.

Formal budgetary integration is employed as a management control device during the year for all budgeted funds. The District employs budgetary control by object and by program accounts. Expenditures may not legally exceed budgeted appropriations by major object level as follows: Certificated Salaries, Classified Salaries, Employee Benefits, Books and Supplies, Services and Other Operating Expenditures, Capital Outlay, Other Outgo, and Other Financing Uses.

The District utilizes an encumbrance system for all budgeted funds to reserve portions of applicable appropriations for which commitments have been made. Encumbrances are recorded for purchase orders, contracts, and other commitments when they are written. Encumbrances are liquidated when the commitments are paid or liabilities are incurred. All encumbrances expire at June 30. Appropriation authority lapses at the end of the fiscal year.

**(g) Cash and Investments**

Cash includes amounts in demand deposits with the Los Angeles County Treasury and various financial institutions, imprest funds for schools and offices, and cafeteria change funds. The District maintains

(Continued)

## Notes to Basic Financial Statements

some cash deposits with various banking institutions for collection clearing, check clearing, or revolving fund purposes. The District also maintains deposit accounts held by various trustees for the acquisition or construction of capital assets, for the repayment of long-term debts, and for the payment of other postemployment benefits.

In accordance with State Education Code Section 41001, the District deposits virtually all of its cash with the Treasurer of the County of Los Angeles. The District's deposits, along with funds from other local agencies such as the county government, other school districts, and special districts, make up a pool, which the County Treasurer manages for investment purposes. Earnings from the pooled investments are allocated to participating funds based on average investment in the pool during the allocation period.

All District-directed investments are governed by Government Code Section 53601 and Treasury investment guidelines. The guidelines limit specific investments to government securities, domestic chartered financial securities, domestic corporate issues, and California municipal securities. The District's securities portfolio is held by the County Treasurer. Interest earned on investments is recorded as revenue of the fund from which the investment was made. All District investments are stated at fair value based on quoted market prices.

### **(h) Short-term Interfund Receivables/Payables**

Occasionally, a fund will not have sufficient cash to meet its financial obligations and a cash transfer will be required to enable that fund to pay its outstanding invoices and other obligations. These temporary borrowings between funds are classified as "due from other funds" or "due to other funds" on the governmental funds balance sheet. Interfund balances within governmental activities are eliminated on the government-wide statement of net position. As of June 30, 2024, the Health and Welfare Benefits fund had a balance of \$30 million due to the General Fund. The balance was returned in fiscal year 2024-25.

### **(i) Inventories and Prepaid Items**

Inventories consist of expendable materials and supplies held for consumption, which are valued at cost, using the average-cost method. Inventories are recorded as expenditures when shipped to schools and offices. Balances of inventory accounts are offset by corresponding reservations of fund balance, which indicate that these amounts are not available for appropriation and expenditure.

Prepaid items in governmental funds are reported using the consumption method. Under this method, the initial payment for goods or services is recorded as an asset, and the related expenditure or expense is recognized over the periods in which the benefits are consumed. Prepaid balances are offset by non-spendable fund balance in the governmental funds to indicate that these amounts are not available for appropriation.

### **(j) Capital Assets**

Capital assets, which include sites, improvement of sites, buildings and improvements, equipment, the right to use leased equipment, subscription assets, and construction in progress, are reported in the government-wide financial statements. Such assets are valued at historical cost or estimated historical cost unless obtained by annexation or donation, in which case they are recorded at estimated market value at the date of receipt. The District utilizes a capitalization threshold of \$5,000.

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**Notes to Basic Financial Statements**

Projects under construction are recorded at cost as construction in progress and transferred to the appropriate asset account when substantially complete. Costs of major improvements and rehabilitation of buildings are capitalized. Repair and maintenance costs are charged to expense when incurred. Equipment disposed of, or no longer required for its existing use, is removed from the records at actual or estimated historical cost, net of accumulated depreciation. All capital assets, except land and construction in progress, are depreciated using the Straight-line method over the following estimated useful lives. A full month's depreciation is applied on the date the asset is placed in service.

<u>Assets</u>	<u>Years</u>
Buildings	50
Portable buildings	20
Building improvements	20
Improvement of sites	20
Furniture and fixtures	20
Playground equipment	20
Food services equipment	15
Transportation equipment	15
Telephone system	10
Reprographics equipment	10
Broadcasting equipment	10
Vehicles	8
Computer system and equipment	5
Office equipment	5

**(k) Contracts Payable**

Contracts payable includes only the portion applicable to work completed and unpaid as of June 30, 2025.

**(l) Compensated Absences**

All vacation leaves are accrued in the government-wide statements when they are incurred. A liability is reported in the governmental funds only for vested or accumulated vacation leave of employees who have separated from the District as of June 30 and whose vacation benefits are payable within 60 days from the end of the fiscal year. The District, in implementation of GASB 101, has reported a liability in the government-wide statements for current year sick leave benefits earned to be paid in future years based on average district-wide annual sick leave payments to employees per year. Employees who retire after January 1, 1999, who are members of the Public Employees' Retirement System (PERS) may use accumulated sick leave to increase their service years in the calculation of retirement benefits.

In 1995, pursuant to the District/UTLA Agreement (Article XIV, Section 1.2), the District agreed to compensate eligible employees for furlough days taken during the 1992-93 fiscal year to be paid in a lump sum bonus upon retirement. The amount of bonus corresponds to the percentage that the employee's compensation was reduced in the 1992-93 school year based on the employee's salary band for that year. Liability is accrued in the government-wide statements for all unpaid balances. A liability is reported in the governmental funds only for employees who have separated from the District as of June 30.

(Continued)

## Notes to Basic Financial Statements

### **(m) Pensions**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, pension expense, information about the fiduciary net position of the California State Teachers' Retirement System (CalSTRS) and California Public Employees' Retirement System (CalPERS) pension plans, and additions to/deductions from CalSTRS and CalPERS pension plans' fiduciary net position have been determined on the same basis as they are reported by CalSTRS and CalPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

### **(n) Long-term Obligations**

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the effective-interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as an expense in the period incurred. Gains and losses on refunding related to bonds redeemed by proceeds from the issuance of new bonds are reported as either deferred inflows of resources or deferred outflows of resources and are amortized as an adjustment to interest expense using the effective-interest method over the shorter of the life of the new bonds or the remaining term of the bonds refunded.

In the fund financial statements, debt issuances including any related premiums or discounts as well as issuance costs are recognized during the current period. The face amount of debt issued is reported as other financing sources. Premiums on debt issuances are reported as other financing sources while discounts are reported as other financing uses. Issuance costs are reported as debt service expenditures.

### **(o) Fund Balance**

The fund balance of the District's governmental funds is classified in accordance with GASB Statement No. 54. Please refer to Note 16 fund Balances on page 73.

Fund Balance Spending Order- When both restricted and unrestricted resources are available for use, the District considers restricted resources to be used first. When expenditures are incurred for purposes for which amounts in any of the unrestricted classifications (committed, assigned, or unassigned) could be used, the District applies committed resources first, followed by assigned resources, and then unassigned resources.

### **(p) Local Control Funding Formula (LCFF) Sources/Property Taxes/Education Protection Account (EPA)**

LCFF sources are the basic financial support for District activities. The District's LCFF is received from a combination of local property taxes, EPA, and state apportionments. For the fiscal year 2024-25, the District received \$1.8 billion of local property taxes, \$1.0 billion of EPA, and \$3.7 billion of State aid.

Implementation of the LCFF began in fiscal year 2013-14 with a projected eight-year transition period. For school districts and charter schools, the LCFF creates base, supplemental, and concentration grants in place of most previously existing K-12 funding streams, including revenue limits and most state categorical programs. Until full implementation, local educational agencies (LEAs) will receive roughly the same amount of funding they received in fiscal year 2012-13 plus an additional amount each year to

(Continued)

**Notes to Basic Financial Statements**

bridge the gap between current funding levels and the new LCFF target levels. As of 2023-24, the LCFF is funded at target for the District. Funding is calculated based on data reported by each LEA including pupil attendance, local revenue, and other demographic factors, in accordance with the LCFF. Allocations are made through the Principal Apportionment system.

The county is responsible for assessing, collecting, and apportioning property taxes. Taxes are levied for each fiscal year on taxable real and personal property in the county. The levy is based on the assessed values as of the preceding March 1, which is also the lien date. Property taxes on the secured roll are due on November 1 and February 1, and taxes become delinquent after December 10 and April 10, respectively. Property taxes on the unsecured roll are due on the lien date (March 1) and become delinquent if unpaid by August 31.

Secured property taxes are recorded as revenue when apportioned, in the fiscal year of the levy. The county apportions secured property tax revenue in accordance with the alternate method of distributions prescribed by Section 4705 of the California Revenue and Taxation Code. This alternate method provides for crediting each applicable fund with its total secured taxes upon completion of the secured tax roll, approximately on October 1 of each year. The County Auditor reports the amount of the District's allocated property tax revenue to the California Department of Education. Property taxes are recorded as LCFF sources by the District.

Another funding component to the total LCFF is the Education Protection Account (EPA). The EPA provides LEAs with general purpose state aid funding pursuant to Proposition 30, The Schools and Local Public Safety Protection Act of 2012, approved by the voters on November 6, 2012. Proposition 30 temporarily increases the state's sales tax rate for all taxpayers until the end of 2016 and the personal income tax rates for upper-income taxpayers until the end of 2018. Proposition 55 was passed on November 8, 2016, extending the temporary personal income tax increases enacted in 2012 by 12 years. A portion of the revenues generated by the measure's temporary tax increases is deposited into the EPA which is used to support increased school funding.

The California Department of Education reduces the District's entitlement by the District's local property tax revenue and EPA entitlement. The balance is paid from the State General Fund, and is known as the State Apportionment. As a result, a receivable has not been recorded for the related property taxes in the General Fund as any receivable is offset by a payable on the state apportionment.

**(q) Estimates**

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, revenues and expenses in the accompanying basic financial statements. Actual results may differ from those estimates.

**(r) New Accounting Pronouncements**

For the fiscal year ended June 30, 2025, the District implemented GASB issued Statement No. 101, Compensated Absences which supersedes GASB Statement 16 Accounting for Compensated Absences, effective for fiscal years beginning after December 15, 2023. The updated standard addresses accounting and government-wide financial reporting of compensated absences and associated salary-related payments including certain defined contributions pension and defined contribution other postemployment benefits

(Continued)

## Notes to Basic Financial Statements

(OPEB). Please refer to the footnote which describes the change in the accounting policy for Compensated Absences: Note 1(l)

Implementation requires the District to recognize an allowance for compensated sick leave benefit which has been earned, unused, and is more than likely to be used. Whereas the prior standard the District did not accrue a liability for unused sick leave since accumulated sick leave is not a vested benefit. Current year adoption impact is an increase of \$27.8M to Accrued Payroll Liabilities and Compensation Absence expenditures in the government-wide financial statements.

The change in accounting principle affect to the June 30, 2024, fiscal year government-wide financials is shown in column: Change in Accounting Principle GASB 101 Implementation: Accrued Sick Leave. There was no material effect on the beginning net position from the implementation of this standard.

For the fiscal year ended June 30, 2025, the District implemented GASB issued Statement No. 102, Certain Risk Disclosures, effective for fiscal years beginning after June 15, 2024. The standard provides users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. GASB 102 requirements apply only to note disclosure and do not have any effect on beginning net position. The District implemented GASB 102 and evaluated their concentrations and constraints, but did not have any events that required disclosure.

### (2) Tax and Revenue Anticipation Notes

Tax and Revenue Anticipation Notes (TRANs) are short-term debt instruments used to finance temporary cash flow deficits attributable to the uneven receipt of property taxes and other revenues during the fiscal year.

As an interim financing mechanism, the District issued the following TRANs in fiscal year 2024-25:

-TRANs Series A in the amount of \$54,563,613.00, issued on November 22, 2024

-TRANs Series B in the amount of \$1,362,475.87, issued on January 30, 2025

-TRANs Series C in the amount of \$14,026,452.50, issued on March 27, 2025

The TRANs were issued to fund, on an interim basis, the District's obligations under certain court-ordered judgments related to AB218 and similar claims before such obligations could be refinanced into long-term obligations. The TRANs were refinanced into long-term obligations of the District on July 9, 2025, when the District issued Judgement Obligation Bonds (JOBs) to refund the TRANs as well as District obligations under certain court-ordered judgements related to AB218 or similar claims. See Note 18 relating to the District's issuance of JOBs.

### (3) Reconciliation of Government-wide and Fund Financial Statements

#### (a) *Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position*

The accompanying governmental fund balance sheet includes reconciliation between *total fund balances – governmental funds* and *net position – governmental activities* as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities, including

(Continued)

Notes to Basic Financial Statements

bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds.” The details of the \$13,480,025 difference are as follows (in thousands):

Bonds payable	\$ (12,698,852)
Certificates of Participation (COPs)	(240,202)
Arbitrage	(5,876)
Lease obligations	(70,998)
Liability for compensated absences	(133,607)
Liability for other employee benefits	(18,707)
Subscription-based Information Technology Arrangements (SBITAs)	(51,058)
Accrued interest	(259,814)
Other	<u>(911)</u>
Adjustment to reduce total fund balances – governmental funds to arrive at net position – governmental activities	<u>\$ (13,480,025)</u>

**(b) Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities**

The governmental fund statement of revenues, expenditures and changes in fund balances includes a reconciliation between *total net changes in fund balances – governmental funds* and *changes in net position of governmental activities* as reported in the accompanying government-wide statement of activities. One element of that reconciliation explains that “Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.” Moreover, in the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the capital asset sold. The details of this \$796,215 difference are as follows (in thousands):

Capital related expenditures	\$ 1,534,504
Cost of the capital assets sold	(32,536)
Depreciation expense	<u>(705,753)</u>
Net adjustment to decrease net changes in total fund balances – governmental funds to arrive at changes in net position – governmental activities	<u>\$ 796,215</u>

Another element of that reconciliation states that, “Proceeds of new debt and repayment of debt principal are reported as other financing sources and uses in the governmental funds, but constitute additions and

(Continued)

**Notes to Basic Financial Statements**

reductions to liabilities in the statement of net position.” The details of this \$819,482 difference are as follows (in thousands):

Debt issued or incurred:	
General Obligation (GO) Bonds	\$ (2,048,345)
Certificates of Participation (COPs)	-
Lease Obligations	(24,997)
Subscription based information technology arrangements (SBITAs)	(40,189)
Principal repayments:	
GO Bonds	718,320
COPs	28,550
Lease Obligations	5,823
SBITAs	32,645
Payments to escrow agent for refunding:	
Deposit to Escrow Fund for Refunding COPs	238,932
Deposit to Escrow Fund for Refunding GO Bonds	269,779
Net adjustment to increase net changes in total fund balances – governmental funds to arrive at changes in net position – governmental activities	<u>\$ (819,482)</u>

**(4) Budgetary Appropriation Amendments**

During the fiscal year, modifications were necessary to increase appropriations for expenditures and other financing uses for the General Fund by \$1.91 billion.

**(5) Cash and Investments**

Cash and investments as of June 30, 2025, are classified in the accompanying basic financial statements as follows (in thousands):

Statement of net position:	
Cash	\$ 9,779,976
Investments	919,556
Cash held by trustee	1,045,467
Total cash and investments	<u>\$ 11,744,999</u>

Cash and investments as of June 30, 2025, consist of the following (in thousands):

Cash on hand (cafeteria change funds)	\$ 26
Deposits with financial institutions and Los Angeles County Pool	10,825,417
Investments	919,556
Total cash and investments	<u>\$ 11,744,999</u>

Deposits with financial institutions include: (1) cash in the Los Angeles County Pooled Surplus Investment Fund with fair market adjustment (\$9,617.5 million); (2) cash held by fiscal agents or trustees (\$1,045.5 million); (3) cash deposited with various other financial institutions for insurance funds and imprest funds of schools and offices (\$127.3 million); and (4) cash in the Student Body Fund (\$35.1 million).

(Continued)

Notes to Basic Financial Statements

School districts are required by Education Code Section 41001 to deposit their funds with the county treasury. Cash in county treasury refers to the fair value of the District’s share of the Los Angeles County (County) Pooled Surplus Investment (PSI) Fund.

The authority to invest District funds deposited with the county treasury is delegated to the County Treasurer and Tax Collector. Additional information about the investment policy of the County Treasurer and Tax Collector may be obtained from the website at <https://ttc.lacounty.gov/>.

The table below identifies some of the investment types permitted in the County’s investment policy:

Authorized Investment Type	Maximum Maturity	Maximum Total Par Value	Maximum Par Value per Issuer
A. Obligations of the U.S. government, its agencies and instrumentalities	None	None	None
B. Approved Municipal Obligations	5 to 30 years	10% of PSI portfolio	None
C. Asset-Backed Securities with highest ratings	5 years	20% of PSI portfolio	with credit rating limits
D. Bankers’ Acceptances Domestic and Foreign	180 days	40% of PSI portfolio	with credit rating limits
E. Negotiable Certificates of Deposits – Domestic	3 years	30% of PSI portfolio	with credit rating limits
Negotiable Certificates of Deposits – Euro	1 year	10% of PSI portfolio	with credit rating limits
F. Corporate and Depository Notes	3 years	30% of PSI portfolio	with credit rating limits
G. Floating Rate Notes	7 years	10% of PSI portfolio	with credit rating limits
H. Commercial Paper of “prime” quality of the highest ranking or of the highest letter or number ranking as provided for by a nationally recognized statistical-rating organization (NRSRO)	270 days	40% of PSI portfolio	Lesser of 10% of PSI portfolio or credit rating limits
I. Shares of Beneficial Interest	None	Money Market Funds: 15% of PSI portfolio with no more than 10% in any one fund	None
J. Repurchase Agreement	30 days	\$1 billion	\$500 million/ dealer
K. Reverse Repurchase Agreement	1 year	\$500 million	\$250 million/ broker
L. Forwards, Futures and Options	90 days	\$100 million	\$50 million/ counterparty
M. Interest-Rate Swaps in conjunction with approved bond sales with high credit rating categories	None	None	None
N. Securities Lending Agreement	180 days	20% of base portfolio value (combined total value of reverse repurchase agreements and securities lending)	None
O. Supranationals in accordance with Gov. Code 53601(q)	5 years	30% of PSI portfolio	with credit rating limits

Interest rate risk is the risk involved with fluctuations of interest rates that may adversely affect the fair value of the investments. The County’s investment guidelines target the weighted average maturity of its portfolio to a range between 1.0 and 4.0 years. As of June 30, 2025, 69.87% of District funds in the County PSI Fund does not exceed one year. The weighted Average Days to Maturity of its portfolio was 556 days. In addition, variable-rate notes that comprised 0.05% of the County PSI Fund and other investments portfolio are tied to periodic coupon resets eliminating interest-rate risk by repricing back to par value at each reset date.

Credit risk means the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment, as measured by assignment of a rating by a nationally recognized statistical rating organization. This County’s investment guidelines establish minimum acceptable credit ratings issued by any three nationally recognized statistical rating organizations. For short-term and long-term debt issuers, the rating must be no

(Continued)

## Notes to Basic Financial Statements

less than A-1/A from Standard & Poor's (S&P), P-1/A from Moody's Investors Service (Moody's), or F-1/A from Fitch Ratings (Fitch). The Local Agency Investment Fund is not rated.

Concentration of credit risk means the risk of loss attributed to the magnitude of an investment in a single issuer. For District funds in the County pool, the County's investment policy has concentration limits that provide sufficient diversification. As of June 30, 2025, the County did not exceed these limitations.

Custodial credit risk for deposits is the risk that in the event of failure of a depository financial institution, the District will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. Cash in the county treasury is not exposed to custodial credit risk since all county deposits are either covered by federal depository insurance or collateralized with securities held by the County. Deposits other than those with the County are also covered by federal depository insurance or collateralized at the rate of 110% of the deposits, although the collateral may not be held specifically in the District's name.

For COPs debt proceeds held by trustees, these may be placed in permitted investments outlined in the provisions of the trust agreements, as follows:

- A. Direct obligations of the United States of America; bonds, debentures, notes, or other evidence of indebtedness issued or guaranteed by specified federal agencies and backed by full or non-full faith and credit of USA;
- B. Money market mutual funds registered under Federal Investment Company Act of 1940 and Federal Securities Act of 1933 and subject to credit rating limits;
- C. Certificates of deposit and other forms of deposit with collateralization, fully insured by FDIC and subject to issuers' credit rating limits;
- D. Investment agreements and commercial papers subject to credit rating limits;
- E. Bonds or notes issued by any state or municipality and pre-refunded municipal bonds, subject to credit rating limits;
- F. Federal funds, bank deposits or bankers' acceptances with full FDIC insurance or subject to credit rating limits;
- G. Repurchase agreements subject to specified criteria and credit rating limits; and
- H. Los Angeles County Investment Pool.

(Continued)

Notes to Basic Financial Statements

(6) Receivables/Payables

Receivables by Fund at June 30, 2025, consist of the following (in thousands):

	General	Other Governmental	Internal Service Funds	Total
Accrued grants and entitlements	\$ 413,898	\$ 12,028	\$ -	\$ 425,926
Other	100,877	113,664	204,656	\$ 419,197
Total Accounts Receivable, Net	<u>\$ 514,775</u>	<u>\$ 125,692</u>	<u>\$ 204,656</u>	<u>\$ 845,123</u>

Payables by Fund at June 30, 2025 consist of the following (in thousands):

	General	District Bonds	Other Governmental	Internal Service Funds	Total
Vouchers and accounts	\$ 354,061	\$ 50,159	\$ 52,118	\$ 121,946	\$ 578,284
Contracts	3,831	108,312	2,114	-	114,257
Accrued payroll	574,124	10,220	25,250	1,335	610,929
Other	193,593	14,067	7,428	42,721	257,809
Total payables	<u>\$ 1,125,609</u>	<u>\$ 182,758</u>	<u>\$ 86,910</u>	<u>\$ 166,002</u>	<u>\$ 1,561,279</u>

(7) Capital Assets

A summary of changes in capital asset activities as follows (in thousands):

	Balance, June 30, 2024	Increases	Decreases	Balance, June 30, 2025
Governmental activities:				
Capital assets, not being depreciated:				
Sites	\$ 3,101,510	\$ -	\$ -	\$ 3,101,510
Construction in progress	3,302,103	1,353,660	(715,597)	3,940,166
Total capital assets, not being depreciated	<u>6,403,613</u>	<u>1,353,660</u>	<u>(715,597)</u>	<u>7,041,676</u>
Capital assets, being depreciated:				
Improvement of sites	937,907	62,753	(17,774)	982,886
Buildings and improvements	18,207,631	580,492	(49,396)	18,738,727
Equipment	2,739,378	179,044	(11,081)	2,907,341
Lease Assets	65,550	24,997	-	90,547
Subscription Assets	97,036	62,553	(6,827)	152,762
Total capital assets, being depreciated	<u>22,047,502</u>	<u>909,839</u>	<u>(85,078)</u>	<u>22,872,263</u>
Less accumulated depreciation for:				
Improvement of sites	(604,682)	(31,641)	12,763	(623,560)
Buildings and improvements	(9,104,785)	(524,945)	29,018	(9,600,712)
Equipment	(2,355,691)	(106,001)	10,761	(2,450,931)
Lease Assets	(15,376)	(6,647)	-	(22,023)
Subscription Assets	(45,354)	(36,519)	-	(81,873)
Total accumulated depreciation	<u>(12,125,888)</u>	<u>(705,753)</u>	<u>52,542</u>	<u>(12,779,099)</u>
Total capital assets, being depreciated, net	<u>9,921,614</u>	<u>204,086</u>	<u>(32,536)</u>	<u>10,093,164</u>
Governmental activities capital assets, net	<u>\$ 16,325,227</u>	<u>\$ 1,557,746</u>	<u>\$ (748,133)</u>	<u>\$ 17,134,840</u>

(Continued)

**Notes to Basic Financial Statements**

Depreciation expense was charged to the following functions (in thousands):

Governmental activities:

Facilities Acquisition and construction	\$	620,802
Data processing services		23,599
Instruction		21,693
Operation and maintenance of plant services		10,901
Student transportation services		10,525
Support services - business		10,431
Support services - instructional staff		4,603
Operation of noninstructional services		1,353
Support services - school administration		947
Support services - students		889
Support services - general administration		10
Total depreciation expense – governmental activities	\$	<u>705,753</u>

**(8) Deferred Outflows and Inflows of Resources**

The District elects to present deferred outflows and deferred inflows related to differences between projected and actual earnings separately. District’s deferred outflows and inflows of resources as of June 30, 2025, are comprised of the following (in thousands):

	<b>Deferred Outflows</b>	<b>Deferred Inflows</b>
Debt refunding charges	\$ 11,894	\$ 108,239
Lease - GASB 87	-	13,274
Pension and OPEB contributions subsequent to measurement date	1,572,611	-
Difference in contribution	63,231	65,749
Unamortized differences between projected and actual earnings on plan investments	933,890	868,424
Unamortized differences between expected and actual experience	659,921	1,114,845
Unamortized differences arising from changes of assumptions	993,111	2,813,873
Unamortized differences arising from change in proportion of net pension liability	688,275	238,237
Unamortized differences arising from change in proportion of deferred outflow	308,693	4,782
Unamortized differences arising from change in proportion of deferred inflow	3,813	253,695
Total	<u>\$ 5,235,439</u>	<u>\$ 5,481,118</u>

(Continued)

Notes to Basic Financial Statements

**(9) Retirement, Termination and Other Postemployment Benefit Plans**

The District provides a number of benefits to its employees including retirement, termination, and postemployment health care benefits.

**Retirement Plans**

Qualified District employees are covered under either multiple-employer defined benefit retirement plans maintained by agencies of the State of California, or a multiple-employer defined contribution retirement plan administered under a Trust. The retirement plans maintained by the State are 1) the California Public Employees’ Retirement System (CalPERS), 2) the California State Teachers’ Retirement System (CalSTRS), and 3) the Public Agency Retirement Services (PARS) which is administered under a Trust. In general, certificated employees are members of CalSTRS and classified employees are members of CalPERS. Part-time, seasonal, temporary, and other employees who are not members of CalPERS or CalSTRS are members of PARS.

The District’s total net pension liability at June 30, 2025, is summarized in the following table (in thousands):

CalPERS - Safety Plan	\$	129,652
CalPERS - Miscellaneous Plan		2,921,828
CalSTRS		4,082,550
Total	\$	<u>7,134,030</u>

**(a) California Public Employees’ Retirement System (CalPERS)**

**Safety Plan**

**Plan Description and Benefits Provided**

The District contributes to an agent multiple-employer plan for Public Employees’ Retirement Fund (PERF) – Safety Plan, a defined benefit pension plan administered by CalPERS. The plan provides service retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full-time employment. Benefit provisions are established by state statutes, as legislatively amended, within the California Public Employees’ Retirement Law.

The Safety Plan’s provisions and benefits in effect at June 30, 2025, are summarized as follows:

	<b>Safety</b>	
	Prior to January 1, 2013	On or after January 1, 2013
Hiring date		
Benefit formula	3.00% @ 50	2.70% @ 57
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age: minimum	50	57
Monthly benefit, as a % of eligible compensation	3.00%	2.70%
Required employee contribution rates	9.00%	14.75%
Required employer contribution rates	64.58%	64.58%

(Continued)

**Notes to Basic Financial Statements**

**Employees Covered**

At June 30, 2025, the following employees were covered by the benefit terms for the Safety Plan:

	<u>Safety</u>
Inactive employees or beneficiaries currently receiving the benefits	447
Inactive employees entitled to, but not yet receiving benefits	222
Active employees	<u>229</u>
Total	<u><u>898</u></u>

**Contributions**

Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS’ annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended.

For the year ended June 30, 2025, the contributions to the Safety Plan amounted to \$19.1 million.

**Net Pension Liability**

The District’s net pension liability for the Safety Plan of \$129.7 million at June 30, 2025, is measured as the total pension liability, less the pension plan’s fiduciary net position. The net pension liability of the Safety Plan is measured as of June 30, 2024, using an annual actuarial valuation as of June 30, 2023, rolled forward to June 30, 2024, using standard update procedures. A summary of principal assumptions and methods used to determine the net pension liability of the Safety Plan is shown on the next page.

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Notes to Basic Financial Statements

**Actuarial Methods and Assumptions**

The total pension liability in the June 30, 2023, actuarial valuations were determined using the following actuarial assumptions:

	<b>Safety</b>
Valuation date	June 30, 2023
Measurement date	June 30, 2024
Measurement period	July 1, 2023, to June 30, 2024
Actuarial cost method	Entry-Age Normal in accordance with the requirements of GASB 68
Actuarial assumptions	
Discount rate	6.90%
Inflation	2.30%
Salary increases	Varies by entry age and service
Investment rate of return	6.90%
Mortality rate table <sup>(1)</sup>	Derived using CalPERS' membership data for all funds
Post retirement benefit increase	The lesser of contract COLA or 2.30% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.30% thereafter

<sup>(1)</sup> The mortality table used was developed based on CalPERS-specific data. The probabilities of mortality are based on the 2021 CalPERS Experience Study and Review of Actuarial Assumptions. Mortality rates incorporate full generational mortality improvement using 80% of Scale MP-2020 published by the Society of Actuaries. For more details on this table, please refer to the 2021 experience study report from November 2021 that can be found on the CalPERS website.

**Change of Assumptions**

There were no assumption changes in 2023 or 2024.

**Change in Benefit Terms**

The figures include any liability impact that may have resulted from voluntary benefit changes that occurred on or before the Measurement Date. However, offers of Two Years Additional Service Credit (a.k.a. Golden Handshakes) that occurred after the Valuation Date are not included in the figures, unless the liability impact is deemed to be material by the plan actuary.

**Discount Rate**

The discount rate used to measure the total pension liability of the Safety Plan was 6.90%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected

(Continued)

Notes to Basic Financial Statements

compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return was then adjusted to account for assumed administrative expenses of 10 Basis points.

The expected real rates of return by asset class are as follows:

Asset Class <sup>(a)</sup>	Safety	
	Assumed Asset Allocation	Real Return <sup>(a),(b)</sup>
Global equity - cap-weighted	30.00%	4.54%
Global equity - non-cap-weighted	12.00	3.84
Private equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-backed securities	5.00	0.50
Investment grade corporates	10.00	1.56
High yield	5.00	2.27
Emerging market debt	5.00	2.48
Private debt	5.00	3.57
Real assets	15.00	3.21
Leverage	(5.00)	(0.59)
Total	100.00%	

<sup>(a)</sup> An expected inflation of 2.30% used for this period.

<sup>(b)</sup> Figures are based on the 2021 Asset Liability Management study.

Changes in the Net Pension Liability

The changes in the net pension liability for the Safety Plan are as follows (in thousands):

	Safety		
	Increase / (Decrease)		
	Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability
Balance at June 30, 2024	\$ 522,419	\$ 394,452	\$ 127,967
Changes recognized for the measurement period:			
Service cost	8,185	-	8,185
Interest on the total pension liability	36,282	-	36,282
Differences between expected and actual experience	11,986	-	11,986
Contributions from the employer	-	14,754	(14,754)
Contributions from employees	-	2,827	(2,827)
Net investment income	-	37,508	(37,508)
Benefit payments, including refunds of employee contributions	(25,330)	(25,330)	-
Administrative expense	-	(321)	321
Net changes	31,123	29,438	1,685
Balance at June 30, 2025	\$ 553,542	\$ 423,890	\$ 129,652

Deferred outflows and inflows related to differences between projected and actual earnings on plan investments are netted and amortized over a closed 5-year period. Differences between expected and actual experience and changes in assumptions are amortized, but the amortization period varies from year to year.

(Continued)

**Notes to Basic Financial Statements**

**Sensitivity of the District’s Net Pension Liability to Changes in the Discount Rate**

The following presents the District’s net pension liability for the Safety Plan as of the measurement date, calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate (in thousands):

	<b>Safety</b>		
	<b>1.00% Decrease (5.90%)</b>	<b>Current Discount Rate (6.90%)</b>	<b>1.00% Increase (7.90%)</b>
District’s net pension liability	\$ 207,161	\$ 129,652	\$ 66,537

**Pension Plan Fiduciary Net Position**

Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports. Copies of the CalPERS annual financial report may be obtained from CalPERS Fiscal Services Division, P.O. Box 942703, Sacramento, CA 94229-2703, or by calling (888) CalPERS (225-7377).

**Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

For the year ended June 30, 2025, the District recognized pension expense of \$23.3 million for the Safety Plan. As of June 30, 2025, the District reported deferred outflows and deferred inflows of resources related to pensions (Safety Plan) as follows (in thousands).

	<b>Safety</b>	
	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 7,807	\$ -
Net difference between projected and actual earnings on pension plan investments	6,225	-
District contributions subsequent to the measurement date	19,138	-
<b>Total</b>	<b>\$ 33,170</b>	<b>\$ -</b>

The amounts above are net of outflows and inflows recognized in fiscal year 2024-25.

The \$19.1 million reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension

(Continued)

**Notes to Basic Financial Statements**

liability in the year ending June 30, 2026. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in future pension expense as follows (in thousands):

Year ended June 30	Safety	
	Deferred Outflows / (Inflows) of Resources	
2026	\$	5,930
2027		11,854
2028		(1,632)
2029		(2,120)

**Payable to the Pension Plan**

The District’s contribution for all members to the Safety Plan for the fiscal year ended June 30, 2025, was in accordance with the required contribution rate calculated by the CalPERS actuary. Hence, no payable to the pension plan is recognized for the fiscal year ended June 30, 2025.

**Miscellaneous Plan**

**Plan Description and Benefits Provided**

The District contributes to a cost-sharing multiple-employer plan, the Public Employees’ Retirement Fund (PERF) Miscellaneous Plan, a defined benefit pension plan administered by CalPERS. The plan provides service retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members, who must be public employees and beneficiaries. Benefits are based on years of credited service, equal to one year of full time employment. Benefit provisions are established by state statutes, as legislatively amended, within the Public Employees’ Retirement Law.

The Miscellaneous Plan’s provisions and benefits in effect at June 30, 2025, are summarized as follows:

	Miscellaneous	
	Prior to January 1, 2013	On or after January 1, 2013
Hiring date		
Benefit formula	2.00% @ 55	2.00% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age: minimum	50	52
Monthly benefit, as a % of eligible compensation	1.10%	1.00%
Required employee contribution rates	7.00%	8.00%
Required employer contribution rates	27.05%	27.05%

**Contributions**

Section 20814(c) of the California Public Employees’ Retirement Law requires that the employer contribution rates for all public employers be determined on an annual basis by the actuary and shall be effective on July 1 following notice of a change in the rate. The total plan contributions are determined through CalPERS’ annual actuarial valuation process. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability. The employer is required to contribute the difference between

(Continued)

Notes to Basic Financial Statements

the actuarially determined rate and the contribution rate of employees. Employer contribution rates may change if plan contracts are amended.

For the year ended June 30, 2025, the contributions to the Miscellaneous Plan amounted to \$476.3 million.

**Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2025, the District reported a net pension liability of \$2.9 billion for its proportionate share of the net pension liability of the Miscellaneous Plan. The net pension liability of the Miscellaneous Plan was measured as of June 30, 2024, and the total pension liability for the Miscellaneous Plan used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2023, rolled forward to June 30, 2024, using standard update procedures. The District’s proportion of the net pension liability was based on the 2023-24 fiscal year employer contributions calculated by CalPERS. At June 30, 2024, the District’s proportion rate was 8.175506%.

For the year ended June 30, 2025, the District recognized pension expense of \$536.4 million for the Miscellaneous Plan. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions (Miscellaneous Plan) from the following sources (in thousands):

	<u>Miscellaneous</u>	
	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 241,340	\$ 19,998
Difference between projected and actual earnings on pension plan investments	235,781	134,529
Change of assumption	61,761	-
Change in NPL proportion	96,363	11,915
Change in proportion of deferred outflow	-	4,782
Change in proportion of deferred inflow	3,813	-
Difference in contribution	8,338	84
District contributions subsequent to the measurement date	476,345	-
Total	<u>\$ 1,123,741</u>	<u>\$ 171,308</u>

The \$476.3 million reported as deferred outflows of resources related to District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2026. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in future pension expense as follows (in thousands):

<u>Year ended June 30</u>	<u>Miscellaneous</u>	
	<u>Deferred Outflows / (Inflows) of Resources</u>	
2026	\$	165,562
2027		288,498
2028		57,940
2029		(35,912)

(Continued)

**Notes to Basic Financial Statements**

**Actuarial Methods and Assumptions**

The total pension liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions:

	<b>Miscellaneous</b>
Valuation date	June 30, 2023
Measurement date	June 30, 2024
Actuarial cost method	Entry-Age Actuarial Cost Method
Actuarial assumptions	
Discount rate	6.90%
Inflation	2.30%
Salary increases	Varies by entry age and service
Investment rate of return	6.90%
Mortality rate table <sup>(1)</sup>	Derived using CalPERS' membership data for all funds 2.0% until Purchasing Power Protection Allowance Floor on Purchasing Power applies, 2.30% thereafter
Post retirement benefit increase	Power applies, 2.30% thereafter

<sup>(1)</sup> The mortality table was developed based on CalPERS-specific data. The rates incorporate Generational Mortality to capture ongoing mortality improvement using 80% of Scale MP 2020 published by the Society of Actuaries. For more details, please refer to the 2021 experience study report that can be found on the CalPERS website.

**Change of Assumptions**

There were no assumption changes in 2023 or 2024.

**Discount Rate**

The discount rate used to measure the total pension liability of the Miscellaneous Plan was 6.90%. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current member contribution rates and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on those assumptions, the Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class.

In determining the long-term expected rate of return, CalPERS took into account both short-term and long-term market return expectations. Using historical returns of all of the funds' asset classes, expected compound (geometric) returns were calculated over the next 20 years using a building-block approach. The expected rate of return assumed administrative expenses of 10 basis points.

(Continued)

Notes to Basic Financial Statements

The Expected real rates of return by asset class are as follows:

Asset Class	Miscellaneous	
	Assumed Target Allocation	Real Return Years 1-10 <sup>(a),(b)</sup>
Global equity - cap-weighted	30.00%	4.54%
Global equity - non-cap-weighted	12.00	3.84
Private equity	13.00	7.28
Treasury	5.00	0.27
Mortgage-backed securities	5.00	0.50
Investment grade corporates	10.00	1.56
High yield	5.00	2.27
Emerging market debt	5.00	2.48
Private debt	5.00	3.57
Real assets	15.00	3.21
Leverage	(5.00)	(0.59)
Total	100.00%	

(a) An expected inflation of 2.30% used for this period.

(b) Figures are based on the 2021 Asset Liability Management study.

Differences between expected and actual experience and changes in assumptions are amortized over a closed period equal to the average remaining service life of plan members, which is 3.9 years as of June 30, 2024. Deferred outflows and inflows related to differences between projected and actual earnings on plan investments are netted and amortized over a closed 5-year period.

**Sensitivity of the District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the District’s proportionate share of the net pension liability for the Miscellaneous plan as of the measurement date, calculated using the discount rate of 6.90%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate (in thousands):

	Miscellaneous		
	1.00% Decrease (5.90%)	Current Discount Rate (6.90%)	1.00% Increase (7.90%)
District’s proportionate share of the net pension liability	\$ 4,340,400	\$ 2,921,828	\$ 1,749,975

**Pension Plan Fiduciary Net Position**

Detailed information about each pension plan’s fiduciary net position is available in the separately issued CalPERS financial reports. Copies of the CalPERS annual financial report may be obtained from CalPERS Fiscal Services Division, P.O. Box 942703, Sacramento, CA 94229-2703, or by calling (888) CalPERS (225-7377).

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Notes to Basic Financial Statements

**Payable to the Pension Plan**

The District’s contribution for all members to the Miscellaneous Plan for the fiscal year ended June 30, 2025, was in accordance with the required contribution rate calculated by the CalPERS actuary. Hence, no payable to the pension plan is recognized for the fiscal year ended June 30, 2025.

**(b) California State Teachers’ Retirement System (CalSTRS)**

**Plan Description and Benefits Provided**

The District contributes to the CalSTRS, a cost-sharing multiple-employer public employee retirement system defined benefit pension plan and a tax-deferred supplemental program established and administered by the State Teachers’ Retirement Law (Section 22000 et seq.) of the California Education Code. The Teachers’ Retirement Fund (TRF) is a defined benefit pension plan under the CalSTRS. The State of California is a non-employer contributor to the TRF.

The Plan provides defined retirement benefits based on members’ final compensation, age, and years of credited service. In addition, the retirement program provides benefits to members upon disability and to survivors upon the death of eligible members. Benefit provisions are established by state statutes, as legislatively amended, within the State Teachers’ Retirement Law.

The Plan’s provisions and benefits in effect at June 30, 2025, are summarized as follows:

	CalSTRS	
	On or before December 31, 2012	On or after January 1, 2013
Hiring date		
Benefit formula	2.00% @ 60	2.00% @ 62
Benefit vesting schedule	5 years of service	5 years of service
Benefit payments	monthly for life	monthly for life
Retirement age: minimum	50 (30 years of service credit) or 55 (5 years of service credit)	55 (5 years of service credit)
Monthly benefit, as a % of eligible compensation	1.10% - 2.40%	1.16% - 2.40%
Required employee contribution rates	10.25%	10.205%
Required employer contribution rates	19.10%	19.10%

**Contributions**

The District is required to contribute based on an actuarially determined rate using the entry age normal actuarial cost method. The actuarial methods and assumptions used for determining the rate are those adopted by the CalSTRS Teachers’ Retirement Board (Board). Required member, employer and state contribution rates are set by the California Legislature and Governor and detailed in Teachers’ Retirement Law. Both the member and employer contributions are set as a percentage of employees’ earnings.

CALSTRS Funding Plan enacted by Chapter 47, Statutes of 2014 (Assembly Bill 1469 - Bonta) is projected to fully fund the CalSTRS Defined Benefit (DB) Program in 21 years through incremental shared contribution among CalSTRS members, employers, and the State of California. Contribution increases will be phased in over several years with the first increases taking effect on July 1, 2014. Effective July 1, 2020, the Board

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**Notes to Basic Financial Statements**

cannot adjust the employer rate by more than 1% in a fiscal year, and the increase to the contribution rate above the 8.25% base contribution rate cannot exceed 12% for a maximum of 20.25%. The Board has limited authority to adjust state contribution rates annually through June 2046 in order to eliminate the remaining unfunded actuarial obligation associated with the 1990 benefit structure.

In May 2024, the Board voted to keep the employer supplemental contribution rate at 10.85% for fiscal year 2024-25 for a total employer contribution rate of 19.10%.

For the year ended June 30, 2025, the contributions to the CalSTRS' TRF amounted to \$785.1 million.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

At June 30, 2025, the District reported a net pension liability of \$4.1 billion for its proportionate share of the CalSTRS net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the 2023-24 fiscal year employer contributions calculated by CalSTRS with consideration given to separately financed and irregular employer contributions relative to the projected contributions of all participating employer and nonemployer contributing entities. At June 30, 2024, the District's proportion was 5.929%.

For the year ended June 30, 2025, the District recognized pension revenue of \$108.6 million. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

	CalSTRS	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 410,774	\$ 162,012
Difference between projected and actual earnings	691,884	730,299
Change of assumption	15,885	271,938
Change in NPL proportion	591,912	226,322
Change in proportion of deferred outflow	308,693	-
Change in proportion of deferred inflow	-	253,695
Difference in contribution	54,893	65,665
District contributions subsequent to the measurement date	785,093	-
Total	<u>\$ 2,859,134</u>	<u>\$ 1,709,931</u>

The \$785.1 million reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension

(Continued)

**Notes to Basic Financial Statements**

liability in the year ending June 30, 2026. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in future pension expense as follows:

<u>Year ended June 30</u>	<u>CalSTRS Deferred Outflows / (Inflows) of Resources</u>
2026	\$ (191,367)
2027	347,807
2028	25,002
2029	23,739
2030	92,316
Thereafter	66,613

**Actuarial Methods and Assumptions**

The total pension liability for the CalSTRS' TRF was determined by applying update procedures to a financial reporting actuarial valuation as of June 30, 2023, and rolling forward the total pension liability to June 30, 2024. In determining the total pension liability, the financial reporting actuarial valuation used the following actuarial methods and assumptions:

Valuation date	June 30, 2023
Experience study <sup>(1)</sup>	July 1, 2007, through June 30, 2022
Actuarial cost method	Entry age normal
Investment rate of return <sup>(2)</sup>	7.10%
Consumer price inflation	2.75%
Wage growth	3.50%
Post-retirement benefit increases	2.00% simple for defined benefit (annually) maintain 85% purchasing power level for defined benefit, not applicable for defined benefit supplement/cash balance benefit programs

<sup>(1)</sup> Both a five-year period (July 1, 2017–June 30, 2022) and 15-year period were considered in the 2024 experience study; however, assumptions were primarily based on the results of the 15-year study. Additional information is available in the 2024 experience analysis report available at CalSTRS.com.

<sup>(2)</sup> Net of investment expenses, but gross of administrative expenses.

**Discount Rate**

The discount rate used to measure the total pension liability of the CalSTRS' TRF was 7.10%, which was unchanged from the prior fiscal year. The projection of cash flows used to determine the discount rate assumes that contributions from plan members and employers are made at statutory contribution rates. Projected inflows from investment earnings assumes the long-term investment rate of return of 7.10% and assumes that contributions, benefit payments, and administrative expenses occur mid-year. Based on those assumptions, the CalSTRS' TRF fiduciary net pension was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term assumed investment rate of return, gross of administrative expenses, was applied to all periods of projected benefit payments to determine the total pension liability.

The long-term investment rate of return assumption was determined using a building-block method in which best-estimate ranges of expected future real rates of return are developed for each major asset class/strategy. Expected real rates of return are net of 2.75% inflation assumption and are derived from

(Continued)

Notes to Basic Financial Statements

best-estimate ranges of 20- to 30-year geometrically linked expected returns. These best estimate ranges were developed using capital market assumptions from CalSTRS’ general investment consultants as inputs to the process. The actuarial investment rate of return assumption was adopted by the Board in January 2024 in conjunction with the most recent experience study. For each current and future valuation, CalSTRS’ independent consulting actuary (Milliman) reviews the return assumption for reasonableness based on the most current capital market assumptions. The assumed asset allocation and best estimates of the expected rates of return for each major asset class/strategy as of June 30, 2024, are summarized in the following table:

Asset Class/Strategy	CalSTRS		
	Assumed Asset Allocation	Long-Term Expected Rate of Return <sup>(1)</sup>	Long-Term Expected Real Rate of Return <sup>(1,2)</sup>
Public equity	38.00%	8.00%	5.25%
Real estate	15.00	6.80	4.05
Private equity	14.00	9.50	6.75
Fixed income	14.00	5.20	2.45
Risk mitigating strategies	10.00	5.00	2.25
Inflation sensitive	7.00	6.40	3.65
Cash/liquidity	2.00	2.80	0.05
	<u>100.00%</u>		

<sup>(1)</sup> 20- to 30-year geometric average.

<sup>(2)</sup> Real rates of return are net of assumed 2.75% inflation.

Differences between expected and actual experience and changes in assumptions are amortized over a closed period equal to the average remaining service life of plan members, which is seven years as of June 30, 2024. Deferred outflows and inflows related to differences between projected and actual earnings on plan investments are netted and amortized over a closed 5-year period.

**Sensitivity of the District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate**

The following presents the District’s proportionate share of the net pension liability calculated using the discount rate of 7.10%, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.10%) or 1-percentage-point higher (8.10%) than the current rate (in thousands):

	CalSTRS		
	1.00% Decrease (6.10%)	Current Discount Rate (7.10%)	1.00% Increase (8.10%)
District’s proportionate share of the net pension liability	\$ 7,082,843	\$ 4,082,550	\$ 1,392,841

**Pension Plan Fiduciary Net Position**

Detailed information about the pension plan’s fiduciary net position is available in the separately issued CalSTRS financial report. Copies of the CalSTRS annual financial report may be obtained from California State Teachers’ Retirement System, P.O. Box 15275, Sacramento, CA 95851-0275.

(Continued)

## Notes to Basic Financial Statements

### Payable to the Pension Plan

The District's contribution for all members to the CalSTRS' TRF for the fiscal year ended June 30, 2025, was in accordance with the required contribution rate calculated by the CalSTRS actuary. Hence, no payable to the pension plan is recognized for the fiscal year ended June 30, 2025.

### (c) Public Agency Retirement System (PARS)

#### Plan Description

The Omnibus Budget Reconciliation Act of 1990 requires state and local public agencies to provide a retirement plan for all employees not covered under existing employer pension plans and/or Social Security. These employees are primarily part-time, seasonal, and temporary employees (PSTs). This Act also requires that contributions for PSTs be vested immediately and permits any split of the minimum contributions between employee and employer.

On July 1, 1992, the District joined the PARS, a multiple employer retirement trust established by a coalition of public employers. The plan covers the District's part-time, seasonal, temporary, and other employees not covered under CalPERS or CalSTRS, but whose salaries would otherwise be subject to Social Security tax. As of June 30, 2025, there are 60,001 District employees covered under PARS.

Benefit terms and other requirements are established by District management based on agreements with various bargaining units. PARS is a defined contribution qualified retirement plan under Section 401 (a) of the Internal Revenue Code.

The minimum total contribution is 7.50% of employees' salaries, of which the District and the employees contribute 3.75% each. For the year ended June 30, 2025, the District recognized pension expense of \$7.3 million. The District does not have any forfeited amounts.

The District's contributions for all members for the fiscal years ended June 30, 2025, 2024, and 2023 were in accordance with the required contributions.

Employees are vested 100% in both employer and employee contributions from the date of membership. When separated from employment, all employees can choose to receive their funds in lump sum or leave it on deposit until the mandatory age of 73 when they must get a distribution.

### *Postemployment Benefits – Health and Welfare for Retirees*

#### Plan Description

The District contributes to an agent multiple-employer plan. The plan provides other postemployment health care benefits in accordance with collective bargaining unit agreements and Board rules. Certificated and classified employees who retire from the District receiving a CalSTRS/CalPERS retirement allowance (for either age or disability) may be eligible to continue coverage under the District sponsored hospital/medical, dental, and vision plans which cover both active and retired members and their eligible dependents. The following are the eligibility requirements:

- a) Those hired prior to March 11, 1984, must have served a minimum of five consecutive qualifying years immediately prior to retirement.
- b) Those hired from March 11, 1984, through June 30, 1987, must have served a minimum of 10 consecutive qualifying years immediately prior to retirement.

(Continued)

**Notes to Basic Financial Statements**

- c) Those hired from July 1, 1987, through May 31, 1992, must have served a minimum of 15 consecutive qualifying years immediately prior to retirement, or served 10 consecutive qualifying years immediately prior to retirement plus an additional previous 10 years which are not consecutive.
- d) Those hired from June 1, 1992, through February 28, 2007, must have at least 80 years combined total of qualifying service and age. For those employees that have a break in service, this must include 10 consecutive years immediately prior to retirement.
- e) Those hired from March 1, 2007, through March 31, 2009, must have at least 80 years combined total of qualifying service and age. In addition, the employee must have 15 consecutive years of qualifying service immediately prior to retirement.
- f) Those hired on or after April 1, 2009, except School Police, must have at least 85 years combined total of qualifying service and age. In addition, the employee must have a minimum of 25 consecutive years of qualifying service immediately prior to retirement.
- g) School Police (sworn personnel) hired on or after April 1, 2009, must have at least 80 years combined total of qualifying service and age. In addition, the employee must have a minimum of 20 consecutive years of qualifying service immediately prior to retirement.
- h) Associated Administrators of Los Angeles (AALA), Service Employees International Union (SEIU) excluding Unit F/G employees hired on or after July 1, 2018, and California School Employees Association (CSEA) members hired on or after September 1, 2018, must have at least 87 years combined total of qualifying service and age. In addition, the employee must have a minimum of 30 consecutive years of qualifying service immediately prior to retirement.

Qualifying years of service consist of school years in which an employee was in “paid status” for at least 100 full-time days and eligible for District-sponsored health care benefits.

To receive retiree health care benefits, an individual must meet the eligibility requirements in accordance with the collective bargaining agreements and:

- a) Be eligible for active health care benefits at the date of retirement.
- b) Retire in accordance with the eligibility rules of the applicable retirement system (CalSTRS or CalPERS).
- c) Receive a monthly pension payment from the state retirement system (CalSTRS or CalPERS).
- d) Comply with the Medicare requirements of the District plans. Lack of Medicare does not impact dental or vision coverage.

Eligible dependents are also covered for the life of the retiree. Upon the retiree’s death, eligible dependents may continue coverage under the plan but will generally have to pay 100% of premium and plan costs.

**Employees Covered**

As of June 30, 2025, the following current and former employees were covered by the benefit terms under the District’s OPEB Plan:

Active employees	62,290
Inactive employees or beneficiaries currently receiving the benefits	40,143
Inactive employees entitled to, but not yet receiving benefits	149
Total	<u>102,582</u>

(Continued)

## Notes to Basic Financial Statements

### Contributions

The District's contribution obligation for the fiscal year for the health and welfare benefits of District personnel, including the cost of term life insurance coverage and employee assistance for active employees and coverage under health plans for dependents and retirees, generally is subject to an aggregate contribution limit. Determination of this fiscal year contribution obligation limit occurs through discussions with the relevant collective bargaining units and recommendation by the Districtwide Health and Welfare Committee and is subject to approval by the Board of Education.

Moreover, the District established in fiscal year 2013-14 an irrevocable other postemployment benefits (OPEB) trust with CalPERS – California Employers' Retiree Benefit Trust (CERBT) to address its fiscal obligation in relation to its OPEB liability. Contributions to the OPEB trust will be calculated annually and are governed by the District's Budget and Finance Policy wherein such contributions will be subject to maintaining an Unrestricted General Fund balance of 5.00% of the unrestricted revenue.

Detailed information about the CERBT is available in the separately issued CalPERS financial reports. Copies of the CalPERS annual financial report may be obtained from CalPERS Fiscal Services Division, P.O. Box 942703, Sacramento, CA 94229-2703, or by calling (888) CalPERS (225-7377).

For fiscal year 2024-25, the District contributed a total of \$292 million to the OPEB Plan.

### Net OPEB Liability

The District's net OPEB liability of \$8.2 billion at June 30, 2025, is measured as the total OPEB liability, less the OPEB plan's fiduciary net position. All information provided is based on the census data, actuarial assumptions, and plan provisions used in the June 30, 2024, actuarial valuation report (dated July 2025). The total OPEB liability in the June 30, 2024, actuarial valuation was determined using the following actuarial assumptions:

Valuation date	July 1, 2024
Measurement date	June 30, 2024
Actuarial cost method	Entry Age Normal Cost
Discount rate	4.50%
Payroll growth	2.80% per annum
Salary increases	2000-2019 CalPERS Experience Study
Investment rate of return	6.40%
Mortality rate	Based on the Pub-2010 headcount-weighted tables for general employees, teachers and safety employees, with generational future improvement scale MP-2021
Pre-retirement turnover <sup>(1)</sup>	Turnover rates used in the most recent CalSTRS valuation and developed in the 2000-2019 CalPERS Experience Study, as applicable.
Healthcare trend rate	Non-Medicare Advantage Plans Pre-65 (6.87% - 4.50%); Post 65 (11.16% - 4.50%) Medicare Advantage Plans Post 65 Kaiser (7.55% - 4.50%); Anthem PPO (14.10% - 4.50%); Health Net/Anthem EPO (7.55% - 4.50%) Dental & Vision - 5.00%

<sup>(1)</sup> The Experience Study reports may be accessed on the CalPERS website [www.calpers.ca.gov](http://www.calpers.ca.gov) under Forms and Publications.

### Changes of Assumptions

During the measurement period ended June 30, 2024, the following assumptions were changed from the prior valuation:

(Continued)

**Notes to Basic Financial Statements**

- a) Assets - \$819,462,741 as of June 30, 2024, measurement date.
- b) Municipal Bond Rate - 3.63% as of June 30, 2024 (3.65% as of June 30, 2023), based on the Bond Buyer General Obligation 20-Bond Municipal Bond Index.
- c) Contributions - Ad hoc additional pre-funding contribution schedules currently include \$40 million for fiscal year ended June 30, 2025, \$142.6 million for fiscal year ended June 30, 2026 through fiscal year ended June 30, 2030, and \$140 million for all future fiscal years.
- d) Expected Return on Assets - 6.40% as of June 30, 2024 (6.20% as of June 30, 2023), per District’s revised expectation for CalPERS’ CERBT Strategy 1 asset allocation.
- e) Discount Rate - 4.50% as of June 30, 2024 (3.80% as of June 30, 2023), after reassessment based on updated assets and municipal bond rate as of June 30, 2024.

**Discount Rate**

The discount rate is based on a single equivalent rate that reflects a blend of expected return on assets during the period such that assets are projected to be sufficient to pay benefits of current participants; and 20-year municipal bond yields/index for periods beyond the depletion of the assets.

Based on the District’s current funding policy, projected cash flows, and the assumed asset return, the plan assets are projected to be depleted in fiscal year ending June 30, 2047. This results in a single equivalent rate of 4.50% (rounded down to 10 basis points) as of July 1, 2024, which reflects the assumed asset return until asset depletion and municipal bond rates thereafter. The municipal bond rate is based on the Bond Buyer General Obligation 20-Bond Municipal Bond Index and the rate was 3.63% as of July 1, 2024.

The long-term expected rate of return on OPEB plan investments was based on CalPERS’ expected return for California Employers’ Retirement Benefit Trust Strategy 1.

The table below reflects long-term expected real rate of return by asset class. The rate of return was calculated using the capital market assumptions applied to determine the discount rate.

<u>Asset Classification</u>	<u>Assumed asset allocation</u>
Global equity	49.00%
Fixed income	23.00%
REITs	20.00%
TIPS	5.00%
Commodities	3.00%
Total	100.00%
1-5 Year Projected Compound Return <sup>(1)</sup>	6.10%
6-20 Year Projected Compound Return <sup>(2)</sup>	6.60%
1-20 Year Projected Compound Return <sup>(1)</sup>	6.40%
Expected Volatility (Standard Deviation)	11.50%

<sup>(1)</sup> Adopted by the CalPERS Board of Administration in November 2021.

<sup>(2)</sup> Implied Returns and Inflation for Years 6-20 are calculated from the Board Approved Values for Years 1-5 and Years 1-20.

(Continued)

Notes to Basic Financial Statements

Changes in the OPEB Liability

The changes, from July 1, 2023 through June 30, 2024, in the net OPEB liability for the plan are as follows (in thousands):

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a-b)
Beginning Balance, June 30, 2024 (Based on 6/30/2023 Measurement Date)	\$ 9,491,121	\$ 499,890	\$ 8,991,231
Changes recognized for the fiscal year			
Service cost	318,654	-	318,654
Interest on the total OPEB liability	368,144	-	368,144
Changes of assumptions	(906,330)	-	(906,330)
Benefit payments	(245,842)	(245,842)	-
Contributions – employer	-	490,142	(490,142)
Net investment income	-	75,596	(75,596)
Other expenses – administrative expense	-	(323)	323
Net changes	(465,374)	319,573	(784,947)
Ending Balance, June 30, 2025 (Based on 6/30/2024 Measurement Date)	\$ 9,025,747	\$ 819,463	\$ 8,206,284

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate

The following table illustrates the impact of interest rate sensitivity on the Net OPEB Liability of the District if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate for fiscal year ended June 30, 2025 (in thousands):

	1.00% Decrease (3.50%)	Current Discount Rate (4.50%)	1.00% Increase (5.50%)
Net OPEB liability	\$9,541,801	\$8,206,284	\$7,108,205

Sensitivity of the Net OPEB Liability to Changes in the Health Care Cost Trend Rates

The following presents the net OPEB liability of the District if it were calculated using health care cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rate, for fiscal year ended June 30, 2025 (in thousands):

	1.00% Decrease	Trend Rate	1.00% Increase
Net OPEB liability	\$6,853,582	\$8,206,284	\$9,933,022

(Continued)

Notes to Basic Financial Statements

**OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the fiscal year ended June 30, 2025, the District recognized a decrease in OPEB expense of \$553.2 million. At June 30, 2025, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources (in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual earnings on OPEB plan investments	\$ -	\$ 3,596
Changes of assumptions	915,465	2,541,935
Difference between expected and actual experience	-	932,835
District contributions subsequent to the measurement date	292,035	-
<b>Total</b>	<u>\$ 1,207,500</u>	<u>\$ 3,478,366</u>

The table below lists the amortization bases included in the deferred outflows/inflows as of June 30, 2025 (in thousands):

Date Established	Type of Base	Period		Balance		Annual Amortization
		Original	Remaining	Original	Remaining	
6/30/2024	Asset (gain)/loss	5.00	4.00	\$ (37,153)	\$ (29,722)	\$ (7,431)
6/30/2024	Assumptions	8.11	7.11	(906,330)	(794,576)	(111,755)
6/30/2023	Liability (gain)/loss	7.95	5.95	(234,984)	(175,869)	(29,558)
6/30/2023	Asset (gain)/loss	5.00	3.00	(1,526)	(915)	(305)
6/30/2023	Assumptions	7.95	5.95	377,218	282,320	47,449
6/30/2022	Asset (gain)/loss	5.00	2.00	110,605	44,242	22,121
6/30/2022	Assumptions	7.44	4.44	(2,240,059)	(1,336,810)	(301,083)
6/30/2021	Liability (gain)/loss	7.78	3.78	(1,143,508)	(555,586)	(146,981)
6/30/2021	Asset (gain)/loss	5.00	1.00	(86,000)	(17,200)	(17,200)
6/30/2021	Assumptions	7.78	3.78	(93,876)	(45,611)	(12,066)
6/30/2020	Asset (gain)/loss	5.00	0.00	16,664	-	3,333
6/30/2020	Assumptions	7.16	2.16	2,098,757	633,145	293,123
6/30/2019	Liability (gain)/loss	7.25	1.25	(1,167,998)	(201,379)	(161,103)
6/30/2019	Assumptions	7.25	1.25	(1,965,158)	(338,820)	(271,056)
6/30/2018	Assumptions	7.33	0.33	(580,167)	(26,120)	(79,150)
6/30/2017	Assumptions	7.50	0.00	(2,061,247)	-	(137,417)
	<b>Total charges</b>				<u>\$ (2,562,901)</u>	<u>\$ (909,079)</u>

The \$292 million reported as deferred outflows of resources related to OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2026.

(Continued)

**Notes to Basic Financial Statements**

Amounts recognized in the deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the OPEB expense as follows (in thousands):

Year ended June 30	Deferred Outflows / (Inflows) of Resources
2026	\$ (721,965)
2027	(354,526)
2028	(514,830)
2029	(526,434)
2030	(226,340)
Thereafter	(218,806)

**(10) Risk Management**

The District is exposed to various risks of loss related to torts; theft of, damage to, or destruction of assets; errors or omissions; job-related illness or injury to employees; and natural disasters. The District has established the following self-insured programs (Internal Service Funds): Workers’ Compensation, Liability, Health and Welfare Benefits. These funds account for the uninsured risk of loss and pay for insurance premiums, management fees, and related expenses. Premium payments to Health Maintenance Organizations for medical benefits and to outside carriers for vision services, dental services, and optional life insurance are paid from the Health and Welfare Benefits Fund. The Workers’ Compensation Fund and Liability Self Insurance Fund pay premiums to the District captive (see below for description) for workers’ compensation and liability coverage.

***Captive***

The District operates a captive insurance program which provides the ability to manage its risks more cost-effectively than with traditional commercial insurance. This formalized risk financing structure allows the District to retain control over claim management, reduce premium costs, as well as insurance expenses over time. The captive insurance program supports the District’s goal of allocating more resources directly to educational programs by reducing the financial volatility and administrative costs associated with effective risk management.

***Excess Insurance***

Excess insurance has been purchased for physical property loss damages, which provides \$500 million limit above a \$25 million Self-Insured Retention (SIR) effective July 1<sup>st</sup>, 2025. Commercial excess insurance has been purchased for the Sexual and Molestation Liability (SML) line of coverage.

***Owner Controlled Insurance Program (OCIP)***

The District implemented an Owner Controlled Insurance Program (OCIP) covering new construction, renovations and modernizations. Under the OCIP, the District provides general liability, workers’ compensation, pollution, and excess liability. General Liability has an SIR of \$0.5 million and limit of \$2 million. Workers’ Compensation has an SIR of \$0.5 million and limit of \$1 million. The Excess Liability program is underwritten by eight major carriers offering up to \$75 million. Additionally, six different carriers provide coverage for special bonded projects with limits based on the value of the project. These policies have an SIR of up to \$50,000.

***Pollution***

Pollution liability insurance coverage has been procured for the construction program. The policy protects contractors and the District from losses resulting from pollution liability-related incidents occurring during

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Notes to Basic Financial Statements

construction. The policy provides optional coverage to ensure that site cleanup cost overruns are not borne by the District. The limits of coverage on the cleanup cost-cap policy are variable by specific project.

**Liability**

Liabilities for loss and loss adjustment expenses under school operations workers’ compensation and general liability are based on the estimated present value of the ultimate cost of settling the claims including the accumulation of estimates for losses reported prior to the balance sheet date, estimates of losses incurred but not reported, and estimates of expenses for investigating and adjusting reported and unreported losses. Such liabilities are estimates of the future expected settlements and are based upon analysis of historical patterns of the number of claims incurred and their values. Individual reserves are continuously monitored and reviewed and as settlements are made, or reserves adjusted, differences are reflected in current operations.

The District’s Internal Service Funds reported an increase in net position of \$23.9 million for the fiscal year ended June 30, 2025, reflecting an increase from a negative net position of \$50.5 million to a negative net position of \$26.6 million. The increase is primarily due to an increase in in-district premiums for the Health and Welfare Benefits Fund and the Captive Insurance Program.

Changes in the reported liabilities since July 1, 2023, are summarized as follows (in thousands):

	<b>Beginning of Fiscal Year Liability</b>	<b>Current Year Claims and Changes in Estimates</b>	<b>Claim Payments</b>	<b>End of Fiscal Year Liability</b>
<b>2024-2025</b>				
Health and welfare benefits	\$ 30,694	\$ 316,630	\$ (315,146)	\$ 32,178
Workers’ compensation self-insurance	357,059	(357,318)	259	-
Liability self-insurance	725,399	238,565	(56,866)	907,098
Captive insurance	-	796,878	(188,167)	608,711
Total	<u>\$ 1,113,152</u>	<u>\$ 994,755</u>	<u>\$ (559,920)</u>	<u>\$ 1,547,987</u>
<b>2023-2024</b>				
Health and welfare benefits	\$ 21,743	\$ 311,592	\$ (302,641)	\$ 30,694
Workers’ compensation self-insurance	359,148	86,039	(88,128)	357,059
Liability self-insurance	275,712	577,036	(127,349)	725,399
Total	<u>\$ 656,603</u>	<u>\$ 974,667</u>	<u>\$ (518,118)</u>	<u>\$ 1,113,152</u>

**(11) Certificates of Participation**

The District has entered into Certificates of Participation (COPs) for the acquisition of the new administration building, warehouse, school sites, relocatable classroom buildings, furniture and equipment; modernization, rehabilitation and repair of certain facilities; replacement of the legacy financial and procurement systems; automation of certain business processes; cybersecurity improvements, upgrades of the campus security and

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Notes to Basic Financial Statements

student information systems, and modernization of enrollment and student support applications. The COPs outstanding as of June 30, 2025, are as follows (in thousands):

COP Issue	Sale Date	Original Principal Amount	Outstanding June 30, 2025	Interest Rates to Maturity		Final Maturity
				Min	Max	
2020A Refunding	10/27/2020	\$ 28,390	\$ 19,445	2.250%	5.000%	2034
2022 Refunding	8/30/2022	73,730	56,970	3.095	3.095	2030
2023 Series A	8/31/2023	384,260	148,595	5.000	5.000	2038
			\$ 225,010*			

\* The total amount shown above excludes net unamortized premium of \$15.2 million.

(12) Long-Term Obligations

The following is a summary of changes in long-term obligations for the year ended June 30, 2025 (in thousands):

	Balance, June 30, 2024	Additions	Deductions	Other Changes**	Balance, June 30, 2025	Due Within One Year	Interest Expense
General Obligation Bonds*	\$ 11,651,806	\$ 2,048,345	\$ (983,678)	\$ (17,621)	\$ 12,698,852	\$ 1,307,537	\$ 345,188
Certificates of Participation*	511,478	-	(246,580)	(24,696)	240,202	21,107	16,260
Lease obligations	51,824	24,997	(5,823)	-	70,998	3,853	1,880
Liability for compensated absences	108,995	145,073	(120,461)	-	133,607	8,248	-
Liability for other employee benefits	24,177		(5,470)	-	18,707	989	-
Self-Insurance claims (Note 10)	1,113,152	994,755	(559,920)	-	1,547,987	768,733	-
SBITAs Liability	43,514	40,189	(32,645)	-	51,058	17,241	1,250
Arbitrage Rebate	3,155	2,721	-	-	5,876	-	-
Total	\$ 13,508,101	\$ 3,256,080	\$ (1,954,577)	\$ (42,317)	\$ 14,767,287	\$ 2,127,708	\$ 364,578

\* The amounts shown above include unamortized premiums and discounts.

\*\* Premium on bonds and premium and discount amortization.

Future annual payments on long-term debt obligations are as follows (in thousands):

Year Ending June 30	General Obligation Bonds		Capital Lease Obligations/ Certificates of Participation		Other Loans	Total	
	Principal	Interest	Principal	Interest	Principal	Principal	Interest
2026	\$ 1,163,950	\$ 511,495	\$ 18,810	\$ 9,706	\$ -	\$ 1,182,760	\$ 521,201
2027	1,048,015	493,665	19,600	8,915	-	1,067,615	502,580
2028	727,255	434,906	20,430	8,090	-	747,685	442,996
2029	679,765	400,528	21,280	7,228	-	701,045	407,756
2030	622,885	369,466	20,390	6,372	-	643,275	375,838
2031-2035	3,669,325	1,345,000	70,990	21,141	-	3,740,315	1,366,141
2036-2040	1,490,265	719,718	53,510	5,518	-	1,543,775	725,236
2041-2045	1,503,565	357,325	-	-	-	1,503,565	357,325
2046-2050	840,380	81,285	-	-	-	840,380	81,285
	\$ 11,745,405	\$ 4,713,388	\$ 225,010	\$ 66,970	\$ -	\$ 11,970,415	\$ 4,780,358

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Notes to Basic Financial Statements

The General Obligation (GO) Bonds outstanding balance as of June 30, 2025, consists of the following (in thousands):

Bond Issue	Sale Date	Original Principal Amount	Outstanding June 30, 2025	Interest Rates to Maturity		Final Maturity
				Min	Max	
Election of 2005, H (2009)	10/15/2009	\$ 318,800	\$ 318,800 <sup>(a)</sup>	1.540%	1.540%	2025
Election of 2005, J-1 (2010) <sup>(b)</sup>	5/6/2010	190,195	190,195 <sup>(a)</sup>	5.981	5.981	2027
Election of 2005, J-2 (2010) <sup>(b)</sup>	5/6/2010	100,000	100,000 <sup>(a)</sup>	5.720	5.720	2027
2015A Refunding	5/28/2015	326,045	15,940	5.000	5.000	2025
Election of 2008, A (2016)	4/5/2016	648,955	111,145	3.500	4.000	2040
2016A Refunding	4/5/2016	577,400	70,575	5.000	5.000	2026
2016B Refunding	9/15/2016	500,855	498,240	2.000	5.000	2032
2017A Refunding	5/25/2017	1,080,830	508,180	4.000	5.000	2027
Election of 2005, Series M-1 (2018)	3/8/2018	117,005	98,345	3.000	5.250	2042
Election of 2008, Series B-1 (2018)	3/8/2018	1,085,440	918,175	4.000	5.250	2042
2019A Refunding	5/29/2019	594,605	419,240	3.000	5.000	2034
Series RYQ (2020)	4/30/2020	942,940	721,930	4.000	5.000	2044
2020A Refunding	10/6/2020	302,000	275,230	3.000	5.000	2033
Measure Q, Series C (2020)	11/10/2020	1,057,060	822,255	3.000	5.000	2045
2021A Refunding	4/29/2021	196,310	144,260	4.000	5.000	2032
Series RYRR (2021)	11/10/2021	494,140	403,450	2.625	5.000	2046
2021B Refunding	11/10/2021	48,855	47,015	1.245	1.888	2028
Series QRR (2022)	11/22/2022	500,000	424,270	5.000	5.250	2047
Series QRR (2023)	11/7/2023	850,000	782,955	5.000	5.250	2048
2024A Refunding	4/30/2024	2,974,945	2,932,155	5.000	5.000	2034
Series QRR (2024)	10/8/2024	1,100,000	994,705	4.000	5.250	2049
Election of 2024, US Series A-2 (2025)	5/13/2025	29,645	29,645	4.532	4.532	2025
Election of 2024, US Series A-1 (2025)	5/13/2025	430,780	430,780	5.000	5.000	2049
Election of 2024, US Series B (2025)	5/13/2025	239,575	239,575	4.382	4.432	2028
2025A Refunding	5/13/2025	248,345	248,345	5.000	5.000	2040
			<u>\$ 11,745,405*</u>			

\* The total amount shown above excludes unamortized premium and discount of \$953.4 million

(a) Includes accumulated set-aside deposits for Qualified School Construction Bonds totaling \$461.24 million representing \$260.56 million for Election of 2005, H (2009) (Tax Credit Bonds) and \$200.68 million for Election of 2005, J-1 and J-2 (2010) (Federally Taxable Direct Subsidy Bonds)

(b) Issues as qualified school construction bonds, a taxable bond program in which federal government initially subsidized interest as if such bonds bore interest at the applicable federal rate for such bonds of 5.72% per annum.

In September 2024, the District successfully sold \$1.1 billion of new money Bonds on September 25<sup>th</sup>. The General Obligation Bonds, Series QRR (2024) (“the 2024 Bonds”) were issued to finance school facilities projects and included \$525 million of Measure Q Bonds and \$575 million of Measure RR Bonds. The sale was also the District’s fourth issuance of Sustainability Bonds. The 2024 Bonds were sold at a true interest cost of 3.72% over 25 years, and the transaction closed on October 8, 2024.

In April 2025, the District successfully sold \$948.345 million of General Obligation Bonds on April 22<sup>nd</sup> and 23<sup>rd</sup>, 2025 (“the 2025 Bonds”). The 2025 Bonds consisted of Election of 2024, General Obligation Bonds, US Series A-1, A-2, & B, and the 2025 General Obligation Refunding Bonds, Series A. The 2025 Bonds were issued to

(Continued)

## Notes to Basic Financial Statements

finance new school projects, refinance outstanding obligations, and generate taxpayer savings. Specifically, \$460.425 million of Series A-1 and A-2 Bonds were issued for new projects under Measure US, \$239.575 million of Series B Bonds were issued on a taxable basis to refinance 59.5% of the District's 2023 Certificates of Participation, and \$248.345 million of Refunding Bonds were issued on a tax-exempt basis to refund certain maturities of prior bonds resulting in taxpayer savings. The 2025 Bonds were sold at a true interest cost of 4.24% with final maturities extending to July 1, 2049. The transaction closed successfully on May 13, 2025. In aggregate, the Series B and Refunding Bonds reduced nominal debt service by \$60.2 million, with an economic gain of \$12.7 million. As of June 30, 2025, the \$483.245 million of defeased debt remained outstanding.

The arbitrage rebate payable balance reflects amounts due to the United States Treasury in order to comply with Internal Revenue Code Section 148(f). When the District issues tax-exempt debt, Internal Revenue Service (IRS) regulations limit the yield that the District can earn on the bond proceeds. If the District earns an amount in excess of the bond yield and does not qualify for a spending exception, the District must remit the excess earnings to the United States Treasury. Payments equal to 90% of the calculated excess earnings are due on each fifth anniversary of a bond's issuance date. When a bond issue is retired, all of the remaining excess earnings must be remitted.

### ***Debt Liquidation***

Payments on the General Obligation Bonds and Certificates of Participation are made by the Debt Service Funds and General Funds, respectively. The employee benefits liability for retirement bonus and early retirement incentive are all paid out of the General Fund, while the compensated absences portion will be liquidated from different governmental funds and proprietary funds. In fiscal year 2025, approximately 93% of compensated absences has been paid by the General Fund, 6% by the District Bonds Fund, and 1% by the proprietary funds.

The self-insurance claims and other postemployment benefits will generally be liquidated through the internal service funds which will finance the payment of those claims and benefits by charging user funds. The General Fund assumes 100% of liability self-insurance claims. For workers' compensation and health benefit claims, including retiree health benefits, the General Fund currently bears approximately 89% of the cost, while the Cafeteria Fund carries 5%; no other individual fund is charged more than 3% of the total amount.

## **(13) Leases**

*Lessee:* The District is a lessee for noncancellable leases of buildings, antenna spaces, and equipment. The District recognizes lease liability and intangible right-to-use lease asset in the government-wide financial statements.

At the commencement of a lease, the District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to leases include how the District determines: (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The District uses the interest rate charged by the lessor as the discount rate, if available. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for leases.

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**Notes to Basic Financial Statements**

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price, if any, that the District is reasonably certain to exercise.

The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

The District has not made any variable payments that were not included in the lease liability. The District has not made any commitments prior to lease term dates. There have not been any impairment losses or related changes in lease liability.

Lease assets are reported with other capital assets and lease liabilities are reported with long-term liabilities on the statement of net position.

*Lessor:* The District is a lessor for noncancellable leases of buildings. The District recognizes a lease receivable and deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the District determines: (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. The District uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

The District monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

The District has not received any variable payments that were not included in the lease receivable.

**The District as Lessee**

The District, as a lessee, has entered into lease agreements involving buildings, parking lots, antenna spaces, and computer equipment. The beginning balance of the lease liability was recorded in the amount of \$52 million. During the year, the District entered into new agreements for an addition of \$25 million. The fiscal year 2024-25 amortization was \$6 million. As of June 30, 2025, the total value of the lease liability was \$71 million. As of June 30, 2025, the total value of the right-to-use asset was recorded at a cost of \$91 million with accumulated depreciation of \$22 million.

(Continued)

**Notes to Basic Financial Statements**

The future lease payments under lease agreements are as follows (in thousands):

Year Ending June 30	Principal	Interest	Total
2026	\$ 3,853	\$ 1,880	\$ 5,733
2027	3,231	1,758	4,989
2028	3,435	1,629	5,064
2029	3,634	1,492	5,126
2030	3,931	1,345	5,276
2031 - 2035	8,353	5,240	13,593
2036 - 2040	3,792	4,638	8,430
2041 - 2045	4,347	4,044	8,391
2046 - 2050	3,275	3,594	6,869
2051 - 2055	3,632	3,237	6,869
2056 - 2060	4,028	2,842	6,870
2061 - 2065	4,467	2,403	6,870
2066 - 2070	4,953	1,916	6,869
2071 - 2075	5,493	1,376	6,869
2076 - 2080	6,091	778	6,869
2081 - 2085	4,483	154	4,637
	\$ 70,998	\$ 38,326	\$ 109,324

The District as Lessor

The District, as a lessor, has entered into lease agreements involving building spaces, office spaces, and parking lots. Total initial lease receivable was recorded in the amount of \$14 million. The District recognized a total of \$0.7 million in lease revenue and \$0.3 million in interest revenue during the fiscal year 2024-25. Also, the District has a deferred inflow of resources associated with leases that will be recognized over the lease term. As of June 30, 2025, the balance of the deferred inflow of resources was \$13 million.

**(14) Subscription-Based Information Technology Arrangements (SBITAs)**

A SBITA is defined as a contractual agreement that conveys control of the right to use another party’s (a SBITA vendor’s) information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a minimum contractual period of greater than one year, in an exchange or exchange-like transaction.

The District contracts SBITAs of remote learning platforms, student information systems, records management systems, email services, eBooks, cloud storage, data backup, and enterprise resource planning software. The District recognizes subscription liability and intangible right-to-use subscription asset in the government-wide financial statements.

At the commencement of a SBITA, the District initially measures the subscription liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription liability is reduced by the principal portion of subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life.

(Continued)

**Notes to Basic Financial Statements**

Key estimates and judgments related to SBITAs include how the District determines: (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments. The District uses the interest rate charged by the lessor as the discount rate, if available. When the interest rate charged by the lessor is not provided, the District generally uses its estimated incremental borrowing rate as the discount rate for SBITAs. The subscription term includes the noncancellable period of the SBITA. Subscription payments included in the measurement of the subscription liability are composed of fixed payments and purchase option price, if any, that the District is reasonably certain to exercise.

Subscription assets are reported with other capital assets and subscription liabilities are reported with long-term liabilities on the statement of net position.

The District has not made any variable payments that were not included in the SBITA liability. The District has not made any commitments prior to SBITA term dates.

The District monitors changes in circumstances that would require a remeasurement of the SBITA and will remeasure the SBITA asset and liability if certain changes occur that are expected to significantly affect the amount of the SBITA liability. For the fiscal year 2024-25 no adjustment was recognized.

The District has entered into subscription agreements involving remote learning platforms, student information systems, records management systems, email services, eBooks, cloud storage, data backup, and enterprise resource planning software. The beginning balance of the subscription liability was recorded in the amount of \$44 million. During the year, the District entered into new agreements for an addition of \$40 million and terminated some agreements for a reduction of \$7 million. The fiscal year 2024-25 amortization was \$26 million. As of June 30, 2025, the total value of the subscription liability was \$51 million. As of June 30, 2025, the total value of the right-to-use asset was recorded at a cost of \$153 million with accumulated depreciation of \$82 million.

The future subscription payments under subscription agreements are as follows (in thousands):

<b>Year Ending June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2026	\$ 17,241	\$ 1,250	\$ 18,491
2027	16,958	734	17,692
2028	11,111	238	11,349
2029	5,748	27	5,775
	<u>\$ 51,058</u>	<u>\$ 2,249</u>	<u>\$ 53,307</u>

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Notes to Basic Financial Statements

(15) Interfund Transfers

(a) Interfund Receivables/Payables (Due to/from Other Funds)

Interfund receivables/payables are eliminated on the government-wide statement of net position but are reported on the fund financial statements. These consist of borrowings between funds to cover temporary cash insufficiencies and permit payment of obligations. Interfund receivables and payables at June 30, 2025 are as follows (in thousands):

From	To	Purpose	Amount
General Fund	General Fund – Special Reserve	Transfer of Balance	\$ 592,525
General Fund	Building Fund – Measure Q	Reimbursement of capital expenditures	97
General Fund	Building Fund – Measure RR	Reimbursement of capital expenditures	54
General Fund	Special Reserve Fund	Debt Service	44
General Fund	Capital Services	Debt Service	50,047
Building Fund – Measure R	Building Fund – Measure Q	Reimbursement of capital expenditures	521
Building Fund – Measure K	Building Fund – Measure Q	Reimbursement of capital expenditures	1,550
Building Fund – Measure K	Building Fund – Measure RR	Reimbursement of capital expenditures	187
Building Fund – Measure Y	Building Fund – Measure Q	Reimbursement of capital expenditures	6,412
Building Fund – Measure Y	Building Fund – Measure RR	Reimbursement of capital expenditures	44
Building Fund – Measure Q	General Fund	Reimbursement of capital expenditures	72
Building Fund – Measure Q	Adult Fund	Reimbursement of capital expenditures	8
Building Fund – Measure Q	Building Fund – Measure RR	Reimbursement of capital expenditures	5,050
Building Fund – Measure Q	County School Facilities – Prop 47	Reimbursement of capital expenditures	1
Building Fund – Measure Q	Special Reserve Fund	Reimbursement of capital expenditures	2,000
Building Fund – Measure RR	General Fund	Reimbursement of capital expenditures	56
Building Fund – Measure RR	Building Fund – Measure R	Reimbursement of capital expenditures	83
Building Fund – Measure RR	Building Fund – Measure Q	Reimbursement of capital expenditures	553
Building Fund – Measure US	Special Reserve Fund	Debt Service	238,932
County School Facilities – Prop 47	Building Fund – Measure K	Reimbursement of capital expenditures	20
County School Facilities – Prop 47	Building Fund – Measure Q	Reimbursement of capital expenditures	91,319
County School Facilities – Prop 47	Building Fund – Measure RR	Reimbursement of capital expenditures	21,261
Special Reserve Fund – CRA	General Fund	Reimbursement of expenditures	30,000
Special Reserve Fund	General Fund	Reimbursement of capital expenditures	29
Special Reserve Fund	Building Fund – Measure R	Reimbursement of capital expenditures	1,605
Special Reserve Fund	Building Fund	Reimbursement of capital expenditures	130
Special Reserve Fund	Building Fund – Measure K	Reimbursement of capital expenditures	1,025
Special Reserve Fund	Building Fund – Measure Q	Reimbursement of capital expenditures	24
Special Reserve Fund	Building Fund – Measure RR	Reimbursement of capital expenditures	59
Total			<u>\$ 1,043,708</u>

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Notes to Basic Financial Statements

(16) Fund Balances

The following is a summary of nonspendable, restricted, assigned, and unassigned fund balances at June 30, 2025 (in thousands):

	General	District Bonds	Bond Interest and Redemption	Nonmajor Governmental
Nonspendable:				
Revolving cash and imprest funds	\$ 2,925	\$ 496	\$ -	\$ 15
Inventories	35,308	-	-	18,624
Prepays	12,642	23	-	10,809
Total Nonspendable Balances	50,875	519	-	29,448
Restricted for:				
Child Nutrition: School Programs	-	-	-	260,082
Child Development	-	-	-	1,936
Child Development - Other State	-	-	-	98,508
FEMA Public Assistance Funds	1	-	-	591
CA Learning Communities for School Success Program	17,402	-	-	-
A-G Completion Improvement Grant	23,381	-	-	-
Educator Effectiveness	36,661	-	-	-
Arts, Music, & Instructional Block Grant	243,222	-	-	-
Special Education	3,297	-	-	-
Special Education: Early Education Individuals with Exceptional Needs (Infant Program)	3,300	-	-	-
Classified Employee Professional Development Block Grant	795	-	-	-
County School Facilities	-	-	-	32,054
Capital Facilities	-	-	-	97,229
LCFF Equity Multiplier	45,658	-	-	-
Literacy Coaches & Reading Specialist Grant	74,844	-	-	-
Child Nutrition: Kitchen Infrastructure	51,660	-	-	-
Adult Education	-	-	-	20,517
Adult Education - Other State	-	-	-	11,809
Calworks	-	-	-	4,239
Debt Service Reserve	-	-	1,746,752	-
District Bonds	-	1,665,643	-	-
Dual Enrollment Opportunities	7,658	-	-	-
Expanded Learning Opportunities Program	157,145	-	-	-
Other Federal	11,890	-	-	-
Other Local	100,976	-	-	-
Other State	13,493	-	-	-
Proposition 28 Arts and Music	51,771	-	-	-
Special Reserve - Other Local	-	-	-	327,984
Special Reserve - FEMA Other State	-	-	-	1,988
Student Activity Funds	-	-	-	47,605
Tax Override	-	-	-	457
Special Reserve - Community Redevelopment Agency	-	-	-	209,896
Capital Services	-	-	-	124
Golden State Pathways Program	45,280	-	-	-
California Learning Communities for School Success Program	1,110	-	-	-
Restricted Maintenance Account	70	-	-	-
Total Restricted Balances	889,614	1,665,643	1,746,752	1,115,019
Assigned to:				
Subsequent year expenditures	1,373,616	-	-	21,117
Unassigned:				
Reserved for economic uncertainties	710,567	-	-	-
Unassigned	2,067,999	-	-	-
Total Fund Balances	\$ 5,092,671	\$ 1,666,162	\$ 1,746,752	\$ 1,165,584

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## Notes to Basic Financial Statements

**Nonspendable** fund balances represent amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

**Restricted** fund balances represent amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

**Committed** fund balances represent amounts that can be used only for specific purposes determined by a formal action of the governing board through the adoption of a resolution. The governing board is the highest level of decision-making authority for the District. These committed amounts cannot be used for any other purpose unless the governing board removes or changes the specific use through formal action. Governing board action to commit fund balance needs to occur within the fiscal reporting period, no later than June 30. The amount which will be committed can be determined subsequently but prior to the release of the District's financial statements.

**Assigned** fund balances represent amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. The District's adopted policy delegates the authority to assign amounts for specific purposes to the Superintendent, or designated executive committee.

**Unassigned** fund balances represent all other spendable amounts.

General Fund is the only fund that reports a positive unassigned fund balance, as it is not appropriate to report a positive unassigned fund balance in other governmental funds except where expenditures incurred for specific purposes exceed the amounts that are restricted, committed or assigned for those purposes. In such case, a negative unassigned fund balance may be reported.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which amounts in any of the unrestricted classifications of fund balance could be used, the District considers committed amounts to be reduced first, followed by assigned amounts, and then unassigned amounts.

### Minimum Fund Balance Policy

As part of the Budget and Finance Policy, the governing board has adopted a minimum fund balance policy for the General Fund in order to avoid the need for service level reductions in the event that an economic downturn causes revenues to be substantially lower than what was budgeted. The policy requires the District to maintain a reserve for economic uncertainty consisting of unassigned amounts equal to at least 1% of total General Fund expenditures and other financing uses. In the event that the District must expend all or part of this reserve, the District will identify and implement a budgetary plan to replenish this reserve the following year. This reserve may be adjusted based on changes to legal requirement.

It is also a policy that the Total General Fund balance be maintained at a minimum level of 5% of Total General Fund expenditures and Other Financing Uses. In the event that the General Fund balance falls below this level, all one-time monies will be set-aside until the 5% minimum reserve threshold is met. In addition, other recommendations that may be developed to restore reserve balances.

(Continued)

**Notes to Basic Financial Statements****(17) Contingencies and Commitments****(a) General**

The District, as well as current and former Board Members and employees to whom the District has defense and indemnification responsibilities under the Government Code, has been named as defendants in numerous lawsuits, administrative proceedings and arbitrations. These seek, among other things, to require the District to reinstate terminated, demoted, suspended, and laid-off employees, to remedy alleged noncompliance regarding special education schools, and to change existing instructional programs, pupil integration methods, and employment and administration procedures. In many proceedings, monetary damages are sought including, for example, claims for retroactive pay and benefits and future pay and benefits. Based on the opinion of counsel, management believes that the ultimate outcome of such lawsuits will not have a material effect on the District's financial condition.

**(b) Grants**

The District has received state and federal funds for specific purposes that are subject to review and audit by the grantor agencies. Although such audits could generate expenditure disallowances under the terms of the grants, management believes that any required reimbursement will not be material to the financial statements.

**(c) Construction Contracts**

The District has entered into various contracts for the construction of facilities throughout the campuses. During fiscal year 2024-25 the District entered into approximately 195 contracts with a combined value of \$720.7 million. The durations of the contracts range from 45 days to five years.

**(18) Subsequent Events**

In June 2025, Moody's Investor Services and Fitch Ratings assigned credit ratings to the District's Judgment Obligation Bonds (JOBs), Series 2025A at Aa3 and AA-, respectively. The District then sold \$308.15 million JOBs on July 1, 2025 with a true interest cost of 5.14% over 15 years. The JOBs were issued as a long-term financing mechanism to refund the District's TRANs Series A, Series B, and Series C (see note 2 relating to the District issuance of TRANs) as well as District obligations under certain court-ordered judgments related to AB 218 or similar claims. The transaction closed on July 9, 2025.



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# Required Supplementary Information



**Los Angeles Unified School District  
Required Supplementary Information  
Schedule of Changes in the Net OPEB Liability and Related Ratios\*  
For the Year Ended June 30, 2025  
(Dollar amounts in thousands)  
(Unaudited)**

	2017-2018	2018-2019	2019-2020
Total OPEB liability			
Service cost	\$ 634,089	\$ 523,203	\$ 380,844
Interest on the total OPEB liability	490,582	561,040	460,486
Differences between expected and actual experience	-	-	(1,167,998)
Changes of benefit terms	-	(3,842,546)	(1)
Changes of assumptions	(2,061,247)	(580,166)	(1,965,158)
Benefit payments	(264,763)	(305,521)	(287,040)
Net change in total OPEB liability	(1,201,339)	(3,643,990)	(2,578,867)
Total OPEB liability – beginning	16,413,979	15,212,640	11,568,650
Total OPEB liability – ending (a)	<u>\$ 15,212,640</u>	<u>\$ 11,568,650</u>	<u>\$ 8,989,783</u>
Plan fiduciary net position			
Contributions – employer	\$ 342,763	\$ 425,521	\$ 287,040
Net investment income/(loss)	20,995	23,893	23,970
Benefit payments	(264,763)	(305,521)	(287,040)
Administrative expense	(103)	(172)	(190)
Net change in plan fiduciary net position	98,892	143,721	23,780
Plan fiduciary net position – beginning	145,238	244,130	387,851
Plan fiduciary net position – ending (b)	<u>244,130</u>	<u>387,851</u>	<u>411,631</u>
Net OPEB liability – ending (a) - (b)	<u>\$ 14,968,510</u>	<u>\$ 11,180,799</u>	<u>\$ 8,578,152</u>
Plan fiduciary net position as a percentage of the total OPEB liability	1.60%	3.35%	4.58%
Covered – employee payroll	\$ 3,905,000	\$ 3,728,000	\$ 4,062,000
Net OPEB liability as percentage of covered – employee payroll	383.32%	299.91%	211.18%

\*Fiscal year 2017-18 was the first year of implementation, therefore only eight years are shown.

**Los Angeles Unified School District  
Schedule of Contributions  
For the Year Ended June 30, 2025**

Not applicable – Funding is not based on actuarially determined contributions and contributions are neither statutorily or contractually established.

2020-2021		2021-2022		2022-2023		2023-2024		2024-2025	
\$	291,399	\$	437,026	\$	450,849	\$	294,791	\$	318,654
	330,177		271,654		243,430		337,814		368,144
	-		(1,143,508)		-		(234,984)		-
	-		-		-		-		-
	2,098,757		(93,876)		(2,240,059)		377,218		(906,330)
	(221,166)		(231,192)		(231,063)		(235,929)		(245,842)
	2,499,167		(759,896)		(1,776,843)		538,910		(465,374)
	8,989,783		11,488,950		10,729,054		8,952,211		9,491,121
\$	<u>11,488,950</u>	\$	<u>10,729,054</u>	\$	<u>8,952,211</u>	\$	<u>9,491,121</u>	\$	<u>9,025,747</u>
\$	221,166	\$	231,192	\$	231,063	\$	235,929	\$	490,142
	14,563		117,080		(72,625)		30,185		75,596
	(221,166)		(231,192)		(231,063)		(235,929)		(245,842)
	(205)		(240)		(264)		(235)		(323)
	14,358		116,840		(72,889)		29,950		319,573
	411,631		425,989		542,829		469,940		499,890
	425,989		542,829		469,940		499,890		819,463
\$	<u>11,062,961</u>	\$	<u>10,186,225</u>	\$	<u>8,482,271</u>	\$	<u>8,991,231</u>	\$	<u>8,206,284</u>
	3.71%		5.06%		5.25%		5.27%		9.08%
\$	4,174,000	\$	4,192,000	\$	4,307,000	\$	4,614,000	\$	4,743,000
	265.04%		242.99%		196.94%		194.87%		173.02%

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Required Supplementary Information  
Schedule of Changes in the Net Pension Liability and Related Ratios  
Agent Multiple-Employer Defined Benefit Pension Plan  
California Public Employees' Retirement System (CalPERS) – Safety Plan  
For the Year Ended June 30, 2025  
(Dollar amounts in thousands)  
(Unaudited)**

	2015-2016	2016-2017	2017-2018	2018-2019
Total pension liability				
Service cost	\$ 8,240	\$ 8,861	\$ 10,331	\$ 10,073
Interest on total pension liability	23,128	25,394	26,815	27,428
Differences between expected and actual experience	(4,558)	11,191	(1,831)	(2,039)
Changes of assumptions	(5,860)	-	23,771	(11,622)
Changes of benefits terms	-	-	-	-
Benefit payments, including refunds of employee contributions	(12,853)	(13,653)	(14,041)	(15,498)
Net change in total pension liability	8,097	31,793	45,045	8,342
Total pension liability – beginning	315,053	323,150	354,943	399,988
Total pension liability – ending (a)	<u>\$ 323,150</u>	<u>\$ 354,943</u>	<u>\$ 399,988</u>	<u>\$ 408,330</u>
Plan fiduciary net position				
Contributions – employer	\$ 9,347	\$ 8,701	\$ 9,711	\$ 10,746
Contributions – employee	2,825	3,064	3,352	3,291
Net investment income/(loss) (net of administrative expenses)	5,185	1,196	28,500	22,418
Benefit payments	(12,853)	(13,653)	(14,041)	(15,498)
Plan to plan resource movement	1	(3)	(15)	(176)
Net change in plan fiduciary net position	4,505	(695)	27,507	20,781
Plan fiduciary net position – beginning	248,959	253,464	252,769	280,276
Plan fiduciary net position – ending (b)	<u>253,464</u>	<u>252,769</u>	<u>280,276</u>	<u>301,057</u>
Net pension liability – ending (a) - (b)	<u>\$ 69,686</u>	<u>\$ 102,174</u>	<u>\$ 119,712</u>	<u>\$ 107,273</u>
Plan fiduciary net position as a percentage of the total pension liability	78.44%	71.21%	70.07%	73.73%
Covered – employee payroll	\$ 27,384	\$ 31,786	\$ 33,239	\$ 33,381
Net pension liability as percentage of covered – employee payroll	254.48%	321.45%	360.16%	321.36%

	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
\$	10,054	\$ 11,066	\$ 10,479	\$ 9,325	\$ 8,345	\$ 8,185
	28,862	30,547	32,058	32,354	34,206	36,282
	(1,660)	536	(2,306)	(12,925)	7,911	11,986
	-	-	-	11,355	-	-
	-	211	-	-	-	-
	(16,060)	(17,165)	(18,587)	(21,132)	(23,385)	(25,330)
	21,196	25,195	21,644	18,977	27,077	31,123
	408,330	429,526	454,721	476,365	495,342	522,419
\$	429,526	\$ 454,721	\$ 476,365	\$ 495,342	\$ 522,419	\$ 553,542
\$	12,751	\$ 14,619	\$ 14,984	\$ 14,583	\$ 15,153	\$ 14,754
	3,505	3,348	2,936	2,307	2,517	2,827
	19,647	15,665	76,690	(31,572)	23,062	37,187
	(16,060)	(17,165)	(18,587)	(21,132)	(23,385)	(25,330)
	(307)	(164)	-	-	-	-
	19,536	16,303	76,023	(35,814)	17,347	29,438
	301,057	320,593	336,896	412,919	377,105	394,452
	320,593	336,896	412,919	377,105	394,452	423,890
\$	108,933	\$ 117,825	\$ 63,446	\$ 118,237	\$ 127,967	\$ 129,652
	74.64%	74.09%	86.68%	76.13%	75.50%	76.58%
\$	33,097	\$ 34,582	\$ 29,289	\$ 31,588	\$ 36,077	\$ 38,615
	329.14%	340.72%	216.62%	374.31%	354.71%	335.76%

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Required Supplementary Information  
Schedule of Contributions  
Agent Multiple-Employer Defined Benefit Pension Plan  
California Public Employees' Retirement System (CalPERS) – Safety Plan  
For the Year Ended June 30, 2025  
(Dollar amounts in thousands)  
(Unaudited)**

	2015-2016	2016-2017	2017-2018	2018-2019
Actuarially determined contribution	\$ 10,397	\$ 11,392	\$ 11,057	\$ 12,992
Contributions in relation to the actuarially determined contributions	(10,397)	(11,392)	(11,057)	(12,992)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll	\$ 42,476	\$ 43,788	\$ 43,799	\$ 46,849
Contributions as a percentage of covered-employee payroll	24.48%	26.02%	25.24%	27.73%

**Notes to Schedule:**

The actuarial methods and assumptions used to set the actuarially determined contributions are as follows:

Valuation date	6/30/2013	6/30/2014	6/30/2015	6/30/2016
Actuarial cost method	Entry Age Normal Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method
Amortization method	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll
Asset valuation method	Market Value of Assets	Market Value of Assets	Market Value of Assets	Market Value of Assets
Inflation	2.75% compounded annually	2.75% compounded annually	2.75% compounded annually	2.75% compounded annually
Salary increases	3.3% to 14.2% depending on age, service and type of employment	Varies by entry age and service	Varies by entry age and service	Varies by entry age and service
Payroll growth	3.00%	3.00%	3.00%	3.00%
Investment rate of return	7.50%	7.50%	7.50%	7.50%
Retirement age	The probabilities of retirement are based on the 2010 CalPERS Experience Study for the period from 1997 to 2007.	The probabilities of retirement are based on the 2014 CalPERS Experience Study.	The probabilities of retirement are based on the 2014 CalPERS Experience Study.	The probabilities of retirement are based on the 2014 CalPERS Experience Study.
Mortality	Based on mortality rates from the most recent CalPERS Experience Study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include 5 years of projected on-going mortality improvement using scale AA published by the Society of Actuaries. There is no margin for future mortality improvement beyond the valuation date.	Based on mortality rates from the most recent CalPERS Experience Study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include 20 years of projected on-going mortality improvements using Scale BB published by the Society of Actuaries.	Based on mortality rates from the most recent CalPERS Experience Study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include 20 years of projected on-going mortality improvements using Scale BB published by the Society of Actuaries.	Based on mortality rates from the most recent CalPERS Experience Study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include 20 years of projected on-going mortality improvements using Scale BB published by the Society of Actuaries.

2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
\$ 14,611	\$ 13,900	\$ 12,215	\$ 12,359	\$ 14,210	\$ 19,138
(14,611)	(13,900)	(12,215)	(12,359)	(14,210)	(19,138)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 45,139	\$ 34,583	\$ 29,289	\$ 31,588	\$ 36,077	\$ 38,615
32.37%	40.19%	41.71%	39.13%	39.39%	49.56%

6/30/2017	6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022
Entry Age Normal Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method	Entry Age Normal Cost Method
Level Percent of Payroll	Level Percent of Payroll	Level Dollar	Level Dollar	Level Dollar	Level Dollar
Market Value of Assets	Market Value of Assets	Market Value of Assets	Market Value of Assets	Market Value of Assets	Market Value of Assets
2.63% compounded annually	2.50% compounded annually	2.50% compounded annually	2.50% compounded annually	2.30% compounded annually	2.30% compounded annually
Varies by entry age and service	Varies by entry age and service	Varies by entry age and service	Varies by entry age and service	Varies by entry age and service	Varies by entry age and service

2.90%	2.75%	2.75%	2.75%	2.80%	2.80%
7.25%	7.00%	7.00%	7.00%	6.80%	6.80%
The probabilities of retirement are based on the 2017 CalPERS Experience Study.	The probabilities of retirement are based on the 2017 CalPERS Experience Study.	The probabilities of retirement are based on the 2017 CalPERS Experience Study.	The probabilities of retirement are based on the 2017 CalPERS Experience Study.	The probabilities of retirement are based on the 2017 CalPERS Experience Study.	The probabilities of retirement are based on the 2021 CalPERS Experience Study.

Based on mortality rates from the most recent CalPERS Experience Study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include 15 years of projected on-going mortality improvement using 90 percent of Scale MP 2016 published by the Society of Actuaries.	Based on mortality rates from the most recent CalPERS Experience Study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include 15 years of projected on-going mortality improvement using 90 percent of Scale MP 2016 published by the Society of Actuaries.	Based on mortality rates from the most recent CalPERS Experience Study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include 15 years of projected on-going mortality improvement using 90 percent of Scale MP 2016 published by the Society of Actuaries.	Based on mortality rates from the most recent CalPERS Experience Study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include 15 years of projected on-going mortality improvement using 90 percent of Scale MP 2016 published by the Society of Actuaries.	Based on mortality rates from the most recent CalPERS Experience Study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates are for 2017 and are projected generationally for future years using 80% of the Society of Actuaries' Scale MP-2020.	Based on mortality rates from the most recent CalPERS Experience Study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates are for 2017 and are projected generationally for future years using 80% of the Society of Actuaries' Scale MP-2020.
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See accompanying independent auditor's report.

**Required Supplementary Information**  
**Schedule of District Proportionate Share of the Net Pension Liability and Related Ratios and District Contributions**  
**Cost Sharing Multiple Employer Defined Benefit Pension Plan**  
**California Public Employees' Retirement System (CalPERS) – Miscellaneous Plan**  
**For the Year Ended June 30, 2025**  
**(Dollar amounts in thousands)**  
**(Unaudited)**

1. Schedule of District Proportionate Share of the Net Pension Liability and Related Ratios

	2015-2016	2016-2017	2017-2018	2018-2019
District's proportion of the net pension liability	8.7047%	8.3405%	8.1507%	7.9678%
District's proportionate share of the net pension liability	\$ 1,283,081	\$ 1,647,254	\$ 1,945,775	\$ 2,124,474
District's covered-employee payroll	\$ 1,016,759	\$ 1,078,634	\$ 1,108,784	\$ 1,116,870
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	126.19%	152.72%	175.49%	190.22%
Plan fiduciary net position as a percentage of the total pension liability	79.43%	73.90%	71.87%	70.85%

2. Schedule of District Contributions

	2015-2016	2016-2017	2017-2018	2018-2019
Contractually required				
District contributions	\$ 119,193	\$ 144,467	\$ 166,342	\$ 205,346
Contributions in relation to the contractually required contribution	119,193	144,467	166,342	205,346
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 1,078,634	\$ 1,108,784	\$ 1,116,870	\$ 1,228,585
Contributions as a percentage of covered-employee payroll	11.05%	13.03%	14.89%	16.71%

**Notes to Schedule:**

The actuarial methods and assumptions used to set the actuarially determined contributions are as follows:

Valuation date	6/30/2014	6/30/2015	6/30/2016	6/30/2017
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization method	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll
Remaining amortization period	Varies depending on the nature of the change in the unfunded liabilities.	Varies depending on the nature of the change in the unfunded liabilities.	Varies depending on the nature of the change in the unfunded liabilities.	Varies depending on the nature of the change in the unfunded liabilities.
Asset valuation method	Market value of Assets	Market value of Assets	Market value of Assets	Market value of Assets
Inflation	2.75%	2.75%	2.75%	2.75%
Salary increases	Varies by entry age and duration of service	Varies by entry age and duration of service	Varies by entry age and duration of service	Varies by entry age and duration of service
Investment rate of return	7.50%	7.50%	7.50%	7.15%
Retirement age	CalPERS Experience Study	CalPERS Experience Study	CalPERS Experience Study	CalPERS Experience Study
Mortality	The probabilities of mortality are based on the most recent CalPERS Experience Study adopted by the CalPERS Board, first used in the 6/30/09 Valuation. Post-retirement mortality rates include 5 years of projected on-going mortality improvement using Scale AA published by the Society of Actuaries until June 30, 2010.	The probabilities of mortality are based on the most recent CalPERS Experience Study adopted by the CalPERS Board, first used in the 6/30/15 Valuation. Post-retirement mortality rates include 20 years of projected on-going mortality improvements using Scale BB published by the Society of Actuaries.	The probabilities of mortality are based on the most recent CalPERS Experience Study adopted by the CalPERS Board, first used in the 6/30/15 Valuation. Post-retirement mortality rates include 20 years of projected on-going mortality improvements using Scale BB published by the Society of Actuaries.	The probabilities of mortality are based on the most recent CalPERS Experience Study adopted by the CalPERS Board, first used in the 6/30/15 Valuation. Post-retirement mortality rates include 20 years of projected on-going mortality improvements using Scale BB published by the Society of Actuaries.

	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
	8.0858%	7.8905%	7.8531%	7.8184%	7.7465%	8.1755%
\$	2,356,549	\$ 2,421,053	\$ 1,596,877	\$ 2,690,237	\$ 2,804,142	\$ 2,921,828
\$	1,228,585	\$ 1,221,081	\$ 1,256,381	\$ 1,449,675	\$ 1,595,725	\$ 1,808,927
	191.81%	198.27%	127.10%	185.58%	175.73%	161.52%
	70.05%	70.00%	80.97%	69.76%	69.96%	72.29%
	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
\$	224,546	\$ 243,447	\$ 286,190	\$ 357,900	\$ 438,819	\$ 476,345
	224,546	243,447	286,190	357,900	438,819	476,345
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -
\$	1,221,081	\$ 1,256,381	\$ 1,449,675	\$ 1,595,725	\$ 1,808,927	\$ 1,882,457
	18.39%	19.38%	19.74%	22.43%	24.26%	25.30%

6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023
Entry Age Normal Level Percent of Payroll	Entry Age Normal Level Percent of Payroll	Entry Age Normal Level Dollar	Entry Age Normal Level Dollar	Entry Age Normal Level Dollar	Entry Age Normal Level Dollar
Varies depending on the nature of the change in the unfunded liabilities.	Varies depending on the nature of the change in the unfunded liabilities.	Varies depending on the nature of the change in the unfunded liabilities.	Varies depending on the nature of the change in the unfunded liabilities.	Varies depending on the nature of the change in the unfunded liabilities.	Varies depending on the nature of the change in the unfunded liabilities.
Market value of Assets 2.63%	Market value of Assets 2.50%	Market value of Assets 2.50%	Market value of Assets 2.30%	Market value of Assets 2.30%	Market value of Assets 2.30%
Varies by entry age and duration of service 7.15%	Varies by entry age and duration of service 7.15%	Varies by entry age and duration of service 7.15%	Varies by entry age and duration of service 6.90%	Varies by entry age and duration of service 6.80%	Varies by entry age and duration of service 6.80%
CalPERS Experience Study Based on mortality rates from the most recent CalPERS Experience Study adopted by the CalPERS Board. For purposes of the post retirement mortality rates, those revised rates include 15 years of projected on-going mortality improvements using 90 percent of Scale MP 2016 published by the Society of Actuaries.	CalPERS Experience Study Based on mortality rates from the most recent CalPERS Experience Study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include 15 years of projected on-going mortality improvements using 90 percent of Scale MP 2016 published by the Society of Actuaries.	CalPERS Experience Study Based on mortality rates from the most recent CalPERS Experience Study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include fully generational mortality improvement using 80 percent of Scale MP 2020 published by the Society of Actuaries.	CalPERS Experience Study Based on mortality rates from the most recent CalPERS Experience Study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include fully generational mortality improvement using 80 percent of Scale MP 2020 published by the Society of Actuaries.	CalPERS Experience Study Based on mortality rates from the most recent CalPERS Experience Study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include fully generational mortality improvement using 80 percent of Scale MP 2020 published by the Society of Actuaries.	CalPERS Experience Study Based on mortality rates from the most recent CalPERS Experience Study adopted by the CalPERS Board. For purposes of the post-retirement mortality rates, those revised rates include fully generational mortality improvement using 80 percent of Scale MP 2020 published by the Society of Actuaries.

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Required Supplementary Information  
Schedule of District Proportionate Share of the Net Pension Liability and Related Ratios and District  
Contributions  
Cost-Sharing Multiple Employer Defined Benefit Pension Plan  
California State Teachers' Retirement System (CalSTRS)  
For the Year Ended June 30, 2025  
(Dollar amounts in thousands)  
(Unaudited)**

1. Schedule of District Proportionate Share of the Net Pension Liability and Related Ratios

	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>
District's proportion of the net pension liability	5.9320%	5.5890%	5.3050%	5.1840%
District's proportionate share of the net pension liability	\$ 3,993,660	\$ 4,520,439	\$ 4,906,064	\$ 4,764,511
District's covered-employee payroll	\$ 2,771,643	\$ 2,834,892	\$ 2,865,305	\$ 2,833,461
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	144.09%	159.46%	171.22%	168.15%
Plan fiduciary net position as a percentage of the total pension liability	74.02%	70.04%	69.46%	70.99%

2. Schedule of District Contributions

	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>
Contractually required				
District contributions	\$ 302,716	\$ 358,073	\$ 407,198	\$ 483,163
Contributions in relation to the contractually required contribution	302,716	358,073	407,198	483,163
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 2,834,892	\$ 2,865,305	\$ 2,833,461	\$ 3,052,549
Contributions as a percentage of covered-employee payroll	10.68%	12.50%	14.37%	15.83%

**Notes to Schedule:**

The actuarial methods and assumptions used to set the actuarially determined contributions are as follows:

	6/30/2014	6/30/2015	6/30/2016	6/30/2017
Valuation date	6/30/2014	6/30/2015	6/30/2016	6/30/2017
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Amortization method	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll
Remaining amortization period	32 years	31 years	30 years	29 years
Asset valuation method	Expected Value with 33% adjustment to Market Value	Expected Value with 33% adjustment to Market Value	Expected Value with 33% adjustment to Market Value	Expected Value with 33% adjustment to Market Value
Inflation	3.00%	3.00%	2.75%	2.75%
Salary increases	3.75%	3.75%	3.50%	3.50%
Investment rate of return	7.50%	7.50%	7.25%	7.10%
Retirement age	Experience Tables	Experience Tables	Experience Tables	Experience Tables
Mortality	RP-2000 Series Table	RP-2000 Series Table	110 percent of the ultimate improvement factor from the Mortality Improvement Scale (MP-2016) table	110 percent of the ultimate improvement factor from the Mortality Improvement Scale (MP-2016) table

2019-2020		2020-2021		2021-2022		2022-2023		2023-2024		2024-2025	
	5.3820%		5.4030%		5.5680%		5.4970%		5.1330%		5.9290%
\$	4,980,791	\$	5,396,309	\$	2,651,352	\$	3,921,933	\$	4,010,722	\$	4,082,550
\$	3,052,549	\$	2,825,924	\$	3,093,726	\$	3,385,125	\$	3,342,646	\$	4,062,578
	163.17%		190.96%		85.70%		115.86%		119.99%		100.49%
	72.56%		71.82%		87.21%		81.20%		80.62%		83.55%

2019-2020		2020-2021		2021-2022		2022-2023		2023-2024		2024-2025	
\$	508,985	\$	497,701	\$	563,921	\$	663,868	\$	740,659	\$	785,093
	508,985		497,701		563,921		663,868		740,659		785,093
\$	-	\$	-	\$	-	\$	-	\$	-	\$	-
\$	2,825,924	\$	3,093,726	\$	3,385,125	\$	3,342,646	\$	4,062,578	\$	3,733,871
	18.01%		16.09%		16.66%		19.86%		18.23%		21.03%

6/30/2018	6/30/2019	6/30/2020	6/30/2021	6/30/2022	6/30/2023
Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal	Entry Age Normal
Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll	Level Percent of Payroll
28 years	27 years	26 years	25 years	24 years	23 years
Expected Value with 33% adjustment to Market Value	Expected Value with 33% adjustment to Market Value	Expected Value with 33% adjustment to Market Value	Expected Value with 33% adjustment to Market Value	Expected Value with 33% adjustment to Market Value	Expected Value with 33% adjustment to Market Value
2.75%	2.75%	2.75%	2.75%	2.75%	2.75%
3.50%	3.50%	3.50%	3.50%	3.50%	3.50%
7.10%	7.10%	7.10%	7.00%	7.00%	7.00%
Experience Tables	Experience Tables	Experience Tables	Experience Tables	Experience Tables	Experience Tables
110 percent of the ultimate improvement factor from the Mortality Improvement Scale (MP-2016) table	110 percent of the ultimate improvement factor from the Mortality Improvement Scale (MP-2016) table	110 percent of the ultimate improvement factor from the Mortality Improvement Scale (MP-2019) table	110 percent of the ultimate improvement factor from the Mortality Improvement Scale (MP-2019) table	110 percent of the ultimate improvement factor from the Mortality Improvement Scale (MP-2019) table	Base year of 2023, and projected improvement based on the MP-2021 Ultimate Projection Scale

See accompanying independent auditor's report.

# Supplementary Information



**Los Angeles Unified School District**  
**District Bonds Fund**  
**Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual**  
**For the Year Ended June 30, 2025**  
**(in thousands)**

	Budget		Actual	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues:				
Other local revenues	\$ 42,218	\$ 42,218	\$ 75,425	\$ 33,207
Total Revenues	42,218	42,218	75,425	33,207
Expenditures:				
Current:				
Classified salaries	161,512	142,302	52,554	89,748
Employee benefits	82,224	71,054	29,133	41,921
Books and supplies	-	89,695	5,966	83,729
Services and other operating expenditures	939	115,024	23,538	91,486
Capital outlay	1,081,919	2,472,340	1,166,119	1,306,221
Debt service				
Debt service – principal	-	90	64	26
Debt service – bond, COPs, and capital leases interest	-	8	8	-
Total Expenditures	1,326,594	2,890,513	1,277,382	1,613,131
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,284,376)	(2,848,295)	(1,201,957)	1,646,338
Other Financing Sources (Uses):				
Transfers in	-	129,897	129,864	(33)
Transfers out	-	(255,493)	(255,469)	24
Capital leases	-	-	497	497
Proceeds from sale of bonds	1,000,000	1,800,000	1,800,000	-
Total Other Financing Sources (Uses)	1,000,000	1,674,404	1,674,892	488
Net Changes in Fund Balances	(284,376)	(1,173,891)	472,935	1,646,826
Fund Balances, July 1, 2024	1,285,059	1,193,227	1,193,227	-
Fund Balances, June 30, 2025	\$ 1,000,683	\$ 19,336	\$ 1,666,162	\$ 1,646,826

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Bond Interest and Redemption Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual  
For the Year Ended June 30, 2025  
(in thousands)**

	Budget		Actual	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues:				
Federal revenues	\$ 69,549	\$ 69,549	\$ 25,963	\$ (43,586)
Other state revenues	-	-	3,163	3,163
Other local revenues	1,113,665	1,113,665	1,301,269	187,604
Total Revenues	1,183,214	1,183,214	1,330,395	147,181
Expenditures:				
Debt service				
Debt service – principal	473,800	718,320	718,320	-
Debt service – bond issuance cost	-	840	840	-
Debt service – bond, COPs, and capital leases interest	724,845	479,485	424,444	55,041
Total Expenditures	1,198,645	1,198,645	1,143,604	55,041
Excess (Deficiency) of Revenues Over (Under) Expenditures	(15,431)	(15,431)	186,791	202,222
Other Financing Sources (Uses):				
Premium on bonds issued	-	-	136,306	136,306
Premium on refunding bonds issued	-	-	22,274	22,274
Payment to refunded bond escrow agent	-	(269,779)	(269,779)	-
Proceed from refunding bonds	-	269,779	248,345	(21,434)
Total Other Financing Sources (Uses)	-	-	137,146	137,146
Net Changes in Fund Balances	(15,431)	(15,431)	323,937	339,368
Fund Balances, July 1, 2024	1,241,645	1,422,815	1,422,815	-
Fund Balances, June 30, 2025	\$ 1,226,214	\$ 1,407,384	\$ 1,746,752	\$ 339,368

See accompanying independent auditor's report.

## Nonmajor Governmental Funds

### Special Revenue Funds

The Student Activity Special Revenue Fund is used to account for the transactions of student organizations that are established to raise and spend money on behalf of the students.

The Adult Education Fund is used to account for resources committed to the operation of Community Adult Schools including educational programs funded by other government agencies. This Fund was established as authorized by State Education Code Section 42238. Revenues are primarily derived from State apportionments, federal subventions, investment income, and adult education fees.

The Child Development Fund is used to account for resources committed to the operation of the District's child development programs. Revenues are primarily derived from federal and state grants and apportionments, early education center fees, and investment income.

The Cafeteria Fund is used to account for resources designated for the operation of the District's food services programs. Revenues are primarily derived from federal and state subsidies, food sales, and investment income. Since the primary source of revenues is from federal and state subsidies rather than food sales, this fund is classified as a Special Revenue Fund rather than as an Enterprise Fund.

### Debt Service Funds

The Tax Override Fund is used to account for the accumulation of resources from ad valorem tax levies for the repayment of State School Building Aid Fund apportionments. The loan was paid in full in May 2010.

The Capital Services Fund is used to account for the accumulation of resources for the repayment of principal and interest on Certificates of Participation and long-term capital lease agreements. Revenues are derived primarily from operating transfers from user funds and investment income.

### Capital Projects Funds

The Building Fund is used to account for revenue from rentals and leases of real property and other resources designated for facility expansion.

The Capital Facilities Account Fund was established on January 1, 1987 in accordance with Section 53080 of the California Government Code and is used to account for resources received from fees levied upon new residential, commercial, or industrial development projects within the District's boundaries in order to obtain funds for the construction or acquisition of school facilities to relieve overcrowding.

The County School Facilities Bonds Fund is used to account for State grant apportionments received from the School Facility Program (SFP) which was established by the Leroy F. Greene School Facilities Act of 1998 (Senate Bill 50). The SFP was funded by the Class Size Reduction Kindergarten-University Public Education Facilities Bond Act of 1998 (Proposition 1A), and subsequently funded by the Kindergarten-University Public Education Facilities Bond Act of 2002 (Proposition 47), the Kindergarten-University Public Education Facilities Bond Act of 2004 (Proposition 55), the Kindergarten-University Public Education Facilities Bond Act of 2006 (Proposition 1D), and the Kindergarten through Community College Public Education Facilities Bond Act of 2016 (Proposition 51).

The Special Reserve Fund – Community Redevelopment Agency is used to account for reimbursements of tax increment revenues from certain community redevelopment agencies based on agreements between the District and the agencies. These reimbursements are to be used for capital projects within the respective redevelopment areas covered in the agreements.

(Continued)

The Special Reserve Fund is used to account for District resources designated for capital outlay purposes such as land purchases, ground improvements, facilities construction and improvements, new acquisitions, and related expenditures.

The Special Reserve Fund – FEMA-Earthquake is used to account for funds received from the Federal Emergency Management Agency (FEMA) for capital outlay projects resulting from the January 17, 1994, Northridge Earthquake.

The Special Reserve Fund – FEMA-Hazard Mitigation was established on April 15, 1996 to account for funds received from FEMA and for the 25% District-matching funds for the retrofit/replacement of pendant lighting and suspended ceilings in selected buildings at schools, offices, and children’s centers.

**Los Angeles Unified School District  
Nonmajor Governmental Funds  
Combining Balance Sheet  
June 30, 2025  
(in thousands)**

	Special Revenue Fund				
	Student Activity	Adult Education	Child Development	Cafeteria	Total Special Revenue Fund
Assets:					
Cash	\$ 35,117	\$ 48,562	\$ 115,012	\$ 204,539	\$ 403,230
Investments	13,363	-	-	-	13,363
Accounts receivable – net	258	11,384	32,621	72,312	116,575
Accrued interest receivable	-	-	1,093	-	1,093
Prepays	-	22	1,757	-	1,779
Inventories	4,593	-	-	14,031	18,624
Other assets	35	-	-	-	35
Total Assets	<u>53,366</u>	<u>59,968</u>	<u>150,483</u>	<u>290,882</u>	<u>554,699</u>
Deferred Outflows of Resources	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	<u>\$ 53,366</u>	<u>\$ 59,968</u>	<u>\$ 150,483</u>	<u>\$ 290,882</u>	<u>\$ 554,699</u>
Liabilities and Fund Balances:					
Vouchers and accounts payable	\$ -	\$ 5,763	\$ 4,595	\$ 5,391	\$ 15,749
Contracts payable	-	81	104	-	185
Accrued payroll	-	5,275	10,189	9,002	24,466
Other payables	1,168	1,037	1,947	1,437	5,589
Unearned revenue	-	1	26,378	939	27,318
Total Liabilities	<u>1,168</u>	<u>12,157</u>	<u>43,213</u>	<u>16,769</u>	<u>73,307</u>
Deferred Inflows of Resources	-	-	-	-	-
Fund Balances:					
Nonspendable	4,593	37	1,757	14,031	20,418
Restricted	47,605	36,565	100,444	260,082	444,696
Assigned	-	11,209	5,069	-	16,278
Total Fund Balances	<u>52,198</u>	<u>47,811</u>	<u>107,270</u>	<u>274,113</u>	<u>481,392</u>
Total Liabilities, Deferred Inflows of Resources and Fund balances	<u>\$ 53,366</u>	<u>\$ 59,968</u>	<u>\$ 150,483</u>	<u>\$ 290,882</u>	<u>\$ 554,699</u>

See accompanying independent auditor's report.

**Los Angeles Unified School District  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2025  
 (in thousands)**

	Debt Service Fund		
	Tax Override	Capital Services	Total Debt Service Fund
Assets:			
Cash	\$ 453	\$ 95	\$ 548
Cash held by trustee	-	28	28
Accrued interest receivable	4	1	5
Total Assets	<u>457</u>	<u>124</u>	<u>581</u>
Deferred Outflows of Resources	-	-	-
Total Assets and Deferred Outflows of Resources	<u>\$ 457</u>	<u>\$ 124</u>	<u>\$ 581</u>
Liabilities and Fund Balances:			
Total Liabilities	-	-	-
Deferred Inflows of Resources	-	-	-
Fund Balances:			
Restricted	<u>457</u>	<u>124</u>	<u>581</u>
Total Fund Balances	<u>457</u>	<u>124</u>	<u>581</u>
Total Liabilities, Deferred Inflows of Resources and Fund balances	<u>\$ 457</u>	<u>\$ 124</u>	<u>\$ 581</u>

**Los Angeles Unified School District**  
**Nonmajor Governmental Funds**  
**Combining Balance Sheet**  
**June 30, 2025**  
**(in thousands)**

	<b>Capital Projects Fund</b>							
	<b>Building</b>	<b>Capital Facilities Account</b>	<b>County School Facilities Bonds</b>	<b>Special Reserve - Community Redevelopment Agency</b>	<b>Special Reserve</b>	<b>Special Reserve - FEMA - Earthquake</b>	<b>Special Reserve - FEMA - Hazard Mitigation</b>	<b>Total Capital Projects Fund</b>
<b>Assets:</b>								
Cash	\$ 4,423	\$ 89,524	\$ 32,259	\$ 208,046	\$ 41,891	\$ 2,759	\$ 235	\$ 379,137
Cash held by trustee	-	-	-	-	323,920	-	-	323,920
Lease receivable	26	-	-	-	2,065	-	-	2,091
Accounts receivable – net	-	8,942	-	-	175	-	-	9,117
Accrued interest receivable	45	719	350	1,879	308	25	2	3,328
Prepays	-	-	-	-	9,030	-	-	9,030
Total Assets	<u>4,494</u>	<u>99,185</u>	<u>32,609</u>	<u>209,925</u>	<u>377,389</u>	<u>2,784</u>	<u>237</u>	<u>726,623</u>
Deferred Outflows of Resources	-	-	-	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	<u>\$ 4,494</u>	<u>\$ 99,185</u>	<u>\$ 32,609</u>	<u>\$ 209,925</u>	<u>\$ 377,389</u>	<u>\$ 2,784</u>	<u>\$ 237</u>	<u>\$ 726,623</u>
<b>Liabilities and Fund Balances:</b>								
Vouchers and accounts payable	\$ 36	\$ 313	\$ 48	\$ -	\$ 35,972	\$ -	\$ -	\$ 36,369
Contracts payable	2	1,421	27	-	479	-	-	1,929
Accrued payroll	14	46	-	25	699	-	-	784
Other payables	19	176	480	4	1,160	-	-	1,839
Total Liabilities	<u>71</u>	<u>1,956</u>	<u>555</u>	<u>29</u>	<u>38,310</u>	<u>-</u>	<u>-</u>	<u>40,921</u>
Deferred Inflows of Resources:	26	-	-	-	2,065	-	-	2,091
<b>Fund Balances:</b>								
Nonspendable	-	-	-	-	9,030	-	-	9,030
Restricted	-	97,229	32,054	209,896	327,984	2,579	-	669,742
Assigned	4,397	-	-	-	-	205	237	4,839
Total Fund Balances	<u>4,397</u>	<u>97,229</u>	<u>32,054</u>	<u>209,896</u>	<u>337,014</u>	<u>2,784</u>	<u>237</u>	<u>683,611</u>
Total Liabilities, Deferred Inflows of Resources and Fund balances	<u>\$ 4,494</u>	<u>\$ 99,185</u>	<u>\$ 32,609</u>	<u>\$ 209,925</u>	<u>\$ 377,389</u>	<u>\$ 2,784</u>	<u>\$ 237</u>	<u>\$ 726,623</u>

See accompanying independent auditor's report.

(Continued)

**Los Angeles Unified School District  
 Nonmajor Governmental Funds  
 Combining Balance Sheet  
 June 30, 2025  
 (in thousands)**

	<b><u>Total Nonmajor Governmental Funds</u></b>
Assets:	
Cash	\$ 782,915
Cash held by trustee	323,948
Investments	13,363
Lease receivable	2,091
Accounts receivable – net	125,692
Accrued interest receivable	4,426
Prepays	10,809
Inventories	18,624
Other assets	35
Total Assets	<u>1,281,903</u>
Deferred Outflows of Resources	<u>-</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 1,281,903</u>
Liabilities and Fund Balances:	
Vouchers and accounts payable	\$ 52,118
Contracts payable	2,114
Accrued payroll	25,250
Other payables	7,428
Unearned revenue	27,318
Total Liabilities	<u>114,228</u>
Deferred Inflows of Resources:	<u>2,091</u>
Fund Balances:	
Nonspendable	29,448
Restricted	1,115,019
Assigned	21,117
Total Fund Balances	<u>1,165,584</u>
Total Liabilities, Deferred Inflows of Resources and Fund balances	<u>\$ 1,281,903</u>

**Los Angeles Unified School District  
Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended June 30, 2025  
(in thousands)**

	Special Revenue Fund				
	Student Activity	Adult Education	Child Development	Cafeteria	Total Special Revenue Fund
Revenues:					
Federal revenues	\$ -	\$ 14,408	\$ 12,613	\$ 404,324	\$ 431,345
Other state revenues	-	151,382	242,679	115,706	509,767
Other local revenues	40,099	3,983	7,014	8,924	60,020
Total Revenues	40,099	169,773	262,306	528,954	1,001,132
Expenditures:					
Current:					
Certificated salaries	-	72,866	62,264	-	135,130
Classified salaries	-	24,817	75,074	156,678	256,569
Employee benefits	-	47,289	82,817	140,895	271,001
Books and supplies	30,612	7,426	10,159	176,339	224,536
Services and other operating expenditures	7,928	16,822	8,342	1,992	35,084
Capital outlay	141	4,288	1,193	110	5,732
Debt service					
Debt service – principal	-	447	110	-	557
Debt service – bond, COPs, and capital leases interest	-	85	7	-	92
Other outgo	-	2,327	-	-	2,327
Transfers of indirect costs – interfund	-	7,078	14,136	18,064	39,278
Total Expenditures	38,681	183,445	254,102	494,078	970,306
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,418	(13,672)	8,204	34,876	30,826
Other Financing Sources (Uses):					
Transfers in	-	8	-	-	8
Proceeds from SBITAs	-	2,443	206	-	2,649
Total Other Financing Sources (Uses)	-	2,451	206	-	2,657
Net Changes in Fund Balances	1,418	(11,221)	8,410	34,876	33,483
Fund Balances, July 1, 2024	50,780	59,032	98,860	239,237	447,909
Fund Balances, June 30, 2025	\$ 52,198	\$ 47,811	\$ 107,270	\$ 274,113	\$ 481,392

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended June 30, 2025  
(in thousands)**

	Debt Service Fund		
	Tax Override	Capital Services	Total Debt Service Fund
Revenues:			
Other local revenues	\$ 23	\$ 192	\$ 215
Total Revenues	<u>23</u>	<u>192</u>	<u>215</u>
Expenditures:			
Debt service			
Debt service – principal	-	28,550	28,550
Debt service – bond, COPs, and capital leases interest	-	21,633	21,633
Total Expenditures	<u>-</u>	<u>50,183</u>	<u>50,183</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>23</u>	<u>(49,991)</u>	<u>(49,968)</u>
Other Financing Sources (Uses):			
Transfers in	-	50,047	50,047
Total Other Financing Sources (Uses)	<u>-</u>	<u>50,047</u>	<u>50,047</u>
Net Changes in Fund Balances	23	56	79
Fund Balances, July 1, 2024	<u>434</u>	<u>68</u>	<u>502</u>
Fund Balances, June 30, 2025	<u>\$ 457</u>	<u>\$ 124</u>	<u>\$ 581</u>

**Los Angeles Unified School District  
Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended June 30, 2025  
(in thousands)**

	Capital Projects Fund							Total Capital Projects Fund
	Building	Capital Facilities Account	County School Facilities Bonds	Special Reserve - Community Redevelopment Agency	Special Reserve	Special Reserve - FEMA - Earthquake	Special Reserve - FEMA - Hazard Mitigation	
Revenues:								
Federal revenues	\$ -	\$ -	\$ -	\$ -	\$ 366	\$ -	\$ -	\$ 366
Other state revenues	-	-	118,823	-	20	-	-	118,843
Other local revenues	1,263	81,684	1,752	72,004	34,432	115	30	191,280
Total Revenues	1,263	81,684	120,575	72,004	34,818	115	30	310,489
Expenditures:								
Current:								
Classified salaries	1,307	591	-	283	433	-	-	2,614
Employee benefits	777	334	-	148	222	-	-	1,481
Books and supplies	112	10	-	-	58	-	-	180
Services and other operating expenditures	1,770	1,037	(8)	15	3,512	-	-	6,326
Capital outlay	82	22,874	13,933	-	177,418	-	314	214,621
Debt service								
Debt service – principal	-	-	-	-	2,126	-	-	2,126
Debt service – bond, COPs, and capital leases interest	-	-	-	-	411	-	-	411
Total Expenditures	4,048	24,846	13,925	446	184,180	-	314	227,759
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,785)	56,838	106,650	71,558	(149,362)	115	(284)	82,730
Other Financing Sources (Uses):								
Transfers in	130	-	1	-	240,976	-	-	241,107
Transfers out	-	-	(112,600)	(30,000)	(2,872)	-	-	(145,472)
Payment to refunded COPs escrow agent	-	-	-	-	(238,932)	-	-	(238,932)
Capital leases	-	-	-	-	20,960	-	-	20,960
Proceeds from SBITAs	-	-	-	-	5,571	-	-	5,571
Total Other Financing Sources (Uses)	130	-	(112,599)	(30,000)	25,703	-	-	(116,766)
Net Changes in Fund Balances	(2,655)	56,838	(5,949)	41,558	(123,659)	115	(284)	(34,036)
Fund Balances, July 1, 2024	7,052	40,391	38,003	168,338	460,673	2,669	521	717,647
Fund Balances, June 30, 2025	\$ 4,397	\$ 97,229	\$ 32,054	\$ 209,896	\$ 337,014	\$ 2,784	\$ 237	\$ 683,611

See accompanying independent auditor's report.

(Continued)

**Los Angeles Unified School District  
Nonmajor Governmental Funds  
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances  
For the Year Ended June 30, 2025  
(in thousands)**

	<b>Total Nonmajor Governmental Funds</b>
Revenues:	
Federal revenues	\$ 431,711
Other state revenues	628,610
Other local revenues	251,515
Total Revenues	<u>1,311,836</u>
Expenditures:	
Current:	
Certificated salaries	135,130
Classified salaries	259,183
Employee benefits	272,482
Books and supplies	224,716
Services and other operating expenditures	41,410
Capital outlay	220,353
Debt service	
Debt service – principal	31,233
Debt service – bond, COPs, and capital leases interest	22,136
Other outgo	2,327
Transfers of indirect costs – interfund	39,278
Total Expenditures	<u>1,248,248</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>63,588</u>
Other Financing Sources (Uses):	
Transfers in	291,162
Transfers out	(145,472)
Payment to refunded COPs escrow agent	(238,932)
Capital leases	20,960
Proceeds from SBITAs	8,220
Total Other Financing Sources (Uses)	<u>(64,062)</u>
Net Changes in Fund Balances	<u>(474)</u>
Fund Balances, July 1, 2024	<u>1,166,058</u>
Fund Balances, June 30, 2025	<u>\$ 1,165,584</u>

**Los Angeles Unified School District**  
**Special Revenue Fund - Student Activity Special Revenue**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**For the Year Ended June 30, 2025**  
**(in thousands)**

	Budget		Actual	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues:				
Other local revenues	\$ 30,235	\$ 38,679	\$ 40,099	\$ 1,420
Total Revenues	<u>30,235</u>	<u>38,679</u>	<u>40,099</u>	<u>1,420</u>
Expenditures:				
Current:				
Books and supplies	24,493	79,550	30,612	48,938
Services and other operating expenditures	4,652	8,629	7,928	701
Capital outlay	194	147	141	6
Total Expenditures	<u>29,339</u>	<u>88,326</u>	<u>38,681</u>	<u>49,645</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>896</u>	<u>(49,647)</u>	<u>1,418</u>	<u>51,065</u>
Other Financing Sources (Uses):				
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>896</u>	<u>(49,647)</u>	<u>1,418</u>	<u>51,065</u>
Fund Balances, July 1, 2024	<u>52,471</u>	<u>50,780</u>	<u>50,780</u>	<u>-</u>
Fund Balances, June 30, 2025	<u>\$ 53,367</u>	<u>\$ 1,133</u>	<u>\$ 52,198</u>	<u>\$ 51,065</u>

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Special Revenue Fund - Adult Education  
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual  
For the Year Ended June 30, 2025  
(in thousands)**

	Budget			Variance with Final Budget – Positive (Negative)
	Original	Final	Actual	
Revenues:				
Federal revenues	\$ 19,015	\$ 14,317	\$ 14,408	\$ 91
Other state revenues	143,315	149,189	151,382	2,193
Other local revenues	3,117	3,311	3,983	672
Total Revenues	165,447	166,817	169,773	2,956
Expenditures:				
Current:				
Certificated salaries	77,967	76,946	72,866	4,080
Classified salaries	23,626	25,598	24,817	781
Employee benefits	47,300	47,320	47,289	31
Books and supplies	11,258	35,825	7,426	28,399
Services and other operating expenditures	2,931	23,896	16,822	7,074
Capital outlay	-	4,828	4,288	540
Debt service				
Debt service – principal	-	535	447	88
Debt service – bond, COPs, and capital leases interest	-	85	85	-
Other outgo	-	2,330	2,327	3
Transfers of indirect costs – interfund	9,105	8,486	7,078	1,408
Total Expenditures	172,187	225,849	183,445	42,404
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,740)	(59,032)	(13,672)	45,360
Other Financing Sources (Uses):				
Transfers in	-	-	8	8
Proceeds from SBITAs	-	-	2,443	2,443
Total Other Financing Sources (Uses)	-	-	2,451	2,451
Net Changes in Fund Balances	(6,740)	(59,032)	(11,221)	47,811
Fund Balances, July 1, 2024	47,179	59,032	59,032	-
Fund Balances, June 30, 2025	\$ 40,439	\$ -	\$ 47,811	\$ 47,811

**Los Angeles Unified School District  
Special Revenue Fund - Child Development  
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual  
For the Year Ended June 30, 2025  
(in thousands)**

	Budget		Actual	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues:				
Federal revenues	\$ 17,105	\$ 12,610	\$ 12,613	\$ 3
Other state revenues	216,223	229,891	242,679	12,788
Other local revenues	160	181	7,014	6,833
Total Revenues	<u>233,488</u>	<u>242,682</u>	<u>262,306</u>	<u>19,624</u>
Expenditures:				
Current:				
Certificated salaries	62,270	68,716	62,264	6,452
Classified salaries	75,714	78,800	75,074	3,726
Employee benefits	79,963	82,975	82,817	158
Books and supplies	44,830	40,277	10,159	30,118
Services and other operating expenditures	4,748	8,414	8,342	72
Capital outlay	-	1,300	1,193	107
Debt service				
Debt service – principal	-	200	110	90
Debt service – bond, COPs, and capital leases interest	-	7	7	-
Transfers of indirect costs – interfund	15,870	16,584	14,136	2,448
Total Expenditures	<u>283,395</u>	<u>297,273</u>	<u>254,102</u>	<u>43,171</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(49,907)</u>	<u>(54,591)</u>	<u>8,204</u>	<u>62,795</u>
Other Financing Sources (Uses):				
Transfers in	-	14	-	(14)
Proceeds from SBITAs	-	-	206	206
Total Other Financing Sources (Uses)	<u>-</u>	<u>14</u>	<u>206</u>	<u>192</u>
Net Changes in Fund Balances	<u>(49,907)</u>	<u>(54,577)</u>	<u>8,410</u>	<u>62,987</u>
Fund Balances, July 1, 2024	93,030	98,860	98,860	-
Fund Balances, June 30, 2025	<u>\$ 43,123</u>	<u>\$ 44,283</u>	<u>\$ 107,270</u>	<u>\$ 62,987</u>

See accompanying independent auditor's report.

(Continued)

**Los Angeles Unified School District  
Special Revenue Fund - Cafeteria  
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual  
For the Year Ended June 30, 2025  
(in thousands)**

	Budget		Actual	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues:				
Federal revenues	\$ 363,353	\$ 402,674	\$ 404,324	\$ 1,650
Other state revenues	111,333	114,535	115,706	1,171
Other local revenues	4,745	8,532	8,924	392
Total Revenues	<u>479,431</u>	<u>525,741</u>	<u>528,954</u>	<u>3,213</u>
Expenditures:				
Current:				
Classified salaries	154,926	156,773	156,678	95
Employee benefits	136,542	141,097	140,895	202
Books and supplies	188,007	189,306	176,339	12,967
Services and other operating expenditures	4,771	3,602	1,992	1,610
Capital outlay	-	220	110	110
Transfers of indirect costs – interfund	18,382	18,078	18,064	14
Total Expenditures	<u>502,628</u>	<u>509,076</u>	<u>494,078</u>	<u>14,998</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(23,197)</u>	<u>16,665</u>	<u>34,876</u>	<u>18,211</u>
Other Financing Sources (Uses):				
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>(23,197)</u>	<u>16,665</u>	<u>34,876</u>	<u>18,211</u>
Fund Balances, July 1, 2024	<u>218,220</u>	<u>239,237</u>	<u>239,237</u>	<u>-</u>
Fund Balances, June 30, 2025	<u>\$ 195,023</u>	<u>\$ 255,902</u>	<u>\$ 274,113</u>	<u>\$ 18,211</u>

**Los Angeles Unified School District  
Special Revenue Funds - Total  
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual  
For the Year Ended June 30, 2025  
(in thousands)**

	Budget		Actual	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues:				
Federal revenues	\$ 399,473	\$ 429,601	\$ 431,345	\$ 1,744
Other state revenues	470,871	493,615	509,767	16,152
Other local revenues	38,257	50,703	60,020	9,317
Total Revenues	<u>908,601</u>	<u>973,919</u>	<u>1,001,132</u>	<u>27,213</u>
Expenditures:				
Current:				
Certificated salaries	140,237	145,662	135,130	10,532
Classified salaries	254,266	261,171	256,569	4,602
Employee benefits	263,805	271,392	271,001	391
Books and supplies	268,588	344,958	224,536	120,422
Services and other operating expenditures	17,102	44,541	35,084	9,457
Capital outlay	194	6,495	5,732	763
Debt service				
Debt service – principal	-	735	557	178
Debt service – bond, COPs, and capital leases interest	-	92	92	-
Other outgo	-	2,330	2,327	3
Transfers of indirect costs – interfund	43,357	43,148	39,278	3,870
Total Expenditures	<u>987,549</u>	<u>1,120,524</u>	<u>970,306</u>	<u>150,218</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(78,948)</u>	<u>(146,605)</u>	<u>30,826</u>	<u>177,431</u>
Other Financing Sources (Uses):				
Transfers in	-	14	8	(6)
Proceeds from SBITAs	-	-	2,649	2,649
Total Other Financing Sources (Uses)	<u>-</u>	<u>14</u>	<u>2,657</u>	<u>2,643</u>
Net Changes in Fund Balances	<u>(78,948)</u>	<u>(146,591)</u>	<u>33,483</u>	<u>180,074</u>
Fund Balances, July 1, 2024	<u>410,900</u>	<u>447,909</u>	<u>447,909</u>	<u>-</u>
Fund Balances, June 30, 2025	<u>\$ 331,952</u>	<u>\$ 301,318</u>	<u>\$ 481,392</u>	<u>\$ 180,074</u>

See accompanying independent auditor's report.

(Continued)

**Los Angeles Unified School District  
 Debt Service Funds - Tax Override  
 Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual  
 For the Year Ended June 30, 2025  
 (in thousands)**

	<u>Budget</u>			<b>Variance with Final Budget – Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues:				
Other local revenues	\$ -	\$ -	\$ 23	\$ 23
Total Revenues	<u>-</u>	<u>-</u>	<u>23</u>	<u>23</u>
Expenditures:				
Total Expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>-</u>	<u>23</u>	<u>23</u>
Other Financing Sources (Uses):				
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>-</u>	<u>-</u>	<u>23</u>	<u>23</u>
Fund Balances, July 1, 2024	<u>429</u>	<u>434</u>	<u>434</u>	<u>-</u>
Fund Balances, June 30, 2025	<u>\$ 429</u>	<u>\$ 434</u>	<u>\$ 457</u>	<u>\$ 23</u>

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Debt Service Funds - Capital Services  
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual  
For the Year Ended June 30, 2025  
(in thousands)**

	Budget		Actual	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues:				
Other local revenues	\$ 1	\$ 1	\$ 192	\$ 191
Total Revenues	1	1	192	191
Expenditures:				
Debt service				
Debt service – principal	28,563	28,550	28,550	-
Debt service – bond, COPs, and capital leases interest	21,631	21,633	21,633	-
Total Expenditures	50,194	50,183	50,183	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(50,193)	(50,182)	(49,991)	191
Other Financing Sources (Uses):				
Transfers in	50,171	50,114	50,047	(67)
Total Other Financing Sources (Uses)	50,171	50,114	50,047	(67)
Net Changes in Fund Balances	(22)	(68)	56	124
Fund Balances, July 1, 2024	23	68	68	-
Fund Balances, June 30, 2025	\$ 1	\$ -	\$ 124	\$ 124

See accompanying independent auditor's report.

(Continued)

**Los Angeles Unified School District  
Debt Service Funds - Total  
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual  
For the Year Ended June 30, 2025  
(in thousands)**

	Budget		Actual	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues:				
Other local revenues	\$ 1	\$ 1	\$ 215	\$ 214
Total Revenues	1	1	215	214
Expenditures:				
Debt service				
Debt service – principal	28,563	28,550	28,550	-
Debt service – bond, COPs, and capital leases interest	21,631	21,633	21,633	-
Total Expenditures	50,194	50,183	50,183	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(50,193)	(50,182)	(49,968)	214
Other Financing Sources (Uses):				
Transfers in	50,171	50,114	50,047	(67)
Total Other Financing Sources (Uses)	50,171	50,114	50,047	(67)
Net Changes in Fund Balances	(22)	(68)	79	147
Fund Balances, July 1, 2024	452	502	502	-
Fund Balances, June 30, 2025	\$ 430	\$ 434	\$ 581	\$ 147

**Los Angeles Unified School District  
Capital Projects Funds - Building  
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual  
For the Year Ended June 30, 2025  
(in thousands)**

	Budget		Actual	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues:				
Other local revenues	\$ 1,353	\$ 1,353	\$ 1,263	\$ (90)
Total Revenues	1,353	1,353	1,263	(90)
Expenditures:				
Current:				
Classified salaries	822	1,791	1,307	484
Employee benefits	486	801	777	24
Books and supplies	-	200	112	88
Services and other operating expenditures	-	2,000	1,770	230
Capital outlay	7,434	3,743	82	3,661
Total Expenditures	8,742	8,535	4,048	4,487
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,389)	(7,182)	(2,785)	4,397
Other Financing Sources (Uses):				
Transfers in	-	130	130	-
Total Other Financing Sources (Uses)	-	130	130	-
Net Changes in Fund Balances	(7,389)	(7,052)	(2,655)	4,397
Fund Balances, July 1, 2024	7,389	7,052	7,052	-
Fund Balances, June 30, 2025	\$ -	\$ -	\$ 4,397	\$ 4,397

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Capital Projects Funds - Capital Facilities Account  
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual  
For the Year Ended June 30, 2025  
(in thousands)**

	Budget		Actual	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues:				
Other local revenues	\$ 87,353	\$ 87,353	\$ 81,684	\$ (5,669)
Total Revenues	<u>87,353</u>	<u>87,353</u>	<u>81,684</u>	<u>(5,669)</u>
Expenditures:				
Current:				
Classified salaries	780	781	591	190
Employee benefits	345	345	334	11
Books and supplies	78	92	10	82
Services and other operating expenditures	31,493	31,478	1,037	30,441
Capital outlay	81,905	95,048	22,874	72,174
Total Expenditures	<u>114,601</u>	<u>127,744</u>	<u>24,846</u>	<u>102,898</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(27,248)</u>	<u>(40,391)</u>	<u>56,838</u>	<u>97,229</u>
Other Financing Sources (Uses):				
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Changes in Fund Balances	<u>(27,248)</u>	<u>(40,391)</u>	<u>56,838</u>	<u>97,229</u>
Fund Balances, July 1, 2024	<u>27,248</u>	<u>40,391</u>	<u>40,391</u>	<u>-</u>
Fund Balances, June 30, 2025	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 97,229</u>	<u>\$ 97,229</u>

**Los Angeles Unified School District**  
**Capital Projects Funds - County School Facilities Bonds**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**For the Year Ended June 30, 2025**  
**(in thousands)**

	Budget		Actual	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues:				
Other state revenues	\$ 91,289	\$ 178,091	\$ 118,823	\$ (59,268)
Other local revenues	6,911	7,082	1,752	(5,330)
Total Revenues	98,200	185,173	120,575	(64,598)
Expenditures:				
Current:				
Classified salaries	-	1	-	1
Services and other operating expenditures	-	31	(8)	39
Capital outlay	128,802	110,545	13,933	96,612
Total Expenditures	128,802	110,577	13,925	96,652
Excess (Deficiency) of Revenues Over (Under) Expenditures	(30,602)	74,596	106,650	32,054
Other Financing Sources (Uses):				
Transfers in	-	1	1	-
Transfers out	-	(112,600)	(112,600)	-
Total Other Financing Sources (Uses)	-	(112,599)	(112,599)	-
Net Changes in Fund Balances	(30,602)	(38,003)	(5,949)	32,054
Fund Balances, July 1, 2024	30,602	38,003	38,003	-
Fund Balances, June 30, 2025	\$ -	\$ -	\$ 32,054	\$ 32,054

See accompanying independent auditor's report.

(Continued)

**Los Angeles Unified School District  
Capital Projects Funds - Special Reserve – Community Redevelopment Agency  
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual  
For the Year Ended June 30, 2025  
(in thousands)**

	<u>Budget</u>		<u>Actual</u>	<b>Variance with Final Budget – Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Other local revenues	\$ 66,119	\$ 66,119	\$ 72,004	\$ 5,885
Total Revenues	<u>66,119</u>	<u>66,119</u>	<u>72,004</u>	<u>5,885</u>
Expenditures:				
Current:				
Classified salaries	300	437	283	154
Employee benefits	109	158	148	10
Books and supplies	186	-	-	-
Services and other operating expenditures	15,932	15,932	15	15,917
Capital outlay	184,573	187,930	-	187,930
Total Expenditures	<u>201,100</u>	<u>204,457</u>	<u>446</u>	<u>204,011</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(134,981)</u>	<u>(138,338)</u>	<u>71,558</u>	<u>209,896</u>
Other Financing Sources (Uses):				
Transfers out	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(30,000)</u>	<u>(30,000)</u>	<u>(30,000)</u>	<u>-</u>
Net Changes in Fund Balances	<u>(164,981)</u>	<u>(168,338)</u>	<u>41,558</u>	<u>209,896</u>
Fund Balances, July 1, 2024	<u>164,981</u>	<u>168,338</u>	<u>168,338</u>	<u>-</u>
Fund Balances, June 30, 2025	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 209,896</u>	<u>\$ 209,896</u>

**Los Angeles Unified School District**  
**Capital Projects Funds - Special Reserve**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**For the Year Ended June 30, 2025**  
**(in thousands)**

	Budget		Actual	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues:				
Federal revenues	\$ -	\$ 366	\$ 366	\$ -
Other state revenues	-	20	20	-
Other local revenues	23,754	26,855	34,432	7,577
Total Revenues	23,754	27,241	34,818	7,577
Expenditures:				
Current:				
Classified salaries	5,467	6,142	433	5,709
Employee benefits	2,815	3,175	222	2,953
Books and supplies	-	60	58	2
Services and other operating expenditures	11,718	53,961	3,512	50,449
Capital outlay	459,111	421,211	177,418	243,793
Debt service				
Debt service – principal	-	2,126	2,126	-
Debt service – bond, COPs, and capital leases interest	-	411	411	-
Total Expenditures	479,111	487,086	184,180	302,906
Excess (Deficiency) of Revenues Over (Under) Expenditures	(455,357)	(459,845)	(149,362)	310,483
Other Financing Sources (Uses):				
Transfers in	-	240,976	240,976	-
Transfers out	-	(2,872)	(2,872)	-
Payment to refunded COPs escrow agent	-	(238,932)	(238,932)	-
Capital leases	-	-	20,960	20,960
Proceeds from SBITAs	-	-	5,571	5,571
Total Other Financing Sources (Uses)	-	(828)	25,703	26,531
Net Changes in Fund Balances	(455,357)	(460,673)	(123,659)	337,014
Fund Balances, July 1, 2024	455,357	460,673	460,673	-
Fund Balances, June 30, 2025	\$ -	\$ -	\$ 337,014	\$ 337,014

See accompanying independent auditor's report.

(Continued)

**Los Angeles Unified School District  
 Capital Projects Funds - Special Reserve – FEMA – Earthquake  
 Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual  
 For the Year Ended June 30, 2025  
 (in thousands)**

	Budget		Actual	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues:				
Other local revenues	\$ -	\$ -	\$ 115	\$ 115
Total Revenues	-	-	115	115
Expenditures:				
Capital outlay	2,446	2,468	-	2,468
Total Expenditures	2,446	2,468	-	2,468
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,446)	(2,468)	115	2,583
Other Financing Sources (Uses):				
Total Other Financing Sources (Uses)	-	-	-	-
Net Changes in Fund Balances	(2,446)	(2,468)	115	2,583
Fund Balances, July 1, 2024	2,645	2,669	2,669	-
Fund Balances, June 30, 2025	\$ 199	\$ 201	\$ 2,784	\$ 2,583

**Los Angeles Unified School District**  
**Capital Projects Funds - Special Reserve – FEMA – Hazard Mitigation**  
**Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual**  
**For the Year Ended June 30, 2025**  
**(in thousands)**

	Budget		Actual	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues:				
Other local revenues	\$ -	\$ -	\$ 30	\$ 30
Total Revenues	-	-	30	30
Expenditures:				
Capital outlay	762	521	314	207
Total Expenditures	762	521	314	207
Excess (Deficiency) of Revenues Over (Under) Expenditures	(762)	(521)	(284)	237
Other Financing Sources (Uses):				
Total Other Financing Sources (Uses)	-	-	-	-
Net Changes in Fund Balances	(762)	(521)	(284)	237
Fund Balances, July 1, 2024	762	521	521	-
Fund Balances, June 30, 2025	\$ -	\$ -	\$ 237	\$ 237

See accompanying independent auditor's report.

(Continued)

**Los Angeles Unified School District  
Capital Projects Funds - Total  
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual  
For the Year Ended June 30, 2025  
(in thousands)**

	Budget		Actual	Variance with Final Budget – Positive (Negative)
	Original	Final		
Revenues:				
Federal revenues	\$ -	\$ 366	\$ 366	\$ -
Other state revenues	91,289	178,111	118,843	(59,268)
Other local revenues	185,490	188,762	191,280	2,518
Total Revenues	<u>276,779</u>	<u>367,239</u>	<u>310,489</u>	<u>(56,750)</u>
Expenditures:				
Current:				
Classified salaries	7,369	9,152	2,614	6,538
Employee benefits	3,755	4,479	1,481	2,998
Books and supplies	264	352	180	172
Services and other operating expenditures	59,143	103,402	6,326	97,076
Capital outlay	865,033	821,466	214,621	606,845
Debt service				
Debt service – principal	-	2,126	2,126	-
Debt service – bond, COPs, and capital leases interest	-	411	411	-
Total Expenditures	<u>935,564</u>	<u>941,388</u>	<u>227,759</u>	<u>713,629</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(658,785)</u>	<u>(574,149)</u>	<u>82,730</u>	<u>656,879</u>
Other Financing Sources (Uses):				
Transfers in	-	241,107	241,107	-
Transfers out	(30,000)	(145,472)	(145,472)	-
Payment to refunded COPs escrow agent	-	(238,932)	(238,932)	-
Capital leases	-	-	20,960	20,960
Proceeds from SBITAs	-	-	5,571	5,571
Total Other Financing Sources (Uses)	<u>(30,000)</u>	<u>(143,297)</u>	<u>(116,766)</u>	<u>26,531</u>
Net Changes in Fund Balances	<u>(688,785)</u>	<u>(717,446)</u>	<u>(34,036)</u>	<u>683,410</u>
Fund Balances, July 1, 2024	<u>688,984</u>	<u>717,647</u>	<u>717,647</u>	-
Fund Balances, June 30, 2025	<u>\$ 199</u>	<u>\$ 201</u>	<u>\$ 683,611</u>	<u>\$ 683,410</u>

## Internal Service Funds

The Health and Welfare Benefits Fund was established pursuant to Education Code 17566 to pay for claims, administrative costs, insurance premiums, and related expenditures for the District's Health and Welfare Benefits program. Medical and dental claims for the self-insured portion of the Fund are administered by outside claims administrators. Premium payments to health maintenance organizations for medical benefits and to outside carriers for vision services, dental services, and optional life insurance are also paid out of this Fund.

The Workers' Compensation Self-Insurance Fund was established pursuant to Education Code 17566 to pay for claims, excess insurance coverage, administrative costs, and related expenditures. Workers' compensation claims are administered for the District by an outside claims administrator.

The Liability Self-Insurance Fund was established pursuant to Education Code 17566 to pay claims, excess insurance coverage, administrative costs and related expenditures, and to provide funds for insurance deductible amounts. Property and liability claims are administered for the District by an outside claims administrator.

The Los Angeles Unified Captive Insurance Fund was established by the District to account for Los Angeles Unified School District Captive Insurance Company, LLC a captive insurance company. The Captive was established to manage the District's property and liability programs.

(Continued)

**Los Angeles Unified School District  
Internal Service Funds  
Combining Statement of Net Position  
June 30, 2025  
(in thousands)**

	Health and Welfare Benefits	Workers' Compensation Self-Insurance	Liability Self- Insurance	Los Angeles Unified Captive Insurance	Total
Assets:					
Current:					
Cash	\$ 104,231	\$ 97,534	\$ 127,557	\$ 115,631	\$ 444,953
Investments	-	-	-	906,193	906,193
Accounts receivable – net	76,102	47,845	69,409	11,300	204,656
Accrued interest and dividends receivable	1,375	466	296	3,402	5,539
Prepays	-	-	-	31	31
Other assets	6,691	150,000	50,000	-	206,691
Total Current Assets	<u>188,399</u>	<u>295,845</u>	<u>247,262</u>	<u>1,036,557</u>	<u>1,768,063</u>
Total Assets	<u>188,399</u>	<u>295,845</u>	<u>247,262</u>	<u>1,036,557</u>	<u>1,768,063</u>
Deferred Outflows of Resources	<u>2,334</u>	<u>1,189</u>	<u>2,296</u>	<u>-</u>	<u>5,819</u>
Liabilities:					
Current:					
Vouchers and accounts payable	3,415	893	183	117,455	121,946
Accrued payroll	430	259	646	-	1,335
Other payables	14,273	4,906	23,542	-	42,721
Unearned Revenue	-	-	-	57,743	57,743
Estimated liability for self-insurance claims	32,178	-	363,368	373,187	768,733
Total Current Liabilities	<u>50,296</u>	<u>6,058</u>	<u>387,739</u>	<u>548,385</u>	<u>992,478</u>
Noncurrent:					
Estimated liability for self-insurance claims	-	-	543,730	235,524	779,254
Net other postemployment benefits liability	4,477	2,315	3,758	-	10,550
Net pension liability	5,101	2,645	5,155	-	12,901
Total Noncurrent Liabilities	<u>9,578</u>	<u>4,960</u>	<u>552,643</u>	<u>235,524</u>	<u>802,705</u>
Total Liabilities	<u>59,874</u>	<u>11,018</u>	<u>940,382</u>	<u>783,909</u>	<u>1,795,183</u>
Deferred Inflows of Resources	<u>2,224</u>	<u>1,143</u>	<u>1,918</u>	<u>-</u>	<u>5,285</u>
Net Position:					
Unrestricted	<u>128,635</u>	<u>284,873</u>	<u>(692,742)</u>	<u>252,648</u>	<u>(26,586)</u>
Total Net Position	<u>\$ 128,635</u>	<u>\$ 284,873</u>	<u>\$ (692,742)</u>	<u>\$ 252,648</u>	<u>\$ (26,586)</u>

**Los Angeles Unified School District  
Internal Service Funds  
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position  
For the Year Ended June 30, 2025  
(in thousands)**

	Health and Welfare Benefits	Workers' Compensation Self-Insurance	Liability Self- Insurance	Los Angeles Unified Captive Insurance	Total
Operating Revenues:					
In-District premiums	\$ 1,485,001	\$ 109,655	\$ 260,457	\$ 1,001,939	\$ 2,857,052
Others	11,522	-	29	19	11,570
Total Operating Revenues	<u>1,496,523</u>	<u>109,655</u>	<u>260,486</u>	<u>1,001,958</u>	<u>2,868,622</u>
Operating Expenses:					
Classified salaries	3,065	1,639	3,771	-	8,475
Employee benefits	2,536	1,439	2,427	-	6,402
Supplies	199	34	10	-	243
Premiums and claims expenses	1,357,588	197,660	560,878	796,878	2,913,004
Claims administration	3,743	12,116	1,148	-	17,007
Other contracted services	1,036	432	145	673	2,286
Total Operating Expenses	<u>1,368,167</u>	<u>213,320</u>	<u>568,379</u>	<u>797,551</u>	<u>2,947,417</u>
Operating Income (Loss)	<u>128,356</u>	<u>(103,665)</u>	<u>(307,893)</u>	<u>204,407</u>	<u>(78,795)</u>
Nonoperating Revenues (Expenses):					
Investment income	2,318	36,362	15,837	48,327	102,844
Miscellaneous expense	-	(56)	-	(86)	(142)
Total Nonoperating Revenues (Expenses)	<u>2,318</u>	<u>36,306</u>	<u>15,837</u>	<u>48,241</u>	<u>102,702</u>
Changes in Net Position	130,674	(67,359)	(292,056)	252,648	23,907
Total Net Position, July 1, 2024	<u>(2,039)</u>	<u>352,232</u>	<u>(400,686)</u>	<u>-</u>	<u>(50,493)</u>
Total Net Position, June 30, 2025	<u>\$ 128,635</u>	<u>\$ 284,873</u>	<u>\$ (692,742)</u>	<u>\$ 252,648</u>	<u>\$ (26,586)</u>

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Internal Service Funds  
Combining Statement of Cash Flows  
For the Year Ended June 30, 2025  
(in thousands)**

	Health and Welfare Benefits	Workers' Compensation Self-Insurance	Liability Self- Insurance	Los Angeles Unified Captive Insurance	Total
Cash Flows from Operating Activities:					
Cash payments to employees for services	\$ (4,898)	\$ (2,700)	\$ (5,510)	\$ -	\$ (13,108)
Cash payments for goods and services	(1,362,153)	(762,240)	(490,883)	(24,973)	(2,640,249)
Receipts from assessment to other funds	1,485,001	109,655	260,457	1,001,939	2,857,052
Receipts from other operating revenue	11,522	-	29	19	11,570
Net Cash Provided (Used) by Operating Activities	<u>129,472</u>	<u>(655,285)</u>	<u>(235,907)</u>	<u>976,985</u>	<u>215,265</u>
Cash Flows from Non-Capital Financing Activities:					
Loan from other funds	(30,000)	-	-	-	(30,000)
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>(30,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(30,000)</u>
Cash Flows from Investing Activities:					
Earnings on investments	1,660	43,616	17,296	(861,354)	(798,782)
Net Cash Provided by Investing Activities	<u>1,660</u>	<u>43,616</u>	<u>17,296</u>	<u>(861,354)</u>	<u>(798,782)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	101,132	(611,669)	(218,611)	115,631	(613,517)
Cash and Cash Equivalents, July 1	3,099	709,203	346,168	-	1,058,470
Cash and Cash Equivalents, June 30	<u>\$ 104,231</u>	<u>\$ 97,534</u>	<u>\$ 127,557</u>	<u>\$ 115,631</u>	<u>\$ 444,953</u>
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating Income (Loss)	\$ 128,356	\$ (103,665)	\$ (307,893)	\$ 204,407	\$ (78,795)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Net increase (decrease) in pension and other postemployment benefits expense from actuarial valuation					
	611	329	551	-	1,491
Change in Assets: Decrease (Increase)					
Accounts receivable	(13,163)	(47,845)	(69,409)	(11,300)	(141,717)
Prepays	13,911	-	-	(31)	13,880
Other assets	(526)	(150,000)	(50,000)	-	(200,526)
Change in Liabilities: Increase (Decrease)					
Vouchers and accounts payable	(5,444)	(554)	(6,316)	117,455	105,141
Accrued payroll	92	48	138	-	278
Other payables	4,151	3,461	15,323	-	22,935
Unearned Revenue	-	-	-	57,743	57,743
Estimated liability for self-insurance claims – current	1,484	(99,402)	113,225	373,187	388,494
Estimated liability for self-insurance claims – noncurrent	-	(257,657)	68,474	235,524	46,341
Total Adjustments	<u>1,116</u>	<u>(551,620)</u>	<u>71,986</u>	<u>772,578</u>	<u>294,060</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 129,472</u>	<u>\$ (655,285)</u>	<u>\$ (235,907)</u>	<u>\$ 976,985</u>	<u>\$ 215,265</u>

See accompanying independent auditor's report.

# Capital Assets Used in the Operation of Governmental Funds





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**Los Angeles Unified School District**  
**Capital Assets Used in the Operation of Governmental Funds**  
**Comparative Schedule by Source**  
**June 30, 2025 and 2024**  
**(in thousands)**

	<u>2024-2025</u>	<u>2023-2024</u>
Governmental Funds Capital Assets:		
Sites	\$ 3,101,510	\$ 3,101,510
Improvement of sites	982,886	937,907
Building and improvements	18,738,727	18,207,631
Equipment	2,907,341	2,739,378
Construction in progress	3,940,166	3,302,103
Lease assets	90,547	65,550
Subscription assets	152,762	97,036
	<u>\$ 29,913,939</u>	<u>\$ 28,451,115</u>
Investments in Governmental Funds Capital Assets by Source:		
From revenues of:		
General Fund	\$ 2,162,348	\$ 2,049,147
Special Revenue Funds:		
Adult Education Fund	64,944	60,742
Cafeteria Fund	47,214	47,162
Child Development Fund	22,770	19,837
Deferred Maintenance Fund	17,760	18,485
Student Body Fund	2,647	2,517
Capital Projects Funds:		
Building Fund	36,262	36,179
Building Fund – Bond Proceeds	1,726,742	1,733,964
Building Fund – Measure K	3,497,212	3,483,520
Building Fund – Measure R	3,801,527	3,805,477
Building Fund – Measure Y	2,961,013	2,953,759
Building Fund – Measure Q	3,886,540	3,306,428
Building Fund – Measure RR	797,967	373,217
Building Fund – Measure US	117	-
State School Building Lease – Purchase Fund	1,026,293	1,026,576
Special Reserve Fund	1,754,406	1,569,653
Special Reserve Fund – FEMA – Earthquake	17,283	17,283
Special Reserve Fund – FEMA – Hazard Mitigation	5,613	5,300
Special Reserve Fund – CRA	24,563	24,563
Capital Facilities Fund	1,414,404	1,391,530
County School Facilities Bonds Fund	831,279	831,449
County School Facilities Bonds Fund – Prop 47	1,791,194	1,668,732
County School Facilities Bonds Fund – Prop 55	1,950,364	1,952,118
County School Facilities Bonds Fund – Prop 1D	333,103	333,103
Contributions from outside source - MTA	6,018	6,018
Investment in general capital assets prior to July 1, 1983*	1,734,356	1,734,356
	<u>\$ 29,913,939</u>	<u>\$ 28,451,115</u>

\* Source information not available for capital assets acquired prior to July 1, 1983.

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Capital Assets Used in the Operation of Governmental Funds  
Schedule of Changes in Capital Assets by Source  
For the Year Ended June 30, 2025  
(in thousands)**

	Sites	Improvement of Sites
Balances, July 1, 2024	\$ 3,101,510	\$ 937,907
Additions:		
Capital outlay from:		
General Fund	-	-
Adult Education Fund	-	-
Cafeteria Fund	-	-
Child Development Fund	-	-
Special Revenue-Student Activity Fund	-	-
Building Fund	-	-
Building Fund – Measure K	-	-
Building Fund – Measure R	-	-
Building Fund – Measure Y	-	-
Building Fund – Measure Q	-	-
Building Fund - Measure RR	-	-
Building Fund - Measure US	-	-
Special Reserve Fund	-	-
Special Reserve Fund-FEMA-Hazard Mitigation	-	-
Capital Facilities Fund	-	-
County School Facilities Bonds Fund – Prop 47	-	-
Completed Projects	-	62,753
Subtotals	-	62,753
Deductions:		
Vehicle disposal	-	-
Return to salvage	-	-
Others	-	17,770
Total Deductions	-	17,770
Reclassifications	-	(4)
Net Increase	-	44,979
Balances, June 30, 2025	\$ 3,101,510	\$ 982,886

<b>Building and Improvements</b>	<b>Equipment</b>	<b>Construction in Progress</b>	<b>Lease assets</b>	<b>Subscription assets</b>	<b>Total</b>
\$ 18,207,631	\$ 2,739,378	\$ 3,302,103	\$ 65,550	\$ 97,036	\$ 28,451,115
738	43,194	57,391	3,539	40,421	145,283
-	1,092	624	-	2,486	4,202
-	111	-	-	-	111
-	35	162	-	2,735	2,932
-	141	-	-	-	141
-	-	82	-	-	82
-	-	17,632	-	-	17,632
-	(2)	3,366	-	-	3,364
-	-	15,569	-	-	15,569
-	-	598,459	-	-	598,459
-	-	424,252	498	-	424,750
-	-	117	-	-	117
-	61,385	86,293	20,960	16,911	185,549
-	-	313	-	-	313
-	-	22,874	-	-	22,874
-	-	126,526	-	-	126,526
579,754	73,088	(715,595)	-	-	-
580,492	179,044	638,065	24,997	62,553	1,547,904
-	6,980	-	-	-	6,980
-	3,182	-	-	-	3,182
49,396	923	2	-	6,827	74,918
49,396	11,085	2	-	6,827	85,080
-	4	-	-	-	-
531,096	167,963	638,063	24,997	55,726	1,462,824
\$ 18,738,727	\$ 2,907,341	\$ 3,940,166	\$ 90,547	\$ 152,762	\$ 29,913,939

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Long-Term Obligations  
Schedule of Changes in Long-Term Obligations  
For the Year Ended June 30, 2025  
(in thousands)**

	General Obligation Bonds	Certificates of Participation	Lease obligations	Subscription
Balances, July 1, 2024	\$ 11,651,806	\$ 511,478	\$ 51,824	\$ 43,514
Additions:				
Debt issuance	2,048,345	-	24,997	40,189
Premium on debt issue	-	-	-	-
Refund charges amortization	-	-	-	-
Discount amortization	-	-	-	-
Vacation earned	-	-	-	-
Retirement bonus	-	-	-	-
Early retirement incentive	-	-	-	-
Self-insurance claims	-	-	-	-
Pollution remediation obligation	-	-	-	-
Pension expense	-	-	-	-
Annual required contribution	-	-	-	-
Arbitrage accrual	-	-	-	-
Legal settlements	-	-	-	-
Total Additions	2,048,345	-	24,997	40,189
Deductions:				
Principal repayments	983,678	246,580	5,823	32,645
Refunding charges	-	-	-	-
Premium amortization and other	17,621	24,696	-	-
Unamortized charges - refunding	-	-	-	-
Vacation used	-	-	-	-
Retirement bonus paid	-	-	-	-
Early retirement incentive paid	-	-	-	-
Self-insurance claims paid	-	-	-	-
Pension income and contribution	-	-	-	-
Investment earnings	-	-	-	-
OPEB contributions	-	-	-	-
Arbitrage adjustment	-	-	-	-
Legal settlements	-	-	-	-
Total Deductions	1,001,299	271,276	5,823	32,645
Balances, June 30, 2025	<u>\$ 12,698,852</u>	<u>\$ 240,202</u>	<u>\$ 70,998</u>	<u>\$ 51,058</u>

Liability for Compensated Absences	Liability for Other Employee Benefits	Self- Insurance Claims	Net Pension Liability	Other Postemployment Benefits (OPEB)	Arbitrage Payable	Total
\$ 108,995	\$ 24,177	\$ 1,113,152	\$ 6,942,831	\$ 8,991,231	\$ 3,155	\$ 29,442,163
-	-	-	-	-	-	2,113,531
-	-	-	-	-	-	-
-	-	-	-	-	-	-
145,073	-	-	-	-	-	145,073
-	-	-	-	-	-	-
-	-	994,755	-	-	-	994,755
-	-	-	-	-	-	-
-	-	-	4,383,870	-	-	4,383,870
-	-	-	-	687,120	-	687,120
-	-	-	-	-	2,721	2,721
-	-	-	-	-	-	-
145,073	-	994,755	4,383,870	687,120	2,721	8,327,070
-	-	-	-	-	-	1,268,726
-	-	-	-	-	-	-
-	-	-	-	-	-	42,317
-	-	-	-	-	-	-
120,461	-	-	-	-	-	120,461
-	5,470	-	-	-	-	5,470
-	-	-	-	-	-	-
-	-	559,920	-	-	-	559,920
-	-	-	4,192,671	-	-	4,192,671
-	-	-	-	-	-	-
-	-	-	-	1,472,067	-	1,472,067
-	-	-	-	-	-	-
-	-	-	-	-	-	-
120,461	5,470	559,920	4,192,671	1,472,067	-	7,661,632
<u>\$ 133,607</u>	<u>\$ 18,707</u>	<u>\$ 1,547,987</u>	<u>\$ 7,134,030</u>	<u>\$ 8,206,284</u>	<u>\$ 5,876</u>	<u>\$ 30,107,601</u>

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Long-Term Obligations  
Schedule of Certificates of Participation  
For the Year Ended June 30, 2025  
(in thousands)**

<u>Date of Issue</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Balance Original Issue</u>	<u>Outstanding* July 1, 2024</u>	<u>Issued* This Year</u>	<u>Redeemed** Current Year</u>	<u>Amortization of Premium/ Discount</u>	<u>Outstanding* June 30, 2025</u>
2020A Refunding Certificates of Participation:								
10/27/2020	5.000	10/01/2024	\$ 2,405	\$ 2,432	\$ -	\$ 2,405	\$ 27	\$ -
10/27/2020	5.000	10/01/2025	2,520	2,655	-	-	108	2,547
10/27/2020	5.000	10/01/2026	2,650	2,892	-	-	107	2,785
10/27/2020	5.000	10/01/2027	2,790	3,138	-	-	106	3,032
10/27/2020	5.000	10/01/2028	2,920	3,374	-	-	105	3,269
10/27/2020	5.000	10/01/2029	1,275	1,509	-	-	43	1,466
10/27/2020	5.000	10/01/2030	1,340	1,620	-	-	43	1,577
10/27/2020	5.000	10/01/2031	1,405	1,729	-	-	42	1,687
10/27/2020	4.000	10/01/2032	1,465	1,695	-	-	26	1,669
10/27/2020	4.000	10/01/2033	1,520	1,755	-	-	23	1,732
10/27/2020	2.250	10/01/2034	1,560	1,560	-	-	-	1,560
2020A Refunding Certificates of Participation			<u>\$ 21,850</u>	<u>\$ 24,359</u>	<u>\$ -</u>	<u>\$ 2,405</u>	<u>\$ 630</u>	<u>\$ 21,324</u>
2022 Refunding Certificates of Participation:								
08/30/2022	3.095	10/01/2024	8,510	8,510	-	8,510	-	0
08/30/2022	3.095	10/01/2025	8,775	8,775	-	-	-	8,775
08/30/2022	3.095	10/01/2026	9,050	9,050	-	-	-	9,050
08/30/2022	3.095	10/01/2027	9,335	9,335	-	-	-	9,335
08/30/2022	3.095	10/01/2028	9,630	9,630	-	-	-	9,630
08/30/2022	3.095	10/01/2029	9,935	9,935	-	-	-	9,935
08/30/2022	3.095	10/01/2030	10,245	10,245	-	-	-	10,245
2022 Refunding Certificates of Participation			<u>\$ 65,480</u>	<u>\$ 65,480</u>	<u>\$ -</u>	<u>\$ 8,510</u>	<u>\$ -</u>	<u>\$ 56,970</u>
2023A Certificates of Participation								
8/31/2023	5.000	10/01/2024	17,635	17,706	-	17,635	71	0
8/31/2023	5.000	10/01/2025	18,540	18,938	-	11,025	366	7,547
8/31/2023	5.000	10/01/2026	19,490	20,262	-	11,590	596	8,076
8/31/2023	5.000	10/01/2027	20,490	21,684	-	12,185	854	8,645
8/31/2023	5.000	10/01/2028	21,545	23,162	-	12,815	1,109	9,238
8/31/2023	5.000	10/01/2029	22,645	24,714	-	13,465	1,380	9,869
8/31/2023	5.000	10/01/2030	23,810	26,333	-	14,160	1,651	10,522
8/31/2023	5.000	10/01/2031	25,030	28,061	-	14,885	1,956	11,220
8/31/2023	5.000	10/01/2032	26,315	29,806	-	15,650	2,229	11,927
8/31/2023	5.000	10/01/2033	27,660	31,499	-	16,450	2,430	12,619
8/31/2023	5.000	10/01/2034	29,080	32,875	-	17,295	2,384	13,196
8/31/2023	5.000	10/01/2035	30,570	34,351	-	18,180	2,361	13,810
8/31/2023	5.000	10/01/2036	32,140	35,836	-	19,115	2,296	14,425
8/31/2023	5.000	10/01/2037	33,790	37,378	-	20,095	2,219	15,064
8/31/2023	5.000	10/01/2038	35,520	39,036	-	21,120	2,166	15,750
2023A Certificates of Participation			<u>\$ 384,260</u>	<u>\$ 421,641</u>	<u>\$ -</u>	<u>\$ 235,665</u>	<u>\$ 24,068</u>	<u>\$ 161,908</u>
Grand Total			<u>\$ 471,590</u>	<u>\$ 511,480</u>	<u>\$ -</u>	<u>\$ 246,580</u>	<u>\$ 24,698</u>	<u>\$ 240,202</u>

\* Includes Premium and Discount

\*\* Principal Payment

See accompanying independent auditor's report.



# STATISTICAL SECTION



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The Statistical Section of the District's Annual Comprehensive Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the District's overall financial health.

## Contents

### *Financial trends*

These schedules contain information to help the reader understand how the District's financial performance and well-being have changed over time.

### *Revenue capacity*

These schedules contain information to help the reader assess the District's most significant local revenue sources.

### *Debt capacity*

These schedules contain information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

### *Demographic and economic information*

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

### *Operating information*

These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and activities it performs.

**Source:** Unless otherwise noted, the information in these schedules is derived from the audited annual financial reports for the applicable year.

**Los Angeles Unified School District  
Statement of Net Position  
Last Ten Fiscal Years  
(in thousands)  
(Unaudited)**

	2015-2016	2016-2017	2017-2018
Assets:			
Cash and cash equivalents	\$ 5,244,042	\$ 5,365,626	\$ 6,563,390
Investments	-	-	-
Lease receivable	-	-	-
Property taxes receivable	69,579	75,828	83,385
Accounts receivable, net	335,631	343,927	250,809
Accrued interest receivable	12,661	21,153	29,156
Prepays	56,468	50,291	51,146
Unamortized issuance costs	-	-	-
Inventories	25,766	29,089	30,057
Accounts receivable, non current	21,367	17,809	12,750
Other assets	5,456	5,801	6,116
Capital assets:			
Sites	3,095,481	3,099,156	3,098,633
Improvement of sites	605,232	624,641	650,130
Buildings and improvements	15,347,779	15,548,165	15,948,292
Equipment	1,949,320	2,095,426	2,192,122
Construction in progress	586,058	633,113	805,149
Lease assets	-	-	-
Subscription assets	-	-	-
Less accumulated depreciation	(7,042,981)	(7,660,563)	(8,309,086)
Total Capital Assets, Net of Depreciation	14,540,889	14,339,938	14,385,240
Total Assets	20,311,859	20,249,462	21,412,049
Deferred Outflows of Resources	1,296,094	2,002,875	3,362,207
Liabilities:			
Vouchers and accounts payable	200,320	242,907	264,548
Contracts payable	30,261	37,222	80,281
Accrued payroll	223,924	225,589	267,087
Accrued interest	250,659	229,924	260,256
Other payables	139,476	153,609	114,762
Unearned revenue	14,246	69,319	71,197
Tax and revenue anticipation notes and related interest payable	-	-	-
Long-term liabilities:			
Portion due within one year	815,752	777,559	753,258
Portion due after one year	18,002,450	18,283,028	11,580,092
Net Pension Liability	5,346,427	6,269,867	6,971,551
Net other post-employment liabilities	-	-	14,968,510
Total Liabilities	25,023,515	26,289,024	35,331,542
Deferred Inflows of Resources	1,169,948	1,061,445	3,311,115
Net Position:			
Net investment in capital assets	4,815,146	4,981,898	4,349,896
Restricted	1,123,542	775,953	1,337,942
Unrestricted	(10,524,198)	(10,855,983)	(19,556,239)
Total Governmental Activities	(4,585,510)	(5,098,132)	(13,868,401)
Total Net Position	\$ (4,585,510)	\$ (5,098,132)	\$ (13,868,401)

See accompanying independent auditor's report.

(Continued)

	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
\$	5,998,956	\$ 5,888,487	\$ 6,663,086	\$ 7,877,134	\$ 10,397,207	\$ 11,664,087	\$ 10,825,443
	-	-	13,800	14,079	14,335	13,735	919,556
	-	-	-	13,719	14,590	13,935	13,274
	76,398	94,544	112,274	124,465	109,754	111,498	141,286
	413,397	969,991	1,600,075	816,458	1,185,590	1,042,251	845,124
	27,462	14,758	11,607	17,870	88,532	106,040	81,668
	55,012	61,720	76,663	68,871	21,957	18,847	6,532
	-	-	-	-	-	-	-
	29,502	42,328	56,888	51,613	52,972	56,455	53,932
	8,500	15,826	17,902	4,598	3,708	1,829	985
	5,045	3,035	5,445	4,892	4,844	6,212	206,726
	3,099,629	3,100,133	3,100,360	3,100,671	3,101,518	3,101,510	3,101,510
	701,353	764,587	826,805	877,373	896,849	937,907	982,886
	16,156,932	16,675,727	17,016,892	17,399,352	17,691,090	18,207,631	18,738,727
	2,248,496	2,399,101	2,529,059	2,574,996	2,636,623	2,739,378	2,907,341
	1,291,610	1,532,577	1,760,659	2,185,368	2,777,727	3,302,103	3,940,166
	-	-	-	62,006	65,532	65,550	90,547
	-	-	-	-	55,256	97,036	152,762
	(8,976,659)	(9,582,103)	(10,196,177)	(10,819,483)	(11,466,643)	(12,125,888)	(12,779,099)
	14,521,361	14,890,022	15,037,598	15,380,283	15,757,952	16,325,227	17,134,840
	21,135,633	21,980,711	23,595,338	24,373,982	27,651,441	29,360,116	30,229,366
	2,878,171	2,529,761	4,203,087	3,723,083	5,564,111	5,711,320	5,235,439
	231,259	269,235	335,789	416,316	485,433	564,104	578,284
	109,648	131,353	111,586	116,821	128,594	135,702	114,257
	254,106	311,821	453,916	434,673	772,959	582,622	605,726
	246,493	254,338	267,691	266,295	265,549	205,539	259,814
	194,767	262,745	202,271	218,030	350,045	281,628	258,720
	31,234	21,557	112,062	95,335	111,826	53,299	107,539
	-	-	-	-	-	-	69,953
	770,081	886,997	914,645	1,047,205	981,120	1,249,813	2,132,911
	11,035,523	11,490,638	11,745,609	11,591,184	11,428,604	12,258,288	12,639,580
	6,996,258	7,446,273	7,935,187	4,311,675	6,730,407	6,942,831	7,134,030
	11,180,799	8,578,152	11,062,961	10,186,225	8,482,271	8,991,231	8,206,284
	31,050,168	29,653,109	33,141,717	28,683,759	29,736,808	31,265,057	32,107,098
	3,296,938	5,385,932	4,416,829	7,572,724	7,729,290	6,170,197	5,481,118
	4,442,209	4,450,448	4,791,464	3,614,823	4,141,883	3,969,958	3,954,536
	1,269,115	1,397,433	1,805,950	3,602,343	4,833,364	5,467,901	5,328,656
	(16,044,626)	(16,376,450)	(16,357,535)	(15,376,584)	(13,225,793)	(11,801,677)	(11,406,603)
\$	(10,333,302)	\$ (10,528,569)	\$ (9,760,121)	\$ (8,159,418)	\$ (4,250,546)	\$ (2,363,818)	\$ (2,123,411)

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Changes in Net Position  
Last Ten Fiscal Years  
(in thousands)  
(Unaudited)**

	2015-2016	2016-2017	2017-2018
Expenses:			
Governmental activities:			
Instruction	\$ 4,549,775	\$ 4,706,660	\$ 4,579,527
Support services – students	436,984	470,559	461,769
Support services – instructional staff	535,303	578,634	584,654
Support services – general administration	185,937	61,228	69,037
Support services – school administration	497,149	524,408	512,127
Support services – business	269,496	274,286	226,862
Operation and maintenance of plant services	696,363	802,236	780,229
Student transportation services	183,474	184,337	186,567
Data processing services	34,351	43,810	59,161
Operation of noninstructional services	529,349	549,052	528,292
Facilities acquisition and construction services	189,032	163,239	183,869
Other uses	5,749	6,671	5,224
Interest expense	477,924	455,362	405,430
Interagency disbursements	-	-	-
Depreciation – unallocated	567,830	581,609	622,106
Unfunded OPEB expense – unallocated *	-	-	-
Total Governmental Activities	<u>9,158,716</u>	<u>9,402,091</u>	<u>9,204,854</u>
Program Revenues:			
Charges for services			
Instruction	32,497	34,756	31,612
Support services – students			29
Support services – instructional staff	74	65,355	114
Support services – business	6,546	7,441	8,011
Operation and maintenance of plant services	29,237	26,572	33,011
Operation of noninstructional services	7,883	9,742	9,868
Facilities acquisition and construction services	75,498	90,426	102,550
Total Charges for Services	<u>151,735</u>	<u>234,292</u>	<u>185,195</u>
Operating grants and contributions:			
Instruction	946,289	970,884	818,803
Support services – students	156,442	164,672	148,018
Support services – instructional staff	533,249	211,572	205,514
Support services – general administration	297	301	80
Support services – school administration	53,812	54,000	70,804
Support services – business	54,027	50,667	61,128
Operation and maintenance of plant services	22,741	26,034	25,860
Student transportation services	63	39	1
Data processing services	109	52	26
Operation of noninstructional services	427,292	453,696	458,255
Facilities acquisition and construction services	53,764	51,532	64,317
Other Uses			135
Interest expense	838	1,373	1,658
Total Operating Grants and Contributions	<u>2,248,923</u>	<u>1,984,822</u>	<u>1,854,599</u>
Capital grants and contributions:			
Operation and maintenance of plant services	-	-	-
Facilities acquisition and construction services	47,600	3,651	55,031
Interest expense	68,737	68,664	68,885
Total Capital Grants and Contributions	<u>116,337</u>	<u>72,315</u>	<u>123,916</u>
Total Program Revenues	<u>2,516,995</u>	<u>2,291,429</u>	<u>2,163,710</u>
Net Expenses	<u>(6,641,721)</u>	<u>(7,110,662)</u>	<u>(7,041,144)</u>
General Revenues:			
Taxes:			
Property taxes, levied for general purposes	1,303,559	1,446,985	1,532,320
Property taxes, levied for debt service	759,471	800,528	813,562
Property taxes, levied for community redevelopment	24,866	27,636	31,330
State aid not restricted to specific purpose	3,986,597	4,000,563	3,911,190
Grants, entitlements and contributions not restricted to specific programs	135,969	253,254	213,169
Unrestricted investment earnings	11,634	23,580	35,318
Miscellaneous	3,112	45,494	138,658
Total General Revenues	<u>6,225,208</u>	<u>6,598,040</u>	<u>6,675,547</u>
Change in Net Position	<u>\$ (416,513)</u>	<u>\$ (512,622)</u>	<u>\$ (365,597)</u>

	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
\$	2,470,641	\$ 4,559,696	\$ 4,692,148	\$ 4,714,575	\$ 4,558,356	\$ 5,072,381	\$ 5,198,631
	244,374	493,093	605,902	1,134,663	552,649	733,509	990,405
	351,137	616,598	745,931	844,210	869,837	859,470	979,709
	63,613	130,274	122,422	151,426	115,813	143,193	102,060
	258,220	537,280	543,716	614,633	560,724	682,625	672,791
	154,490	273,679	401,658	443,287	258,764	838,188	450,863
	455,189	795,422	866,231	898,224	898,066	982,270	1,062,417
	120,340	197,902	149,066	169,703	172,738	198,150	241,064
	33,604	61,805	77,363	108,031	118,973	156,909	173,292
	327,121	522,532	475,967	612,394	558,572	680,183	732,470
	109,706	143,576	144,969	140,579	165,545	172,218	131,385
	4,916	5,584	5,541	5,553	6,970	8,786	13,851
	420,863	398,179	411,255	396,253	407,889	603,781	334,837
	-	-	-	-	-	-	-
	655,465	584,447	585,571	591,051	584,267	592,808	620,802
	-	-	-	-	-	-	-
	5,669,679	9,320,067	9,827,740	10,824,582	9,829,163	11,724,471	11,704,577
	27,442	23,700	17,578	17,171	18,784	20,913	21,711
	1,799	1,499	1,367	1,363	997	447	1,163
	354	387	337	368	97	85	61
	8,659	8,628	9,377	12,790	12,188	12,553	13,958
	40,152	34,376	28,955	31,657	32,515	34,464	6,233
	9,442	6,778	364	1,524	742	1,196	1,634
	83,115	77,064	76,554	92,551	103,028	83,911	79,726
	170,963	152,432	134,532	157,424	168,351	153,569	124,486
	933,363	904,294	1,482,371	2,536,982	2,808,565	1,876,055	1,170,790
	164,215	169,053	312,556	491,303	346,096	444,969	199,338
	217,179	224,239	368,912	517,042	682,675	495,811	412,666
	148	531	1,595	2,141	(145)	9	(203)
	79,367	84,617	110,418	234,947	202,159	228,744	166,661
	82,161	60,599	294,471	331,883	229,097	147,627	142,057
	35,723	41,445	164,393	146,370	254,002	154,422	128,285
	90	1,481	14,543	4,985	17,448	10,526	13,157
	465,017	519	105	2,914	3,120	1,712	(97)
	45,795	427,026	375,445	681,556	722,469	724,656	740,039
	48	43,610	37,257	(32,158)	56,972	150,312	119,187
	1,622	1,581	1,192	(318)	876	8,694	6,236
	2,024,728	1,958,995	3,163,258	4,917,729	5,323,415	4,245,151	3,100,225
	-	-	-	-	-	-	-
	8,274	8,585	77,689	211,206	173,923	89,042	120,689
	51,391	69,997	82,494	50,317	49,887	113,652	76,676
	59,665	78,582	160,183	261,523	223,810	202,694	197,365
	2,255,356	2,190,009	3,457,973	5,336,676	5,715,576	4,601,414	3,422,076
	(3,414,323)	(7,130,058)	(6,369,767)	(5,487,906)	(4,113,587)	(7,123,057)	(8,282,501)
	1,636,956	1,679,311	1,840,504	1,854,404	2,102,924	2,150,106	2,218,283
	880,988	960,402	1,149,309	967,767	1,093,217	1,185,977	1,283,303
	36,856	38,758	49,455	48,947	55,694	60,653	63,463
	4,020,702	3,974,319	3,815,566	4,183,846	4,491,309	4,585,386	4,237,524
	241,481	221,640	188,864	134,647	221,467	188,281	186,850
	43,501	34,632	9,253	(144,178)	(23,186)	284,570	361,049
	88,938	25,729	37,775	43,249	81,034	554,812	172,436
	6,949,422	6,934,791	7,090,726	7,088,682	8,022,459	9,009,785	8,522,908
\$	3,535,099	\$ (195,267)	\$ 720,959	\$ 1,600,776	\$ 3,908,872	\$ 1,886,728	\$ 240,407

See accompanying independent auditor's report.

**Los Angeles Unified School District  
 Governmental Activities Tax Revenues by Source  
 Last Ten Fiscal Years  
 (in thousands)  
 (Unaudited)**

	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>
Property Taxes, Levied for:			
General purposes	\$ 1,303,559	\$ 1,446,985	\$ 1,532,320
Debt service	759,471	800,528	813,562
Community redevelopment	24,866	27,636	31,330
Total	<u>\$ 2,087,896</u>	<u>\$ 2,275,149</u>	<u>\$ 2,377,212</u>

<u>2018-2019</u>	<u>2019-2020</u>	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u>	<u>2024-2025</u>
\$ 1,636,956	\$ 1,679,311	\$ 1,840,504	\$ 1,854,404	\$ 2,102,924	\$ 2,150,106	\$ 2,218,283
880,988	960,402	1,149,309	967,767	1,093,217	1,185,977	1,283,303
36,856	38,758	49,455	48,947	55,694	60,653	63,463
<u>\$ 2,554,800</u>	<u>\$ 2,678,471</u>	<u>\$ 3,039,268</u>	<u>\$ 2,871,118</u>	<u>\$ 3,251,835</u>	<u>\$ 3,396,736</u>	<u>\$ 3,565,049</u>

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(in thousands)  
(Unaudited)**

	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>
General Fund:			
Nonspendable	\$ 31,055	\$ 23,503	\$ 27,564
Restricted	182,752	163,054	135,766
Committed	218,300	-	-
Assigned	558,701	783,906	1,057,387
Unassigned	319,373	794,680	790,056
Total General Fund	<u>\$ 1,310,181</u>	<u>\$ 1,765,143</u>	<u>\$ 2,010,773</u>
District Bonds:			
Nonspendable	\$ 3,633	\$ 3,625	\$ 634
Restricted	988,776	684,957	1,477,046
Committed	-	-	-
Assigned	-	4,184	-
Unassigned	-	-	-
Total District Bonds	<u>\$ 992,409</u>	<u>\$ 692,766</u>	<u>\$ 1,477,680</u>
Bond Interest and Redemption Fund:			
Nonspendable	\$ -	\$ -	\$ -
Restricted	781,386	764,293	810,110
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total Bond Interest and Redemption Fund	<u>\$ 781,386</u>	<u>\$ 764,293</u>	<u>\$ 810,110</u>
All Other Governmental Funds:			
Nonspendable	\$ 7,105	\$ 10,689	\$ 7,076
Restricted, reported in:			
Special revenue funds	60,188	71,423	81,026
Debt service funds	57,008	57,911	41,031
Capital projects funds	573,254	436,939	389,736
Committed	-	-	-
Assigned, reported in:			
Special revenue funds	6,754	16,815	15,002
Capital projects funds	191,301	245,060	248,927
Unassigned	-	-	-
Total All Other Governmental Funds	<u>\$ 895,610</u>	<u>\$ 838,837</u>	<u>\$ 782,798</u>

2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
\$ 27,324	\$ 37,672	\$ 57,963	\$ 48,022	\$ 47,514	\$ 49,852	\$ 50,875
114,558	103,850	199,917	544,332	1,843,005	1,794,588	889,614
174,590	87,626	-	-	2,920,908	2,972,038	-
916,143	1,248,900	1,064,146	1,595,952	510,899	491,522	1,373,616
984,235	571,426	1,533,263	1,140,017	385,925	1,113,933	2,778,566
<u>\$ 2,216,850</u>	<u>\$ 2,049,474</u>	<u>\$ 2,855,289</u>	<u>\$ 3,328,323</u>	<u>\$ 5,708,251</u>	<u>\$ 6,421,933</u>	<u>\$ 5,092,671</u>
\$ 642	\$ 492	\$ 619	\$ 516	\$ 734	\$ 601	\$ 519
916,651	1,062,525	1,556,335	1,314,621	1,234,840	1,192,626	1,665,643
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 917,293</u>	<u>\$ 1,063,017</u>	<u>\$ 1,556,954</u>	<u>\$ 1,315,137</u>	<u>\$ 1,235,574</u>	<u>\$ 1,193,227</u>	<u>\$ 1,666,162</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
849,158	1,042,805	1,224,323	1,174,108	1,305,162	1,422,815	1,746,752
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>\$ 849,158</u>	<u>\$ 1,042,805</u>	<u>\$ 1,224,323</u>	<u>\$ 1,174,108</u>	<u>\$ 1,305,162</u>	<u>\$ 1,422,815</u>	<u>\$ 1,746,752</u>
\$ 9,126	\$ 16,841	\$ 24,149	\$ 18,699	\$ 19,101	\$ 17,941	\$ 29,448
106,191	114,898	139,869	208,561	284,169	421,068	444,696
33,980	35,150	16,448	13,382	436	502	581
306,708	435,096	407,086	435,508	307,709	709,873	669,742
-	-	-	-	-	-	-
7,961	7,452	8,063	6,354	5,871	8,951	16,278
169,877	13,357	13,187	12,403	10,351	7,774	4,839
-	-	-	(15,374)	(8,192)	(51)	-
<u>\$ 633,843</u>	<u>\$ 622,794</u>	<u>\$ 608,802</u>	<u>\$ 679,533</u>	<u>\$ 619,445</u>	<u>\$ 1,166,058</u>	<u>\$ 1,165,584</u>

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Changes in Fund Balances of Governmental Funds  
Last Ten Fiscal Years  
(in thousands)  
(Unaudited)**

	2015-2016	2016-2017	2017-2018
Revenues:			
Local Control Funding Formula sources	\$ 5,290,155	\$ 5,447,548	\$ 5,443,510
Federal revenues	994,625	1,046,165	1,023,050
Other state revenues	1,424,119	1,178,392	1,274,469
Other local revenues	1,062,090	1,137,632	1,280,993
Total Revenues	<u>8,770,989</u>	<u>8,809,737</u>	<u>9,022,022</u>
Expenditures:			
Current:			
Certificated salaries	2,924,822	2,958,529	2,926,633
Classified salaries	1,133,842	1,176,172	1,202,253
Employee benefits	1,914,777	2,022,508	2,234,801
Books and supplies	430,787	445,155	511,300
Services and other operating expenditures	909,924	842,393	868,690
Capital outlay	425,474	422,306	713,079
Debt service – principal	434,890	421,353	604,342
Debt service – refunding bond issuance cost	1,079	3,793	1,523
Debt service – bond, COPs, and capital leases interest	521,742	512,016	482,574
Other outgo	5,749	6,671	5,224
Transfers of indirect costs – interfund	-	-	-
Total Expenditures	<u>8,703,086</u>	<u>8,810,896</u>	<u>9,550,419</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>67,903</u>	<u>(1,159)</u>	<u>(528,397)</u>
Other Financing Sources (Uses):			
Transfers in	237,905	256,371	203,758
Contributions	-	-	-
Transfers out	(242,195)	(256,371)	(203,758)
Capital leases	196	296	112
Issuance of bonds	648,955	-	1,350,000
Premium on bonds issued	82,789	-	198,460
Proceeds from sale of bonds	-	-	-
Discount on bonds issued	-	-	(53)
Issuance of refunding bonds	577,400	1,581,685	-
Premium on refunding bonds issued	100,400	310,714	-
Proceeds on refunding bonds issued	-	-	-
Proceed from refunding bonds	-	-	-
Payment to refunded bonds escrow agent	(676,721)	(1,887,011)	-
Payment to refunding bond escrow agent	-	-	-
Discount on issuance of refunding bonds	-	(1,595)	-
Issuance of COPs	-	-	-
Premium on COPs issued	-	-	-
Proceeds from COPs issued	-	-	-
Payment to COPs escrow agent	-	-	-
Discount on issuance of COPs	-	-	-
Issuance of refunding COPs	-	-	-
Premium on refunding COPs issued	-	-	-
Payment to refunded COPs escrow agent	-	-	-
Proceeds from refunding COPs	-	-	-
Proceeds from sale of capital assets	-	65,255	-
Proceeds from SBITAs	-	-	-
Insurance proceeds – fire damage	673	13,268	200
Total Other Financing Sources	<u>729,402</u>	<u>82,612</u>	<u>1,548,719</u>
Net Change in Fund Balances	<u>\$ 797,305</u>	<u>\$ 81,453</u>	<u>\$ 1,020,322</u>
Debt Service as a Percentage of Noncapital Expenditures	11.57%	11.17%	12.32%

	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
\$	5,657,590	\$ 5,653,439	\$ 5,655,895	\$ 6,038,208	\$ 6,594,216	\$ 6,735,477	\$ 6,455,802
	1,094,851	1,021,893	2,063,500	2,415,719	2,801,462	2,606,575	1,199,576
	1,499,271	1,409,754	1,568,252	2,277,902	3,253,449	2,449,386	2,495,971
	1,302,791	1,292,928	1,484,230	1,087,467	1,581,180	2,147,324	2,243,419
	<u>9,554,503</u>	<u>9,378,014</u>	<u>10,771,877</u>	<u>11,819,296</u>	<u>14,230,307</u>	<u>13,938,762</u>	<u>12,394,768</u>
	3,084,818	3,100,561	3,187,481	3,483,265	3,588,469	4,007,130	4,223,623
	1,278,034	1,307,510	1,392,461	1,494,200	1,604,632	1,819,373	1,931,999
	2,487,879	2,516,310	2,363,528	2,587,568	2,829,314	3,199,511	3,455,766
	508,425	439,494	763,249	739,852	873,146	823,446	691,020
	913,510	987,460	1,068,458	1,776,004	1,376,406	1,591,851	1,711,122
	820,869	978,189	769,204	978,284	1,027,837	1,233,850	1,534,504
	420,580	441,887	724,454	606,012	609,741	742,898	780,244
	1,303	1,102	2,948	992	-	6,797	840
	531,408	503,564	516,632	536,000	530,500	539,780	449,452
	4,916	5,584	5,541	5,554	6,970	8,786	9,714
	-	-	-	(1)	-	-	-
	<u>10,051,742</u>	<u>10,281,661</u>	<u>10,793,956</u>	<u>12,207,730</u>	<u>12,447,015</u>	<u>13,973,422</u>	<u>14,788,284</u>
	<u>(497,239)</u>	<u>(903,647)</u>	<u>(22,079)</u>	<u>(388,434)</u>	<u>1,783,292</u>	<u>(34,660)</u>	<u>(2,393,516)</u>
	318,097	235,850	604,595	308,754	353,569	169,950	1,043,708
	-	-	-	-	-	-	-
	(318,097)	(235,850)	(377,595)	(308,754)	(353,569)	(169,950)	(1,043,708)
	219	-	-	62,006	3,525	18	24,997
	-	-	1,057,060	-	-	-	-
	-	121,653	156,670	83,841	35,694	49,829	136,306
	-	942,940	-	494,140	500,000	850,000	1,800,000
	-	-	-	-	-	-	-
	594,605	-	498,310	-	-	-	-
	110,325	-	134,937	-	-	363,514	22,274
	-	-	-	-	-	2,974,945	-
	-	-	-	48,855	-	-	248,345
	(703,627)	-	(631,490)	(48,675)	-	-	(269,779)
	-	-	-	-	-	(3,331,662)	-
	-	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	-	-	-	-	41,231	-
	-	-	-	-	-	384,260	-
	-	-	-	-	-	-	-
	-	-	28,390	-	-	-	-
	-	-	5,644	-	-	-	-
	-	-	(33,594)	-	(73,373)	(201)	(238,932)
	-	-	-	-	73,730	-	-
	31,500	-	-	-	264	-	97,252
	-	-	-	-	48,199	38,327	40,189
	-	-	-	-	-	-	-
	<u>33,022</u>	<u>1,064,593</u>	<u>1,442,927</u>	<u>640,167</u>	<u>588,039</u>	<u>1,370,261</u>	<u>1,860,652</u>
\$	<u>(464,217)</u>	<u>\$ 160,946</u>	<u>\$ 1,420,848</u>	<u>\$ 251,733</u>	<u>\$ 2,371,331</u>	<u>\$ 1,335,601</u>	<u>\$ (532,864)</u>
	10.33%	10.17%	12.41%	10.18%	9.99%	10.12%	9.28%

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Governmental Fund Types  
Expenditures and Other Uses by State-Defined Object  
Last Ten Fiscal Years  
(in thousands)  
(Unaudited)**

<u>Fiscal year</u>	<u>Certificated Salaries</u>	<u>Classified Salaries</u>	<u>Employee Benefits</u>	<u>Books and Supplies</u>	<u>Services and Other Operating Expenses</u>
2015-2016	\$ 2,924,822	\$ 1,133,842	\$ 1,914,777	\$ 430,787	\$ 909,924
2016-2017	2,958,529	1,176,172	2,022,508	445,155	842,393
2017-2018	2,926,633	1,202,253	2,234,801	511,300	868,690
2018-2019	3,084,818	1,278,034	2,487,879	508,425	913,510
2019-2020	3,100,561	1,307,510	2,516,310	439,494	987,460
2020-2021	3,187,481	1,392,461	2,363,528	763,249	1,068,458
2021-2022	3,483,265	1,494,200	2,587,568	739,852	1,776,004
2022-2023	3,588,469	1,604,632	2,829,314	873,146	1,376,406
2023-2024	4,007,130	1,819,373	3,199,511	823,446	1,591,851
2024-2025	4,223,623	1,931,999	3,455,766	691,020	1,711,122

Notes:

<sup>(1)</sup> "Other Outgo" includes Tuition for Handicapped Pupils, discount on debt issuance, and payments to debt/refunded debt escrow agent. For fiscal year 2006-07, Charter Schools In-lieu of Taxes was included in total expenditures under object 7280 as Other transfers out. Starting with fiscal year 2007-08, this is presented as reduction of the revenues, as it was presented prior to 2003-04.

Capital Outlay	Debt Service	Other Outgo <sup>(1)</sup>	Transfers of indirect costs – interfund	Operating Transfers Out	Payment to Refunded COPs Escrow Agent	Payment to Refunding Bond Escrow Agent	Payment to Refunded Bond Escrow Agent	Discount on bonds issued	Discount on refunding bonds issued	Total Expenditures and Other Uses
\$ 425,474	\$ 957,711	\$ 5,749	\$ -	\$ 242,195	\$ -	\$ -	\$ 676,721	\$ -	\$ -	\$ 9,622,002
422,306	937,162	6,671	-	256,371	-	-	1,887,011	-	1,595	10,955,873
713,079	1,088,439	5,224	-	203,758	-	-	-	53	-	9,754,230
820,869	953,291	4,916	-	318,097	-	-	703,627	-	-	11,073,466
978,189	946,553	5,584	-	235,850	-	-	-	-	-	10,517,511
769,204	1,244,034	5,541	-	377,595	33,594	-	631,490	-	-	11,836,635
978,284	1,143,004	5,554	-	308,753	-	-	48,675	-	-	12,565,159
1,027,837	1,140,241	6,970	-	353,569	73,373	-	-	-	-	12,873,957
1,233,850	1,289,475	8,786	-	169,950	201	3,331,662	-	-	-	17,475,235
1,534,504	1,230,536	9,714	-	1,043,708	238,932	-	269,779	-	-	16,340,703

See accompanying independent auditor's report.

**Los Angeles Unified School District  
 Governmental Fund Types  
 Expenditures and Other Uses by Goal and Function  
 Last Ten Fiscal Years  
 (in thousands)  
 (Unaudited)**

	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>
Instructional Goals:			
General education	\$ 3,695,363	\$ 3,801,983	\$ 4,027,251
Special education	1,485,132	1,553,992	1,611,808
Others	38,579	32,750	36,084
	<u>5,219,074</u>	<u>5,388,725</u>	<u>5,675,143</u>
Noninstructional Goals:			
Community services	6,389	5,826	5,967
Child care services	3,559	1,278	936
	<u>9,948</u>	<u>7,104</u>	<u>6,903</u>
Support Services	<u>1,571,145</u>	<u>1,565,628</u>	<u>1,542,050</u>
Facilities Acquisition	<u>568,326</u>	<u>537,476</u>	<u>861,245</u>
Food Services	<u>370,591</u>	<u>367,113</u>	<u>370,709</u>
Other Outgo:			
Debt service	957,711	937,162	1,088,439
All other outgo	925,207	2,152,665	209,741
	<u>1,882,918</u>	<u>3,089,827</u>	<u>1,298,180</u>
Total Expenditures and Other Uses	<u>\$ 9,622,002</u>	<u>\$ 10,955,873</u>	<u>\$ 9,754,230</u>

	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
\$	4,342,305	\$ 4,365,548	\$ 4,587,496	\$ 5,083,421	\$ 5,650,022	\$ 6,288,195	\$ 6,725,503
	1,725,573	1,725,782	1,654,774	1,675,148	1,812,407	2,015,795	2,209,483
	39,679	35,878	25,451	19,868	19,149	25,252	33,099
	<u>6,107,557</u>	<u>6,127,208</u>	<u>6,267,721</u>	<u>6,778,437</u>	<u>7,481,578</u>	<u>8,329,242</u>	<u>8,968,085</u>
	5,789	5,395	2,693	3,961	4,224	5,125	5,279
	2,509	2,191	1,816	1,935	692	714	1,077
	<u>8,298</u>	<u>7,586</u>	<u>4,509</u>	<u>5,896</u>	<u>4,916</u>	<u>5,839</u>	<u>6,356</u>
	<u>1,657,581</u>	<u>1,764,932</u>	<u>2,033,549</u>	<u>2,733,544</u>	<u>2,273,590</u>	<u>2,525,424</u>	<u>2,484,324</u>
	<u>952,512</u>	<u>1,041,772</u>	<u>883,778</u>	<u>1,095,655</u>	<u>1,119,259</u>	<u>1,342,572</u>	<u>1,588,564</u>
	<u>367,587</u>	<u>384,596</u>	<u>353,585</u>	<u>444,753</u>	<u>411,114</u>	<u>466,596</u>	<u>494,777</u>
	953,291	946,553	1,244,034	1,143,004	1,140,241	1,289,475	1,230,536
	<u>1,026,640</u>	<u>244,864</u>	<u>1,049,459</u>	<u>363,870</u>	<u>443,259</u>	<u>3,516,087</u>	<u>1,568,061</u>
	<u>1,979,931</u>	<u>1,191,417</u>	<u>2,293,493</u>	<u>1,506,874</u>	<u>1,583,500</u>	<u>4,805,562</u>	<u>2,798,597</u>
\$	<u>11,073,466</u>	<u>\$ 10,517,511</u>	<u>\$ 11,836,635</u>	<u>\$ 12,565,159</u>	<u>\$ 12,873,957</u>	<u>\$ 17,475,235</u>	<u>\$ 16,340,703</u>

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Governmental Fund Types  
Revenues by Source (SACS Report Categories)  
Last Ten Fiscal Years  
(in thousands)  
(Unaudited)**

<b>Fiscal year</b>	<b>Local Control Funding Formula Sources</b>	<b>Federal</b>	<b>Other State</b>	<b>Other Local</b>	<b>Other Financing Sources</b>	<b>Total</b>
2015-2016	\$ 5,290,155	\$ 994,625	\$ 1,424,119	\$ 1,062,090	\$ 1,648,318	\$ 10,419,307
2016-2017	5,447,548	1,046,165	1,178,392	1,137,632	2,227,589	11,037,326
2017-2018	5,443,510	1,023,050	1,274,469	1,280,993	1,752,530	10,774,552
2018-2019	5,657,590	1,094,851	1,499,271	1,302,791	1,054,746	10,609,249
2019-2020	5,653,439	1,021,893	1,409,754	1,292,928	1,300,443	10,678,457
2020-2021	5,655,895	2,063,500	1,568,252	1,484,230	2,485,606	13,257,483
2021-2022	6,038,208	2,415,719	2,277,902	1,087,467	997,596	12,816,892
2022-2023	6,594,216	2,801,462	3,253,449	1,581,180	1,014,981	15,245,288
2023-2024	6,735,477	2,606,575	2,449,386	2,147,324	4,872,074	18,810,836
2024-2025	6,455,802	1,199,576	2,495,971	2,243,419	3,413,071	15,807,839

See accompanying independent auditor's report.

**Los Angeles County**  
**Assessed Value of Taxable Property**  
**Last Ten Fiscal Years**  
**(in thousands)**  
**(Unaudited)**

Fiscal Year	Secured*	Unsecured*	Total Assessed Value	Total District Tax Rates	Increase (Decrease) Over Preceding Year		Total A.D.A.**	Assessed Value per Unit of A.D.A.
					Amount	Rate		
2015-2016	\$ 546,807,059	\$ 23,362,405	\$ 570,169,464	1.129709	\$ 37,235,257	6.99%	503,367	\$ 1,133
2016-2017	581,473,213	24,495,794	605,969,007	1.131096	35,799,543	6.28	491,856	1,232
2017-2018	619,162,082	25,342,665	644,504,747	1.122192	38,535,740	6.36	478,591	1,347
2018-2019	665,355,078	27,377,547	692,732,625	1.123226	48,227,878	7.48	454,010	1,526
2019-2020	710,954,606	28,442,486	739,397,092	1.125520	46,664,467	6.74	454,905 (acd)	1,625 (a)
2020-2021	759,004,740	28,679,271	787,684,011	1.139929	48,286,919	6.53	454,905 (bd)	1,732 (b)
2021-2022	790,822,215	27,581,052	818,403,267	1.113228	30,719,256	3.90	380,938	2,148
2022-2023	848,435,713	29,196,328	877,632,041	1.121072	59,228,774	7.24	384,471	2,283
2023-2024	898,345,149	31,634,928	929,980,077	1.124219	52,348,036	5.96	381,327	2,439
2024-2025	940,379,767	32,489,350	972,869,117	1.128018	42,889,040	4.61	371,712	2,617

\* Source: Los Angeles County Auditor-Controller "Taxpayers' Guide." Taxes which constitute a lien on real property are referred to as "secured".

Almost all real property taxes are secured. Most personal property taxes are "unsecured." Some taxes on personal property may also be secured to the real property of the assessee, upon request and subject to certain conditions.

\*\* Source: A.D.A. – Average Daily Attendance, Annual Report

(a) Condensed reporting period. Due to the COVID-19 pandemic, the California Department of Education reduced the school year for ADA purposes and included only the full school months that ended on or before February 29, 2020.

(b) Updated to reflect revised annual report.

To ensure funding stability in light of the COVID-19 pandemic, the 2020-21 State Budget included a hold-harmless provision for the purpose of calculating apportionments in fiscal year 2020-21. The provision provided that apportionment be based on fiscal year 2019-20 ADA. As a result, ADA reported is the same as prior year.

(c) Adjusted for fiscal year 2019-20 audit finding.

(d) The data presented is based on the latest ADA information submitted to CDE for school year 2019-20. During fiscal year 2020-21, CDE credited additional ADA to the District for the closure of two independent charter school, Excelencia Charter Academy and Animo College Preparatory Academy. The ADA credits for these two schools which closed on 6/30/2020, totaling 86.54 and 343.72 for K-3 and 9-12, respectively, are not included in the above table.

See accompanying independent auditor's report.

**Los Angeles County  
 Property Tax Rates – All Direct and Overlapping Governments  
 (Per \$100 of assessed value)  
 Last Ten Fiscal Years  
 (in thousands)  
 (Unaudited)**

<b>Fiscal Year</b>	<b>Unified Bonds</b>	<b>Total Schools Tax</b>	<b>State-Wide for All Agencies</b>	<b>Total District Tax</b>	<b>Metropolitan Water District</b>	<b>City of Los Angeles District No.1</b>
2015-2016	0.129709	0.129709	1.000000	1.129709	0.003500	0.023030
2016-2017	0.131096	0.131096	1.000000	1.131096	0.003500	0.021297
2017-2018	0.122192	0.122192	1.000000	1.122192	0.003500	0.021345
2018-2019	0.123226	0.123226	1.000000	1.123226	0.003500	0.023107
2019-2020	0.125520	0.125520	1.000000	1.125520	0.003500	0.018084
2020-2021	0.139929	0.139929	1.000000	1.139929	0.003500	0.016538
2021-2022	0.113228	0.113228	1.000000	1.113228	0.003500	0.014721
2022-2023	0.121072	0.121072	1.000000	1.121072	0.003500	0.016066
2023-2024	0.124219	0.124219	1.000000	1.124219	0.003500	0.011448
2024-2025	0.128018	0.128018	1.000000	1.128018	0.007000	0.013312

Source: Los Angeles County Auditor-Controller “Taxpayers’ Guide.”  
 City of Los Angeles Annual Comprehensive Financial Report

**Los Angeles**  
**Largest Local Secured Taxpayers**  
**Current Year and Nine Years Ago**  
**(in thousands)**  
**(Unaudited)**

2025				2016			
Rank	Property Owner	Assessed Valuation	% of Total <sup>(1)</sup>	Property Owner	Assessed Valuation	% of Total <sup>(2)</sup>	
1	Universal Studios LLC	\$ 3,331,466	0.35%	Douglas Emmett LLC	\$ 2,625,138	0.48%	
2	Rexford Industrial Realty LP	2,487,368	0.26	Universal Studios	2,197,547	0.40	
3	Douglas Emmett LLC	2,236,389	0.24	Essex Portfolio LP	1,591,894	0.29	
4	Essex Portfolio LP	1,571,129	0.17	FSP South Flower Street Associates LLC	868,880	0.16	
5	CP Propco LLC	1,506,046	0.16	Anheuser Busch Inc	793,569	0.15	
6	Next Century Partners LLC	1,171,681	0.12	Rochelle H. Sterling	712,249	0.13	
7	Century City Mall LLC	1,157,925	0.12	One Hundred Towers LLC	620,886	0.12	
8	FSP South Flower Street	1,023,788	0.11	Trizec 333 LA LLC	606,847	0.11	
9	CJDB LLC	986,350	0.10	Tishman Speyer Archstone Smith	588,816	0.11	
10	Rochelle H. Sterling	916,473	0.10	Maguire Partners 355 S. Grand LLC	567,527	0.11	
11	Hanjin International Corp.	902,051	0.10	Olympic and Georgia Partners LLC	542,458	0.10	
12	Anheuser Busch Commercial	854,732	0.09	Paramount Pictures Corp.	541,103	0.10	
13	One Hundred Towers LLC	730,171	0.08	LA Live Properties LLC	516,146	0.09	
14	Trizec 333 LA LLC	715,039	0.08	Hines REIT West LA Portfolio LP	513,256	0.09	
15	Onni Wilshire Courtyard LLC	686,810	0.07	Century City Mall LLC	511,256	0.09	
16	Maguire Partners 355 S. Grand LLC	668,709	0.07	Palment Flower Street Properties	507,788	0.09	
17	BRE HH Property Owner LLC	663,572	0.07	Westfield Topanga Owner LP	503,054	0.09	
18	Olympic and Georgia Partners LLC	635,728	0.07	Maquire Properties 555 W. Fifth	498,040	0.09	
19	Tishman Speyer Archstone Smith	635,580	0.07	Taubman-Beverly Center	489,044	0.09	
20	LA Live Properties LLC	596,201	0.06	Realco Intermediary LLC	479,702	0.09	
		<u>\$ 23,477,208</u>	<u>2.49%</u>		<u>\$ 16,275,200</u>	<u>2.98%</u>	

<sup>(1)</sup> 2024-25 Local Secured Assessed Valuation Rate Net: \$940,264,352

<sup>(2)</sup> 2015-16 Local Secured Assessed Valuation Rate Net: \$546,676,783

Source: California Municipal Statistics, Inc.

**Property Tax Levies and Collections  
Last Ten Fiscal Years  
(in thousands)  
(Unaudited)**

<b>Fiscal Year</b>	<b>Total Tax Levy</b>	<b>ERAF Funds <sup>(1)</sup></b>	<b>Current Tax Collections</b>	<b>Percent of Current Taxes Collected</b>	<b>Delinquent Tax Collections <sup>(2)</sup></b>	<b>Total Tax Collections</b>	<b>Ratio of Total Tax Collections to Total Tax Levy</b>
2015-2016	\$ 1,799,477	\$ 171,532	\$ 1,959,111	99.40%	\$ 31,529	\$ 1,990,640	101.00
2016-2017	1,904,567	232,966	2,107,292	98.59	25,977	2,133,269	99.80
2017-2018	1,985,501	255,167	2,184,304	97.48	49,404	2,233,708	99.69
2018-2019	2,134,918	234,519	2,347,069	99.06	61,128	2,408,197	101.64
2019-2020	2,305,773	216,281	2,467,267	97.83	40,975	2,508,242	99.45
2020-2021	2,564,883	256,204	2,756,243	97.70	66,318	2,822,561	100.05
2021-2022	2,440,344	246,520	2,588,512	96.34	78,480	2,666,992	99.26
2022-2023	2,670,569	298,516	2,916,949	98.24	124,633	3,041,582	102.44
2023-2024	2,873,873	288,669	3,099,401	98.00	65,920	3,165,321	100.09
2024-2025	3,043,885	286,576	3,229,683	96.97	65,917	3,295,600	98.95

<sup>(1)</sup> Educational Revenue Augmentation Funds (ERAF) are added to tax levies received by the District.

<sup>(2)</sup> Includes prior years' delinquencies. The Auditor-Controller has determined that they cannot provide delinquent tax information by levy year.

**Los Angeles Unified School District  
LCFF Per Unit of Average Daily Attendance  
Last Ten Fiscal Years  
(Unaudited)**

Fiscal Year	LCFF Adjusted Base Grant per ADA			
	Grades K - 3	Grades 4 - 6	Grades 7 - 8	Grades 9 - 12
2015-2016	\$ 7,820.00	\$ 7,189.00	\$ 7,403.00	\$ 8,801.00
2016-2017	7,820.00	7,189.00	7,403.00	8,801.00
2017-2018	7,941.00	7,301.00	7,518.00	8,939.00
2018-2019	8,235.00	7,571.00	7,796.00	9,269.00
2019-2020	8,503.00	7,818.00	8,050.00	9,572.00
2020-2021	8,503.00	7,818.00	8,050.00	9,572.00
2021-2022	8,935.00	8,215.00	8,458.00	10,057.00
2022-2023	10,119.00	9,304.00	9,580.00	11,391.00
2023-2024	10,951.00	10,069.00	10,367.00	12,327.00
2024-2025	11,068.00	10,177.00	10,478.00	12,460.00

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Governmental Fund Types  
Schedule of Revenues and Other Sources, Expenditures and Other Uses  
by State-Defined Object  
Last Ten Fiscal Years  
(in thousands)  
(Unaudited)**

	2015-2016		2016-2017	
	Amount	Percent	Amount	Percent
Revenues and other sources:				
Local control funding formula sources	\$ 5,290,155	50.77%	\$ 5,447,548	49.36%
Federal revenues	994,625	9.55	1,046,165	9.48
Other state revenues	1,424,119	13.67	1,178,392	10.68
Other local revenues	1,062,090	10.19	1,137,632	10.31
Operating transfers in	237,905	2.28	256,371	2.32
Proceeds from issuance of bonds	648,955	6.23	-	-
Premium on bonds issued	82,789	0.80	-	-
Proceeds from refunding bonds issued	577,400	5.54	1,581,685	14.33
Premium on refunding bonds issued	100,400	0.96	310,714	2.82
State school facilities apportionments	-	-	-	-
Proceeds from Refunding Cert. of Participation <sup>(1)</sup>	-	-	-	-
Proceeds from Certificates of Participation (COPs)/	-	-	-	-
Long-term Capital Lease <sup>(1)</sup>	196	-	296	-
Issuance of refunding COPs	-	-	-	-
Premium on COPs issued	-	-	-	-
Proceeds from CA Energy Commission loan	-	-	-	-
Proceeds from Sullivan Canyon sale	-	-	-	-
Proceeds from Ramona HS/Palisades Charter (2012)	-	-	-	-
Proceeds from sale of surplus property	-	-	-	-
Proceeds from sale of bonds	-	-	-	-
Proceeds from sale of capital assets	-	-	65,255	0.59
Proceeds from SBITAs	-	-	-	-
Proceeds from refunding COPs	-	-	-	-
Insurance proceeds – landslide and fire damage	673	0.01	13,268	0.11
Children Center facilities fund	-	-	-	-
<b>Total Revenues and Other Sources</b>	<b>\$ 10,419,307</b>	<b>100.00%</b>	<b>\$ 11,037,326</b>	<b>100.00%</b>
Expenditures and other uses:				
Current:				
Certificated salaries	\$ 2,924,822	30.40%	\$ 2,958,529	27.00%
Classified salaries	1,133,842	11.78	1,176,172	10.74
Employee benefits	1,914,777	19.90	2,022,508	18.46
Books and supplies	430,787	4.48	445,155	4.06
Services and other operating expenditures	909,924	9.46	842,393	7.69
Capital outlay	425,474	4.42	422,306	3.85
Debt service	957,711	9.95	937,162	8.57
Other outgo <sup>(2)</sup>	5,749	0.06	6,671	0.06
Operating transfers out	242,195	2.52	256,371	2.34
Discount on issuance of refunding bonds	-	-	1,595	0.01
Discount on issuance of COPs	-	-	-	-
Payment to refunded bond escrow agent	676,721	7.03	1,887,011	17.22
Payment to refunded COPs escrow agent	-	-	-	-
Transfers of indirect costs – interfund	-	-	-	-
Contributions	-	-	-	-
<b>Total Expenditures and Other Uses</b>	<b>\$ 9,622,002</b>	<b>100.00%</b>	<b>\$ 10,955,873</b>	<b>100.00%</b>

<sup>(1)</sup> The 2007-08 COPs proceeds were used to finance certain acquisition, development and installation of information technology systems of the District.

<sup>(2)</sup> "Other outgo" includes other tuition and transfer of apportionment to another district. For fiscal year 2006-07, Charter Schools 'In-lieu of Taxes was included in total expenditures under object 7280 as Other transfers out. Starting with fiscal year 2007-08, this is presented as reduction of the revenues.

2017-2018			2018-2019			2019-2020		
Amount	Percent		Amount	Percent		Amount	Percent	
\$ 5,443,510	50.52%		\$ 5,657,590	53.33%		\$ 5,653,439	52.94%	
1,023,050	9.50		1,094,851	10.32		1,021,893	9.57	
1,274,469	11.83		1,499,271	14.13		1,409,754	13.20	
1,280,993	11.89		1,302,791	12.28		1,292,928	12.11	
203,758	1.89		318,097	3.00		235,850	2.21	
1,350,000	12.53		-	-		-	-	
198,460	1.84		-	-		121,653	1.14	
-	-		594,605	5.60		-	-	
-	-		110,325	1.04		-	-	
-	-		-	-		-	-	
-	-		-	-		-	-	
-	-		-	-		-	-	
112	-		219	-		-	-	
-	-		-	-		-	-	
-	-		-	-		-	-	
-	-		-	-		-	-	
-	-		-	-		-	-	
-	-		-	-		-	-	
-	-		-	-		-	-	
-	-		-	-		942,940	8.83	
-	-		31,500	0.30		-	-	
-	-		-	-		-	-	
-	-		-	-		-	-	
200	-		-	-		-	-	
-	-		-	-		-	-	
<u>\$ 10,774,552</u>	<u>100.00%</u>		<u>\$ 10,609,249</u>	<u>100.00%</u>		<u>\$ 10,678,457</u>	<u>100.00%</u>	
\$ 2,926,633	30.00%		\$ 3,084,818	27.86%		\$ 3,100,561	29.48%	
1,202,253	12.33		1,278,034	11.54		1,307,510	12.43	
2,234,801	22.91		2,487,879	22.47		2,516,310	23.92	
511,300	5.24		508,425	4.59		439,494	4.18	
868,690	8.91		913,510	8.25		987,460	9.39	
713,079	7.31		820,869	7.41		978,189	9.30	
1,088,439	11.16		953,291	8.61		946,553	9.00	
5,224	0.05		4,916	0.05		5,584	0.06	
203,758	2.09		318,097	2.87		235,850	2.24	
53	-		-	-		-	-	
-	-		-	-		-	-	
-	-		703,627	6.35		-	-	
-	-		-	-		-	-	
-	-		-	-		-	-	
-	-		-	-		-	-	
<u>\$ 9,754,230</u>	<u>100.00%</u>		<u>\$ 11,073,466</u>	<u>100.00%</u>		<u>\$ 10,517,511</u>	<u>100.00%</u>	

See accompanying independent auditor's report.

(Continued)

**Los Angeles Unified School District  
Governmental Fund Types  
Schedule of Revenues and Other Sources, Expenditures and Other Uses  
by State-Defined Object  
Last Ten Fiscal Years  
(in thousands)  
(Unaudited)**

	2020-2021		2021-2022	
	Amount	Percent	Amount	Percent
Revenues and other sources:				
Local control funding formula sources	\$ 5,655,895	42.66%	\$ 6,038,208	47.11%
Federal revenues	2,063,500	15.56	2,415,719	18.85
Other state revenues	1,568,252	11.83	2,277,902	17.77
Other local revenues	1,484,230	11.20	1,087,467	8.48
Operating transfers in	604,595	4.56	308,754	2.41
Proceeds from issuance of bonds	1,057,060	7.97	-	-
Premium on bonds issued	156,670	1.18	83,841	0.65
Proceeds from refunding bonds issued	498,310	3.76	48,855	0.38
Premium on refunding bonds issued	134,937	1.02	-	-
State school facilities apportionments	-	-	-	-
Proceeds from Refunding Cert. of Participation <sup>(1)</sup>	-	-	-	-
Proceeds from Certificates of Participation (COPs)/	-	-	-	-
Long-term Capital Lease <sup>(1)</sup>	-	-	62,006	0.49
Issuance of refunding COPs	28,390	0.22	-	-
Premium on COPs issued	5,644	0.04	-	-
Proceeds from CA Energy Commission loan	-	-	-	-
Proceeds from Sullivan Canyon sale	-	-	-	-
Proceeds from Ramona HS/Palisades Charter (2012)	-	-	-	-
Proceeds from sale of surplus property	-	-	-	-
Proceeds from sale of bonds	-	-	494,140	3.86
Proceeds from sale of capital assets	-	-	-	-
Proceeds from SBITAs	-	-	-	-
Proceeds from refunding COPs	-	-	-	-
Insurance proceeds – landslide and fire damage	-	-	-	-
Children Center facilities fund	-	-	-	-
<b>Total Revenues and Other Sources</b>	<b>\$ 13,257,483</b>	<b>100.00%</b>	<b>\$ 12,816,892</b>	<b>100.00%</b>
Expenditures and other uses:				
Current:				
Certificated salaries	\$ 3,187,481	26.93%	\$ 3,483,265	27.72%
Classified salaries	1,392,461	11.76	1,494,200	11.89
Employee benefits	2,363,528	19.97	2,587,568	20.59
Books and supplies	763,249	6.45	739,852	5.89
Services and other operating expenditures	1,068,458	9.03	1,776,004	14.13
Capital outlay	769,204	6.50	978,284	7.79
Debt service	1,244,034	10.51	1,143,004	9.10
Other outgo <sup>(2)</sup>	5,541	0.04	5,554	0.04
Operating transfers out	377,595	3.19	308,753	2.46
Discount on issuance of refunding bonds	-	-	-	-
Discount on issuance of COPs	-	-	-	-
Payment to refunded bond escrow agent	631,490	5.34	48,675	0.39
Payment to refunded COPs escrow agent	33,594	0.28	-	-
Transfers of indirect costs – interfund	-	-	-	-
Contributions	-	-	-	-
<b>Total Expenditures and Other Uses</b>	<b>\$ 11,836,635</b>	<b>100.00%</b>	<b>\$ 12,565,159</b>	<b>100.00%</b>

2022-2023			2023-2024			2024-2025		
Amount	Percent		Amount	Percent		Amount	Percent	
\$ 6,594,216	43.25%		\$ 6,735,477	35.81%		\$ 6,455,802	40.84%	
2,801,462	18.38		2,606,575	13.86		1,199,576	7.59	
3,253,449	21.34		2,449,386	13.02		2,495,971	15.79	
1,581,180	10.37		2,147,324	11.42		2,243,419	14.19	
353,569	2.32		169,950	0.90		1,043,708	6.60	
-	-		-	-		-	-	
35,694	0.23		49,829	0.26		136,306	0.86	
-	-		2,974,945	15.82		248,345	1.57	
-	-		363,514	1.93		22,274	0.14	
-	-		-	-		-	-	
-	-		-	-		-	-	
-	-		384,260	2.04		-	-	
3,525	0.03		18	-		24,997	0.16	
-	-		-	-		-	-	
-	-		41,231	0.22		-	-	
-	-		-	-		-	-	
-	-		-	-		-	-	
-	-		-	-		-	-	
500,000	3.28		850,000	4.52		1,800,000	11.39	
264	-		-	-		97,252	0.62	
48,199	0.32		38,327	0.20		40,189	0.25	
73,730	0.48		-	-		-	-	
-	-		-	-		-	-	
-	-		-	-		-	-	
<u>\$ 15,245,288</u>	<u>100.00%</u>		<u>\$ 18,810,836</u>	<u>100.00%</u>		<u>\$ 15,807,839</u>	<u>100.00%</u>	
\$ 3,588,469	27.87%		\$ 4,007,130	22.93%		\$ 4,223,623	25.85%	
1,604,632	12.46		1,819,373	10.41		1,931,999	11.82	
2,829,314	21.98		3,199,511	18.31		3,455,766	21.15	
873,146	6.78		823,446	4.71		691,020	4.23	
1,376,406	10.69		1,591,851	9.11		1,711,122	10.47	
1,027,837	7.98		1,233,850	7.06		1,534,504	9.39	
1,140,241	8.86		1,289,475	7.38		1,230,536	7.53	
6,970	0.06		8,786	0.05		9,714	0.06	
353,569	2.75		169,950	0.97		1,043,708	6.39	
-	-		-	-		-	-	
-	-		-	-		-	-	
-	-		3,331,662	19.07		269,779	1.65	
73,373	0.57		201	-		238,932	1.46	
-	-		-	-		-	-	
-	-		-	-		-	-	
<u>\$ 12,873,957</u>	<u>100.00%</u>		<u>\$ 17,475,235</u>	<u>100.00%</u>		<u>\$ 16,340,703</u>	<u>100.00%</u>	

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Governmental Fund Types  
Schedule of Revenues and Other Sources, Expenditures and Other Uses  
by State-Defined Object  
Last Ten Fiscal Years (in thousands)  
(Unaudited)**

(1) Table below shows Detail of Operating transfers out (in thousands):

From	To	2015-2016	2016-2017	2017-2018
General	Adult Education	\$ 2	\$ 10,619	\$ 39
General	Cafeteria	21,657	3,772	1,067
General	Child Development	29,944	31,161	24,832
General	Capital Services	33,725	33,099	25,657
General	Special Reserve	-	-	189
General	General Fund – Special Reserve	-	-	-
General	Building – Measure K	227	46	-
General	Building – Measure Q	-	37	2,114
General	Building – Measure R	16	-	8
General	Building – Measure Y	33	-	688
General	Building – Measure RR	-	-	-
General	Health & Welfare	4,290	-	-
Adult Education	General	902	-	15
Adult Education	Building – Bond Proceeds	1	-	-
Adult Education	Building – Measure R	1	-	-
Child Development	General	-	-	-
Capital Services	General	-	-	-
Building	Building – Measure R	440	-	-
Building	Building – Measure K	-	-	-
Building	Building – Measure Q	-	-	-
Health and Welfare	General	-	-	-
State School Building Lease – Purchase	Special Reserve	-	-	-
State School Building Lease – Purchase	Building – Measure K	-	-	-
State School Building Lease – Purchase	Building – Measure Y	-	-	626
Special Reserve	General	-	67	196
Special Reserve	Adult Education	903	-	-
Special Reserve	Capital Services	-	1	11
Special Reserve	Capital Facilities	-	-	-
Special Reserve	Building Fund	-	-	-
Special Reserve	Building – Bond Proceeds	-	-	-
Special Reserve	Building – Measure K	2	226	-
Special Reserve	Building – Measure Q	-	20	652
Special Reserve	Building – Measure R	557	2	7,715
Special Reserve	Building – Measure Y	2,467	35	273
Special Reserve	Building – Measure RR	-	-	-
Special Reserve	County School Facilities Bonds – Prop 47	275	80	-
Special Reserve – CRA	General	30,000	-	-
Special Reserve – CRA	Capital Services	-	20,000	20,001
Special Reserve – CRA	Building – Measure K	-	115	-
Special Reserve – CRA	Building – Measure R	-	5	-
Capital Facilities	General	-	-	-
Capital Facilities	Capital Services	9,573	9,571	9,529

2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
\$ 440	\$ 690	\$ 4,340	\$ 36	\$ -	\$ -	\$ -
1,173	1,023	136	-	-	-	-
22,320	21,754	17,125	877	-	-	-
16,061	24,242	16,093	13,265	14,821	25,024	50,047
-	-	-	-	335	4	44
-	-	-	-	-	-	592,525
13	-	51	-	-	14	-
15	3,096	198	51	290	10	97
360	-	-	175	85	-	-
15	-	222	-	25	-	-
-	-	-	-	4	-	54
-	-	-	-	-	-	-
-	-	6	22	-	-	-
-	-	-	7	-	-	-
-	-	-	-	-	-	-
150	-	14	-	-	-	-
-	-	675	-	357	-	-
-	-	-	-	-	-	-
-	-	-	-	-	1	-
-	-	-	-	-	55	-
-	-	227,000	-	-	-	-
-	-	-	-	12,169	-	-
-	12	-	-	-	-	-
-	-	-	-	-	-	-
130	127	-	-	20	1,990	29
-	-	-	-	-	-	-
25	11	320	-	-	-	-
-	9	-	-	-	-	-
-	-	-	-	-	-	130
-	-	-	5	-	-	-
543	218	205	-	-	1,146	1,025
1,373	713	2,825	12,479	332	2,011	24
707	478	48	452	919	1	1,605
1,584	632	-	786	10	1,981	-
-	-	-	-	-	-	59
372	660	-	-	-	-	-
-	-	-	45,000	30,000	30,000	30,000
20,000	20,000	20,000	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	1	-
-	-	-	-	-	-	-

See accompanying independent auditor's report.

(Continued)

**Governmental Fund Types**  
**Schedule of Revenues and Other Sources, Expenditures and Other Uses**  
**by State-Defined Object**  
**Last Ten Fiscal Years (in thousands)**  
**(Unaudited)**

(1) Table below shows Detail of Operating transfers out (in thousands):

From	To	2015-2016	2016-2017	2017-2018
Capital Facilities	Special Reserve	\$ -	\$ -	\$ -
Capital Facilities	Building – Measure K	299	55	-
Capital Facilities	Building – Measure R	1,915	-	249
Capital Facilities	Building – Measure Y	18,410	-	268
Capital Facilities	Building – Measure Q	-	-	43
Capital Facilities	County School Facilities Bonds – Prop 47	37	-	699
Building – Bond Proceeds	General	-	837	-
Building – Bond Proceeds	Building – Measure R	4,000	-	-
Building – Bond Proceeds	Building – Measure Y	-	-	10
Building – Bond Proceeds	Building – Measure Q	-	-	-
Building – Bond Proceeds	County School Facilities Bonds – Prop 47	455	1,089	3,713
Building – Measure K	General	-	292	-
Building – Measure K	Special Reserve	-	-	527
Building – Measure K	Building – Measure R	3,627	218	129
Building – Measure K	Building – Measure Y	6,445	17	416
Building – Measure K	Building – Measure Q	-	-	7,896
Building – Measure K	Building – Measure RR	-	-	-
Building – Measure K	County School Facilities Bonds – Prop 47	528	178	529
Building – Measure Q	General	19,976	10,187	18,552
Building – Measure Q	Adult Education	-	-	-
Building – Measure Q	Cafeteria	-	484	-
Building – Measure Q	Building – Bond Proceeds	-	-	-
Building – Measure Q	Building – Measure K	3	518	3
Building – Measure Q	Building – Measure R	234	4,380	480
Building – Measure Q	Building – Measure Y	95	4	444
Building – Measure Q	Building – Measure R	-	-	-
Building – Measure Q	Building – Measure RR	-	-	-
Building – Measure Q	County School Facilities Bonds – Prop 47	-	-	118
Building – Measure Q	Capital Facilities	-	-	-
Building – Measure Q	Special Reserve	4	458	1,572
Building – Measure R	General	222	541	280
Building – Measure R	Special Reserve	1,797	606	-
Building – Measure R	Building – Bond Proceeds	1	55	-
Building – Measure R	Building – Measure K	416	622	6
Building – Measure R	Building – Measure Y	799	37	494
Building – Measure R	Building – Measure Q	-	16	3
Building – Measure R	Building – Measure RR	-	-	-
Building – Measure R	County School Facilities Bonds – Prop 47	734	3,155	427
Building – Measure Y	General	103	3,195	69
Building – Measure Y	Adult Education	-	-	-
Building – Measure Y	Cafeteria	35	-	-
Building – Measure Y	Special Reserve	952	-	11
Building – Measure Y	Special Reserve - CRA	4	-	-

2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
\$ -	\$ -	\$ -	\$ 4	\$ -	\$ -	\$ -
419	443	-	81	-	-	-
-	-	-	150	137	-	-
490	-	39	6	-	-	-
33,836	9,662	97,315	54,064	-	-	-
60	-	19	-	-	-	-
-	-	-	-	-	-	-
-	534	-	61	-	-	-
-	-	-	-	-	-	-
7,147	-	8	1,925	213	-	-
56	252	-	2	-	-	-
-	-	-	-	-	-	-
113	-	12	-	-	-	-
208	-	393	446	-	1	-
6,144	2	341	10	-	-	-
95,094	6,315	13	52	-	3	1,550
-	-	-	-	-	2	187
1,185	19	1	76	14,231	-	-
4,654	1,871	17,259	72	348	244	72
-	-	-	-	-	-	8
-	-	-	-	-	-	-
-	1	-	-	-	-	-
666	601	50	24	13	1,035	-
701	35	15	575	14	17	-
164	559	90	24	-	14	-
-	-	-	-	-	2	-
-	-	-	-	-	-	5,050
38	51	26,307	-	-	1	1
-	3,030	5,000	-	-	-	-
5	98	76	1,622	20	-	2,000
28	53	-	1,380	-	12	-
-	-	-	82	-	-	-
-	-	-	-	-	-	-
619	-	-	4,891	18	120	-
197	5	3	222	-	-	-
15,454	29,991	45,646	56,962	21,982	1	521
-	-	-	-	-	1	-
795	539	13	64	90	-	-
417	93	52	99	-	-	-
-	-	-	-	-	1	-
-	-	-	-	-	-	-
-	-	11	-	-	-	-
-	-	-	-	-	-	-

See accompanying independent auditor's report.

(Continued)

**Governmental Fund Types**  
**Schedule of Revenues and Other Sources, Expenditures and Other Uses**  
**by State-Defined Object**  
**Last Ten Fiscal Years (in thousands)**  
**(Unaudited)**

<sup>(1)</sup> Table below shows Detail of Operating transfers out (in thousands):

From	To	2015-2016	2016-2017	2017-2018
Building – Measure Y	Building – Measure K	\$ 295	\$ 599	\$ 53
Building – Measure Y	Building – Measure R	144	46	58
Building – Measure Y	Building – Measure Q	-	-	2,549
Building – Measure Y	Building – Measure RR	-	-	-
Building – Measure Y	County School Facilities Bonds – Prop 47	48	1,037	1,495
Building – Measure RR	General	-	-	-
Building – Measure RR	Building – Measure R	-	-	-
Building – Measure RR	Building – Measure Q	-	-	-
Building – Measure US	Special Reserve	-	-	-
County School Facilities Bonds – Prop 47	General	6	2,180	6
County School Facilities Bonds – Prop 47	Special Reserve	100	1	-
County School Facilities Bonds – Prop 47	Capital Facilities	247	6,718	-
County School Facilities Bonds – Prop 47	Building – Bond Proceeds	43	2,018	2,794
County School Facilities Bonds – Prop 47	Building – Measure K	25,657	74,710	46,123
County School Facilities Bonds – Prop 47	Building – Measure R	13,059	14,011	6,729
County School Facilities Bonds – Prop 47	Building – Measure Y	6,490	18,914	12,765
County School Facilities Bonds – Prop 47	Building – Measure Q	-	337	636
County School Facilities Bonds – Prop 47	Building – Measure RR	-	-	-
		<u>\$ 242,195</u>	<u>\$ 256,371</u>	<u>\$ 203,758</u>

	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
\$	105	\$ 2	\$ 2,296	\$ 90	\$ -	\$ 158	\$ -
	276	49	1,556	235	-	133	-
	558	89,162	43,433	27,992	5,509	9	6,412
	-	-	-	-	-	38	44
	626	271	101	370	8	-	-
	-	-	-	-	10,324	99	56
	-	-	-	125	153	245	83
	-	-	-	3,061	1,252	20	553
	-	-	-	-	-	-	238,932
	1	-	-	-	-	-	-
	-	-	-	-	-	-	-
	-	54	1	244	-	1,649	-
	4,283	371	-	-	-	-	-
	21,420	11,126	69,461	18,034	1,072	26	20
	6,682	2,426	497	4,354	171	183	-
	6,491	2,112	87	1,593	-	-	-
	43,884	2,458	5,242	56,607	238,647	103,698	91,319
	-	-	-	-	-	-	21,261
<u>\$</u>	<u>318,097</u>	<u>\$ 235,850</u>	<u>\$ 604,595</u>	<u>\$ 308,754</u>	<u>\$ 353,569</u>	<u>\$ 169,950</u>	<u>\$ 1,043,708</u>

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Schedule of Direct and Overlapping Bonded Debt  
For the Year Ended June 30, 2025  
(in thousands)  
(Unaudited)**

<u>Government</u>	<u>Percentage Applicable</u> <sup>(1)</sup>	<u>Amount Applicable</u>
Direct:		
Los Angeles Unified School District		
General Obligation Bonds	100.000%	\$ 11,745,405
Certificates of Participation	100.000%	225,010
		<u>11,970,415</u>
Overlapping: <sup>(2)</sup>		
Los Angeles County General Fund Obligations	46.285%	1,405,508
Los Angeles County Superintendent of Schools Certificates of Participation	46.285%	1,079
Pasadena Area Community College District	0.001%	1
Santa Clarita Landscaping and Streetlighting Zones A and B	0.003%	-
Metropolitan Water District	23.740%	4,073
Los Angeles Community College District	81.856%	4,026,910
Pasadena Area Community College District Certificates of Participation	0.001%	-
City of Los Angeles	99.945%	1,024,201
City of Los Angeles General Fund and Obligations	99.945%	1,211,695
Other City General Fund and Pension Obligation Bonds	Various	529,767
Los Angeles County Sanitation District Nos. 1, 2, 4, 5, 8, 9, 16 and 23 Authorities	Various	-
City Community Facilities Districts	100.000%	58,875
Other City and Special District 1915 Act Bonds	99.983-100	17,808
Other Cities	Various	17,086
City of Los Angeles Redevelopment Agency (Successor Agency)	100.000%	216,065
Other Redevelopment Agencies	Various	156,643
Total Overlapping		<u>8,669,711</u>
Total Gross Direct and Overlapping Debt		<u>20,640,126<sup>(2)</sup></u>
Less:		
Los Angeles Unified School District General Obligation Bonds		
Election of 2005, Series J (2010) Qualified School Construction Bonds:		
Election of 2005, Series H (2009) Qualified School Construction Bonds:		
Amount accumulated in Interest and Sinking Fund and Set Asides for Repayment		461,235 <sup>(3)</sup>
City supported obligations		204
Total Net Direct and Overlapping Debt		<u>\$ 20,178,687</u>

<sup>(1)</sup> The percentage of overlapping debt applicable to the school district is estimated using taxable assessed property value. Applicable percentages were estimated by determining the portion of the overlapping district's assessed value that is within the boundaries of the school district divided by the overlapping district's total taxable assessed value.

<sup>(2)</sup> Excludes tax and revenue anticipation notes, enterprise revenue, mortgage revenue and non-bonded capital lease obligations.

<sup>(3)</sup> Set aside amount through fiscal year 2024-25.

Source: California Municipal Statistics, Inc.

**Los Angeles Unified School District**  
**Ratio of Annual Debt Service for General Bonded Debt and Certificates of**  
**Participation (COPs) to Total General Governmental Expenditures**  
**Last Ten Fiscal Years**  
**(in thousands)**  
**(Unaudited)**

<b>Fiscal Year</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service <sup>(1)</sup></b>	<b>Total General Governmental Expenditures</b>	<b>Ratio of Debt Service to Total General Governmental Expenditures</b>
2015-2016	\$ 434,051	\$ 516,725	\$ 950,776	\$ 9,622,002	9.88%
2016-2017	420,616	511,967	932,583	10,955,873	8.51
2017-2018	603,822	482,535	1,086,357	9,754,230	11.14
2018-2019	420,105	531,381	951,486	11,073,466	8.59
2019-2020	441,495	503,553	945,048	10,517,511	8.99
2020-2021	724,281	516,621	1,240,902	11,836,635	10.48
2021-2022	601,380	534,926	1,136,306	12,565,159	9.04
2022-2023	588,757	528,481	1,117,238	12,873,957	8.68
2023-2024	648,470	538,659	1,187,129	17,475,235	6.79
2024-2025	746,870	446,077	1,192,947	16,340,703	7.30

<sup>(1)</sup> Payments for General Obligation Bonds and COPs, excluding fees paid in other cities, bond issuance, and other costs.

**Los Angeles County**  
**Ratio of Outstanding Debt to Assessed Value and Outstanding Debt Per Capita**  
**Last Ten Fiscal Years**  
**(Dollars in thousands except Outstanding Debt per Capita)**  
**(Unaudited)**

Fiscal Year	Population Los Angeles Unified School District <sup>(1)</sup>	Total Assessed Value <sup>(2)</sup>	Outstanding Debt		
			General Obligation Bonds	Certificates of Participation	Total Outstanding Debt
2015-2016	4,741,738	\$ 570,169,464	\$ 10,457,615	\$ 266,131	\$ 10,723,746
2016-2017	4,772,208	605,969,007	9,815,110	235,510	10,050,620
2017-2018	4,753,445	644,504,747	10,604,150	195,975	10,800,125
2018-2019	4,746,546	692,732,625	10,106,450	180,545	10,286,995
2019-2020	4,725,640	739,397,092	10,624,010	164,430	10,788,440
2020-2021	4,583,874	787,684,010	10,864,555	130,970	10,995,525
2021-2022	4,549,060	818,403,267	10,770,060	120,710	10,890,770
2022-2023	4,513,937	877,632,041	10,704,725	97,870	10,802,595
2023-2024	4,608,452	929,980,077	10,723,385	471,590	11,194,975
2024-2025	N/A	972,869,117	11,745,405	225,010	11,970,415

Sources:

<sup>(1)</sup> U.S. Census Bureau. "Total Population." American Community Survey, DP05 ACS 1-year estimates Demographics and Housing Estimates, All Geographies, Unified School Districts, Los Angeles Unified School District, One year estimates.

<sup>(2)</sup> Los Angeles County Auditor-Controller "Taxpayers' Guide"

N/A denotes not available. The U.S. Census has released data for 2024, and data for 2025 is unavailable as the year is still in progress.

<b>Ratio of Outstanding Debt to Assessed Value</b>	<b>Outstanding Debt per Capita</b>
1.8808%	\$ 2,262
1.6586	2,106
1.6757	2,272
1.4850	2,167
1.4591	2,283
1.3959	2,399
1.3307	2,394
1.2309	2,393
1.2038	2,429
1.2304	N/A

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Legal Debt Margin Information  
Last Ten Fiscal Years  
(in thousands)  
(Unaudited)**

<b>Fiscal Year</b>	<b>Debt Limit</b>	<b>Total Amount of Debt Applicable to Debt Limit</b>	<b>Legal Debt Margin</b>	<b>Total Amount of Debt Applicable to Debt Limit as a Percentage of Debt Limit</b>
2015-2016	\$ 14,254,237	\$ 10,457,615	\$ 3,796,622	73.36%
2016-2017	15,149,225	9,815,110	5,334,115	64.79
2017-2018	16,112,619	10,604,150	5,508,469	65.81
2018-2019	17,318,316	10,106,450	7,211,866	58.36
2019-2020	15,149,225	10,624,010	4,525,215	70.13
2020-2021	19,692,100	10,864,555	8,827,545	55.17
2021-2022	20,460,082	10,770,060	9,690,022	52.64
2022-2023	21,940,801	10,704,725	11,236,076	48.79
2023-2024	23,249,502	10,723,385	12,526,117	46.12
2024-2025	24,321,728	11,745,405	12,576,323	48.29

Computation of Legal Debt Margin for Fiscal Year Ended June 30, 2025

Assessed valuation (net taxable)	\$ 970,386,631
Plus exempt property	2,482,486
<b>Total Assessed Valuation</b>	<b>972,869,117</b>
Debt limit – 2.5% of Assessed Valuation per Education Code Section 15106 <sup>(1)</sup>	24,321,728
Bonded Debt:	
General Obligation Bonds	11,745,405
<b>Legal Debt Margin (bonded debt) <sup>(2)</sup></b>	<b>\$ 12,576,323</b>

<sup>(1)</sup> Converted rate from 10% of 25% of full cash value (2.5%) to 2.5% of 100% of full cash value (2.5%).

<sup>(2)</sup> The amount shown above excluded net unamortized premium of \$979.1 million.

Source: Los Angeles County Auditor-Controller “Taxpayers’ Guide”

**Los Angeles County  
Demographic Statistics  
Last Ten Fiscal Years  
(in thousands)  
(Unaudited)**

<b>Fiscal Year</b>	<b>Population City of Los Angeles<sup>a,b</sup></b>	<b>Population Los Angeles Unified School District<sup>c</sup></b>	<b>Population County of Los Angeles<sup>a,b</sup></b>	<b>School Enrollment County of Los Angeles<sup>d</sup></b>	<b>School Enrollment Los Angeles Unified School District*</b>	<b>Unemployment Rate County of Los Angeles<sup>e</sup></b>
2015-2016**	4,031	4,742	10,241	1,523	574	6.0%
2016-2017	3,946	4,772	10,107	1,511	560	4.9
2017-2018	3,955	4,753	10,108	1,493	544	5.0
2018-2019	3,940	4,747	10,067	1,464	529	4.6
2019-2020	3,898	4,726	10,014	1,437	516	17.7
2020-2021	3,880	4,584	9,966	1,390	508	10.0
2021-2022	3,823	4,549	9,870	1,337	461	5.0
2022-2023	3,808	4,514	9,834	1,314	462	5.1
2023-2024	3,820	4,608	9,849	1,298	455	6.1
2024-2025	3,835	N/A	9,877	1,276	450	5.9

\* District’s Statistical Records – September Norm Day Enrollment for Fiscal Year

\*\* 2015-2016 Data is from 2015-16 LAUSD Annual Comprehensive Financial Report

N/A: Data is Not Available at the time report is being prepared or published as the 2025 year has not yet concluded

Sources:

- (a) State of California, Department of Finance, E-4 Population Estimates for Cities, Counties, and the State, 2021-2025, with 2020 Census Benchmark. Sacramento, California, May 2025. (As of April 2020 and January of each fiscal year)
- (b) State of California, Department of Finance, E-4 Population Estimates for Cities, Counties, and the State, 2001-2020, with 2010 and 2020 Census Benchmarks. Sacramento, California, May 2025. (As of April 2020 and January of each fiscal year)
- (c) U.S. Census Bureau. “Total Population.” American Community Survey, DP05 ACS 1-Year Estimates Demographics and Housing Estimates, All Geographies, Unified School Districts, Los Angeles Unified School District
- (d) California State Department of Education, DataQuest Enrollment, Multi-Year Summary, Los Angeles County
- (e) California Employment Development Department, Labor Market Information Division

See accompanying independent auditor’s report.

**Los Angeles County  
Principal Employers  
Current Year and Nine Years Ago  
(Unaudited)**

Rank	2025			2016		
	Employer	Employees	Percentage of Total County Employment <sup>(1)</sup>	Employer	Employees	Percentage of Total County Employment <sup>(2)</sup>
1	Kaiser Permanente	47,897	1.01%	Kaiser Permanente	32,784	0.68%
2	University of Southern California	25,741	0.54	Northrop Grumman Corp.	20,500	0.42
3	Cedars-Sinai	18,087	0.38	Boeing Co.	16,510	0.34
4	Northrop Grumman Corp.	16,600	0.35	Kroger Co.	14,000	0.29
5	The Walt Disney Co.	13,400	0.28	Vons	13,603	0.28
6	NBC Universal	13,000	0.27	University of Southern California	12,604	0.26
7	UPS	12,000	0.25	Target	12,441	0.26
8	Providence	11,500	0.24	Bank of America Corp	11,000	0.23
9	The Home Depot	11,000	0.23	The Home Depot	10,000	0.21
10	Target	11,000	0.23	AT&T, Inc.	9,770	0.2
	Total	180,225	3.78%	Total	153,212	3.17%

<sup>(1)</sup> Based on Los Angeles County Employment of 4,742,300 (data as of June)

<sup>(2)</sup> Based on 2015-16 LAUSD Annual Comprehensive Financial Report, LA County Employment count of 4,844,700

Sources:

Los Angeles Business Journal, "The List", August 25, 2025

California Employment Development Department <http://www.labormarketinfo.edd.ca.gov>, August 15, 2025 report



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**Los Angeles Unified School District  
Average Daily Attendance  
Annual Report  
Last Ten Fiscal Years  
(Unaudited)**

	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>
District:				
Kindergarten-Grade 3	158,998.06	155,262.38	149,197.07	141,934.03
Grades 4-6	111,544.08	109,051.67	107,018.53	100,538.16
Grades 7-8	65,595.68	64,118.24	62,336.66	60,529.29
Grades 9-12	127,103.24	121,861.09	119,450.52	111,755.74
Total District	<u>463,241.06</u>	<u>450,293.38</u>	<u>438,002.78</u>	<u>414,757.22</u>
County:				
Kindergarten-Grade 3	-	-	-	-
Grades 4-6	1.23	-	-	-
Grades 7-8	3.18	2.71	2.42	3.70
Grades 9-12	489.84	417.13	354.29	339.53
Total County	<u>494.25</u>	<u>419.84</u>	<u>356.71</u>	<u>343.23</u>
Affiliated Charter Schools:				
Kindergarten-Grade 3	15,866.33	15,792.20	15,305.84	13,313.03
Grades 4-6	10,545.58	10,552.33	10,481.51	9,222.72
Grades 7-8	6,000.47	6,037.96	5,923.43	5,770.32
Grades 9-12	7,219.75	8,760.14	8,521.18	10,603.83
Total Affiliated Charter Schools	<u>39,632.13</u>	<u>41,142.63</u>	<u>40,231.96</u>	<u>38,909.90</u>
Total Average Daily Attendance	<u><u>503,367.44</u></u>	<u><u>491,855.85</u></u>	<u><u>478,591.45</u></u>	<u><u>454,010.35</u></u>

\* The ADA presented in the schedule is the audited 2019-20 ADA, and the ADA for fiscal year 2020-21 was not collected per California Education Code section EC Section 2575(g)(2) based on the “hold harmless” provision stated in the Senate Bill 98 passed. As this schedule is not required by the Audit Guide and there is no clear guidance on the presentation, the District prepared the schedule according to our understand from historical guidance. During fiscal year 2020-21, CDE credited additional ADA to the District from 2 closed independent charter schools. The ADA for the 2 closed schools totaling 86.54 and 343.72 for K-3 and 9-12, respectively, are not included in the above table. In addition, audit findings from fiscal year 2020-21 of negative 3.44 ADA are not included in the above table.

- (a) Adjustment was due to an FY2019-20 audit finding.
- (b) The Affiliated Charter Schools’ 2022-2023 ADA is updated to reflect reduction in ADA due to audit findings for Kenter Canyon Elementary Charter (S-2023-009) and University High School Charter (S-2023-012).
- (c) The 2023-2024 ADA is updated due to audit findings (S-2024-001, S-2024-003, S-2024-004, and S-2024-009) and reflect final Nonpublic Schools ADA.

2019-2020	2020-2021*	2021-2022	2022-2023	2023-2024	2024-2025
139,028.46	139,028.46	111,075.81	113,587.76 <sup>(a)</sup>	113,827.57 <sup>(a)</sup>	111,850.43
99,037.56	99,037.56	82,974.91	83,254.76 <sup>(a)</sup>	81,619.06 <sup>(a)</sup>	79,162.96
60,142.80	60,142.80	49,804.14	49,026.74 <sup>(a)</sup>	49,027.56 <sup>(a)</sup>	47,983.49
115,393.98	115,393.98	101,703.61	102,786.71 <sup>(a)</sup>	100,904.64 <sup>(a)</sup>	97,449.78
413,602.80	413,602.80	345,558.47	348,655.97 <sup>(a)</sup>	345,378.83 <sup>(a)</sup>	336,446.66
-	-	-	-	-	-
-	-	-	0.19	-	-
2.14	2.14	1.79	1.27	2.87	2.07
359.98	359.98	335.28	348.76	360.61	367.66
362.12	362.12	337.07	350.22	363.48	369.73
13,473.52	13,473.52	11,198.11	11,723.47 <sup>(b)</sup>	11,995.56 <sup>(a)</sup>	11,901.94
9,714.50	9,714.50	8,254.14	8,298.40	8,317.16	8,063.27
6,925.51	6,925.51	5,887.65	5,749.23	5,470.49	5,380.89
10,826.92	10,826.92	9,702.86	9,694.05 <sup>(b)</sup>	9,801.83	9,549.34
40,940.45	40,940.45	35,042.76	35,465.15	35,585.04	34,895.44
454,905.37	454,905.37	380,938.30	384,471.34	381,327.35	371,711.83

See accompanying independent auditor's report.

**Los Angeles Unified School District  
 Full-Time Equivalent District Employees by Function  
 Last Ten Fiscal Years  
 (Unaudited)**

	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>
Governmental Activities:				
Instruction	39,442	39,269	38,094	37,975
Support services – students	3,479	3,520	3,543	3,619
Support services – instructional staff	3,463	3,489	3,567	3,551
Support services – general administration	206	212	208	213
Support services – school administration	4,122	4,200	4,283	4,362
Support services – business	1,548	1,580	1,362	1,349
Operation and maintenance of plant services	6,853	7,072	7,036	6,955
Student transportation services	1,034	1,037	1,000	995
Data processing services	239	240	285	307
Operation of noninstructional services	2,984	3,020	2,974	3,065
Facilities acquisition and construction services	1,156	1,070	1,044	1,030
Total Governmental Activities	<u>64,526</u>	<u>64,709</u>	<u>63,396</u>	<u>63,421</u>

<u>2019-2020</u>	<u>2020-2021</u>	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u>	<u>2024-2025</u>
37,671	37,156	39,165	40,040	38,541	37,990
3,806	4,042	5,525	5,896	5,925	5,486
4,795	5,109	7,360	7,849	6,712	6,642
219	220	227	99	219	214
4,362	4,338	4,760	5,102	5,294	4,792
1,256	1,312	1,655	1,326	1,399	1,255
6,630	6,632	7,556	5,051	6,948	6,598
1,222	1,167	1,087	395	1,369	1,402
341	377	473	374	486	533
3,107	3,289	3,310	3,336	5,538	5,765
953	915	965	919	1,013	899
<u>64,362</u>	<u>64,557</u>	<u>72,083</u>	<u>70,387</u>	<u>73,444</u>	<u>71,576</u>

See accompanying independent auditor's report.

**Los Angeles Unified School District  
 Capital Assets by Function  
 Last Ten Fiscal Years  
 (Unaudited)**

	<u>2015-2016</u>	<u>2016-2017</u>	<u>2017-2018</u>	<u>2018-2019</u>
Governmental Activities:				
Instruction	\$ 344,855	\$ 346,654	\$ 344,872	\$ 350,677
Support services – students	4,596	4,653	4,653	4,653
Support services – instructional staff	68,658	68,723	68,781	69,180
Support services – general administration	4,124	4,124	4,167	4,167
Support services – school administration	72,168	72,300	72,453	73,027
Support services – business	58,726	59,026	59,157	60,785
Operation and maintenance of plant services	155,181	158,134	154,516	153,322
Student transportation services	94,379	116,843	126,561	127,974
Data processing services	550,014	550,531	555,567	561,611
Operation of noninstructional services	36,346	36,414	36,604	36,233
Facilities acquisition and construction services	20,194,823	20,583,099	21,266,995	22,056,391
Total Governmental Activities	<u>\$ 21,583,870</u>	<u>\$ 22,000,501</u>	<u>\$ 22,694,326</u>	<u>\$ 23,498,020</u>

	<b>2019-2020</b> <b>(As Restated)</b>	<b>2020-2021</b> <b>(As Restated)</b>	<b>2021-2022</b>	<b>2022-2023</b>	<b>2023-2024</b>	<b>2024-2025</b>
\$	416,582	\$ 419,260	\$ 421,381	\$ 434,541	\$ 453,564	\$ 456,394
	4,717	4,717	4,762	5,780	5,789	12,328
	69,430	69,571	71,109	83,594	91,549	88,487
	4,172	4,172	4,172	4,172	4,185	4,217
	73,655	74,229	74,281	75,411	75,529	78,119
	61,818	61,804	72,822	89,291	96,078	117,130
	153,477	156,325	215,651	220,726	224,397	231,980
	127,796	138,677	140,305	152,627	156,819	169,071
	570,104	572,423	574,059	600,522	626,509	652,965
	38,140	38,453	38,774	40,449	44,707	49,898
	<u>22,953,950</u>	<u>23,693,795</u>	<u>24,582,450</u>	<u>25,517,482</u>	<u>26,671,989</u>	<u>28,053,350</u>
\$	<u>24,473,841</u>	<u>25,233,426</u>	<u>26,199,766</u>	<u>27,224,595</u>	<u>28,451,115</u>	<u>29,913,939</u>

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Miscellaneous Statistical Data  
Last Ten Fiscal Years  
(Unaudited)**

Fiscal Year:	July 1 – June 30	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Enrollment by						
Level:	Elementary (grades TK-5/6)	257,930	249,902	239,939	227,521	216,501
(As of September)	Middle/Junior High (grades 6-8)	83,066	77,224	72,591	68,244	64,866
	Senior High (grades 9-12)	114,479	108,876	105,581	100,915	96,687
	Magnet Schools/Centers (grades TK-12)	70,151	75,605	80,459	87,425	94,136
	Special Education Schools (grades TK-12)	2,439	2,268	2,212	2,154	2,185
	Total K-12 Enrollment	528,065	513,875	500,782	486,259	474,375
	Community Adult Schools and Centers	32,926	33,371	31,320	30,676	30,093
	Total Enrollment	560,991	547,246	532,102	516,935	504,468
	Early Education Centers	12,722	12,507	12,014	12,396	11,851
	Independent Charter Schools	107,142	111,648	112,492	112,485	113,586
Student-Teacher						
Ratio & Cost per						
Student:	Student Enrollment	573,713	559,753	544,116	529,331	516,319
	Teaching Staff	27,765	27,448	26,907	26,673	26,527
	Student-Teacher Ratio <sup>(1)</sup>	20.66 : 1	20.39 : 1	20.22 : 1	19.85 : 1	19.46 : 1
	Total Primary Government Expense (in thousands)	9,158,716	9,402,091	9,204,854	5,669,679	9,320,067
	Cost Per Student	15,964	16,797	16,917	10,711	18,051
Percent of Free & Reduced Students in Lunch Program:						
	Elementary	85.08%	84.93%	85.20%	95.88%	96.18%
	Secondary	85.60	80.98	81.67	96.87	96.68
	Total	85.24	83.71	84.04	96.21	96.35
Number of Teachers by Education						
Level:	Bachelor's Degree (BD)	470	602	644	690	678
	BD + 14 semester units	359	383	411	440	454
	BD + 28 semester units	1,109	1,151	1,113	1,121	1,139
	BD + 42 semester units	2,001	1,935	1,898	1,882	1,940
	BD + 56 semester units	2,162	2,192	2,102	2,070	2,121
	BD + 70 semester units	2,280	2,275	2,220	2,194	2,157
	BD + 84 semester units	2,314	2,232	2,161	2,113	2,082
	BD + 98 semester units	5,677	5,247	4,883	4,635	4,403
	BD + 98 semester units + 15-19 years of service	6,582	6,033	5,411	4,788	4,217
	BD + 98 semester units + 20-24 years of service	2,926	3,494	4,091	4,602	5,059
	BD + 98 semester units + 25-29 years of service	1,276	1,337	1,427	1,621	1,643
	BD + 98 semester units + 30 or more years of service	609	567	546	517	634
	Total	27,765	27,448	26,907	26,673	26,527
	Master's Degree	12,297	12,296	12,164	12,218	12,309
	Doctorate Degree	526	502	499	479	473
Average Teacher Pay by Education						
Level:	Bachelor's Degree (BD)	\$ 49,580	\$ 48,867	\$ 48,209	\$ 50,788	\$ 51,360
	BD + 14 semester units	52,527	52,601	52,393	54,761	54,367
	BD + 28 semester units	57,188	56,878	56,478	59,549	59,301
	BD + 42 semester units	60,472	60,713	60,418	63,598	63,138
	BD + 56 semester units	64,732	64,948	64,730	67,906	67,555
	BD + 70 semester units	69,121	69,339	69,084	72,955	72,320
	BD + 84 semester units	73,457	73,989	73,547	77,507	77,146
	BD + 98 semester units	78,196	78,878	78,656	82,959	82,391
	BD + 98 semester units + 15-19 years of service	81,989	82,801	82,801	87,843	87,843
	BD + 98 semester units + 20-24 years of service	82,616	83,434	83,434	88,515	88,515
	BD + 98 semester units + 25-29 years of service	84,802	85,641	85,641	90,857	90,857
	BD + 98 semester units + 30 or more years of service	86,231	87,085	87,085	92,389	92,389
	Master's Degree <sup>(2)</sup>	584	584	584	584	584
	Doctorate Degree <sup>(2)</sup>	1,168	1,168	1,168	1,168	1,168

<sup>(1)</sup> Overall enrolled students to overall teaching staff.

<sup>(2)</sup> Amount in addition to Bachelor's Degree pay.

<sup>(3)</sup> In response to the COVID 19 pandemic, the District provided free meals for all students as part of the Nationwide Child Nutrition Waivers Source: District's Records

See accompanying independent auditor's report.

(Continued)

**Miscellaneous Statistical Data  
Last Ten Fiscal Years (Continued)  
(Unaudited)**

Fiscal Year:	July 1 – June 30	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
Enrollment by						
Level:	Elementary (grades TK-5/6)	202,813	187,545	183,976	179,176	176,335
(As of September)	Middle/Junior High (grades 6-8)	61,015	57,850	55,699	53,295	51,474
	Senior High (grades 9-12)	95,210	93,841	91,660	88,370	84,949
	Magnet Schools/Centers (grades TK-12)	95,629	89,127	88,892	89,444	87,796
	Special Education Schools (grades TK-12)	2,297	1,959	2,049	2,056	2,007
	Total K-12 Enrollment	456,964	430,322	422,276	412,341	402,561
	Community Adult Schools and Centers	43,734	25,208	32,427	36,329	40,447
	Total Enrollment	500,698	455,530	454,703	448,670	443,008
	Early Education Centers	7,222	5,510	7,678	6,566	6,781
	Independent Charter Schools	114,431	112,358	110,461	109,747	108,563
Student-Teacher Ratio & Cost per Student:						
	Student Enrollment	507,920	461,040	462,381	455,236	449,789
	Teaching Staff	26,490	26,749	22,689	26,977	26,766
	Student-Teacher Ratio <sup>(1)</sup>	19.17 : 1	17.24 : 1	20.38 : 1	16.87 : 1	16.80 : 1
	Total Primary Government Expense (in thousands)	9,827,740	10,824,582	9,829,163	11,724,471	11,704,577
	Cost Per Student	19,349	23,479	21,258	25,755	26,022
Percent of Free & Reduced Students in Lunch Program:						
	Elementary	100.00% <sup>(3)</sup>	100.00% <sup>(3)</sup>	93.21%	91.23%	93.07%
	Secondary	100.00 <sup>(3)</sup>	100.00 <sup>(3)</sup>	95.06	91.15	93.07
	Total	100.00 <sup>(3)</sup>	100.00 <sup>(3)</sup>	93.93	91.20	93.07
Number of Teachers by Education Level:						
	Bachelor's Degree (BD)	647	1,098	1,268	1,260	1,092
	BD + 14 semester units	533	525	484	624	594
	BD + 28 semester units	1,282	1,475	1,478	1,673	1,517
	BD + 42 semester units	1,966	2,149	2,001	2,309	2,162
	BD + 56 semester units	2,144	2,215	1,823	2,301	2,293
	BD + 70 semester units	2,156	2,154	1,779	2,273	2,332
	BD + 84 semester units	2,021	2,023	1,511	1,956	1,994
	BD + 98 semester units	4,300	4,016	2,918	3,875	4,109
	BD + 98 semester units + 15-19 years of service	3,716	3,406	2,542	2,853	2,576
	BD + 98 semester units + 20-24 years of service	5,110	4,602	3,573	3,674	3,372
	BD + 98 semester units + 25-29 years of service	1,947	2,418	2,632	3,284	3,707
	BD + 98 semester units + 30 or more years of service	668	668	680	895	1,018
	Total	26,490	26,749	22,689	26,977	26,766
	Master's Degree	12,360	12,259	10,356	12,482	12,734
	Doctorate Degree	475	452	346	414	450
Average Teacher Pay by Education Level:						
	Bachelor's Degree (BD)	\$ 52,409	\$ 53,772	\$ 56,079	\$ 60,295	\$ 65,294
	BD + 14 semester units	53,419	56,808	59,785	62,995	68,545
	BD + 28 semester units	58,706	60,608	63,831	68,469	74,706
	BD + 42 semester units	62,559	65,110	69,226	74,392	80,655
	BD + 56 semester units	67,368	70,223	74,561	80,408	86,919
	BD + 70 semester units	72,121	75,304	80,385	86,433	92,941
	BD + 84 semester units	76,704	80,102	85,977	92,060	99,170
	BD + 98 semester units	81,792	85,336	91,424	98,411	105,858
	BD + 98 semester units + 15-19 years of service	87,844	92,235	98,803	106,360	114,515
	BD + 98 semester units + 20-24 years of service	88,515	92,940	99,558	107,005	115,208
	BD + 98 semester units + 25-29 years of service	90,857	95,400	102,192	109,714	118,118
	BD + 98 semester units + 30 or more years of service	92,389	97,008	103,915	111,550	120,050
	Master's Degree <sup>(2)</sup>	584	584	584	584	584
	Doctorate Degree <sup>(2)</sup>	1,168	1,168	1,168	1,168	1,168

<sup>(1)</sup> Overall enrolled students to overall teaching staff.

<sup>(2)</sup> Amount in addition to Bachelor's Degree pay.

<sup>(3)</sup> In response to the COVID 19 pandemic, the District provided free meals for all students as part of the Nationwide Child Nutrition Waivers Source: District's Records

See accompanying independent auditor's report.



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# **OTHER INFORMATION**



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**Los Angeles Unified School District  
Organization Structure  
For the Year Ended June 30, 2025  
(Unaudited)**

**Date Established:** LAUSD was formed in 1854 as the Common Schools for the City of Los Angeles and became a unified school district in 1960. LAUSD is the granting authority in fiscal year 2024-25 for Affiliated Charter Schools and Independent Charter Schools listed in the succeeding pages and the date established for each can be found in the second to the last column.

**Geographical Location:** The Los Angeles Unified School District is a political subdivision of the State of California. It is located in the western section of Los Angeles County and includes most of the City of Los Angeles, all the Cities of Gardena, Huntington Park, Lomita, Maywood, San Fernando, Vernon, and West Hollywood, and portions of the Cities of Bell, Bell Gardens, Beverly Hills, Carson, Commerce, Cudahy, Culver City, Hawthorne, Inglewood, Long Beach, Los Angeles, Lynwood, Montebello, Monterey Park, Rancho Palos Verdes, Santa Clarita, South Gate, and Torrance, in addition to considerable unincorporated territories devoted to homes and industry. The District did not have any changes in its school boundaries in FY2025.

**Geographical Area:** 710 square miles

**Administrative Offices:** 333 South Beaudry Avenue, Los Angeles, CA 90017

**Form of Government:** The District is governed by a seven-member Board of Education elected by voters within the District to serve alternating five-year terms. The term was extended in 2015 by Charter Amendment 2.

<u>Name</u>	<u>Board District</u>	<u>Expiration of Term</u>
Scott Schmerelson, President	3	December 9, 2029
Dr. Rocio Rivas, Vice President	2	December 11, 2027
Sherlett Hendy Newbill	1	December 9, 2029
Nick Melvoin	4	December 11, 2027
Karla Griego	5	December 9, 2029
Kelly Gonez	6	December 11, 2027
Tanya Ortiz Franklin	7	December 9, 2029

<u>Name</u>	<u>Title</u>
Albert M. Carvalho	Superintendent of Schools
Pedro Salcido	Deputy Superintendent, Business Services & Operations
Karla Estrada	Deputy Superintendent, Instruction
Kristen Murphy	Associate Superintendent, Talent & Labor Relations
Carolyn Spaht Gonzalez	Chief of Staff
Martha Alvarez	Chief Legal Affairs & Government Relations Officer
Jana Carter	Chief Communication, Engagement & Collaboration Officer
David Greco	Classified Personnel Director
Jason Geanakopoulos	Labor Relations Director, Interim
Francisco Serrato	Chief Human Resources Officer
Frances Baez	Chief Academic Officer
Anthony Aguilar	Chief of Special Education, Equity and Access
Robert Whitman	Educational Transformation Officer
Pia Sadaqatmal	Chief of Transitional Programs
Saman Bravo-Karimi	Chief Financial Officer
Kurt John	Deputy Chief Financial Officer
Soheil Katal	Chief Information Officer
Smita Malhotra	Chief Medical Director
Aaron Piszczewicz	Chief of Police
Andres Chait	Chief School Operations Officer
Krisztina Tokes	Chief Facilities Executive
Jaime Torrens	Senior Advisor to the Superintendent
Devora Navera Reed	General Counsel

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Organization Structure (Continued)  
Year Ended June 30, 2025  
(Unaudited)**

Fiscal Year:	July 1 – June 30				
Number of Schools:	(As of October)	<u>2021-2022</u>	<u>2022-2023</u>	<u>2023-2024</u>	<u>2024-2025</u>
	Elementary Schools	436	434	435	436
	Middle/Junior High Schools	78	78	78	79
	Senior High Schools	87	87	87	87
	Options Schools	53	59	59	59
	Special Education Schools	13	12	12	11
	Home and Hospital*	-	-	-	1
	Magnet Schools	66	67	67	66
	Magnet Centers	255	262	264	267
	Community Adult Schools	1	2	2	2
	Regional Occupational Centers	7	7	7	7
	Skills Centers	2	2	2	2
	Early Education Centers	87	87	87	87
	Infant Centers	4	4	4	4
	California State Preschools	89	89	81	81
	Primary School Centers	18	18	18	18
	Multi-level Schools	28	30	29	27
	Total Schools and Centers	<u>1,224</u>	<u>1,238</u>	<u>1,232</u>	<u>1,234</u>
	Independent Charter Schools	<u>227</u>	<u>224</u>	<u>221</u>	<u>218</u>

\*In fiscal year 2024-25, Berenice Carlson Home Hospital was reclassified from Special Education School to Home and Hospital.

**Los Angeles Unified School District  
Schedule of Charter Schools - Affiliated  
For the Year Ended June 30, 2025  
(Unaudited)**

School	Location Code	State Charter No.	CDS Code	Date Established	Included in the District Audit
1 Alfred B. Nobel Charter Middle School	8272	1480	19 64733 6061543	06/12/12	Yes
2 Beckford Charter for Enriched Studies	2335	1344	19 64733 6015986	05/24/11	Yes
3 Calabash Charter Academy	2704	1345	19 64733 6016240	05/24/11	Yes
4 Calvert Charter for Enriched Studies	2712	1585	19 64733 6016265	05/14/13	Yes
5 Canyon Charter Elementary	2795	226	19 64733 6016323	06/28/93	Yes
6 Carpenter Community Charter	2822	1235	19 64733 6016356	06/15/10	Yes
7 Castlebay Lane Charter	2881	1477	19 64733 6071435	06/05/12	Yes
8 Chatsworth Charter High	8583	1581	19 64733 1931708	05/14/13	Yes
9 Colfax Charter Elementary	3164	1041	19 64733 6016562	07/08/08	Yes
10 Community Magnet Charter Elementary	2741	957	19 64733 6094726	08/28/07	Yes
11 Dearborn Elementary Charter Academy	3377	1481	19 64733 6016729	06/12/12	Yes
12 Dixie Canyon Community Charter	3438	1469	19 64733 6016778	06/12/12	Yes
13 Dr. Theodore T. Alexander Jr Science Center	5111	604	19 64733 0102491	10/28/03	Yes
14 El Oro Way Charter for Enriched Studies	3545	1466	19 64733 6016869	06/12/12	Yes
15 Emerson Community Charter	8123	1688	19 64733 6057988	06/10/14	Yes
16 Enadia Way Technology Charter	3610	1474	19 64733 0117036	06/05/12	Yes
17 Encino Charter Elementary	3616	1471	19 64733 6016935	06/12/12	Yes
18 Gaspar de Portola Charter Middle	8107	2074	19 64733 6061584	05/07/19	Yes
19 George Ellery Hale Charter Academy	8169	1346	19 64733 6061477	05/24/11	Yes
20 Grover Cleveland Charter High	8590	1571	19 64733 1931864	05/14/13	Yes
21 Hamlin Charter Academy	4349	1472	19 64733 6017438	06/12/12	Yes
22 Haynes Charter for Enriched Studies	4473	1470	19 64733 6017529	06/12/12	Yes
23 Hesby Oaks Leadership Charter	4521	1468	19 64733 0112060	06/05/12	Yes
24 Justice Street Academy Charter	4692	1487	19 64733 6017693	06/12/12	Yes
25 Kenter Canyon Elementary Charter	4699	227	19 64733 6017701	07/01/95	Yes
26 Knollwood Preparatory Academy	4762	1486	19 64733 6017743	06/05/12	Yes
27 Lockhurst Drive Charter Elementary	4887	1478	19 64733 6017891	06/12/12	Yes
28 Louis Armstrong Middle	8238	1473	19 64733 6058150	06/12/12	Yes
29 Marquez Charter	5164	228	19 64733 6018063	06/28/93	Yes
30 Nestle Avenue Charter	5452	1465	19 64733 6018287	06/12/12	Yes
31 Open Charter Magnet	5889	12	19 64733 6097927	07/01/93	Yes
32 Palisades Charter Elementary	5959	229	19 64733 6018634	11/01/98	Yes
33 Paul Revere Charter Middle	8356	225	19 64733 6058267	04/13/94	Yes
34 Plainview Academic Charter Academy	6096	1435	19 64733 6018725	04/17/12	Yes
35 Pomelo Community Charter	6140	1347	19 64733 6018774	05/24/11	Yes
36 Reseda Charter High	8814	2005	19 64733 1937226	05/01/18	Yes
37 Riverside Drive Charter	6315	1362	19 64733 6018923	08/30/11	Yes
38 Serrania Avenue Charter for Enriched Studies	6606	1484	19 64733 6019111	06/12/12	Yes
39 Sherman Oaks Elementary Charter	6699	1348	19 64733 6019186	05/24/11	Yes
40 Superior Street Elementary	7007	1476	19 64733 6019392	06/12/12	Yes
41 Sylmar Charter High	8878	1834	19 64733 1938554	05/10/16	Yes
42 Taft Charter High	8880	1580	19 64733 1938612	05/14/13	Yes
43 Topanga Elementary Charter	7198	230	19 64733 6019525	09/02/95	Yes
44 Topeka Charter School for Advanced Studies	7201	1475	19 64733 6019533	06/12/12	Yes
45 University High School Charter	8886	2006	19 64733 1938885	06/05/18	Yes
46 Van Gogh Charter	7422	1479	19 64733 6019673	06/05/12	Yes

See accompanying independent auditor's report.

(Continued)

**Los Angeles Unified School District  
 Schedule of Charter Schools - Affiliated  
 For the Year Ended June 30, 2025  
 (Unaudited)**

School	Location Code	State Charter No.	CDS Code	Date Established	Included in the District Audit
47 Welby Way Charter Elementary School and Gifted Ability Magnet	7637	1349	19 64733 6019855	05/24/11	Yes
48 Westwood Charter Elementary	7740	31	19 64733 6019939	07/26/93	Yes
49 Wilbur Charter for Enriched Academics	7774	1482	19 64733 6019954	06/05/12	Yes
50 Woodlake Elementary Community Charter	7877	1483	19 64733 6020036	06/05/12	Yes
51 Woodland Hills Elementary Charter for Enriched Studies	7890	1485	19 64733 6020044	06/12/12	Yes

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Schedule of Fiscally Independent Charter Schools  
For the Year Ended June 30, 2025  
(Unaudited)**

School	Location Code	State Charter no.	CDS Code	Date Established	Included in the District Audit
1 Academia Moderna	2156	1101	19 64733 0120097	4/14/2009	No
2 Accelerated	2015	45	19 64733 6112536	11/01/93	No
3 Accelerated Charter Elementary (ACES)	2013	539	19 64733 0100743	03/25/03	No
4 Alain Leroy Locke College Preparatory Academy	8087	1050	19 64733 0118588	09/11/07	No
5 Alliance Cindy and Bill Simon Technology Academy High	7759	1161	19 64733 0121285	10/20/09	No
6 Alliance College-Ready Middle Academy 12	5202	1533	19 64733 0128058	02/12/13	No
7 Alliance College-Ready Middle Academy 4	5160	1096	19 64733 0120030	04/14/09	No
8 Alliance College-Ready Middle Academy 8	5200	1531	19 64733 0128033	02/12/13	No
9 Alliance Collins Family College-Ready High	8647	718	19 64733 0108936	01/11/05	No
10 Alliance Dr. Olga Mohan High School	8823	790	19 64733 0111500	03/07/06	No
11 Alliance Gertz-Ressler Richard Merkin 6-12 Complex	8626	645	19 64733 0106864	04/27/04	No
12 Alliance Jack H. Skirball Middle	8115	779	19 64733 0111518	03/07/06	No
13 Alliance Judy Ivie Burton Technology Academy High	8646	714	19 64733 0108894	04/12/05	No
14 Alliance Kory Hunter Middle	5199	1532	19 64733 0128041	02/12/13	No
15 Alliance Leichtman-Levine Family Foundation Environmental Science High	8215	929	19 64733 0117606	02/12/13	No
16 Alliance Marc & Eva Stern Math and Science (CA State Univ. L.A. Campus)	8826	788	19 64733 0111658	03/07/06	No
17 Alliance Margaret M. Bloomfield Technology Academy High	7686	1356	19 64733 0124941	06/07/11	No
18 Alliance Marine - Innovation and Technology 6-12 Complex	7591	1738	19 64733 0132084	12/09/14	No
19 Alliance Morgan McKinzie High	8214	928	19 64733 0116509	05/08/07	No
20 Alliance Ouchi-O'Donovan 6-12 Complex	8825	784	19 64733 0111641	03/07/06	No
21 Alliance Patti And Peter Neuwirth Leadership Academy	8824	789	19 64733 0111492	03/07/06	No
22 Alliance Piera Barbaglia Shaheen Health Services Academy	8213	927	19 64733 0117598	05/08/07	No
23 Alliance Renee and Meyer Luskin Academy High	7694	1343	19 64733 0124891	05/24/11	No
24 Alliance Susan and Eric Smidt Technology High	7684	1163	19 64733 0123133	10/20/09	No
25 <i>Alliance Ted K. Tajima High *</i>	7685	1164	19 64733 0123141	10/20/09	No
26 Alliance Tennenbaum Family Technology High (Public School Choice-PSC)	7760	1162	19 64733 0121293	10/20/09	No
27 Alliance Virgil Roberts Leadership Academy	5201	1530	19 64733 0128009	02/12/13	No
28 Anahuacalmecac International University Preparatory of North America	5277	1685	19 64733 0132928	02/12/13	No
29 Animo Ellen Ochoa Charter Middle	5182	1286	19 64733 0123992	01/04/11	No
30 Animo Florence-Firestone Charter Middle	7582	1794	19 64733 0134023	01/12/16	No
31 Animo Jackie Robinson High	8818	793	19 64733 0111583	03/07/06	No
32 Animo James B. Taylor Charter Middle	5183	1287	19 64733 0124008	01/04/11	No
33 Animo Jefferson Charter Middle	5981	1216	19 64733 0122481	04/06/10	No
34 Animo Legacy Charter Middle School (Clay Campus) (PSC)	5181	1288	19 64733 0124016	01/04/11	No
35 Animo Mae Jemison Charter Middle	5217	1624	19 64733 0129270	11/12/13	No
36 Animo Pat Brown	8504	649	19 64733 0106849	04/13/04	No
37 Animo Ralph Bunche Charter High	8817	781	19 64733 0111575	03/07/06	No
38 Animo South Los Angeles Charter	8505	602	19 64733 0102434	10/28/03	No
39 Animo Venice Charter High	8503	648	19 64733 0106831	04/13/04	No
40 Animo Watts College Preparatory Academy	8822	783	19 64733 0111625	03/07/06	No
41 Ararat Charter	7757	1156	19 64733 0121079	09/22/09	No

\* Italicized schools are no longer authorized by LAUSD as of July 1, 2025.

(Continued)

**Los Angeles Unified School District  
Schedule of Fiscally Independent Charter Schools  
For the Year Ended June 30, 2025  
(Unaudited)**

School	Location Code	State Charter No.	CDS Code	Date Established	Included in the District Audit
42 Arts In Action Community Charter	2258	1218	19 64733 0123158	04/20/10	No
43 Arts in Action Community Middle School	7583	1806	19 64733 0134205	02/09/16	No
44 Aspire Centennial College Preparatory Academy	5194	1436	19 64733 0126797	04/17/12	No
45 Aspire Firestone Academy (PSC)	2161	1214	19 64733 0122622	04/20/10	No
46 Aspire Gateway Academy Charter (PSC)	2162	1213	19 64733 0122614	04/20/10	No
47 Aspire Inskip Academy Charter (PSC)	2255	1332	19 64733 0124800	04/05/11	No
48 Aspire Juanita Tate Academy Charter (PSC)	2254	1331	19 64733 0124792	04/05/11	No
49 Aspire Junior Collegiate Academy	2266	1551	19 64733 0114884	01/15/13	No
50 Aspire Pacific Academy	7733	1230	19 64733 0122721	05/18/10	No
51 Aspire Slauson Academy Charter (PSC)	2253	1330	19 64733 0124784	04/05/11	No
52 Aspire Titan Academy	2268	1550	19 64733 0120477	01/15/13	No
53 Bert Corona Charter	8054	654	19 64733 0106872	05/11/04	No
54 Bert Corona Charter High	7598	1724	19 64733 0132126	11/18/14	No
55 Birmingham Community Charter High	8557	1119	19 64733 1931047	07/01/09	No
56 California Creative Learning Academy	4985	827	19 64733 0112235	06/13/06	No
57 California Creative Learning Academy Middle School	5261	1960	19 64733 0137463	01/09/18	No
58 Camino Nuevo Charter Academy 2 (Kayne Siart)	5987	1231	19 64733 0122861	05/18/10	No
59 Camino Nuevo Charter Academy 4 (Cisneros) (PSC)	2251	1334	19 64733 0124826	04/05/11	No
60 Camino Nuevo Charter Academy (Burlington)	2017	293	19 64733 6117667	11/09/99	No
61 Camino Nuevo Elementary School 3 (Eisner) (PSC)	2157	1212	19 64733 0122564	04/20/10	No
62 Camino Nuevo High 2 (Dalzell Lance)	7624	1540	19 64733 0127910	03/19/13	No
63 CATCH Prep Charter High, Inc.	8654	570	19 64733 0101659	05/13/03	No
64 Center for Advanced Learning	3284	937	19 64733 0115139	06/12/07	No
65 Central City Value	8719	534	19 64733 0100800	02/25/03	No
66 CHAMPS - Charter HS of Arts-Multimedia & Performing	8586	712	19 64733 0108878	02/08/05	No
67 CHIME Institute's Schwarzenegger Community	2020	417	19 64733 6119531	02/08/05	No
68 Citizens of the World Charter School East Valley	2487	2081	19 64733 0140749	05/07/19	No
69 Citizens of the World Charter School Hollywood	2160	1200	19 64733 0122556	03/23/10	No
70 Citizens of the World Charter School Mar Vista (Gateway)	2262	1414	19 64733 0126193	02/07/12	No
71 Citizens of the World Charter School Silver Lake	2260	1413	19 64733 0126177	02/07/12	No
72 Citizens of the World Charter School West Valley	2466	2082	19 64733 0139832	05/07/19	No
73 City Language Immersion Charter	2271	1538	19 64733 0127886	01/15/13	No
74 Collegiate Charter High School of Los Angeles	7594	1722	19 64733 0131821	11/18/14	No
75 <i>Crete Academy*</i>	7550	1854	19 64733 0135616	11/15/16	No
76 Crown Preparatory Academy	5983	1187	19 64733 0121848	03/02/10	No
77 Discovery Charter Preparatory #2	8605	949	19 64733 0115253	06/28/07	No
78 Downtown Value	4765	448	19 64733 6119903	12/11/01	No
79 Ednovate - Brio College Prep	7555	1843	19 64733 0135723	04/12/16	No
80 Ednovate - East College Prep	7595	1702	19 64733 0132282	06/10/14	No
81 Ednovate - Esperanza College Prep	7556	1842	19 64733 0135715	04/12/16	No
82 Ednovate - South LA College Prep	5279	2087	19 64733 0140129	04/02/19	No
83 Ednovate - USC Hybrid High College Prep	7672	1401	19 64733 0125864	12/06/11	No
84 Ednovate - Encore Arts and Media College Prep	5988	2086	19 64733 0164780	4/2/2019	No
85 El Camino Real Charter High	8617	1314	19 64733 1932623	03/01/11	No
86 El Rio Community School	2467	2080	19 64733 0140004	05/28/19	No

\* Italicized schools are no longer authorized by LAUSD as of July 1, 2025.

(Continued)

**Los Angeles Unified School District  
Schedule of Fiscally Independent Charter Schools  
For the Year Ended June 30, 2025  
(Unaudited)**

School	Location Code	State Charter No.	CDS Code	Date Established	Included in the District Audit
87 Equitas Academy 2	5190	1402	19 64733 0126169	01/10/12	No
88 Equitas Academy 3 Charter	2280	1669	19 64733 0129650	3/4/2014	No
89 Equitas Academy 4	7551	1785	19 64733 0133686	09/01/15	No
90 Equitas Academy 5	5265	2040	19 64733 0139121	11/07/17	No
91 Equitas Academy 6	2468	2030	19 64733 0138883	10/23/18	No
92 Equitas Academy Charter	2154	1093	19 64733 0119982	03/24/09	No
93 Everest Value	5220	1638	19 64733 0129858	12/17/13	No
94 Extera Public	2256	1300	19 64733 0124198	02/01/11	No
95 Extera Public School No. 2	2272	1562	19 64733 0128132	01/15/13	No
96 Fenton Avenue Charter	3747	30	19 64733 6017016	07/26/93	No
97 Fenton Charter Leadership Academy	2078	1613	19 64733 0131722	06/18/13	No
98 Fenton Primary Center	3746	911	19 64733 0115048	03/13/07	No
99 Fenton STEM Academy: Elementary Center for Science Technology Engineering and Mathematics	2079	1605	19 64733 0131466	06/18/13	No
100 Gabriella Charter	4034	713	19 64733 0108886	03/08/05	No
101 Gabriella Charter 2	7552	1853	19 64733 0135509	10/18/16	No
102 Girls Athletic Leadership School Los Angeles	7585	1791	19 64733 0133710	04/15/15	No
103 Global Education Academy	2025	934	19 64733 0114967	05/22/07	No
104 Goethe International Charter	2129	1036	19 64733 0117978	07/08/08	No
105 Granada Hills Charter	8681	572	19 64733 1933746	05/13/03	No
106 High Tech LA	8885	537	19 64733 0100677	03/11/03	No
107 High Tech LA Middle	5260	1929	19 64733 0137471	05/09/17	No
108 ICEF Innovation Los Angeles Charter	2125	1037	19 64733 0117952	07/08/08	No
109 ICEF View Park Preparatory Elementary School	2016	190	19 64733 6117048	03/09/99	No
110 ICEF View Park Preparatory High School	8653	543	19 64733 0101196	03/11/03	No
111 ICEF View Park Preparatory Middle School	8460	506	19 64733 6121081	08/13/02	No
112 ICEF Vista Elementary Academy	2127	1039	19 64733 0117937	07/08/08	No
113 ICEF Vista Middle Academy	8004	953	19 64733 0115287	07/10/07	No
114 Ingenium Charter	2133	1157	19 64733 0121137	12/09/14	No
115 Ingenium Charter Middle	5203	1536	19 64733 0127985	02/12/13	No
116 Invictus Leadership Academy	5280	2088	19 64733 0140111	10/15/19	No
117 ISANA Cardinal Academy	2257	1285	19 64733 0123984	12/14/10	No
118 ISANA Himalia Academy	2488	1858	19 77081 0135954	11/24/20	No
119 ISANA Nascent Academy	2925	716	19 64733 0108910	04/12/05	No
120 ISANA Octavia Academy	5985	1232	19 64733 0122655	05/18/10	No
121 ISANA Palmati Academy	5184	1246	19 64733 0123166	06/15/10	No
122 Ivy Academia	4672	619	19 64733 0106351	02/10/04	No
123 <i>Ivy Bound Academy of Math, Science, and Technology Charter Middle*</i>	8121	936	19 64733 0115113	06/12/07	No
124 James Jordan Middle	8195	734	19 64733 0109884	05/10/05	No
125 KIPP Academy of Innovation	5197	1586	19 64733 0128512	05/14/13	No
126 KIPP Academy of Opportunity	8458	530	19 64733 0101444	02/11/03	No
127 KIPP Comienza Community Prep	2159	1196	19 64733 0121707	03/23/10	No
128 KIPP Corazon Academy	7553	1855	19 64733 0135517	11/15/16	No
129 KIPP Empower Academy	2158	1195	19 64733 0121699	03/23/10	No

\* Italicized schools are no longer authorized by LAUSD as of July 1, 2025.

(Continued)

**Los Angeles Unified School District  
Schedule of Fiscally Independent Charter Schools  
For the Year Ended June 30, 2025  
(Unaudited)**

School	Location Code	State Charter No.	CDS Code	Date Established	Included in the District Audit
130 KIPP Endeavor College Preparatory Charter	5163	1094	19 64733 0120014	04/14/09	No
131 KIPP Ignite Academy	2081	1720	19 64733 0131771	12/09/14	No
132 KIPP Iluminar Academy	2261	1508	19 64733 0127670	11/13/12	No
133 KIPP Los Angeles College Preparatory	8457	531	19 64733 0100867	02/11/03	No
134 KIPP Philosophers Academy	5188	1378	19 64733 0125609	10/04/11	No
135 KIPP Promesa Prep	2080	1721	19 64733 0131797	12/09/14	No
136 KIPP Raices Academy	2043	1010	19 64733 0117903	05/27/08	No
137 KIPP Scholar Academy	5187	1377	19 64733 0125625	10/04/11	No
138 <i>KIPP Sol Academy*</i>	5189	1379	19 64733 0125641	10/04/11	No
139 KIPP Vida Preparatory Academy	2264	1587	19 64733 0129460	05/14/13	No
140 Larchmont Charter	4783	717	19 64733 0108928	03/23/05	No
141 Learning by Design Charter	7572	1959	19 64733 0137513	02/06/18	No
142 Libertas College Preparatory Charter	5230	1711	19 64733 0131904	08/26/14	No
143 Los Angeles Academy of Arts and Enterprise Charter (LAAAE)	8216	675	19 64733 0110304	08/24/04	No
144 <i>Los Angeles Leadership Academy*</i>	8756	461	19 64733 1996610	03/12/02	No
145 Los Angeles Leadership Primary Academy	2252	1333	19 64733 0124818	04/05/11	No
146 Magnolia Science Academy 4	8011	986	19 64733 0117622	02/26/08	No
147 Magnolia Science Academy 6	8013	988	19 64733 0117648	02/26/08	No
148 Magnolia Science Academy 7	8014	989	19 64733 0117655	02/26/08	No
149 Magnolia Science Academy Bell- BELL (PSC)	5166	1236	19 64733 0122747	06/15/10	No
150 Math and Science College Preparatory	7674	1412	19 64733 0126136	02/07/12	No
151 Matrix for Success Academy	2458	1961	19 64733 0137562	06/13/17	No
152 Monsenor Oscar Romero Charter Middle	8196	931	19 64733 0114959	05/22/07	No
153 Montague Charter Academy for the Arts and Sciences	5370	115	19 64733 6018204	07/15/96	No
154 Multicultural Learning Center	3550	388	19 64733 6119044	04/17/01	No
155 N.E.W. Academy Canoga Park	5477	592	19 64733 0102483	05/27/03	No
156 N.E.W. Academy of Science and Arts	2023	521	19 64733 0100289	12/10/02	No
157 New Designs Charter	8260	601	19 64733 0102541	10/28/03	No
158 New Designs Charter School-Watts	7770	1120	19 64733 0120071	07/01/09	No
159 New Heights Charter	5583	761	19 64733 0111211	01/31/06	No
160 New Horizons Charter Academy	2263	1567	19 64733 0128371	04/16/13	No
161 New Los Angeles Charter	8015	998	19 64733 0117614	04/22/08	No
162 New Los Angeles Charter Elementary	7581	1788	19 64733 0133702	10/13/15	No
163 New Millennium Secondary	8165	1020	19 64733 0117911	06/10/08	No
164 New Village Girls Academy	8775	791	19 64733 0111484	03/21/06	No
165 Ocean Charter	5962	569	19 64733 0102335	05/13/03	No
166 Oscar De La Hoya Animo Charter High	8827	581	19 64733 0101675	05/13/03	No
167 Our Community School	5902	739	19 64733 0109934	05/24/05	No
168 Pacoima Charter Elementary	5973	583	19 64733 6018642	05/13/03	No
169 Palisades Charter High	8798	37	19 64733 1995836	06/28/93	No
170 Para Los Niños Charter	2615	475	19 64733 6120489	05/14/02	No
171 Para Los Niños Middle	8016	1007	19 64733 0117846	05/13/08	No
172 Port of Los Angeles High	8528	542	19 64733 0107755	02/11/03	No
173 Prepa Tec - Los Angeles	5207	1542	19 64733 0127936	01/15/13	No
174 PUC CALS Charter Middle and Early College High School	8154	331	19 64733 0133298	04/19/05	No

\* Italicized schools are no longer authorized by LAUSD as of July 1, 2025.

(Continued)

**Los Angeles Unified School District  
Schedule of Fiscally Independent Charter Schools  
For the Year Ended June 30, 2025  
(Unaudited)**

School	Location Code	State Charter No.	CDS Code	Date Established	Included in the District Audit
175 PUC Community Charter Elementary	2282	1657	19 64733 0129619	02/11/14	No
176 PUC Community Charter Middle and PUC Community Charter Early College High	8453	213	19 64733 6116750	05/11/99	No
177 PUC Early College Academy for Leaders and Scholars (ECALS) (PSC)	7687	1354	19 64733 0124933	06/21/11	No
178 PUC Excel Charter Academy	2024	798	19 64733 0112201	03/21/06	No
179 PUC Inspire Charter Academy	5221	1626	19 64733 0129593	11/12/13	No
180 PUC Lakeview Charter Academy	8212	603	19 64733 0102442	10/28/03	No
181 PUC Lakeview Charter High	7732	1241	19 64733 0122606	05/18/10	No
182 PUC Milagro Charter	5313	600	19 64733 0102426	12/12/03	No
183 PUC Nueva Esperanza Charter Academy	7779	1092	19 64733 0133280	02/10/09	No
184 PUC Triumph Charter Academy and PUC Triumph Charter High School	8426	797	19 64733 0133272	03/21/06	No
185 PUENTE Charter	2621	473	19 64733 6120471	05/14/02	No
186 Renaissance Arts Academy	8456	579	19 64733 0101683	06/24/03	No
187 Rise Kohyang Elementary	5268	1927	19 64733 0136994	12/05/17	No
188 Rise Kohyang High School	7579	1786	19 64733 0133868	11/10/15	No
189 Rise Kohyang Middle	5177	1315	19 64733 0124222	03/01/11	No
190 Santa Monica Boulevard Community Charter	6548	446	19 64733 6019079	12/11/01	No
191 Scholarship Prep South Bay	5269	2042	19 64733 0139097	11/27/18	No
192 Stella Elementary Charter Academy	2457	1866	19 64733 0137604	01/10/17	No
193 Stella High Charter Academy	8947	826	19 64733 0112508	06/13/06	No
194 Stella Middle Charter Academy	2588	535	19 64733 0100669	03/11/03	No
195 STEM Preparatory Elementary	2451	1925	19 64733 0136986	11/07/17	No
196 Synergy Charter Academy	7029	636	19 64733 0106427	03/23/04	No
197 Synergy Kinetic Academy (PSC)	8018	1014	19 64733 0117895	05/27/08	No
198 Synergy Quantum Academy (PSC)	7692	1299	19 64733 0124560	02/01/11	No
199 TEACH Academy of Technologies	5982	1206	19 64733 0122242	04/06/10	No
200 TEACH Preparatory Mildred S. Cunningham & Edith H. Morris Elementary School	2452	2004	19 64733 0138305	05/01/18	No
201 TEACH Tech Charter High	7608	1658	19 64733 0129627	02/11/14	No
202 University Preparatory Value High	7597	1723	19 64733 0132027	11/18/14	No
203 Valley Charter Elementary	2165	1237	19 64733 0122754	06/15/10	No
204 Valley Charter Middle	5185	1238	19 64733 0122838	06/15/10	No
205 Valley International Preparatory High	7531	1926	19 64733 0137612	12/05/17	No
206 Valor Academy Elementary	7580	1787	19 64733 0133694	11/10/15	No
207 Valor Academy High	7626	1539	19 64733 0127894	03/19/13	No
208 Valor Academy Middle	5162	1095	19 64733 0120022	04/14/09	No
209 Vaughn Next Century Learning Center (Mainland/MIT)	7452	16	19 64733 6019715	07/01/93	No
210 Village Charter Academy	2283	1639	19 64733 0129866	12/17/13	No
211 Vista Charter Middle	5984	1234	19 64733 0122739	05/18/10	No
212 Vista Horizon Global Academy	5270	2043	19 64733 0139089	11/27/18	No
213 Vox Collegiate of Los Angeles	7532	1917	19 64733 0137521	06/13/17	No
214 Wallis Annenberg High	8828	538	19 64733 0100750	03/25/03	No
215 Watts Learning Center	7620	131	19 64733 6114912	06/23/97	No

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(Continued)

**Los Angeles Unified School District  
 Schedule of Fiscally Independent Charter Schools  
 For the Year Ended June 30, 2025  
 (Unaudited)**

School	Location Code	State Charter No.	CDS Code	Date Established	Included in the District Audit
216 Watts Learning Center Charter Middle	5165	1141	19 64733 0120527	08/25/09	No
217 WISH Academy High	7557	1863	19 64733 0135632	03/08/16	No
218 WISH Community	5252	1627	19 64733 0135921	11/12/13	No

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# **STATE AND FEDERAL COMPLIANCE INFORMATION**



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**Los Angeles Unified School District  
General Fund  
Schedule of Principal Apportionment from the State School Fund  
For the Year Ended June 30, 2025  
(Unaudited)**

	<u>District</u>	<u>Affiliated Charters</u>
Local Control Funding Formula (LCFF)		
LCFF Funded Average Daily Attendance (ADA)		
K-3 ADA	\$ 114,677	\$ 11,909
4-6 ADA	81,034.53	8,086.88
7-8 ADA	51,537.90	5,406.42
9-12 ADA	103,550.75	9,633.92
Total Funded ADA	<u>350,800.65</u>	<u>35,035.94</u>
Unduplicated Pupil Percentage	86.00%	varies by school
LCFF State Aid		
Base Grant Funding	\$ 3,928,897,464	\$ 390,793,000
Supplemental Grant Funding	675,770,364	39,405,191
Concentration Grant Funding	791,672,839	17,035,400
Allowance and Add-On Funding		
Add-On (Based on 2012-13 Targeted Instructional Improvement Block Grant)	460,431,314	-
Add-On (Based on 2012-13 Home-to-School Transportation)	84,863,980	-
Economic Recovery Target	-	990,310
Transition Kindergarten Ratio - Current Year	31,996,031	3,402,822
Transition Kindergarten Ratio - Prior Years	(5,091,751)	(128,004)
Total LCFF Target Entitlement	<u>5,968,540,241</u>	<u>451,498,719</u>
LCFF Funding	5,968,540,241	451,498,719
Local Revenue	1,629,341,458	147,832,050
Gross State Aid (LCFF Funding less Local Revenue)	<u>4,339,198,783</u>	<u>303,666,669</u>
Education Protection Account Entitlement	905,427,109	68,166,943
Net State Aid-Current Year (Gross State Aid less Education Protection Account)	<u>3,433,771,674</u>	<u>235,499,726</u>
State Aid - Prior Years	1,524,830	73,915
Principal apportionments - other state revenues		
Special education		
Current year	434,900,885	-
Prior years	(1,996,253)	-
Other State Apportionments		
Current year	3,961,214	-
Prior years	2,524	-
Total Principal Apportionment from State School Funds	<u>\$ 3,872,164,874</u>	<u>\$ 235,573,641</u>

See accompanying independent auditor's report.

**Los Angeles Unified School District  
General Fund  
Schedule of Appropriations, Expenditures and Other Uses, and Unexpended Balances  
by District Defined Program  
For the Year Ended June 30, 2025  
(in thousands)  
(Unaudited)**

	<u>Appropriations</u>	<u>Expenditures and Other Uses</u>	<u>Unexpended Balances</u>
Regular program:			
General Program - Schools	\$ 6,985,169	\$ 5,855,113	\$ 1,130,056
General Program - Support Services	1,548,126	1,655,674	(107,548)
General Program - Hourly Intervention/ Remediation	2,000	1,886	114
General Program - Interfund Transfers	642,729	642,661	68
General Program - Options Programs	105,464	95,993	9,471
Special Education - Schools	1,868,406	1,903,842	(35,436)
Special Education - Support Services	141,509	126,592	14,917
Special Education - Extended Session	30,252	34,207	(3,955)
Student Integration - Schools	136,818	139,904	(3,086)
Student Integration - Support Services	45,491	46,421	(930)
ROC/Skill Centers - Support Services	108	1	107
Regional Occupational Programs - Schools	21,580	16,142	5,438
On-going & Major Maintenance - Schools	332,187	323,637	8,550
On-going & Major Maintenance - Support Services	56,371	53,678	2,693
On-going & Major Maintenance - Interfund Transfers	61	61	-
Community Services	1,286	3,473	(2,187)
Reserves and Resources Allocations	22,704	3,605	19,099
Total Regular Program	<u>11,940,261</u>	<u>10,902,890</u>	<u>1,037,371</u>
Specially Funded Programs	<u>1,180,342</u>	<u>858,927</u>	<u>321,415</u>
Total General Fund	<u>\$ 13,120,603</u>	<u>\$ 11,761,817</u>	<u>\$ 1,358,786</u>

See accompanying independent auditor's report.

**Los Angeles Unified School District**  
**General Fund**  
**Expenditures and Other Uses by Goal and Function**  
**For the Year Ended June 30, 2025**  
**(in thousands)**  
**(Unaudited)**

Instruction	\$ 8,518,812
Support Services	
Supervision of instruction	64,143
Library, media, technology and other instructional resources	56,245
School administration	409,748
Pupil support services	131,117
Pupil transportation	15,883
Data processing services	188,490
Plant maintenance and operations	986,373
Facilities rents and leases	996
Central administration	580,002
Total Support Services	<u>2,432,997</u>
Other Goals	
Community services	5,280
Child care and development services	832
Food services	28,870
Total Other Goals	<u>34,982</u>
Facilities Acquisition and Construction	<u>90,522</u>
Other Outgo	
Debt service	33,491
All other outgo	651,013
Total Other Outgo	<u>684,504</u>
Total Expenditures and Other Uses	<u>\$ 11,761,817</u>

See accompanying independent auditor's report.

**Los Angeles Unified School District  
 General Fund  
 Schedule of Current Expense of Education  
 For the Year Ended June 30, 2025  
 (in thousands)  
 (Unaudited)**

	<u>Total Expense for the Year</u>	<u>Excluded Amounts*</u>	<u>Current Expense of Education</u>	<u>Current Expense of Education per Unit of A.D.A.**</u>
Certificated salaries	\$ 4,088,493	\$ 453,630	\$ 3,634,863	\$ 9,788.45
Classified salaries	1,620,262	280,351	1,339,911	3,608.29
Employee benefits (excluding PERS reduction)	3,154,151	316,310	2,837,841	7,642.12
Books, supplies, and equipment replacement	460,338	144,241	316,097	851.23
Services & operating expense and direct support	1,606,896	910,842	696,054	1,874.43
Total	<u>\$ 10,930,140</u>	<u>\$ 2,105,374</u>	<u>\$ 8,824,766</u>	<u>\$ 23,764.52</u>

\* The excluded amounts relate to Nonagency, Community Services, Food Services, Fringe Benefits to Retirees, and Facilities Acquisition and Construction.

\*\* Annual A.D.A. (Average Daily Attendance) used is 371,342.10. Amounts rounded to nearest cent.

Note: Computation of current expense of education was prepared according to state guidelines.

**Los Angeles Unified School District**  
**General Fund**  
**Schedule of Special Purpose Revenues, Expenditures, and Restricted Balances**  
**For the Year Ended June 30, 2025**  
**(in thousands)**  
**(Unaudited)**

	Balances				Balances
	July 1, 2024	Revenues	Expenditures	Contributions	June 30, 2025
Expanded Learning Opportunities Program	\$ 362,619	\$ 468,194	\$ 673,668	\$ -	\$ 157,145
NCLB: Title I, Part A, Basic Grants	-	434,894	434,894	-	-
NCLB: Title I, Part C, Migrant Ed	-	1,196	905	(291)	-
NCLB: Title I, Migrant Ed Summer Program	-	-	240	240	-
NCLB: Title I, Part B, Even Start Migran	-	-	52	52	-
ESSA: School Improvement Funding for LEA	-	7,252	7,252	-	-
COVID-19 Elementary and Secondary School Emergency Relief (ESSER) III Fund	-	168	168	-	-
COVID-19 ELO ESSER III Fund State Reserve Emergency Needs	-	31	31	-	-
COVID-19 ELO ESSER III Fund State Reserve Learning Loss	-	1,203	1,203	-	-
21 <sup>st</sup> CCLC Rate Increase ESSER III State Reserve	-	(156)	(156)	-	-
Special Ed: IDEA Local Assistance	-	142,100	142,100	-	-
Special Ed: Preschool Grant	-	5,186	4,416	(770)	-
Special Ed: Early Intervention Grant	-	1,178	1,948	770	-
Special Ed: IDEA Mental Health Allocation Plan	-	6,033	6,033	-	-
Special Ed: IDEA Quality Assurance & Focused Monitoring	-	85	85	-	-
Special Ed: Alternative Dispute Resolution	-	7	7	-	-
Department of Rehab: Workability II, Transition Partnership	-	3,237	3,237	-	-
Vocational Programs: Voc & Appl Tech Secondary	-	6,508	6,508	-	-
NCLB: Title II, Part A, Teacher Quality	-	35,244	35,244	-	-
NCLB: Title IV, Part B, 21 <sup>st</sup> Century Com	-	14,075	14,075	-	-
ESSA:T4A Student Support & Acad Enrichment	-	27,047	27,047	-	-
NCLB: Title III, Immigrant Education Pro	-	2,104	2,104	-	-
NCLB: Title III, Limited English Proficiency	-	19,674	19,674	-	-
Indian Education	-	121	121	-	-
Workforce Investment Act (WIA) From Other Agencies	-	1,448	1,448	-	-
NCLB: Title X McKinney-Vento Homeless Assistance	-	254	254	-	-
COVID-19 American Rescue Plan-Homeless Children and Youth	-	117	117	-	-
COVID-19 American Rescue Plan-Homeless Children and Youth II	-	1,936	1,936	-	-
FEMA Public Assistance Funds	1	-	-	-	1
School Mental Health Medi-Cal	14,039	9,861	12,039	-	11,861
Medi-Cal Electronic Health Record Incentive	27	-	-	-	27
Emergency Connectivity	2	-	-	-	2
Other Federal	-	15,233	15,233	-	-
After School Education and Safety (ASES)	-	100,129	100,129	-	-
Child Dev: Universal Pre-Kindergarten (UPK) Planning and Implementation	-	8,756	8,756	-	-
Literacy Coaches and Reading Specialists Program	120,758	-	45,914	-	74,844
Educator Effectiveness	82,833	-	46,172	-	36,661
CA National Board Certified Teacher Incentive Program	-	7,706	7,706	-	-
Lottery: Instructional Materials	-	36,747	36,747	-	-
CA Learning Communities for School Success Program	13,753	16,740	13,091	-	17,402
Golden State Pathways Program	-	45,307	27	-	45,280
Gov's CTE Initiative: Calif Partnership	-	1,616	1,616	-	-
Cal Partnership Acad (CPA): Green & Clean	-	106	106	-	-
Career Technical Education Incentive Grant	-	11,302	11,302	-	-
Strong Workforce Program	-	659	659	-	-
Special Education	4,922	467,152	1,596,327	1,127,550	3,297

See accompanying independent auditor's report.

(Continued)

**Los Angeles Unified School District  
General Fund  
Schedule of Special Purpose Revenues, Expenditures, and Restricted Balances  
For the Year Ended June 30, 2025  
(in thousands)  
(Unaudited)**

	<b>Balances July 1, 2024</b>	<b>Revenues</b>	<b>Expenditures</b>	<b>Contributions</b>	<b>Balances June 30, 2025</b>
Special Ed: Early Ed Individuals with Exceptional Needs (Infant Program)	26,641	26,982	50,323	-	3,300
Special Ed: Project Workability I	-	936	936	-	-
Special Ed: Mental Health Services	-	31,011	31,011	-	-
Tobacco-Use Prevention Education	-	1,550	1,550	-	-
Arts, Music, and Instructional Block Grant	243,222	-	-	-	243,222
Proposition 28: Arts and Music	29,556	71,924	49,709	-	51,771
Agricultural Vocational Incentive Grants	-	17	17	-	-
Child Nutrition: Kitchen Infrastructure	65,863	-	14,203	-	51,660
California Learning Communities for School Success Program	-	1,400	290	-	1,110
Partnership Academies Program	-	3,636	3,636	-	-
School Bus Emissions Reduction Funds	-	11,880	11,880	-	-
Classified Employee Professional Development Block Grant	1,527	-	732	-	795
Dual Enrollment Opportunities	5,217	3,420	979	-	7,658
Supplementary Programs: Specialized Secondary	-	138	138	-	-
LCFF Equity Multiplier	21,227	32,285	7,854	-	45,658
A-G Completion Improvement Grant	37,660	-	14,279	-	23,381
Classified School Employee Summer Assistance Program	-	14,881	14,881	-	-
Expanded Learning Opportunities Grant	35	-	35	-	-
Expanded Learning Opportunities Grant: Paraprofessional	13	-	13	-	-
Learning Recovery Emergency Block Grant	637,266	-	637,266	-	-
On-Behalf Pension Contributions	-	368,899	368,899	-	-
Census 2020	1	-	-	-	1
Ethnic Studies Program	2,688	-	108	-	2,580
Kids Vaccination Grant	13	-	1	-	12
Teacher Residency Program	-	12,932	5,999	3,977	10,910
CA Farm to Fork Initiative	-	-	14	-	(14)
Other State	-	10,681	10,677	-	4
Ongoing and Major Maintenance Account	-	53	377,689	377,706	70
Medi-Cal LEA Services Provider	(7)	-	82,787	-	(82,794)
Proposition K: Maintenance	-	18	18	-	-
Cal SHAPE Ventilation Program	12,766	-	2,248	-	10,518
Department of Water and Power Pilot Efficiency	5,638	-	1,881	-	3,757
Clean Cities Grant	86	-	-	-	86
Child Health and Disability Prevention Program	210	271	56	-	425
No Kid Hungry - School Breakfast Program	-	34	11	-	23
Medi-Cal Billing Options	105,758	64,639	1,644	-	168,753
B.E.S.T. Behavior Special Education	132	-	-	-	132
Cognitive Behavioral Intervention Therapy	60	-	1	-	59
Construction Contracts	17	-	-	-	17
Certificate of Participation (Acquisition Accounts) Proceeds	45	1	44	-	2
General Obligation Bonds	-	-	29	29	-
Other Local	-	12,127	12,129	-	(2)
Totals	<u>\$ 1,794,588</u>	<u>\$ 2,570,165</u>	<u>\$ 4,984,402</u>	<u>\$ 1,509,263</u>	<u>\$ 889,614</u>

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Adult Education Fund  
Schedule of Revenues and Other Sources, Expenditures, and Other Uses  
by Function, and Changes in Fund Balance  
For the Year Ended June 30, 2025  
(in thousands)  
(Unaudited)**

Revenues and Other Sources:	
Federal revenues	\$ 14,408
Other state revenues	151,382
Other local revenues	3,983
Transfers in	8
Proceeds from SBITAs	2,443
Total Revenues and Other Sources	<u>172,224</u>
Expenditures and Other Uses:	
Instruction	69,968
Support Services	
Supervision of instruction	44,169
School administration	27,286
Guidance and counseling services	5,702
Other Pupil Services	21
General administration cost transfers	7,078
Plant maintenance and operations	24,971
Facilities acquisition and construction	1,391
Debt Service	532
Transfers Between Agencies	2,327
Total Expenditures and Other Uses	<u>183,445</u>
Excess of Revenues and Other Sources Over Expenditures and Other Uses	(11,221)
Fund Balances, beginning	<u>59,032</u>
Fund Balances, ending	<u>\$ 47,811</u>

See accompanying independent auditor's report.

**Los Angeles Unified School District  
 Child Development Fund  
 Schedule of Revenues and Other Sources, Expenditures, and Other Uses  
 by Function, and Changes in Fund Balance  
 For the Year Ended June 30, 2025  
 (in thousands)  
 (Unaudited)**

Revenues and Other Sources:	
Federal revenues	\$ 12,613
Other state revenues	242,679
Other local revenues	7,014
Proceeds from SBITAs	206
Total Revenues and Other Sources	<u>262,512</u>
Expenditures and Other Uses:	
Instruction	173,657
Support Services	
Supervision of instruction	4,949
School administration	30,380
Guidance and counseling services	3,208
General administration cost transfers	14,135
Plant maintenance and operations	26,527
Facilities acquisition and construction	1,129
Debt Service	117
Total Expenditures and Other Uses	<u>254,102</u>
Excess of Revenues and Other Sources Over Expenditures and Other Uses	8,410
Fund Balances, beginning	<u>98,860</u>
Fund Balances, ending	<u>\$ 107,270</u>

See accompanying independent auditor's report.



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**Los Angeles Unified School District  
All Funds  
Schedule of Fund Balances  
For the Year Ended June 30, 2025  
(in thousands)  
(Unaudited)**

	<u>General Fund</u>	<u>District Bonds</u>	<u>Bond Interest and Redemption</u>	<u>Student Activity</u>	<u>Adult Education</u>	<u>Child Development</u>
Nonspendable:						
Revolving and imprest funds	\$ 2,925	\$ 496	\$ -	\$ -	\$ 15	\$ -
Inventories	35,308	-	-	4,593	-	-
Prepays	12,642	23	-	-	22	1,757
Total Nonspendable	<u>50,875</u>	<u>519</u>	<u>-</u>	<u>4,593</u>	<u>37</u>	<u>1,757</u>
Restricted	889,614	1,665,643	1,746,752	47,605	36,565	100,444
Committed	-	-	-	-	-	-
Assigned	1,373,616	-	-	-	11,209	5,069
Unassigned:						
Reserved for economic uncertainties	710,567	-	-	-	-	-
Unassigned	2,067,999	-	-	-	-	-
Total Unassigned	<u>2,778,566</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Restricted net position	-	-	-	-	-	-
Unrestricted net position	-	-	-	-	-	-
Total Fund Balances/Net Position	<u>\$ 5,092,671</u>	<u>\$ 1,666,162</u>	<u>\$ 1,746,752</u>	<u>\$ 52,198</u>	<u>\$ 47,811</u>	<u>\$ 107,270</u>

<u>Cafeteria</u>	<u>Tax Override</u>	<u>Capital Services</u>	<u>Building</u>	<u>Capital Facilities Account</u>	<u>County School Facilities Bonds</u>	<u>Special Reserve - Community Redevelopment Agency</u>	<u>Special Reserve</u>	<u>Special Reserve - FEMA - Earthquake</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14,031	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	9,030	-
14,031	-	-	-	-	-	-	9,030	-
260,082	457	124	-	97,229	32,054	209,896	327,984	2,579
-	-	-	-	-	-	-	-	-
-	-	-	4,397	-	-	-	-	205
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
<u>\$ 274,113</u>	<u>\$ 457</u>	<u>\$ 124</u>	<u>\$ 4,397</u>	<u>\$ 97,229</u>	<u>\$ 32,054</u>	<u>\$ 209,896</u>	<u>\$ 337,014</u>	<u>\$ 2,784</u>

**Los Angeles Unified School District  
All Funds  
Schedule of Fund Balances  
For the Year Ended June 30, 2025  
(in thousands)  
(Unaudited)**

	Special Reserve - FEMA - Hazard Mitigation	Health and Welfare Benefits	Workers' Compensation Self-Insurance	Liability Self- Insurance	Los Angeles Unified Captive Insurance
Nonspendable:					
Revolving and imprest funds	\$ -	\$ -	\$ -	\$ -	\$ -
Inventories	-	-	-	-	-
Prepays	-	-	-	-	-
Total Nonspendable	-	-	-	-	-
Restricted	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	237	-	-	-	-
Unassigned:					
Reserved for economic uncertainties	-	-	-	-	-
Unassigned	-	-	-	-	-
Total Unassigned	-	-	-	-	-
Restricted net position	-	-	-	-	-
Unrestricted net position	-	128,635	284,873	(692,742)	252,648
Total Fund Balances/Net Position	\$ 237	\$ 128,635	\$ 284,873	\$ (692,742)	\$ 252,648



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**Los Angeles Unified School District  
All Funds  
Schedule of Revenues and Other Financing Sources  
For the Year Ended June 30, 2025  
(in thousands)  
(Unaudited)**

	SACS Object Code	General Fund	District Bonds	Bond Interest and Redemption	Special Revenue Funds	
					Student Activity	Adult Education
Local Control Funding Formula (LCFF) Sources:						
Principal Apportionment:						
State Aid - Current Year	8011	\$ 3,669,271	\$ -	\$ -	\$ -	\$ -
Education Protection Account Entitlement	8012	973,594	-	-	-	-
State Aid - Prior Years	8019	1,599	-	-	-	-
Tax Relief Subventions:						
Homeowners' Exemptions	8021	6,151	-	-	-	-
Other Subventions/In-lieu of Taxes	8029	13,041	-	-	-	-
County & District Taxes:						
Secured Roll Taxes	8041	1,637,464	-	-	-	-
Unsecured Roll Taxes	8042	51,696	-	-	-	-
Prior Years' Taxes	8043	39,914	-	-	-	-
Supplemental Taxes	8044	29,552	-	-	-	-
Education Revenue Augmentation Fund (ERAF)	8045	286,576	-	-	-	-
Community Redevelopment Funds	8047	153,465	-	-	-	-
Penalties/Int. - Delinquent LCFF Taxes	8048	426	-	-	-	-
LCFF Transfers:						
Transfer to Charter In Lieu Property Taxes	8096	(441,110)	-	-	-	-
Property Taxes Transfers	8097	34,163	-	-	-	-
Total LCFF Sources		6,455,802	-	-	-	-
Federal Revenues:						
Special Education Entitlement	8181	142,100	-	-	-	-
Special Education Discretionary Grant	8182	12,489	-	-	-	-
Child Nutrition Programs	8220	-	-	-	-	-
Donated Food Commodities	8221	-	-	-	-	-
Forest Reserve Funds	8260	22	-	-	-	-
FEMA	8281	4,060	-	-	-	-
Interagency Contracts Between LEAs	8285	1,278	-	-	-	-
NCLB Title I Part A, Basic Grants Low Income and Neglected	8290	434,894	-	-	-	-
NCLB Title I Part D, Local Delinquent Programs	8290	-	-	-	-	-
NCLB Title II Part A, Teacher Quality	8290	35,244	-	-	-	-
NCLB Title III, Limited English Proficient	8290	19,674	-	-	-	-
Other No Child Left Behind	8290	14,329	-	-	-	-
Every Student Succeeds Act (ESSA)	8290	34,299	-	-	-	-
Elementary and Secondary School Emergency Relief (ESSER)	8290	1,246	-	-	-	-
Vocational & Applied Technology Education	8290	6,508	-	-	-	1,251
JTPA/WIA	8290	-	-	-	-	-
Other Federal Revenue	8290	35,759	-	25,963	-	13,157
Total Federal Revenues		741,902	-	25,963	-	14,408



**All Funds**  
**Schedule of Revenues and Other Financing Sources (Continued)**  
**Year Ended June 30, 2025**  
**(in thousands)**  
**(Unaudited)**

	SACS Object Code	Capital Projects Funds				
		Building	Capital Facilities Account	County School Facilities Bonds	Special Reserve - Community Redevelopment Agency	Special Reserve
Local Control Funding Formula (LCFF) Sources:						
Principal Apportionment:						
State Aid - Current Year	8011	\$ -	\$ -	\$ -	\$ -	\$ -
Education Protection Account Entitlement	8012	-	-	-	-	-
State Aid - Prior Years	8019	-	-	-	-	-
Tax Relief Subventions:						
Homeowners' Exemptions	8021	-	-	-	-	-
Other Subventions/In-lieu of Taxes	8029	-	-	-	-	-
County & District Taxes:						
Secured Roll Taxes	8041	-	-	-	-	-
Unsecured Roll Taxes	8042	-	-	-	-	-
Prior Years' Taxes	8043	-	-	-	-	-
Supplemental Taxes	8044	-	-	-	-	-
Education Revenue Augmentation Fund (ERAF)	8045	-	-	-	-	-
Community Redevelopment Funds	8047	-	-	-	-	-
Penalties/Int. - Delinquent LCFF Taxes	8048	-	-	-	-	-
LCFF Transfers:						
Transfer to Charter In Lieu Property Taxes	8096	-	-	-	-	-
Property Taxes Transfers	8097	-	-	-	-	-
Total LCFF Sources		-	-	-	-	-
Federal Revenues:						
Special Education Entitlement	8181	-	-	-	-	-
Special Education Discretionary Grant	8182	-	-	-	-	-
Child Nutrition Programs	8220	-	-	-	-	-
Donated Food Commodities	8221	-	-	-	-	-
Forest Reserve Funds	8260	-	-	-	-	-
FEMA	8281	-	-	-	-	366
Interagency Contracts Between LEAs	8285	-	-	-	-	-
NCLB Title I Part A, Basic Grants Low Income and Neglected	8290	-	-	-	-	-
NCLB Title I Part D, Local Delinquent Programs	8290	-	-	-	-	-
NCLB Title II Part A, Teacher Quality	8290	-	-	-	-	-
NCLB Title III, Limited English Proficient	8290	-	-	-	-	-
Other No Child Left Behind	8290	-	-	-	-	-
Every Student Succeeds Act (ESSA)	8290	-	-	-	-	-
Elementary and Secondary School Emergency Relief (ESSER)	8290	-	-	-	-	-
Vocational & Applied Technology Education	8290	-	-	-	-	-
JTPA/WIA	8290	-	-	-	-	-
Other Federal Revenue	8290	-	-	-	-	-
Total Federal Revenues		-	-	-	-	366



**All Funds**  
**Schedule of Revenues and Other Financing Sources (Continued)**  
**Year Ended June 30, 2025**  
**(in thousands)**  
**(Unaudited)**

	SACS Object Code	Internal Service Funds				Total
		Health and Welfare Benefits	Workers' Compensation Self-Insurance	Liability Self-Insurance	Los Angeles Unified Captive Insurance	
Local Control Funding Formula (LCFF) Sources:						
Principal Apportionment:						
State Aid - Current Year	8011	\$ -	\$ -	\$ -	\$ -	-
Education Protection Account Entitlement	8012	-	-	-	-	-
State Aid - Prior Years	8019	-	-	-	-	-
Tax Relief Subventions:						
Homeowners' Exemptions	8021	-	-	-	-	-
Other Subventions/In-lieu of Taxes	8029	-	-	-	-	-
County & District Taxes:						
Secured Roll Taxes	8041	-	-	-	-	-
Unsecured Roll Taxes	8042	-	-	-	-	-
Prior Years' Taxes	8043	-	-	-	-	-
Supplemental Taxes	8044	-	-	-	-	-
Education Revenue Augmentation Fund (ERAF)	8045	-	-	-	-	-
Community Redevelopment Funds	8047	-	-	-	-	-
Penalties/Int. - Delinquent LCFF Taxes	8048	-	-	-	-	-
LCFF Transfers:						
Transfer to Charter In Lieu Property Taxes	8096	-	-	-	-	-
Property Taxes Transfers	8097	-	-	-	-	-
Total LCFF Sources		-	-	-	-	-
Federal Revenues:						
Special Education Entitlement	8181	-	-	-	-	-
Special Education Discretionary Grant	8182	-	-	-	-	-
Child Nutrition Programs	8220	-	-	-	-	-
Donated Food Commodities	8221	-	-	-	-	-
Forest Reserve Funds	8260	-	-	-	-	-
FEMA	8281	-	-	-	-	-
Interagency Contracts Between LEAs	8285	-	-	-	-	-
NCLB Title I Part A, Basic Grants Low Income and Neglected	8290	-	-	-	-	-
NCLB Title I Part D, Local Delinquent Programs	8290	-	-	-	-	-
NCLB Title II Part A, Teacher Quality	8290	-	-	-	-	-
NCLB Title III, Limited English Proficient	8290	-	-	-	-	-
Other No Child Left Behind	8290	-	-	-	-	-
Every Student Succeeds Act (ESSA)	8290	-	-	-	-	-
Elementary and Secondary School Emergency Relief (ESSER)	8290	-	-	-	-	-
Vocational & Applied Technology Education	8290	-	-	-	-	-
JTPA/WIA	8290	-	-	-	-	-
Other Federal Revenue	8290	-	-	-	-	-
Total Federal Revenues		-	-	-	-	-

<u>Total</u>	
\$	3,669,271
	973,594
	1,599
	6,151
	13,041
	1,637,464
	51,696
	39,914
	29,552
	286,576
	153,465
	426
	(441,110)
	34,163
	<u>6,455,802</u>
\$	142,100
	12,489
	382,495
	21,823
	22
	4,426
	1,278
	434,894
	-
	35,244
	19,674
	14,329
	34,299
	1,246
	7,759
	-
	87,498
	<u>1,199,576</u>

See accompanying independent auditor's report.

(Continued)

**All Funds**  
**Schedule of Revenues and Other Financing Sources (Continued)**  
**Year Ended June 30, 2025**  
**(in thousands)**  
**(Unaudited)**

	SACS Object Code	General Fund	District Bonds	Bond Interest and Redemption	Special Revenue Funds	
					Student Activity	Adult Education
Other State Revenues:						
Spec. Ed. Master Plan:						
Current Year	8311	\$ 438,862	\$ -	\$ -	\$ -	-
Prior Years	8319	(1,994)	-	-	-	-
All Other State Apportionments - Current Year	8311	-	-	-	-	-
Child Nutrition Programs	8520	-	-	-	-	-
School Facilities Apportionments	8545	-	-	-	-	-
Mandated Costs Reimbursements	8550	17,856	-	-	-	-
Lottery - Unrestricted and Instructional Materials	8560	113,463	-	-	-	-
Voted Indebtedness Levies Homeowners' Exemptions	8571	-	-	3,163	-	-
Adult Education Block Grant	8590	-	-	-	-	138,249
Expanded Learning Opportunities Program (ELOP)	8590	468,194	-	-	-	-
After School Education and Safety (ASES)	8590	100,129	-	-	-	-
Drug/Alcohol/Tobacco Funds	8590	1,550	-	-	-	-
Special Education	8590	23,018	-	-	-	-
Specialized Secondary	8590	138	-	-	-	-
State Preschool	8590	-	-	-	-	-
All Other State Revenue	8590	702,982	-	-	-	13,133
Total Other State Revenues		<u>1,864,198</u>	<u>-</u>	<u>3,163</u>	<u>-</u>	<u>151,382</u>
Other Local Revenues:						
County and District Taxes:						
Other Restricted & Voted Indebtedness Levies:						
Secured Roll	8611	-	-	1,156,459	-	-
Unsecured Roll	8612	-	-	40,332	-	-
Prior Years' Taxes	8613	-	-	26,004	-	-
Supplemental Taxes	8614	-	-	22,516	-	-
Community Redevelopment Funds not Subject to Revenue LCFF Deductions	8625	-	-	-	-	-
Penalties and Interest from Delinquent Non-LCFF Taxes	8629	-	-	5,040	-	-
Sales:						
Sale of Equipment/Supplies	8631	953	-	-	-	-
Food Service Sales	8634	-	-	-	-	-
Leases and Rentals	8650	29,043	-	-	-	72
Interest	8660	222,458	65,663	41,808	-	1,339
Net Increase (Decrease) in the Fair Value of Investments	8662	129,723	8,655	8,903	-	195
Fees and Contracts:						
Adult Education Fees	8671	-	-	-	-	606
Non-Resident Students	8672	-	-	-	-	-
Child Development Parent Fees	8673	-	-	-	-	-
In-District Premiums/Contributions	8674	-	-	-	-	-
Interagency Service Fees	8677	478	-	-	-	-
Mitigation/Developer Fees	8681	-	-	-	-	-
All Other Fees and Contracts	8689	43,222	-	-	-	-
All Other Local Revenue	8699	189,333	1,107	207	40,099	1,771
Tuition	8710	-	-	-	-	-
Total Other Local Revenues		<u>615,210</u>	<u>75,425</u>	<u>1,301,269</u>	<u>40,099</u>	<u>3,983</u>
Subtotal - Revenues		<u>9,677,112</u>	<u>75,425</u>	<u>1,330,395</u>	<u>40,099</u>	<u>169,773</u>

Special Revenue Funds			Debt Service Funds		
Child Development	Cafeteria	Total	Tax Override	Capital Services	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	115,128	115,128	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	138,249	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
228,472	-	228,472	-	-	-
14,207	578	27,918	-	-	-
<u>242,679</u>	<u>115,706</u>	<u>509,767</u>	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1,634	1,634	-	-	-
-	-	72	-	-	-
5,169	5,097	11,605	17	193	210
1,701	2,170	4,066	6	(1)	5
-	-	606	-	-	-
-	-	-	-	-	-
113	-	113	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
31	23	41,924	-	-	-
-	-	-	-	-	-
<u>7,014</u>	<u>8,924</u>	<u>60,020</u>	<u>23</u>	<u>192</u>	<u>215</u>
<u>262,306</u>	<u>528,954</u>	<u>1,001,132</u>	<u>23</u>	<u>192</u>	<u>215</u>

See accompanying independent auditor's report.

(Continued)

**All Funds**  
**Schedule of Revenues and Other Financing Sources (Continued)**  
**Year Ended June 30, 2025**  
**(in thousands)**  
**(Unaudited)**

	SACS Object Code	Capital Projects Funds				
		Building	Capital Facilities Account	County School Facilities Bonds	Special Reserve - Community Redevelopment Agency	Special Reserve
Other State Revenues:						
Spec. Ed. Master Plan:						
Current Year	8311	\$ -	\$ -	\$ -	\$ -	\$ -
Prior Years	8319	-	-	-	-	-
All Other State Apportionments - Current Year	8311	-	-	-	-	-
Child Nutrition Programs	8520	-	-	-	-	-
School Facilities Apportionments	8545	-	-	118,823	-	-
Mandated Costs Reimbursements	8550	-	-	-	-	-
Lottery - Unrestricted and Instructional Materials	8560	-	-	-	-	-
Voted Indebtedness Levies Homeowners'						
Exemptions	8571	-	-	-	-	-
Adult Education Block Grant	8590	-	-	-	-	-
Expanded Learning Opportunities Program (ELOP)	8590	-	-	-	-	-
After School Education and Safety (ASES)	8590	-	-	-	-	-
Drug/Alcohol/Tobacco Funds	8590	-	-	-	-	-
Special Education	8590	-	-	-	-	-
Specialized Secondary	8590	-	-	-	-	-
State Preschool	8590	-	-	-	-	-
All Other State Revenue	8590	-	-	-	-	20
Total Other State Revenues		-	-	118,823	-	20
Other Local Revenues:						
County and District Taxes:						
Other Restricted & Voted Indebtedness Levies:						
Secured Roll	8611	-	-	-	-	-
Unsecured Roll	8612	-	-	-	-	-
Prior Years' Taxes	8613	-	-	-	-	-
Supplemental Taxes	8614	-	-	-	-	-
Community Redevelopment Funds not Subject to Revenue LCFF Deductions	8625	-	-	-	63,463	-
Penalties and Interest from Delinquent Non-LCFF Taxes	8629	-	-	-	-	-
Sales:						
Sale of Equipment/Supplies	8631	-	-	-	-	-
Food Service Sales	8634	-	-	-	-	-
Leases and Rentals	8650	835	-	-	-	(44)
Interest	8660	241	2,264	2,337	7,207	18,617
Net Increase (Decrease) in the Fair Value of Investments	8662	187	(588)	(585)	1,334	583
Fees and Contracts:						
Adult Education Fees	8671	-	-	-	-	-
Non-Resident Students	8672	-	-	-	-	-
Child Development Parent Fees	8673	-	-	-	-	-
In-District Premiums/Contributions	8674	-	-	-	-	-
Interagency Service Fees	8677	-	-	-	-	-
Mitigation/Developer Fees	8681	-	80,008	-	-	-
All Other Fees and Contracts	8689	-	-	-	-	-
All Other Local Revenue	8699	-	-	-	-	15,276
Tuition	8710	-	-	-	-	-
Total Other Local Revenues		1,263	81,684	1,752	72,004	34,432
Subtotal - Revenues		1,263	81,684	120,575	72,004	34,818

See accompanying independent auditor's report.

(Continued)

Capital Projects Funds

Special Reserve - FEMA - Earthquake	Special Reserve - FEMA - Hazard Mitigation	Total
\$ -	\$ -	-
-	-	-
-	-	-
-	-	118,823
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	20
-	-	118,843
-	-	-
-	-	-
-	-	-
-	-	-
-	-	63,463
-	-	-
-	-	-
-	-	791
105	14	30,785
11	16	958
-	-	-
-	-	-
-	-	-
-	-	-
-	-	80,008
-	-	-
(1)	-	15,275
-	-	-
115	30	191,280
115	30	310,489

See accompanying independent auditor's report.

(Continued)

**All Funds**  
**Schedule of Revenues and Other Financing Sources (Continued)**  
**Year Ended June 30, 2025**  
**(in thousands)**  
**(Unaudited)**

	SACS Object Code	Internal Service Funds				Total
		Health and Welfare Benefits	Workers' Compensation Self-Insurance	Liability Self-Insurance	Los Angeles Unified Captive Insurance	
Other State Revenues:						
Spec. Ed. Master Plan:						
Current Year	8311	\$ -	\$ -	\$ -	\$ -	\$ -
Prior Years	8319	-	-	-	-	-
All Other State Apportionments - Current Year	8311	-	-	-	-	-
Child Nutrition Programs	8520	-	-	-	-	-
School Facilities Apportionments	8545	-	-	-	-	-
Mandated Costs Reimbursements	8550	-	-	-	-	-
Lottery - Unrestricted and Instructional Materials	8560	-	-	-	-	-
Voted Indebtedness Levies Homeowners' Exemptions	8571	-	-	-	-	-
Adult Education Block Grant	8590	-	-	-	-	-
Expanded Learning Opportunities Program (ELOP)	8590	-	-	-	-	-
After School Education and Safety (ASES)	8590	-	-	-	-	-
Drug/Alcohol/Tobacco Funds	8590	-	-	-	-	-
Special Education	8590	-	-	-	-	-
Specialized Secondary	8590	-	-	-	-	-
State Preschool	8590	-	-	-	-	-
All Other State Revenue	8590	-	-	-	-	-
Total Other State Revenues		-	-	-	-	-
Other Local Revenues:						
County and District Taxes:						
Other Restricted & Voted Indebtedness Levies:						
Secured Roll	8611	-	-	-	-	-
Unsecured Roll	8612	-	-	-	-	-
Prior Years' Taxes	8613	-	-	-	-	-
Supplemental Taxes	8614	-	-	-	-	-
Community Redevelopment Funds not Subject to Revenue LCFF Deductions	8625	-	-	-	-	-
Penalties and Interest from Delinquent Non-LCFF Taxes	8629	-	-	-	-	-
Sales:						
Sale of Equipment/Supplies	8631	-	-	-	-	-
Food Service Sales	8634	-	-	-	-	-
Leases and Rentals	8650	-	-	-	-	-
Interest	8660	4,848	10,629	5,312	32,212	53,001
Net Increase (Decrease) in the Fair Value of Investments	8662	(2,530)	25,733	10,525	16,115	49,843
Fees and Contracts:						
Adult Education Fees	8671	-	-	-	-	-
Non-Resident Students	8672	-	-	-	-	-
Child Development Parent Fees	8673	-	-	-	-	-
In-District Premiums/Contributions	8674	1,485,001	109,655	260,457	1,001,939	2,857,052
Interagency Service Fees	8677	-	-	-	-	-
Mitigation/Developer Fees	8681	-	-	-	-	-
All Other Fees and Contracts	8689	-	-	-	-	-
All Other Local Revenue	8699	11,522	-	29	19	11,570
Tuition	8710	-	-	-	-	-
Total Other Local Revenues		1,498,841	146,017	276,323	1,050,285	2,971,466
Subtotal - Revenues		1,498,841	146,017	276,323	1,050,285	2,971,466

<u>Total</u>	
\$	438,862
	(1,994)
	-
	115,128
	118,823
	17,856
	113,463
	3,163
	138,249
	468,194
	100,129
	1,550
	23,018
	138
	228,472
	730,920
	<u>2,495,971</u>
	1,156,459
	40,332
	26,004
	22,516
	63,463
	5,040
	953
	1,634
	29,906
	425,530
	202,153
	606
	-
	113
	2,857,052
	478
	80,008
	43,222
	259,416
	-
	<u>5,214,885</u>
	<u>15,366,234</u>

See accompanying independent auditor's report.

(Continued)

**All Funds**  
**Schedule of Revenues and Other Financing Sources (Continued)**  
**Year Ended June 30, 2025**  
**(in thousands)**  
**(Unaudited)**

	SACS Object Code	General Fund	District Bonds	Bond Interest and Redemption	Special Revenue Funds	
					Student Activity	Adult Education
Other Financing Sources:						
Interfund Transfers In:						
From General Fund to Child Development Fund	8911	\$ -	\$ -	\$ -	\$ -	-
From Special Reserve Fund	8912	30,000	-	-	-	-
County School Facilities Bonds Fund	8913	-	-	-	-	-
From General Fund to Cafeteria Fund	8916	-	-	-	-	-
Other Authorized Interfund Transfer In	8919	592,682	129,864	-	-	8
Subtotal, Interfund Transfers In		<u>622,682</u>	<u>129,864</u>	<u>-</u>	<u>-</u>	<u>8</u>
Other Sources:						
Proceeds from Sale of Bonds	8951	-	1,800,000	-	-	-
Proceeds from Sale/Lease-Purchase of Lands/Buildings	8953	97,252	-	-	-	-
Proceeds from Capital Leases	8972	3,540	497	-	-	-
Proceeds from SBITAs	8974	31,969	-	-	-	2,443
All Other Financing Sources	8979	-	-	406,925	-	-
Subtotal, Other Sources		<u>132,761</u>	<u>1,800,497</u>	<u>406,925</u>	<u>-</u>	<u>2,443</u>
Total Other Financing Sources		<u>755,443</u>	<u>1,930,361</u>	<u>406,925</u>	<u>-</u>	<u>2,451</u>
Total Revenues and Other Financing Sources		<u>\$ 10,432,555</u>	<u>\$ 2,005,786</u>	<u>\$ 1,737,320</u>	<u>\$ 40,099</u>	<u>\$ 172,224</u>

Special Revenue Funds			Debt Service Funds		
Child Development	Cafeteria	Total	Tax Override	Capital Services	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	8	-	50,047	50,047
-	-	8	-	50,047	50,047
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
206	-	2,649	-	-	-
-	-	-	-	-	-
206	-	2,649	-	-	-
206	-	2,657	-	50,047	50,047
<u>\$ 262,512</u>	<u>\$ 528,954</u>	<u>\$ 1,003,789</u>	<u>\$ 23</u>	<u>\$ 50,239</u>	<u>\$ 50,262</u>

See accompanying independent auditor's report.

(Continued)

**All Funds**  
**Schedule of Revenues and Other Financing Sources (Continued)**  
**Year Ended June 30, 2025**  
**(in thousands)**  
**(Unaudited)**

	SACS Object Code	Capital Projects Funds				
		Building	Capital Facilities Account	County School Facilities Bonds	Special Reserve - Community Redevelopment Agency	Special Reserve
Other Financing Sources:						
Interfund Transfers In:						
From General Fund to Child Development Fund	8911	\$ -	\$ -	\$ -	\$ -	\$ -
From Special Reserve Fund	8912	-	-	-	-	-
County School Facilities Bonds Fund	8913	-	-	1	-	-
From General Fund to Cafeteria Fund	8916	-	-	-	-	-
Other Authorized Interfund Transfer In	8919	130	-	-	-	240,976
Subtotal, Interfund Transfers In		130	-	1	-	240,976
Other Sources:						
Proceeds from Sale of Bonds	8951	-	-	-	-	-
Proceeds from Sale/Lease-Purchase of Lands/ Buildings	8953	-	-	-	-	-
Proceeds from Capital Leases	8972	-	-	-	-	20,960
Proceeds from SBITAs	8974	-	-	-	-	5,571
All Other Financing Sources	8979	-	-	-	-	-
Subtotal, Other Sources		-	-	-	-	26,531
Total Other Financing Sources		130	-	1	-	267,507
Total Revenues and Other Financing Sources		\$ 1,393	\$ 81,684	\$ 120,576	\$ 72,004	\$ 302,325

**Capital Projects Funds**

Special Reserve - FEMA - Earthquake	Special Reserve - FEMA - Hazard Mitigation	Total
\$ -	\$ -	\$ -
-	-	-
-	-	1
-	-	-
-	-	241,106
-	-	241,107
-	-	-
-	-	-
-	-	20,960
-	-	5,571
-	-	-
-	-	26,531
-	-	267,638
<u>\$ 115</u>	<u>\$ 30</u>	<u>\$ 578,127</u>

See accompanying independent auditor's report.

(Continued)

**All Funds**  
**Schedule of Revenues and Other Financing Sources (Continued)**  
**Year Ended June 30, 2025**  
**(in thousands)**  
**(Unaudited)**

	SACS Object Code	Internal Service Funds				Total
		Health and Welfare Benefits	Workers' Compensation Self-Insurance	Liability Self-Insurance	Los Angeles Unified Captive Insurance	
Other Financing Sources:						
Interfund Transfers In:						
From General Fund to Child Development Fund	8911	\$ -	\$ -	\$ -	\$ -	\$ -
From Special Reserve Fund	8912	-	-	-	-	-
County School Facilities Bonds Fund	8913	-	-	-	-	-
From General Fund to Cafeteria Fund	8916	-	-	-	-	-
Other Authorized Interfund Transfer In	8919	-	-	-	-	-
Subtotal, Interfund Transfers In		-	-	-	-	-
Other Sources:						
Proceeds from Sale of Bonds	8951	-	-	-	-	-
Proceeds from Sale/Lease-Purchase of Lands/Buildings	8953	-	-	-	-	-
Proceeds from Capital Leases	8972	-	-	-	-	-
Proceeds from SBITAs	8974	-	-	-	-	-
All Other Financing Sources	8979	-	-	-	-	-
Subtotal, Other Sources		-	-	-	-	-
Total Other Financing Sources		-	-	-	-	-
Total Revenues and Other Financing Sources		\$ 1,498,841	\$ 146,017	\$ 276,323	\$ 1,050,285	\$ 2,971,466

<b>Total</b>	
\$	-
	30,000
	1
	-
	<u>1,013,707</u>
	<u>1,043,708</u>
	1,800,000
	97,252
	24,997
	40,189
	<u>406,925</u>
	<u>2,369,363</u>
	<u>3,413,071</u>
\$	<u><u>18,779,305</u></u>

See accompanying independent auditor's report.

# State and Federal Compliance Supplementary Information



**Los Angeles Unified School District  
Schedule of Average Daily Attendance  
For the Year Ended June 30, 2025**

	<b>Second Period Report</b>	<b>Annual Report</b>	<b>Audited Second Period Report</b>	<b>Audited Annual Report</b>
District				
Kindergarten-Grade 3	111,765.61	111,850.43	111,751.27	111,837.86
Grades 4-6	79,202.88	79,162.96	79,202.74	79,162.85
Grades 7-8	48,065.90	47,983.49	48,064.82	47,982.45
Grades 9-12	98,304.64	97,449.78	98,304.07	97,449.25
Total District	<u>337,339.03</u>	<u>336,446.66</u>	<u>337,322.90</u>	<u>336,432.41</u>
County				
Kindergarten-Grade 3	-	-	-	-
Grades 4-6	-	-	-	-
Grades 7-8	1.22	2.07	1.22	2.07
Grades 9-12	376.37	367.66	376.37	367.66
Total County	<u>377.59</u>	<u>369.73</u>	<u>377.59</u>	<u>369.73</u>
Affiliated Charter Schools				
Kindergarten-Grade 3	11,908.72	11,901.94	11,908.69	11,901.82
Grades 4-6	8,086.48	8,063.27	8,086.47	8,063.26
Grades 7-8	5,405.44	5,380.89	5,405.44	5,380.89
Grades 9-12	9,627.48	9,549.34	9,627.40	9,549.28
Total Affiliated Charter Schools	<u>35,028.12</u>	<u>34,895.44</u>	<u>35,028.00</u>	<u>34,895.25</u>
Total Average Daily Attendance	<u>372,744.74</u>	<u>371,711.83</u>	<u>372,728.49</u>	<u>371,697.39</u>

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Schedule of Average Daily Attendance – Affiliated Charter Schools  
For the Year Ended June 30, 2025**

Name of Affiliated Charter School	CDS Code	TK/K to Grade 3 ADA			
		Total		Classroom-based	
		Second Period Report	Annual Report	Second Period Report	Annual Report
1 Alfred B. Nobel Charter Middle School	19 64733 6061543	-	-	-	-
2 Beckford Charter for Enriched Studies	19 64733 6015986	375.19	374.63	375.19	374.63
3 Calabash Charter Academy	19 64733 6016240	261.77	261.52	261.77	261.52
4 Calvert Charter for Enriched Studies	19 64733 6016265	200.95	201.06	200.95	201.06
5 Canyon Charter Elementary	19 64733 6016323	211.21	207.27	211.21	207.27
6 Carpenter Community Charter	19 64733 6016356	548.73	550.52	548.73	550.52
7 Castlebay Lane Charter	19 64733 6071435	427.09	426.75	427.09	426.75
8 Chatsworth Charter High	19 64733 1931708	-	-	-	-
9 Colfax Charter Elementary	19 64733 6016562	493.61	494.79	493.61	494.71
10 Community Magnet Charter Elementary	19 64733 6094726	249.19	249.21	249.19	249.21
11 Dearborn Elementary Charter Academy	19 64733 6016729	336.48	337.44	336.48	337.44
12 Dixie Canyon Community Charter	19 64733 6016778	428.29	430.39	428.29	430.39
13 Dr. Theodore T. Alexander Jr Science Center	19 64733 0102491	392.59	391.39	392.59	391.39
14 El Oro Way Charter For Enriched Studies	19 64733 6016869	270.49	271.25	270.49	271.25
15 Emerson Community Charter	19 64733 6057988	-	-	-	-
16 Enadia Way Technology Charter	19 64733 0117036	137.50	138.39	137.50	138.39
17 Encino Charter Elementary	19 64733 6016935	356.64	358.08	356.64	358.08
18 Gaspar de Portola Charter Middle	19 64733 6061584	-	-	-	-
19 George Ellery Hale Charter Academy	19 64733 6061477	-	-	-	-
20 Grover Cleveland Charter High	19 64733 1931864	-	-	-	-
21 Hamlin Charter Academy	19 64733 6017438	212.05	212.46	212.05	212.46
22 Haynes Charter For Enriched Studies	19 64733 6017529	249.74	249.54	249.74	249.54
23 Hesby Oaks Leadership Charter	19 64733 0112060	186.27	186.34	186.27	186.34
24 Justice Street Academy Charter	19 64733 6017693	277.17	278.02	277.17	278.02
25 Kenter Canyon Elementary Charter	19 64733 6017701	293.18	292.97	293.03	292.81
26 Knollwood Preparatory Academy	19 64733 6017743	247.73	248.24	247.73	248.24
27 Lockhurst Drive Charter Elementary	19 64733 6017891	281.37	282.66	281.37	282.66
28 Louis Armstrong Middle	19 64733 6058150	-	-	-	-
29 Marquez Charter	19 64733 6018063	163.74	154.36	163.74	154.36
30 Nestle Avenue Charter	19 64733 6018287	261.57	260.77	261.57	260.77
31 Open Charter Magnet	19 64733 6097927	239.60	239.15	239.60	239.15
32 Palisades Charter Elementary	19 64733 6018634	225.03	218.73	224.65	218.31
33 Paul Revere Charter Middle	19 64733 6058267	-	-	-	-
34 Plainview Academic Charter Academy	19 64733 6018725	147.07	147.22	147.07	147.22
35 Pomelo Community Charter	19 64733 6018774	395.67	395.68	395.67	395.68
36 Reseda Charter High	19 64733 1937226	-	-	-	-
37 Riverside Drive Charter	19 64733 6018923	240.27	240.74	240.27	240.74
38 Serrania Avenue Charter School for Enriched Studies	19 64733 6019111	323.73	323.23	323.73	323.23
39 Sherman Oaks Elementary Charter	19 64733 6019186	327.55	326.17	327.55	326.17
40 Superior Street Elementary	19 64733 6019392	297.24	298.70	297.24	298.70
41 Sylmar Charter High	19 64733 1938554	-	-	-	-
42 Taft Charter High	19 64733 1938612	-	-	-	-
43 Topanga Elementary Charter	19 64733 6019525	149.47	150.94	149.47	150.94
44 Topeka Charter School for Advanced Studies	19 64733 6019533	389.92	390.63	389.92	390.63
45 University High School Charter	19 64733 1938885	-	-	-	-
46 Van Gogh Charter	19 64733 6019673	285.90	285.26	285.90	285.26
47 Welby Way Charter Elementary School and Gifted Ability Magnet	19 64733 6019855	444.15	444.17	444.15	444.17
48 Westwood Charter Elementary	19 64733 6019939	447.26	449.23	447.01	449.03
49 Wilbur Charter for Enriched Academics	19 64733 6019954	376.92	378.48	376.92	378.48
50 Woodlake Elementary Community Charter	19 64733 6020036	344.62	343.96	344.62	343.96
51 Woodland Hills Charter Elementary for Enriched Studies	19 64733 6020044	411.77	411.60	411.77	411.60
		<u>11,908.72</u>	<u>11,901.94</u>	<u>11,907.94</u>	<u>11,901.08</u>

Grades 4-6 ADA				Grades 7-8 ADA			
Total		Classroom-based		Total		Classroom-based	
Second Period Report	Annual Report	Second Period Report	Annual Report	Second Period Report	Annual Report	Second Period Report	Annual Report
564.66	563.44	564.66	563.44	1,127.61	1,124.00	1,127.61	1,124.00
179.29	179.33	179.29	179.33	-	-	-	-
119.49	119.83	119.49	119.83	-	-	-	-
89.19	89.22	89.19	89.22	-	-	-	-
98.99	96.94	98.99	96.94	-	-	-	-
250.18	250.04	250.18	250.04	-	-	-	-
188.00	187.93	188.00	187.93	-	-	-	-
-	-	-	-	-	-	-	-
232.64	232.76	232.64	232.76	-	-	-	-
151.51	151.77	151.51	151.77	-	-	-	-
143.80	144.08	143.80	144.08	-	-	-	-
166.92	168.14	166.92	168.14	-	-	-	-
170.35	169.77	170.35	169.77	-	-	-	-
129.18	129.02	129.18	129.02	-	-	-	-
133.73	133.51	133.73	133.51	291.12	289.66	291.12	289.66
61.07	60.83	61.07	60.83	-	-	-	-
139.26	138.59	139.26	138.59	-	-	-	-
512.29	511.78	512.29	511.78	865.39	863.93	865.39	863.93
504.57	500.22	504.57	500.22	1,079.37	1,074.45	1,079.37	1,074.45
-	-	-	-	-	-	-	-
79.93	80.13	79.93	80.13	-	-	-	-
95.87	95.87	95.87	95.87	-	-	-	-
154.43	153.79	154.43	153.79	120.90	120.34	120.90	120.34
118.78	119.25	118.78	119.25	-	-	-	-
125.09	123.81	125.08	123.80	-	-	-	-
106.99	106.97	106.99	106.97	-	-	-	-
118.55	117.98	118.55	117.98	-	-	-	-
354.47	352.75	354.47	352.75	733.36	730.07	733.36	730.07
82.70	79.88	82.70	79.88	-	-	-	-
122.35	121.79	122.35	121.79	-	-	-	-
131.25	131.14	131.25	131.14	-	-	-	-
113.07	111.23	112.81	110.89	-	-	-	-
487.92	479.63	487.92	479.63	1,052.06	1,043.04	1,052.06	1,043.04
81.51	81.33	81.51	81.33	-	-	-	-
172.00	172.33	172.00	172.33	-	-	-	-
80.43	80.32	80.43	80.32	135.63	135.40	135.63	135.40
117.84	117.67	117.84	117.67	-	-	-	-
155.16	155.68	155.16	155.68	-	-	-	-
138.63	138.99	138.63	138.99	-	-	-	-
138.91	138.90	138.91	138.90	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
51.51	51.54	51.51	51.54	-	-	-	-
177.25	176.77	177.25	176.77	-	-	-	-
-	-	-	-	-	-	-	-
134.94	134.98	134.94	134.98	-	-	-	-
267.76	267.97	267.76	267.97	-	-	-	-
177.39	178.29	177.39	178.29	-	-	-	-
151.04	151.50	151.04	151.50	-	-	-	-
158.85	159.12	158.85	159.12	-	-	-	-
156.74	156.46	156.74	156.46	-	-	-	-
<u>8,086.48</u>	<u>8,063.27</u>	<u>8,086.21</u>	<u>8,062.92</u>	<u>5,405.44</u>	<u>5,380.89</u>	<u>5,405.44</u>	<u>5,380.89</u>

See accompanying independent auditor's report.

(Continued)

**Schedule of Average Daily Attendance – Affiliated Charter Schools (Continued)**  
**Year Ended June 30, 2025**

Name of Affiliated Charter School	CDS Code	Grades 9-12 ADA			
		Total		Classroom-based	
		Second Period Report	Annual Report	Second Period Report	Annual Report
1 Alfred B. Nobel Charter Middle School	19 64733 6061543	-	-	-	-
2 Beckford Charter for Enriched Studies	19 64733 6015986	-	-	-	-
3 Calabash Charter Academy	19 64733 6016240	-	-	-	-
4 Calvert Charter for Enriched Studies	19 64733 6016265	-	-	-	-
5 Canyon Charter Elementary	19 64733 6016323	-	-	-	-
6 Carpenter Community Charter	19 64733 6016356	-	-	-	-
7 Castlebay Lane Charter	19 64733 6071435	-	-	-	-
8 Chatsworth Charter High	19 64733 1931708	1,562.45	1,544.72	1,562.45	1,544.72
9 Colfax Charter Elementary	19 64733 6016562	-	-	-	-
10 Community Magnet Charter Elementary	19 64733 6094726	-	-	-	-
11 Dearborn Elementary Charter Academy	19 64733 6016729	-	-	-	-
12 Dixie Canyon Community Charter	19 64733 6016778	-	-	-	-
13 Dr. Theodore T. Alexander Jr Science Center	19 64733 0102491	-	-	-	-
14 El Oro Way Charter For Enriched Studies	19 64733 6016869	-	-	-	-
15 Emerson Community Charter	19 64733 6057988	-	-	-	-
16 Enadia Way Technology Charter	19 64733 0117036	-	-	-	-
17 Encino Charter Elementary	19 64733 6016935	-	-	-	-
18 Gaspar de Portola Charter Middle	19 64733 6061584	-	-	-	-
19 George Ellery Hale Charter Academy	19 64733 6061477	-	-	-	-
20 Grover Cleveland Charter High	19 64733 1931864	2,476.84	2,461.76	2,476.84	2,461.76
21 Hamlin Charter Academy	19 64733 6017438	-	-	-	-
22 Haynes Charter For Enriched Studies	19 64733 6017529	-	-	-	-
23 Hesby Oaks Leadership Charter	19 64733 0112060	-	-	-	-
24 Justice Street Academy Charter	19 64733 6017693	-	-	-	-
25 Kenter Canyon Elementary Charter	19 64733 6017701	-	-	-	-
26 Knollwood Preparatory Academy	19 64733 6017743	-	-	-	-
27 Lockhurst Drive Charter Elementary	19 64733 6017891	-	-	-	-
28 Louis Armstrong Middle	19 64733 6058150	-	-	-	-
29 Marquez Charter	19 64733 6018063	-	-	-	-
30 Nestle Avenue Charter	19 64733 6018287	-	-	-	-
31 Open Charter Magnet	19 64733 6097927	-	-	-	-
32 Palisades Charter Elementary	19 64733 6018634	-	-	-	-
33 Paul Revere Charter Middle	19 64733 6058267	-	-	-	-
34 Plainview Academic Charter Academy	19 64733 6018725	-	-	-	-
35 Pomelo Community Charter	19 64733 6018774	-	-	-	-
36 Reseda Charter High	19 64733 1937226	984.12	975.52	984.12	975.52
37 Riverside Drive Charter	19 64733 6018923	-	-	-	-
38 Serrania Avenue Charter School for Enriched Studies	19 64733 6019111	-	-	-	-
39 Sherman Oaks Elementary Charter	19 64733 6019186	-	-	-	-
40 Superior Street Elementary	19 64733 6019392	-	-	-	-
41 Sylmar Charter High	19 64733 1938554	1,328.15	1,321.46	1,328.15	1,321.46
42 Taft Charter High	19 64733 1938612	2,024.09	2,004.83	2,024.09	2,004.83
43 Topanga Elementary Charter	19 64733 6019525	-	-	-	-
44 Topeka Charter School for Advanced Studies	19 64733 6019533	-	-	-	-
45 University High School Charter	19 64733 1938885	1,251.83	1,241.05	1,251.83	1,241.05
46 Van Gogh Charter	19 64733 6019673	-	-	-	-
47 Welby Way Charter Elementary School and Gifted Ability Magnet	19 64733 6019855	-	-	-	-
48 Westwood Charter Elementary	19 64733 6019939	-	-	-	-
49 Wilbur Charter for Enriched Academics	19 64733 6019954	-	-	-	-
50 Woodlake Elementary Community Charter	19 64733 6020036	-	-	-	-
51 Woodland Hills Charter Elementary for Enriched Studies	19 64733 6020044	-	-	-	-
		<u>9,627.48</u>	<u>9,549.34</u>	<u>9,627.48</u>	<u>9,549.34</u>

Totals			
Total ADA		Classroom-based ADA	
Second Period Report	Annual Report	Second Period Report	Annual Report
1,692.27	1,687.44	1,692.27	1,687.44
554.48	553.96	554.48	553.96
381.26	381.35	381.26	381.35
290.14	290.28	290.14	290.28
310.20	304.21	310.20	304.21
798.91	800.56	798.91	800.56
615.09	614.68	615.09	614.68
1,562.45	1,544.72	1,562.45	1,544.72
726.25	727.55	726.25	727.47
400.70	400.98	400.70	400.98
480.28	481.52	480.28	481.52
595.21	598.53	595.21	598.53
562.94	561.16	562.94	561.16
399.67	400.27	399.67	400.27
424.85	423.17	424.85	423.17
198.57	199.22	198.57	199.22
495.90	496.67	495.90	496.67
1,377.68	1,375.71	1,377.68	1,375.71
1,583.94	1,574.67	1,583.94	1,574.67
2,476.84	2,461.76	2,476.84	2,461.76
291.98	292.59	291.98	292.59
345.61	345.41	345.61	345.41
461.60	460.47	461.60	460.47
395.95	397.27	395.95	397.27
418.27	416.78	418.11	416.61
354.72	355.21	354.72	355.21
399.92	400.64	399.92	400.64
1,087.83	1,082.82	1,087.83	1,082.82
246.44	234.24	246.44	234.24
383.92	382.56	383.92	382.56
370.85	370.29	370.85	370.29
338.10	329.96	337.46	329.20
1,539.98	1,522.67	1,539.98	1,522.67
228.58	228.55	228.58	228.55
567.67	568.01	567.67	568.01
1,200.18	1,191.24	1,200.18	1,191.24
358.11	358.41	358.11	358.41
478.89	478.91	478.89	478.91
466.18	465.16	466.18	465.16
436.15	437.60	436.15	437.60
1,328.15	1,321.46	1,328.15	1,321.46
2,024.09	2,004.83	2,024.09	2,004.83
200.98	202.48	200.98	202.48
567.17	567.40	567.17	567.40
1,251.83	1,241.05	1,251.83	1,241.05
420.84	420.24	420.84	420.24
711.91	712.14	711.91	712.14
624.65	627.52	624.40	627.32
527.96	529.98	527.96	529.98
503.47	503.08	503.47	503.08
568.51	568.06	568.51	568.06
<u>35,028.12</u>	<u>34,895.44</u>	<u>35,027.07</u>	<u>34,894.23</u>

See accompanying independent auditor's report.

**Los Angeles Unified School District  
Schedule of Instructional Time Offered  
For the Year Ended June 30, 2025**

<b>Non-Charter Schools</b>	<b>Minutes</b>	<b>2024-25 Actual</b>	<b>Actual Number</b>	<b>Credited</b>	<b>Number of</b>	<b>Complied with</b>	<b>Complied with</b>
<b>Grade Level</b>	<b>Requirements</b>	<b>Minutes Offered <sup>(2)</sup></b>	<b>of Instructional Days <sup>(4)</sup></b>	<b>Instructional Days <sup>(4)</sup></b>	<b>Instructional Days Offered</b>	<b>Instructional Minutes Provisions</b>	<b>Instructional Days Provisions</b>
Kindergarten	36,000	55,999	176	7	183	Yes	Yes
Grades 1 to 3	50,400	55,999	176	7	183	Yes	Yes
Grades 4 to 6 <sup>(1)</sup>	54,000	55,999	176	7	183	Yes	Yes
Grades 7 to 8	54,000	66,319	180	3	183	Yes	Yes
Grades 9 to 12	64,800	66,338	180	3	183	Yes	Yes

<b>Affiliated-Charter Schools</b>	<b>Minutes</b>	<b>2024-25 Actual</b>	<b>Actual Number</b>	<b>Credited</b>	<b>Number of</b>	<b>Complied with</b>	<b>Complied with</b>
<b>Grade Level</b>	<b>Requirements</b>	<b>Minutes Offered <sup>(3)</sup></b>	<b>of Instructional Days <sup>(4)</sup></b>	<b>Instructional Days <sup>(4)</sup></b>	<b>Instructional Days Offered</b>	<b>Instructional Minutes Provisions</b>	<b>Instructional Days Provisions</b>
Kindergarten	36,000	55,980	170	13	183	Yes	Yes
Grades 1 to 3	50,400	55,980	170	13	183	Yes	Yes
Grades 4 to 6 <sup>(1)</sup>	54,000	55,980	170	13	183	Yes	Yes
Grades 7 to 8	54,000	66,331	174	9	183	Yes	Yes
Grades 9 to 12	64,800	66,351	180	3	183	Yes	Yes

<sup>(1)</sup> Elementary schools only.

<sup>(2)</sup> For Non-Charter schools, the following schools offered the instructional minutes displayed in the table above: Alta Loma Elementary, Angeles Mesa Elementary, Gridley-Montanez Dual Language Academy, Los Feliz STEMM Magnet, and Pinewood Elementary (Grades Kindergarten-6), Orville Wright Engineering and Design Magnet (Grades 7-8), and Venice Senior High (Grades 9-12). All other schools exceeded the above instructional minutes.

<sup>(3)</sup> For Affiliated charter schools, the following schools offered the instructional minutes displayed in the table above: Palisades Charter Elementary (Grades Kindergarten-6), George E Hale Charter Academy (Grades 6-8), and University High School Charter (Grades 9-12). All other affiliated charter schools exceeded the above instructional minutes.

<sup>(4)</sup> Due to the Eaton Canyon and Palisades fires in January 2025, all District schools, including affiliated charter schools were closed for at least two days. Lanai and Roscomare elementary schools were closed for seven days. Canyon Charter elementary school was closed for 13 days.

LAUSD submitted J-13A forms for all of the closure days and received approval in April 2025.

Note: LAUSD received incentive funding for increasing instructional time pursuant to the Longer Year/Longer Instructional Day.

**Los Angeles Unified School District  
Schedule of Financial Trends and Analysis  
For the Year Ended June 30, 2025  
(in thousands)**

	<u>2025-2026 Budgeted</u>	<u>2024-2025 Actual</u>	<u>2023-2024 Actual</u>	<u>2022-2023 Actual</u>	<u>2021-2022 Actual</u>
General Fund:					
Revenues	\$ 9,336,869	\$ 9,677,112	\$ 11,217,682	\$ 11,776,524	\$ 9,672,924
Other Financing Sources	47,325	755,443	70,691	91,870	108,571
Total Revenues and Other Financing Sources	<u>9,384,194</u>	<u>10,432,555</u>	<u>11,288,373</u>	<u>11,868,394</u>	<u>9,781,495</u>
Expenditures	11,476,282	11,119,050	10,549,639	9,472,906	9,294,057
Other Financing Uses	28,513	642,767	25,052	15,560	14,404
Total Expenditures and Other Financing Uses	<u>11,504,795</u>	<u>11,761,817</u>	<u>10,574,691</u>	<u>9,488,466</u>	<u>9,308,461</u>
Change in Fund Balance	(2,120,601)	(1,329,262)	713,682	2,379,928	473,034
Beginning Fund Balance	<u>4,273,168</u>	<u>6,421,933</u>	<u>5,708,251</u>	<u>3,328,323</u>	<u>2,855,289</u>
Ending Fund Balance	<u>\$ 2,152,567</u>	<u>\$ 5,092,671</u>	<u>\$ 6,421,933</u>	<u>\$ 5,708,251</u>	<u>\$ 3,328,323</u>
Available Reserves*	<u>\$ 1,565,346</u>	<u>\$ 2,778,566</u>	<u>\$ 1,113,933</u>	<u>\$ 385,925</u>	<u>\$ 1,140,017</u>
Unassigned Reserve for Economic Uncertainties	<u>\$ 115,200</u>	<u>\$ 710,567</u>	<u>\$ 244,900</u>	<u>\$ 238,780</u>	<u>\$ 199,860</u>
Unassigned Fund Balance	<u>\$ 1,450,146</u>	<u>\$ 2,067,999</u>	<u>\$ 869,033</u>	<u>\$ 147,145</u>	<u>\$ 940,157</u>
Available Reserves as a Percentage of Total Expenditures and Other Financing Uses	13.61%	23.62%	10.53%	4.07%	12.25%
Total Long-Term Obligations	\$ 28,786,416	\$ 30,112,805	\$ 29,442,163	\$ 27,622,402	\$ 27,136,289
Average Daily Attendance (ADA) funded at P-2 excluding regional occupational centers programs and adult programs	373,726	386,287	410,914	433,929	449,937

The General Fund has maintained a positive ending fund balance for the past four fiscal years presented in this schedule.

For a district this size, the State has recommended available reserves to be at least 1% of total General Fund expenditures and other financing uses starting 2024-25 and at least 2% of the total General Fund expenditures and other financing uses for prior years.

The District has been able to meet these requirements for the past four fiscal years.

\*Available reserves consist of all unassigned fund balances and unassigned reserve for economic uncertainties.

**Los Angeles Unified School District  
Schedule to Reconcile the Annual Financial Budget Report (SACS)  
For the Year Ended June 30, 2025  
(in thousands)**

	General Fund*	District Bonds	Bond Interest and Redemption	Other Governmental **	Proprietary Funds
June 30, 2025 Unaudited Actual Financial Reports					
Fund Balances	\$ 5,034,871	\$ 1,662,269	\$ 1,744,950	\$ 1,160,851	\$ 188,920
Adjustments:					
To accrue expenditures	26,150	248	-	(1,083)	(243,503)
To accrue revenue	(171)	1,106	-	-	(23,878)
To adjust Local Control Funding Formula revenue	24,226	-	-	-	-
To adjust unrealized gain/loss per GASB 31	7,595	2,539	1,802	660	51,875
To accrue grant revenues	-	-	-	101	-
To adjust prepaid account	-	-	-	5,055	-
June 30, 2025 Audited Financial Statement					
Fund Balances	<u>\$ 5,092,671</u>	<u>\$ 1,666,162</u>	<u>\$ 1,746,752</u>	<u>\$ 1,165,584</u>	<u>\$ (26,586)</u>

\*The net adjustment in the General Fund includes the following funds:

General Fund (Fund 010)	\$ 56,992
General (Fund 170)	808
Total General Funds	<u>\$ 57,800</u>

\*\*The net adjustment in the Other Governmental includes the following funds:

Adult Education Fund (Fund 110)	\$ 115
Child Development Fund (Fund 120)	(287)
Cafeteria Fund (Fund 130)	283
Building Fund (Fund 212)	6
Capital Facilities Fund (Fund 250)	126
County School Facilities Fund (Fund 351)	45
Special Reserve- CRA (Fund 400)	291
Special Reserve (Fund 401)	4,143
Special Reserve- FEMA Earthquake (Fund 402)	5
Tax Override (Fund 530)	6
Total Other Governmental Funds	<u>\$ 4,733</u>

There were no adjustments to fund balances for funds not presented above.

## Notes to Supplementary State Compliance Information Year Ended June 30, 2025

### 1. Purpose of Schedules

#### a) Schedule of Average Daily Attendance

Average daily attendance is a measurement of the number of pupils attending classes of the District. The purpose of attendance accounting from a fiscal standpoint is to provide the basis on which apportionments of state funds are made to school districts. This schedule provides information regarding the attendance of students at various grade levels.

#### b) Schedule of Instructional Time Offered

The District has received incentive funding for increasing instructional time as provided by the Incentive for Longer Instructional Day. This schedule presents information on the amount of instructional time offered by the District and whether the District complied with the provisions of Education Code Sections 46201 through 46206.

#### c) Schedule of Financial Trends and Analysis

This schedule focuses on financial trends by displaying past years' data along with current budget information and evaluates the District's ability to continue as a going concern for a reasonable period of time.

#### d) Reconciliation of Unaudited Actual Financial Reports with Audited Financial Statements

This schedule provides the information necessary to reconcile the differences between fund balances reported on the unaudited actual financial reports and the audited financial statements.

#### e) Schedule of Charter Schools

This schedule lists all charter schools chartered by the District, includes the charter school number, date established, and indicates whether or not the charter school is included in the District's audit.

**Los Angeles Unified School District  
Schedule of Expenditures of Federal Awards  
For the Year Ended June 30, 2025**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Assistance Listing Number</u>	<u>Grantor or Pass-Through Entity ID Number</u>	<u>Passed Through to Subrecipients</u>	<u>Program Cluster Expenditures</u>	<u>Total Federal Expenditures</u>
U.S. Department of Agriculture:					
Passed through California Department of Education:					
Child Nutrition School Programs Breakfast	10.553	PCA13525/ PCA13526		\$ 120,329,301	
		PCA13523/ PCA13524/			
Child Nutrition School Programs Lunch	10.555	PCA13755		170,120,427	
Donated Food Commodities	10.555	Not Available		20,701,605	
Child Nutrition Local Food for Schools	10.555	PCA15708		2,870,423	
Child Nutrition Seamless Summer Food Option	10.559	PCA13004		5,977,176	
Subtotal Expenditures – Child Nutrition Cluster					\$ 319,998,932
		PCA13529/ PCA13393/			
Child Nutrition Child Care Food Program (CCFP) Claims	10.558	PCA13394			48,332,095
Child Nutrition CCFP – Cash in Lieu of Commodities	10.558	PCA13534/ PCA13389			2,794,975
Subtotal Assistance Listing Number 10.558					51,127,070
Child Nutrition Team Nutrition Grants	10.574	PCA15332			5,226
Passed through California Department of Health Services:					
Forest Reserve	10.665	PCA10044		21,766	
Subtotal Expenditures – Forest Service Schools and Road Cluster					21,766
Subtotal Pass-Through Programs					371,152,994
Total U.S. Department of Agriculture					371,152,994
U.S. Department of Defense:					
Reserve Officer Training Corps Vitalization Act	12.unknown	Not Available			1,703,623
Total U.S. Department of Defense					1,703,623
U.S. Department of Labor:					
Passed through Employment Development Department:					
Employment Development Department Trade Act:					
Trade Adjustment Assistance (TAA)	17.245	Various			60,329
Passed through City of Los Angeles:					
Workforce Innovation and Opportunity Act (WIOA) – Worksource Educational Partnership – Adult	17.258	Agreement T-7591		263,680	
WIOA Navigator - Youth Sources	17.259	Agreement T-7479		85,006	
WIOA Navigator - Youth Sources	17.259	Agreement T-7761		410,514	
WIOA – T-1 Youth Source System	17.259	C-146939		1,447,556	
Subtotal Expenditures – WIOA Cluster					2,206,756
Subtotal Pass-Through Programs					2,267,085
Total U.S. Department of Labor					2,267,085
U.S. Department of Education:					
Indian Education Formula Grants to Local Educational Agencies					
	84.060A	S060A230283			121,157
Mental Health Service Professional (MHSP) Demonstration Grant Program					
	84.184X	S184X230142			1,972,078
Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR-UP):					
GEAR-UP 4 LA	84.334A	P334A190002	\$ 625,982		2,897,946
GEAR-UP 4 LA	84.334A	P334A180081	773,071		4,303,208
GEAR-UP 4 LA	84.334A	P334A180080	942,550		3,927,466
Subtotal Assistance Listing Number 84.334A			2,341,603		11,128,620
Subtotal Direct Programs					13,221,855

**Los Angeles Unified School District  
Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended June 30, 2025**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Grantor or Pass-Through Entity ID Number	Passed Through to Subrecipients	Program Cluster Expenditures	Total Federal Expenditures
Passed through California Department of Education:					
WIOA – Adult Basic Ed/ELA	84.002A	PCA14508			\$ 7,753,175
WIOA – Ad Ed & Fam Lit/EL – Civics	84.002A	PCA14109			2,210,337
WIOA – Adult Secondary Ed	84.002A	PCA13978			<u>2,433,950</u>
Subtotal Assistance Listing Number 84.002A					<u>12,397,462</u>
Every Student Succeeds Act (ESSA), Title I Part A. Basic	84.010	PCA14329			434,894,337
ESSA, Comprehensive Support & Improvement (CSI)	84.010	PCA15438			<u>7,252,235</u>
Subtotal Assistance Listing Number 84.010					<u>442,146,572</u>
Special Ed: Individual with Disabilities Education (IDEA) Local Assistance, Private School Individual Service Plans	84.027	PCA10115		\$ 2,418,088	
Special Ed: IDEA Local Assistance, Part B, Sec. 611, Early Intervening Services	84.027	PCA10119		23,242,762	
Special Ed: IDEA Basic Local Assistance Entitlement	84.027A	24-13379-64733-01		116,438,768	
Special Ed: IDEA Mental Health Allocation Plan	84.027A	24-15197-64733-2A		6,033,008	
Special Ed: IDEA – Supporting Inclusive Practices, Part B – Sec 611	84.027A	PCA13693		84,757	
Special Ed: IDEA – Alternate Dispute Resolution, Part B – Sec 611	84.027A	PCA13007		6,501	
PreSchool Expansion – Staff Development	84.173A	PCA13431		60,005	
Special Ed: IDEA – Preschool Grants, Part B – Sec 619 Private Schools ISPs	84.173A	PCA10116		8,901	
Special Ed: IDEA Preschool Expansion Grant Part B, Sec 619	84.173A	PCA13430		4,347,332	
Special Ed: IDEA – Part B, Sec 619; Preschool Grants Early Intervening Services	84.173	PCA10131		<u>770,145</u>	
Subtotal Expenditures – Special Education Cluster (IDEA)					<u>153,410,267</u>
Carl D. Perkins – Secondary Program, Sec 131	84.048	PCA14894			6,507,561
Carl D. Perkins – Vocational and Technical Education, Sec 132	84.048	PCA14893			<u>1,251,333</u>
Subtotal Assistance Listing Number 84.048					<u>7,758,894</u>
Special Ed-Grants for Infants and Families: Early Intervention Funds – Part C	84.181	PCA23761			1,178,111
Education for Homeless Children & Youth	84.196A	S196A210005/PCA14332			254,052
Twenty-first Century Learning Centers	84.287C	PCA14349	\$ 1,009,398		2,761,876
Twenty-first Century Learning Centers	84.287C	PCA14535	8,608,566		10,651,938
Twenty-first Century Learning Centers	84.287C	PCA14603/14765/15651 2A			<u>287,299</u>
Subtotal Assistance Listing Number 84.287C			<u>9,617,964</u>		<u>13,701,113</u>
ESSA Title III, English Learner Student Program	84.365	PCA14346			19,674,315
Title III, Immigrant Student	84.365	PCA15146			2,104,181
Loyola Marymount University (LMU) Purposeful Engagement in Academic Rigor and Language Learning (PEARLL) Project	84.365Z	FED#T365Z210143/ C#21079A			<u>115,683</u>
Subtotal Assistance Listing Number 84.365/Z					<u>21,894,179</u>
ESSA Title II, Part A, Supporting Effective Instruction	84.367	PCA14341			35,243,905
ESSA Title IV, Part A, Student Support and Academic Enrichment Grant Program	84.424A	PCA15396			27,046,679
COVID-19 ARP Act - Homeless Children and Youth (ARP-HCY) Program	84.425	PCA15564			117,296
COVID-19 ARP-HCY II Program	84.425	PCA15566			1,936,005
COVID-19 ELO ESSER III Fund State Reserve Emergency Needs	84.425U	PCA15620			30,616
COVID-19 ELO ESSER III Fund State Reserve Learning Loss	84.425U	PCA15621			1,203,164
COVID-19 ARP Act ESSER III Fund	84.425U	PCA15559/15651			<u>11,741</u>
Subtotal Assistance Listing Number 84.425/U					<u>3,298,822</u>

See accompanying independent auditor's report.

(Continued)

**Los Angeles Unified School District  
Schedule of Expenditures of Federal Awards (Continued)  
For the Year Ended June 30, 2025**

Federal Grantor/Pass-Through Grantor/Program Title	Assistance Listing Number	Grantor or Pass-Through Entity ID Number	Passed Through to Subrecipients	Program Cluster Expenditures	Total Federal Expenditures
Passed through Los Angeles County Office of Education:					
Title I – Migrant Ed – Regular	84.011	PCA14326			\$ 904,055
Title I – Migrant Ed – Summer	84.011	PCA10005			239,706
Title I – Migrant Ed – School Readiness	84.011	PCA10144			51,759
Subtotal Assistance Listing Number 84.011					<u>1,195,520</u>
Passed through California Department of Rehabilitation:					
We Can Work	84.126	Agreement 32032			584,950
Rehab – Transition Partnership Program/Trans Part-Greater LA	84.126	Agreement 32038			2,652,425
Subtotal Assistance Listing Number 84.126					<u>3,237,375</u>
Passed through Digital Education Project:					
American History and Civics Education National Activities (AHC-NA)	84.422B	Not Available			3,765
Subtotal Pass-Through Programs					<u>722,766,716</u>
Total U.S. Department of Education					<u>735,988,571</u>
U.S. Department of Health and Human Services:					
CDCP-School Based HIV/STD Prevention	93.079	6NU87PS004357-05-02; 1NU87DP000016-01-00			440,085
Subtotal Direct Program					<u>440,085</u>
Passed through County of Los Angeles:					
Student 360 Health Heluna	93.354	1 NU90TP922183-01			22,620
Maternal, Infant, and Early Childhood Home Visiting Program	93.870	PH-003967			832,667
Children’s Health Outreach Enrollment, Utilization, and Retention Services	93.778	PH-004987			82,840
Passed through California Department of Social Services:					
California Department of Social Services Refugee Program Bureau	93.566	RSI22-LAUSD A-1; PHI Agreement No. 0615-AR72582			716,348
Passed through California Department of Education:					
Early Education: Federal General Child Care and Development (CCTR)	93.575	PCA15136		\$ 10,418,929	
CCTR Programs Administered by California Department of Social Services (CDSS)	93.575	PCA15641		10,772,744	
Child Care and Development Programs Administered by CDSS	93.596	PCA10163		1,866,344	
Subtotal Expenditures – Child Care Development Fund (CCDF) Cluster					<u>23,058,017</u>
Passed through Baldwin Park Unified School District:					
Early Head Start	93.600	PCA15291		256,983	
Subtotal Expenditures – Head Start Cluster					<u>256,983</u>
Subtotal Pass-Through Programs					<u>24,969,475</u>
Total U.S. Department of Health and Human Services					<u>25,409,560</u>
U.S. Department of Homeland Security:					
Passed through California Governor’s Office of Emergency Services:					
Disaster Grants-Public Assistance (Presidentially Declared Disasters)	97.036	4482-DR; 4683-DR & 4699-DR			205,485
Disaster Grants-Public Assistance (Presidentially Declared Disasters) Testing and Vaccination	97.036	FEMA-4482-DR-CA			4,060,042
Subtotal Assistance Listing Number 97.036					<u>4,265,527</u>
Hazard Mitigation Grant Program	97.039	4610-DR - PL0568			160,805
Subtotal Pass-Through Programs					<u>4,426,332</u>
Total U.S. Department of Homeland Security					<u>4,426,332</u>
Total Expenditures of Federal Awards					<u>\$ 11,959,567</u>
					<u>\$ 498,952,721</u>
					<u>\$ 1,140,948,165</u>

See accompanying independent auditor’s report.

## Notes to Schedule of Expenditures of Federal Awards Year Ended June 30, 2025

### (1) General

The accompanying schedule of expenditures of federal awards (Schedule) presents the expenditures of all federal financial assistance programs of the Los Angeles Unified School District (District). The District's reporting entity is defined in the notes to the District's basic financial statements. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

### (2) Basis of Accounting

The accompanying Schedule is presented using the modified accrual basis of accounting, as described in Note 1 of the notes to the District's basic financial statements. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in the preparation of, the District's basic financial statements but agree in all material respects.

### (3) Indirect Cost Rate

The District did not elect to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

### (4) Noncash Assistance

Included in the Schedule is (Assistance Listing (AL) #10.555) \$20,701,605 of donated food commodities received from the U.S. Department of Agriculture, passed-through California Department of Education, during the year ended June 30, 2025.



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# **OTHER INDEPENDENT AUDITOR REPORTS**



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CERTIFIED PUBLIC ACCOUNTANTS

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## Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To The Honorable Board of Education  
Los Angeles Unified School District

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the **Los Angeles Unified School District** (the District), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 15, 2025.

### Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.



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Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items FS-2025-001 and FS-2025-002 that we consider to be significant deficiencies.

### **Report on Compliance and Other Matters**

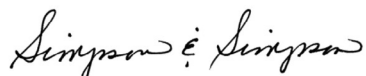
As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### **District's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

### **Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Los Angeles, California  
December 15, 2025



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## **Independent Auditor's Report on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance**

To The Honorable Board of Education  
Los Angeles Unified School District

### **Report on Compliance for Each Major Federal Program**

#### ***Opinion on Each Major Federal Program***

We have audited **Los Angeles Unified School District's** (the District) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2025. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

#### ***Basis for Opinion on Each Major Federal Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

#### ***Responsibilities of Management for Compliance***

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.



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### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

#### ***Other Matters***

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items F-2025-001, F-2025-002, and F-2025-003. Our opinion on each major federal program is not modified with respect to these matters.

*Government Auditing Standards* requires the auditor to perform limited procedures on the District's responses to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The District's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.



## Report on Internal Control over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items F-2025-001, F-2025-002, and F-2025-003 to be material weaknesses.

*A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item F-2025-002 to be a significant deficiency.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

*Government Auditing Standards* requires the auditor to perform limited procedures on the District's responses to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The District's responses were not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink, appearing to read 'Simpson &amp; Simpson', is written in a cursive style.

Los Angeles, California  
December 15, 2025



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## Independent Auditor's Report on State Compliance and on Internal Control over Compliance

To The Honorable Board of Education  
Los Angeles Unified School District

### Report on Compliance

#### Opinion

We have audited the **Los Angeles Unified School District's** (the District) compliance with the requirements specified in the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* applicable to the District's state program requirements identified below for the year ended June 30, 2025.

In our opinion, the Los Angeles Unified School District complied, in all material respects, with the laws and regulations of the state programs noted in the table below for the year ended June 30, 2025.

#### Basis for Opinion

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

#### Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above, and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the Los Angeles Unified School District's state programs.



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## Auditor’s Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District’s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting* will always detect a material noncompliance when it exists. The risk of not detecting a material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District’s compliance with the requirements of the state programs as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit;
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District’s compliance with the compliance requirements referred to above and performing such other procedures as we consider necessary in the circumstances;
- Obtain an understanding of the District’s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*, but not for the purpose of expressing an opinion on the effectiveness of the District’s internal controls over compliance. Accordingly, we express no such opinion; and
- Select and test transactions and records to determine the District’s compliance with the state laws and regulations applicable to the following items:

2024-25 K-12 Audit Guide Procedures	Procedures Performed
Local Education Agencies Other than Charter Schools:	
A. Attendance	<u>Yes</u>
B. Teacher Certification and Misassignments	<u>Yes</u>
D. Independent Study	<u>Yes</u>
E. Continuation Education	<u>Yes</u>
F. Instructional Time	<u>Yes</u>
G. Instructional Materials	<u>Yes</u>
H. Ratio of Administrative Employees to Teachers	<u>Yes</u>
I. Classroom Teacher Salaries	<u>Yes</u>
J. Early Retirement Incentive	<u>N/A (1)</u>
K. Gann Limit Calculation	<u>Yes</u>



2024-25 K-12 Audit Guide Procedures	Procedures Performed
L. School Accountability Report Card	<u>Yes</u>
M. Juvenile Court Schools	<u>N/A (2)</u>
N. Middle or Early College High Schools or Programs	<u>Yes</u>
O. K-3 Grade Span Adjustment	<u>N/A (3)</u>
Q. Apprenticeship: Related and Supplemental Instruction	<u>Yes</u>
R. Comprehensive School Safety Plan	<u>Yes</u>
S. District of Choice	<u>N/A (4)</u>
TT. Home to School Transportation Reimbursement	<u>Yes</u>
School Districts, County Offices of Education, and Charter Schools:	
T. Proposition 28 Arts and Music in Schools	<u>Yes</u>
U. After/Before School Education and Safety Program	<u>Yes</u>
V. Proper Expenditure of Education Protection Account Funds	<u>Yes</u>
W. Unduplicated Local Control Funding Formula Pupil Counts	<u>Yes</u>
X. Local Control and Accountability Plan	<u>Yes</u>
Y. Independent Study Course Based	<u>N/A (5)</u>
Z. Immunizations	<u>Yes</u>
AZ. Educator Effectiveness	<u>Yes</u>
BZ. Expanded Learning Opportunity Grant (ELO-G)	<u>Yes</u>
CZ. Career Technical Education Incentive Grant	<u>Yes</u>
DZ. Expanded Learning Opportunity Program	<u>Yes</u>
EZ. Transitional Kindergarten	<u>N/A (3)</u>
FZ. Kindergarten Continuance	<u>Yes</u>
Charter Schools:	
AA. Attendance	<u>Yes</u>
BB. Mode of Instruction	<u>Yes</u>
CC. Nonclassroom-Based Instruction/Independent Study	<u>No (6)</u>
DD. Determination of Funding for Nonclassroom-Based Instruction	<u>No (6)</u>
EE. Annual Instructional Minutes – Classroom Based	<u>Yes</u>
FF. Charter School Facility Grant Program	<u>N/A (7)</u>

- (1) We did not perform any procedures related to the Early Retirement Incentive Program because the District did not offer early retirement incentives during the fiscal year.
- (2) We did not perform any procedures related to Juvenile Court Schools because the District does not offer this program.
- (3) Pursuant to Executive Order N-6-25, local educational agencies within Los Angeles County shall not be required to comply with audit procedures related to the K–3 Grade Span Adjustment or the Transitional Kindergarten programs for the applicable audit period. Accordingly, Procedure O – K-3 Grade Span Adjustment and Procedure EZ – Transitional Kindergarten, as outlined in the State Audit Guide, are not applicable to the District.
- (4) The District’s Board of Education did not elect to operate as a school District of Choice.
- (5) The District does not have any Independent Study Course Based Programs; therefore, we did not perform any testing related to this requirement.

- (6) The District's Average Daily Attendance generated from Nonclassroom-Based Instruction/Independent Study for Charter Schools fell under the materiality level stipulated in the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*; therefore, we did not perform any testing related to this requirement.
- (7) The District's charter schools did not receive Charter School Facility Grant Program funding; therefore, we did not perform any testing related to this requirement.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identify during the audit.

### **Other Matters**

The results of our auditing procedures disclosed instances of noncompliance, which are described in the accompanying schedule of findings and questioned costs as items S-2025-001 through S-2025-014.

### **Report on Internal Control over Compliance**

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a compliance requirement will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention from those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit, we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items S-2025-006, S-2025-007, S-2025-008, S-2025-009, S-2025-010, and S-2025-011 that we consider to be significant deficiencies.

### **District's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.



Our audit was not designed for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the *2024-25 Guide for Annual Audits of K-12 Local Education Agencies and State Compliance Reporting*. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "Simpson &amp; Simpson".

Los Angeles, California  
December 15, 2025

**LOS ANGELES UNIFIED SCHOOL DISTRICT**

Schedule of Findings and Questioned Costs

June 30, 2025

**Section I – Summary of Auditor’s Results**

**Financial Statements**

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? No
- Significant deficiency(ies) identified? Yes

Noncompliance material to financial statements? No

**Federal Awards**

Internal control deficiencies over major programs:

- Material weakness(es) identified? Yes
- Significant deficiency(ies) identified? Yes

**LOS ANGELES UNIFIED SCHOOL DISTRICT**

Schedule of Findings and Questioned Costs

June 30, 2025

Identification of major programs and type of auditor’s report issued on compliance for each major program:

<u>Assistance Listing Number</u>	<u>Name of Federal Program</u>	<u>Opinion</u>
10.553/10.555/10.559	U.S. Department of Agriculture – Child Nutrition Cluster	Unmodified
10.558	U.S. Department of Agriculture – Child and Adult Care Food Program	Unmodified
84.010	U.S. Department of Education – Title I Grants to Local Educational Agencies (Title I, Part A of the ESEA)	Unmodified
84.048	U.S. Department of Education – Career and Technical Education – Basic Grants to States (Perkins V)	Unmodified
84.424A	U.S. Department of Education – Student Support and Academic Enrichment (Title IV, Part A of the ESEA)	Unmodified
• Any audit findings disclosed which are required to be reported in accordance with 2 CFR 200.516(a):		Yes
• Dollar threshold used to distinguish between type A and type B programs:		\$3,422,844
• Auditee qualified as low risk auditee		No
<b>State Awards</b>		
Type of auditor’s report issued on compliance for state programs:		Unmodified

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### Section II – Finding(s) Relating to the Basic Financial Statements which is Required to be Reported in Accordance with Government Auditing Standards

#### Finding – FS-2025-001 Server Vulnerability Management (Significant Deficiency)

State Audit Guide Finding Code: 30000

#### Criteria

Security patch application is the primary method for fixing vulnerabilities as they are designed to remediate and correct vulnerabilities. Scanning for and managing inventory, patch, and configuration issues are security practices designed to proactively identify and remediate security vulnerabilities and weaknesses in information systems. Proactively managing and remediating vulnerabilities reduces, or eliminates, the potential of exploitation and involves considerably less time and effort than responding after exploitation has occurred.

- NIST SP 800-53 Revision 5, “Security and Privacy Controls for Federal Information Systems and Organizations; RA-5 “Vulnerability Monitoring and Scanning”

*Remediate legitimate vulnerabilities in accordance with an organizational assessment of risk.*

CA-5 “Plan of Action and Milestones”

*Develop a plan of action and milestones for the system to document the planned remediation actions of the organization to correct weaknesses or deficiencies noted during the assessment of the controls and to reduce or eliminate known vulnerabilities in the system; and*

*Update existing plan of action and milestones based on the findings from control assessments, independent audits or reviews, and continuous monitoring activities.*

- ISO27001 Standard; A.12.6 “Technical Vulnerability Management”:

*Information on technological vulnerabilities of information systems used should be obtained in a timely manner, the exposure of the organization to such vulnerabilities should be assessed and appropriate measures taken to address the risk involved.*

- LAUSD Vulnerability Management Policy - BUL-129101.1: Section IV. Critical Vulnerabilities:

*Critical security patches must be installed as soon as reasonably possible, but no later than 30 days after discovery unless approved by the Director of IT Security. Vulnerabilities rated as high are [to be] mitigated within 60 days.*

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

June 30, 2025

The following are recent advancements in the District's vulnerability management evidenced during our fieldwork:

- The appointment of a CISO (Chief Information Security Officer) and Deputy CISO.
- The establishment of a vulnerability and patch management program as prescribed by the District's Vulnerability Management Policy (BUL-129101.1) .
- Vulnerability risk assessment, mitigation and tracking processes that include maintaining a Vulnerability Log designed to track risk mitigation activities for unpatched vulnerabilities.
- Implementation of a Risk Register Security Risk Acknowledgement Form that documents security exception requests reported to the Cybersecurity Committee.

ITS management informed us of the following compensating controls implemented to mitigate the impact of vulnerabilities when systems cannot be patched within their SLA (Service Level Agreement):

- Systems are not accessible from outside the firewall without restricted VPN access: VPN access is only allowed with District managed VPN accounts that require SSO, MFA, and appropriate manager-level approval.
- Endpoint Detection and Response (EDR): EDR provides the capability to automatically disrupt cyberattacks that might otherwise affect server(s) and spread via lateral movement.
- Deep Packet Inspection (DPI): DPI receives integrated Dark Web threat intelligence feeds to automate alerts on malicious cyber activity.
- 24/7 Security Operations Center (SOC): Critical servers are flagged by the SOC for 24/7 monitoring to ensure that any open security events on these devices are addressed immediately.
- Security Information and Event Management (SIEM): SIEM provides real-time analysis of security alerts generated by applications and network hardware that enables the District to focus on credible threats and recover from potential security incidents.
- Security Orchestration Automation and Response (SOAR) integration: The SOAR system automates response actions based on SIEM events when detected driven by our malware playbook (a guide for the detection and recovery from malware attacks) which increases our defense posture and reduces the impact of potential threats.
- Network Segmentation: The District network is segmented to abide by the principle of least privilege. Targeted traffic is isolated into different virtual network segments that lack the authorization to interact with critical servers.
- Next Generation Firewalls (NGFW): The District has deployed next generation firewalls which provide additional layers of security to include Deep Packet Inspection (DPI), Intrusion Prevention, Threat intelligence and SIEM integration.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

We commend ITS in their development of the District's vulnerability management program and encourage continued improvement.

### **MiSiS Vulnerability**

#### **Condition**

- Our review of MiSiS network server vulnerability scan reports for the period of July 2024 – September 2024 revealed 47 (forty-seven) “Critical” severity vulnerability that remained outstanding or not remediated throughout this three (3) month period. When considering the District policy’s 21-day or three-week blackout period (i.e., 1 week prior to the start of the Fall semester and First 2 weeks of instruction of the Fall semester) for fall enrollment, the vulnerabilities remained unpatched for more than 30 days outside this period.
- Our review of MiSiS network server vulnerability scan reports for the period of October 2024 – December 2024 revealed 2 (two) “High” severity vulnerability that remained outstanding or not remediated for more than 60 days.
- The ITS vulnerability logs provided did not contain the following District policy required critical information for the reported unpatched vulnerabilities:
  1. List of mitigation actions taken
  2. Risk Assessment Date
  3. Patch Installation Date
- The associated Risk Register Security Risk Acknowledgement Form was dated December 20, 2024, several months after the critical vulnerabilities’ discovery date in July 2024 and two months after the vulnerabilities were patched in October 2024.
- To confirm the District’s vulnerability management risk mitigation controls in operation during the periods of unpatched vulnerabilities sighted in our report, we requested XSIAM (the District’s security operations platform) generated reports of automatic blocking actions, containment measures, etc. taken for the MiSiS, Welligent, MAXIMO and COLINS environments from September 2024 – December 2024. However, we were informed by ITS that they were unable to provide such reports as their data retention period of 180 days did not cover the period reviewed for the vulnerabilities.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### Cause and Effect

The ITS Risk Register Security Risk Acknowledgement Form provided documents that the MiSiS server vulnerabilities' fix required a Microsoft Windows network software (.NET) upgrade which required three months to complete.

ITS management informed us that the unpatched vulnerabilities were attributed to the fall enrollment system freeze period. ITS policy indicates that this period is a 21-day or three-week blackout or system freeze period (i.e., 1 week prior to the start of the Fall semester and First 2 weeks of instruction of the Fall semester) for fall enrollment.

The lack of proactive managing and timely remediating vulnerabilities increases the risk of potential exploitation. In addition, untimely patching and fixing configuration issues can have an adverse impact on the availability, confidentiality, and integrity of LAUSD information resources.

This risk is increased for systems that contain individual student data such as does MiSiS .

### Recommendation

- We recommend that District management monitor and remediate sensitive vulnerabilities in a timely manner. At a minimum, “Critical” severity level vulnerabilities be patched within 30 days of identification and “High” severity level vulnerabilities be patched/remediated within 60 days of identification.
- The network vulnerability logs be revised to include the following critical information for vulnerabilities exceeding allowable unpatched timeframes:
  1. List of mitigation actions taken
  2. Residual Risk Level (risk remaining after mitigation action(s) is taken)
  3. Risk Assessment Date
  4. Patch Installation Date
  5. Aging (by # of days) of unpatched vulnerabilities
- ITS Risk Register Security Risk Acknowledgement Forms are completed for unpatched vulnerabilities no later than when they've reached the District policy's allowable timeframe for the vulnerability's severity level.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### View of Responsible Officials and Corrective Action Plan

Concur.

The patches for these vulnerabilities were delayed due to 1) false positives reported by our vulnerability monitoring system, 2) the School Opening Freeze, or 3) patches were not available. ITS conducted a risk assessment and implemented compensating controls (detailed below) to mitigate the risk of these unpatched vulnerabilities. The vulnerabilities were patched as soon as it was practical.

A Risk form for MiSiS was submitted which addresses the recommendation for expanding the vulnerability log. These fields are only needed to track exceptions for vulnerabilities that cannot be mitigated within their SLA.

Risk Assessment:

- The period from July 2024 to September 2024 is the critical School Opening phase, lasting until Norm Day in September 2024. Critical vulnerabilities were addressed after September 2024. In addition, the High vulnerabilities were determined to be false positives in our monitoring system.
- A risk assessment performed on the identified vulnerabilities determined the environment was not accessible outside the LAUSD network, reducing the likelihood of exploitation.

Compensating Controls:

The following compensating controls were implemented to mitigate these vulnerabilities:

- Flagged servers with SOC for critical monitoring.
- EDR to detect, prevent, and respond to malware and unauthorized access.
- Next generation firewalls providing deep packet inspection, intrusion prevention, application layer controls, and SIEM integration.
- MiSiS not accessible outside the firewall without limited VPN access.

Corrective Action:

The first set of vulnerabilities were patched in October 2024, after resumption of normal patch schedule once the freeze was lifted.

The second set of vulnerabilities were patched in March 2025.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

It is currently unfeasible to track the requested fields in our Vulnerability Log which is currently managed in an off-the-shelf software. However, ITS will track vulnerabilities that cannot meet their patch requirements in our in-house Risk Register which will track:

1. List of compensating controls
2. Residual Risk Level (risk remaining after mitigation action(s) is taken)
3. Risk Assessment Date
4. Risk Mitigation Date (date when patch or other mitigation is verified as complete)
5. Discovery Date of the vulnerability (from which the number of days unmitigated can be calculated)

Target Completion: Completed December 2025.

Name: Robert Pelayo

Title/Division: Senior Director, Instructional Apps  
Information Technology Services (ITS)

### **Welligent Vulnerability**

#### **Condition**

- Our review of Welligent network server vulnerability scan reports for the period of July 2024 – September 2024 revealed ten (10) “High” severity vulnerabilities that remained outstanding or not remediated throughout this three (3) month period. When considering the District policy’s 21-day or three-week blackout period (i.e., 1 week prior to the start of the Fall semester and First 2 weeks of instruction of the Fall semester) for fall enrollment, the vulnerabilities remained unpatched/unmitigated for more than a total of 60 days.
- Our review of Welligent network server vulnerability scan reports for the period of October 2024 – December 2024 revealed one (1) “High” severity vulnerability that remained outstanding or not remediated throughout this three (3) month period.
- To confirm the District’s vulnerability management risk mitigation controls in operation during the periods of unpatched vulnerabilities sighted in our report, we requested XSIAM (the District’s security operations platform) generated reports of automatic blocking actions, containment measures, etc. taken for the MiSiS, Welligent, MAXIMO and COLINS environments from September 2024 – December 2024. However, we were informed by ITS that they were unable to provide such reports as their data retention period of 180 days did not cover the period reviewed for the vulnerabilities.

We were informed by ITS management that the vulnerabilities noted in the findings from July to December 2024 were addressed by July 21, 2025.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### Cause and Effect

The ITS Risk Register Security Risk Acknowledgement Form documents that patches for the Welligent server vulnerabilities were not available during the period under review.

The lack of proactive managing and timely remediating vulnerabilities increases the risk of potential exploitation. In addition, untimely patching and fixing configuration issues can have an adverse impact on the availability, confidentiality, and integrity of LAUSD information resources.

This risk is increased for systems that contain highly sensitive individual student data (e.g., patient healthcare diagnosis information) such as does Welligent.

### Recommendation

- District management monitor and remediate sensitive vulnerabilities in a timely manner. At a minimum, “Critical” severity level vulnerabilities be patched within 30 days of identification and “High” severity level vulnerabilities be patched/unmitigated within 60 days of identification.
- The network vulnerability logs be revised to include the following critical information for vulnerabilities exceeding allowable unpatched timeframes:
  1. List of mitigation actions taken
  2. Residual Risk Level (risk remaining after mitigation action(s) is taken)
  3. Risk Assessment Date
  4. Patch Installation Date
  5. Aging (by # of days) of unpatched vulnerabilities

### View of Responsible Officials and Corrective Action Plan

Concur.

The patches for these vulnerabilities were delayed due to 1) the School Opening Freeze, or 2) patches were not available. ITS conducted a risk assessment and implemented compensating controls (detailed below) to mitigate the risk of these unpatched vulnerabilities. The vulnerabilities were patched as soon as it was practical.

A Risk form for Welligent was submitted which addresses the recommendation for expanding the vulnerability log. These fields are only needed to track exceptions for vulnerabilities that cannot be mitigated within their SLA.

Risk Assessment:

A risk assessment performed on the identified vulnerabilities determined the environment was not accessible outside the LAUSD network reducing the likelihood of exploitation.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

June 30, 2025

#### Compensating Controls:

The following compensating controls were implemented to mitigate these vulnerabilities:

- Flagged servers with SOC for critical monitoring.
- EDR to detect, prevent, and respond to malware and unauthorized access.
- Next generation firewalls providing deep packet inspection, intrusion prevention, application layer controls, and SIEM integration.
- Welligent not accessible outside the firewall without limited VPN access.

#### Corrective Action:

The vulnerabilities cited from July 2024 to September 2024 were corrected when patches became available on August 2024 and April 2025. The vulnerabilities cited from October 2024 to December 2024 were corrected in January 2025 when patches became available for the vulnerabilities.

It is currently unfeasible to track the requested fields in our Vulnerability Log which is currently managed in an off-the-shelf software. However, ITS will track vulnerabilities that cannot meet their patch requirements in our in-house Risk Register which will track:

1. List of compensating controls
2. Residual Risk Level (risk remaining after mitigation action(s) is taken)
3. Risk Assessment Date
4. Risk Mitigation Date (date when patch or other mitigation is verified as complete)
5. Discovery Date of the vulnerability (from which the number of days unmitigated can be calculated)

Target Completion: Completed December 2025.

Name: Robert Pelayo

Title/Division: Senior Director, Instructional Apps  
Information Technology Services (ITS)

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### Colins Vulnerability

#### **Condition**

Our review of Colins network server vulnerability scan reports revealed the following:

- We noted ten (10) High severity level Colin server vulnerabilities that appear to be outstanding for three months, i.e., from July 2024– September 2024. When considering the District policy’s 21-day or three-week blackout period (i.e., 1 week prior to the start of the Fall semester and First 2 weeks of instruction of the Fall semester) for fall enrollment, the vulnerabilities remained unpatched/unmitigated for more than a total of 60 days.
- We noted one (1) critical and one (1) High severity level Colin server vulnerabilities appear to be outstanding for three months, i.e., from October 2024 – December 2024.
- To confirm the District’s vulnerability management risk mitigation controls in operation during the periods of unpatched vulnerabilities sighted in our report, we requested XSIAM (the District’s security operations platform) generated reports of automatic blocking actions, containment measures, etc. taken for the MiSiS, Welligent, MAXIMO and COLINS environments from September 2024 – December 2024. However, we were informed by ITS that they were unable to provide such reports as their data retention period of 180 days did not cover the period reviewed for the vulnerabilities.
- Risk mitigation tracking documentation, e.g., the ITS Risk Register Security Risk Acknowledgement Form, could not be provided when requested for these vulnerabilities.

We were informed that the issues noted in the findings from July to December 2024 were addressed as of July 21, 2025.

#### **Cause and Effect**

The lack of proactive managing and timely remediating vulnerabilities increases the risk of potential exploitation. In addition, untimely patching and fixing configuration issues can have an adverse impact on the availability, confidentiality, and integrity of LAUSD information resources.

#### **Recommendation**

- District management monitor and remediate sensitive vulnerabilities in a timely manner. At a minimum, “Critical” severity level vulnerabilities be patched within 30 days of identification and “High” severity level vulnerabilities be patched/remediated within 60 days of identification.
- The network vulnerability logs be revised to include the following critical information for vulnerabilities exceeding allowable unpatched timeframes:
  1. List of mitigation actions taken
  2. Residual Risk Level (risk remaining after mitigation action(s) is taken)
  3. Risk Assessment Date
  4. Patch Installation Date
  5. Aging (by # of days) of unpatched vulnerabilities

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

- ITS Risk Register Security Risk Acknowledgement Forms are completed for unpatched vulnerabilities no later than when they've reached the District policy's allowable timeframe for the vulnerability's severity level.

### View of Responsible Officials and Corrective Action Plan

Concur.

The patches for these vulnerabilities were delayed due to 1) the School Opening Freeze, or 2) patches were not available. ITS conducted a risk assessment and implemented compensating controls (detailed below) to mitigate the risk of these unpatched vulnerabilities. The vulnerabilities were patched as soon as it was practical.

Risk Assessment:

- A risk assessment performed on the identified vulnerabilities determined the environment was not accessible outside the LAUSD network reducing the likelihood of exploitation.

Compensating Controls:

Colin is set-up in four VLANs that are only accessed by FSD authorized users through specific AD Groups. Colin is available to the outside via Global Protect and is set up to traverse the WAF. In addition, the following controls were put in place:

- Flagged servers with SOC for critical monitoring.
- EDR to detect, prevent, and respond to malware and unauthorized access.
- Next generation firewalls providing deep packet inspection, intrusion prevention, application layer controls, and SIEM integration.

Corrective Action:

The vulnerabilities were patched on the regular patch cycle once patches became available.

It is currently unfeasible to track the requested fields in our Vulnerability Log which is currently managed in an off-the-shelf software. However, ITS will track vulnerabilities that cannot meet their patch requirements in our in-house Risk Register which will track:

1. List of compensating controls
2. Residual Risk Level (risk remaining after mitigation action(s) is taken)
3. Risk Assessment Date
4. Risk Mitigation Date (date when patch or other mitigation is verified as complete)
5. Discovery Date of the vulnerability (from which the number of days unmitigated can be calculated)

Target Completion: Completed December 2025.

Name: Joseph Holop

Title/Division: Senior Administrator, IT Infrastructure  
Information Technology Services (ITS)

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### Maximo Vulnerability

#### Condition

- Our review of Maximo network server vulnerability scan reports for the period of October 2024 – December 2024 revealed sixty-three (63) “High” severity level vulnerabilities that remained outstanding or not remediated throughout this three (3) month period.
- To confirm the District’s vulnerability management risk mitigation controls in operation during the periods of unpatched vulnerabilities sighted in our report, we requested XSIAM (the District’s security operations platform) generated reports of automatic blocking actions, containment measures, etc. taken for the MiSiS, Welligent, MAXIMO and COLINS environments from September 2024 – December 2024. However, we were informed by ITS that they were unable to provide such reports as their data retention period of 180 days did not cover the period reviewed for the vulnerabilities. Also, risk mitigation tracking documentation, e.g., the ITS Risk Register Security Risk Acknowledgement Form, could not be provided when requested for these vulnerabilities.

#### Cause and Effect

We were informed by ITS that Maximo is software supported by IBM. The ITS Security team scans the Maximo servers on a weekly basis, and they produce a report outlining the vulnerabilities by level of severity. Following this process, they look for Critical and High vulnerabilities to update the servers based on patch availability. The timing of updates varies because it depends on IBM’s patch release schedule and timely availability to scan results. The issues noted in the findings from October to December 2024 were addressed and the report issued on July 21, 2025 shows no Critical or High vulnerabilities longer than 30 or 60 days respectively.

The lack of proactive managing and timely remediating vulnerabilities increases the risk of potential exploitation. In addition, untimely patching and fixing configuration issues can have an adverse impact on the availability, confidentiality, and integrity of LAUSD information resources.

#### Recommendation

- District management monitor and remediate sensitive vulnerabilities in a timely manner. At a minimum, “Critical” severity level vulnerabilities be patched within 30 days of identification and “High” severity level vulnerabilities be patched/remediated within 60 days of identification.
- The network vulnerability logs be revised to include the following critical information for vulnerabilities exceeding allowable unpatched timeframes:
  1. List of mitigation actions taken
  2. Residual Risk Level (risk remaining after mitigation action(s) is taken)
  3. Risk Assessment Date
  4. Patch Installation Date
  5. Aging (by # of days) of unpatched vulnerabilities

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- ITS Risk Register Security Risk Acknowledgement Forms are completed for unpatched vulnerabilities no later than when they've reached the District policy's allowable timeframe for the vulnerability's severity level.

#### **View of Responsible Officials and Corrective Action Plan**

Concur.

The patches for these vulnerabilities were not available. ITS conducted a risk assessment and implemented compensating controls (detailed below) to mitigate the risk of these unpatched vulnerabilities. The vulnerabilities were patched as soon as it was practical, and no further corrective action is needed.

#### Compensating Controls:

Maximo is set-up in four VLANs that are only accessed by FSD authorized users through specific AD Groups. Maximo is not available to the outside except for ITS FTS designated support personnel and FSD M&O MORA (M&O Reporting and Analysis) personnel that provide support for off-hour emergency situations. In addition, the following controls were put in place:

- Flagged servers with SOC for critical monitoring
- EDR to detect, prevent, and respond to malware and unauthorized access.
- Next generation firewalls provide deep packet inspection, intrusion prevention, application layer controls, and SIEM integration.

#### Corrective Action:

The vulnerabilities were patched on the regular patch cycle once patches became available.

It is currently unfeasible to track the requested fields in our Vulnerability Log which is currently managed in an off-the-shelf software. However, ITS will track vulnerabilities that cannot meet their patch requirements in our in-house Risk Register which will track:

1. List of compensating controls
2. Residual Risk Level (risk remaining after mitigation action(s) is taken)
3. Risk Assessment Date
4. Risk Mitigation Date (date when patch or other mitigation is verified as complete)
5. Discovery Date of the vulnerability (from which the number of days unmitigated can be calculated)

Target Completion: Completed December 2025.

Name: Joseph Holop

Title/Division: Senior Administrator, IT Infrastructure  
Information Technology Services (ITS)

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**Finding – FS-2025-002 Accrued Payroll (Significant Deficiency)**

**State Audit Guide Finding Code: 30000**

**Criteria**

Governmental Accounting Standards Board (GASB) Concepts Statement No. 4, *Elements of Financial Statements*, paragraph 17 and 22, establishes the criteria for recognizing liabilities in governmental financial statements:

“Liabilities are present obligations to sacrifice resources that the government has little or no discretion to avoid.”

“For an obligation to be a liability, it should be a present obligation. The event that created the liability has taken place.”

**Condition**

During our audit of Accrued Payroll for Fiscal Year 2025, we identified balances carried forward from prior years that have not been analyzed to determine whether the underlying obligations remain valid. These balances continue to be recorded as payroll liabilities without evidence of review, reconciliation, or reversal. The accumulated beginning fund balance impact is summarized below:

<b>Governmental Fund</b>	<b>FY-25 Accrued Payroll Amount</b>
General Fund	\$ (21,351,522.00)
District Bond Funds	17,334.00
Internal Service Funds	1,232.00
Non-Major Funds	(350,612.00)
<i>Total</i>	<u>\$ (21,683,568.00)</u>

These amounts include accruals initially recorded in prior periods that no longer appear to represent current obligations owed by the District.

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### Cause and Effect

The District has not established a formal process requiring periodic analysis of aged accrued payroll balances to confirm whether the obligations remain present obligations as defined by GASB. As a result, payroll accruals continue to roll forward each year without evaluation of whether the underlying events have been settled or no longer meet the definition of a liability.

Carrying forward outdated payroll accruals results in the overstatement of liabilities and understatement of fund balance. As these amounts no longer represent present obligations arising from past events, the accrued payroll balance does not accurately reflect actual liabilities owed by the District at year-end.

### Recommendation

We recommend that the District perform a comprehensive review of all aged, accrued payroll balances to determine which amounts continue to represent valid obligations. Balances that no longer reflect actual liabilities owed by the District should be removed. In addition, the District should establish policies and procedures that require an annual review and reconciliation process to ensure that reversals of outdated accruals are recorded in a timely manner and that the accrued payroll balance represents only current and valid obligations.

### View of Responsible Officials and Corrective Action Plan

The District agrees that the accumulated accrued payroll balances include legacy amounts from prior years that require full analysis and resolution.

Of the approximately \$21.683 million accrued payroll balance, payroll has identified that most of the amount relates primarily to accrued CalSTRS contributions generated from split-year salary schedules and retroactive payroll processed in September 2023. These balances represent obligations that must be reconciled and settled. In addition, a portion of the balance pertains to canceled or stale-dated checks that have not yet been reissued or otherwise resolved.

Payroll has performed monthly reconciliations and reviewed payments of retirement contribution accruals along with Payroll/AP amounts related to the 2023 retroactive payroll transactions. These enhanced controls are in place to ensure that all new accrued amounts are cleared timely and do not accumulate additional long-term carryforward balances.

To address this issue, the District has taken and is implementing the following corrective actions:

1. **Focused Cleanup Effort of Remaining Balance:** As of November 2025, Payroll has assigned dedicated staff to complete a full reconciliation of the accrued CalSTRS liabilities. This effort is focused exclusively on validating, correcting, and preparing the outstanding obligations for payment. The District anticipates completing this reconciliation by the end of fiscal year 2025-26.
2. **Ongoing Monitoring:** As part of fiscal 2025-26 year-end closing process, Payroll and Accounting will collaboratively review accrued payroll liabilities to ensure that only valid, present obligations remain recorded. Any discrepancies identified will be addressed.

**LOS ANGELES UNIFIED SCHOOL DISTRICT**

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- 3. Process and System Improvements:** Programming changes are in the early stages of development for future retroactive payrolls to ensure accurate reporting lines and posting of correct accrued liabilities. Implementation is anticipated by the end of fiscal year 2026–27. These improvements will minimize manual adjustments and reduce the risk of outdated accruals being carried forward.

Through these corrective measures, the District expects to reduce outdated accruals, improve the accuracy of reported accrued liabilities, and strengthen internal controls over payroll reporting moving forward.

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Title: Director, Payroll Administration

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Name: Kimberly Chiriguayo

Title: Director of Accounting, Financial Reporting Section

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# LOS ANGELES UNIFIED SCHOOL DISTRICT

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### Section III – Findings and Questioned Costs Relating to Federal Awards

#### Program Identification

Finding Reference Number:	<b>F-2025-001</b>
Federal Program Title, Awarding Agency, Pass-Through Entity, Assistance Listing Number, and Award Number:	School Breakfast Program, U.S. Department of Agriculture, Passed through the California Department of Education, AL No. 10.553, PCA Nos. 13525 and 13526 (Material Weakness)
Compliance Requirement:	Reporting
State Audit Guide Finding Code:	30000 and 50000

#### Criteria

Per 7 CFR 225.15 (c)(1), “Sponsors shall maintain accurate records justifying all meals claimed and documenting that all program funds were spent only on allowable Child Nutrition Program costs. Failure to maintain such records may be grounds for denial of reimbursement for meals served and/or administrative costs claimed during the period covered by the records in question. The sponsor's records shall be available at all times for inspection and audit by representatives of the Secretary, the Comptroller General of the United States, and the State agency for a period of three years following the date of submission of the final claim for reimbursement for the fiscal year.”

Per 7 CFR 226.10 (c), “Claims for Reimbursement shall report information in accordance with the financial management system established by the State agency, and in sufficient detail to justify the reimbursement claimed. In submitting a Claim for Reimbursement, each institution shall certify that the claim is correct and that records are available to support that claim.”

#### Condition

During the procedures performed over meals claimed under the School Breakfast Program in the fiscal year 2025, it was noted that monthly meal counts recorded in the District’s Cafeteria Management System (CMS) were not fully supported by underlying documentation (e.g., meal count sheets). We sampled a total 25 daily meal counts from the months of September 2024, November 2024, and February 2025. We then validated that the meal counts recorded in the CMS for Breakfast and Lunch were supported by either meal count sheets used at the school sites or by the point-of-sale (POS) system data. As a result of our testing, we noted variances in four (4) daily meal counts between the CMS count and the meal count sheets for Breakfast in Class. Breakfast counts were overclaimed by 111 based on a total sample of 3,793 meals tested from a total reported population of 12,688,107 meals.

Our samples were statistically valid samples.

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### Cause and Effect

The condition is as a result of human error while manually counting the paper meal count sheets for Breakfast in Class.

Inaccurate claims of meal counts could lead to questioned costs.

### Questioned Costs

Federal regulation 2 CFR 200.516 (a)(3) requires the auditor to report questioned costs when likely questioned costs exceed \$25,000.

An overclaim of \$315 was identified, resulting from overclaimed quantities of 111 breakfasts multiplied by the reimbursement rate of \$2.84 under the School Breakfast Program – Severe Need.

Date	Type of Meal	School Name	Reported	Per Supports Provided	Overclaimed Quantity	Overclaimed Amount
11/04/24	Breakfast	Annalee EL	261	157	104	\$295
02/26/25	Breakfast	Brainard EL	132	127	5	14
09/20/24	Breakfast	Dyer EL	417	416	1	3
02/03/25	Breakfast	Liggett EL	471	470	1	3
<b>Total</b>					<b>111</b>	<b>\$315</b>

### Recommendation

We recommend the District continue to strengthen its controls over the meal claim process to ensure that meals are accurately counted, input into CMS, and claimed for reimbursement.

### Views of Responsible Officials, Planned Corrective Actions, and Contact Information

The Food Services Division is committed to providing great food and maintaining rigorous internal controls and continuous monitoring to safeguard program integrity.

The discrepancy found at one school is not representative of our program, as we do ongoing random audits of submitted claims to verify the accuracy of submitted data. These layered oversight measures provide multiple levels of verification to minimize and eliminate the likelihood of reporting errors and ensure compliance with applicable state and federal program requirements. At Annalee EL, the school with an overclaim of 104 meals, we found that the manager had moved from the school, and in the interim, our review protocol fell short.

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Given the large volume of meals served annually across the District, the over-claim discrepancy identified during the FY 24-25 audit represents an isolated incident rather than a systemic deficiency in LAUSD Food Services operations. The claim verification process followed at schools is stated below:

- The Food Service Manager conducts a weekly review of the prior week's daily meal count documents to identify and correct any discrepancies.
- The Food Service Manager generates and reviews a weekly Meal Counts Report from the Cafeteria Management System (CMS) to verify recorded data.
- The Food Service Manager compares the daily meal count documents against the five-day Meal Counts Report to ensure data alignment and accuracy.
- The Manager performs an additional verification by reconciling daily meal count documents with the five-day Meal Counts Report from CMS. Any identified errors are corrected immediately in CMS. This reconciliation process is completed prior to the submission of claims to the Child Nutrition Information and Payment System.
- The Area Food Services Supervisor (AFSS) and Regional Manager (RM) conduct random weekly reviews of meal counts for accuracy, utilizing reports provided by Central Office staff to support this verification process.
- Central Office staff perform a monthly audit of meal count records and prepare a draft report for review by the AFSS and RM to validate findings and confirm accuracy.

Retraining of the staff at Annalee El has been completed, and the manager and supervisor teams are verifying that the above protocol is being followed consistently at all schools.

Name: Manish Singh

Title: Director, Food Services Division

Telephone: (213) 241-2993

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

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### Program Identification

Finding Reference Number:	<b>F-2025-002</b>
Federal Program Title, Awarding Agency, Pass-Through Entity, Assistance Listing Number, and Award Number:	Title I Grants to Local Educational Agencies (Title I, Part A of the ESEA), U.S. Department of Education, Passed through the California Department of Education, AL No. 84.010, PCA Nos. 14329 and 15438 (Significant Deficiency)  Career and Technical Education – Basic Grants to States (Perkins V), U.S. Department of Education, Passed through the California Department of Education, Assistance Listing No. 84.048, PCA No. 14894 (Material Weakness)  Student Support and Academic Enrichment (Title IV, Part A of the ESEA), U.S. Department of Education, Passed through the California Department of Education, AL No. 84.424A, PCA No. 15396 (Material Weakness)
Compliance Requirement:	Allowable Costs/Cost Principles
State Audit Guide Finding Code:	30000 and 50000

### Criteria

2 CFR section 200.403, Factors affecting allowability of costs.

Except where otherwise authorized by statute, costs must meet the following criteria to be allowable under Federal awards:

- (a) Be necessary and reasonable for the performance of the Federal award and be allocable thereto under these principles.
- (b) Conform to any limitations or exclusions set forth in these principles or in the Federal award as to types or amount of cost items.
- (c) Be consistent with policies and procedures that apply uniformly to both federally financed and other activities of the recipient or subrecipient.
- (d) Be accorded consistent treatment. For example, a cost must not be assigned to a Federal award as a direct cost if any other cost incurred for the same purpose in like circumstances has been allocated to the Federal award as an indirect cost.
- (e) Be determined in accordance with generally accepted accounting principles (GAAP), except, for State and local governments and Indian Tribes only, as otherwise provided for in this part.
- (f) Not be included as a cost or used to meet cost sharing requirements of any other federally-financed program in either the current or a prior period. See § 200.306(b).
- (g) Be adequately documented. See §§ 200.300 through 200.309.

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- (h) Administrative closeout costs may be incurred until the due date of the final report(s). If incurred, these costs must be liquidated prior to the due date of the final report(s) and charged to the final budget period of the award unless otherwise specified by the Federal agency. All other costs must be incurred during the approved budget period. At its discretion, the Federal agency is authorized to waive prior written approvals to carry forward unobligated balances to subsequent budget periods. See § 200.308(g)(3).

10<sup>th</sup> Edition Procurement Manual issued by the District in September 2023, Chapter 8 – What to Do When Item or Services Are Received

#### A. Online Goods Receipts

Prior to entering an online Goods Receipt (GR), schools and offices must have a copy of the vendor invoice and Purchase Order (PO). They are responsible for verifying the accuracy of the order and entering the “online receiver” into SAP immediately after delivery of materials. Partial receiving is acceptable to account only for materials actually received. Payments are processed based on materials that have been received online.

##### F.1. Payment for Materials

Accounts Payable will process payment when the following three items are matched in SAP: (1) Purchase Order, (2) Goods Receipt, and (3) vendor invoice.

##### F.2.c. Contracted Professional Services

Accounts Payable will process payments for contracted professional services when the following four items are matched: executed contract/amendment, Purchase Order, vendor invoice, and approved authorization for payment.

##### F.3. Contract Close-Out

Upon contract expiration or termination, the District must ensure all deliverables have been received, final invoices paid, indirect costs settled, and any unspent funds unencumbered and transferred to the appropriate District account.

### Condition

As part of our review of cash disbursement expenditures, we selected a statistically valid sample of forty (40) cash disbursement transactions from each of the following programs: Title I, Title IV, and Perkins. We reviewed the supporting documentation for these transactions to determine whether the expenditures were allowable under program regulations, accurately charged to the programs, and appropriately supported in accordance with 2 CFR Section 200.403 and the District Procurement Manual.

**Title I:** From the \$3,265,728 sample tested (out of \$48,286,535 total disbursements), we identified one (1) purchase order with a variance between the Goods Receipt (GR) and vendor invoice (IR) amounts. This discrepancy resulted in an overstatement of reported expenditures by \$21,394. The District subsequently corrected this by reversing the amount to the expenditure accounts in FY 2026.

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**Title IV:** From the \$560,572 sample tested (out of \$9,999,536 total disbursements), we identified one (1) purchase order with a variance between the GR and IR amounts, resulting in an overstatement of reported expenditures by \$94,500. The District subsequently corrected this by reversing the amount to the expenditure accounts in FY 2026.

**Perkins:** Additionally, from a \$329,432 sample (out of \$5,738,606 total disbursements), we identified seven (7) disbursements totaling \$868 that lacked adequate proof of delivery of materials. Supporting documentation, such as signed delivery receipts or equivalent evidence of goods received, was not available for these transactions.

### Cause and Effect

These conditions occurred because adjustments were not made to the GR amounts to reflect changes in goods or services received after the initial recording. The unadjusted GR balances led to variances between the GR and IR amounts, resulting in overstatements of reported expenditures for the affected programs.

In addition, the lack of adequate proof of delivery of materials occurred because GR were entered without supporting documentation to substantiate that the materials were received. This increased the risk of payment for goods not received, misstatement of expenditures, and noncompliance with federal cost documentation requirements under 2 CFR section 200.403(g).

### Questioned Costs

- Title I (AL No. 84.010): \$21,394 overstated due to GR-IR variance.
- Title IV (AL No. 84.424A): \$94,500 overstated due to GR-IR variance.
- Perkins (AL No. 84.048): \$868 lacked sufficient supporting documentation that the goods were received.

### Recommendation

We recommend that the District:

1. Strengthen review and reconciliation procedures to ensure that adjustments to the Goods Receipt (GR) are made promptly to reflect actual goods or services received.
2. Enforce documentation controls to require that all Goods Receipts are supported by adequate proof of delivery (e.g., signed delivery receipts, receiving reports, or equivalent evidence) before processing payments.
3. Provide staff training on documentation and reconciliation requirements to ensure compliance with federal cost principles and the District Procurement Manual.

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#### **Views of Responsible Officials, Planned Corrective Actions, and Contact Information**

The purpose of the Goods Receipt (GR) is to record receipt of goods or services as soon as they are delivered and verified to be in acceptable condition. A Goods receipt must be posted in SAP for all items actually received. Vendors submit invoice(s) referencing the purchase order (PO) directly to Accounts Payable after delivery, indicating that the goods or services have been provided and requesting payment. Accounts Payable then reviews the vendor invoice, purchase order, and goods receipt in SAP to perform the required three-way match (PO, GR, and vendor invoice) before processing payment.

1. The Accounts Payable team will collaborate with the Procurement Services Division to establish and implement a process that ensures the timely review and reconciliation of Goods Receipt (GR) entries. This will include the development of clear guidance / training materials for schools and offices to periodically review their GR balances. Training will be conducted via Virtual Office Hours on a quarterly basis for sites to make necessary adjustments when the goods or services received differ from the original Purchase Order (PO) or the corresponding invoice.
2. The Accounts Payable team will collaborate with the Procurement Services Division to develop supplemental documentation and guidance regarding proof of delivery for goods and services received.
3. Accounts Payable staff will receive ongoing training throughout the year on documentation and reconciliation requirements, particularly when new internal controls, procedures, and processes are created. Training will be incorporated into regular team meetings, procedural updates, and onboarding for new team members to maintain alignment and accuracy across the department.

The implementation target date for the above corrective action plan is June 30, 2026.

Name: Rocio Saucedo

Title: Director of Accounts Payable

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# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### Program Identification

Finding Reference Number:	<b>F-2025-003</b>
Federal Program Title, Awarding Agency, Pass-Through Entity, Assistance Listing Number, and Award Number:	Title I Grants to Local Educational Agencies (Title I, Part A of the ESEA), U.S. Department of Education, Passed through the California Department of Education, AL No. 84.010, PCA Nos. 14329 and 15438 (Material Weakness)  Career and Technical Education – Basic Grants to States (Perkins V), U.S. Department of Education, Passed through the California Department of Education, Assistance Listing No. 84.048, PCA No. 14894 (Material Weakness)
Compliance Requirement:	Allowable Costs/Cost Principles
State Audit Guide Finding Code:	30000 and 50000

### Criteria

2 CFR section 200.430(i), Standards for Documentation of Personnel Expenses, requires:

“ (1) Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed. These records must:

- (i) Be supported by a system of internal control which provides reasonable assurance that the charges are accurate, allowable, and properly allocated;
- (ii) Be incorporated into the official records of the non-Federal entity;
- (iii) Reasonably reflect the total activity for which the employee is compensated by the non-Federal entity, not exceeding 100% of compensated activities;
- (iv) Encompass both federally assisted and all other activities compensated by the non-Federal entity on an integrated basis, but may include the use of subsidiary records as defined in the non-Federal entity's written policy;
- (v) Comply with the established accounting policies and practices of the non-Federal entity;
- (vi) [Reserved]
- (vii) Support the distribution of the employee's salary or wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity.”

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### Condition

As part of our compliance review over payroll expenditures, we selected samples of payroll expenditures charged to the program and reviewed the supporting documents to ascertain if they were allowable per program regulations, accurately charged to the program, and appropriately supported in accordance with 2 CFR section 200.430(i).

**Title I:** During our review of a sample of thirty (30) payroll expenditures, we noted the following exceptions:

1. One (1) employee's timesheet reflected an inconsistency between the hours submitted and the records in SAP. The SAP recorded fifty-four (54) regular work hours instead of the accurate sixty (60) regular work hours. The six (6) hours variance was incorrectly classified as full pay illness instead of regular time pay. The District subsequently corrected this discrepancy.
2. One (1) timesheet amounting to \$613 was not signed by the employee and contained a supervisor's signature that was obtained after the submission deadline.

**Perkins:** During our review of a sample of thirty (30) payroll expenditures, we identified three (3) timesheets contained supervisor's signatures that were obtained after the submission deadline. The total amount of payroll expenditures associated with these exceptions was \$20,067.

### Cause and Effect

The discrepancies occurred due to inadequate review and verification of employee timesheets prior to payroll processing, as well as a lack of timely completion of required authorization signatures.

Failure to ensure the accuracy and completeness of timesheet records increases the risk of payroll misstatements, improper classification of labor costs, and potential noncompliance with internal control and documentation requirements under Federal grant regulations.

### Questioned Costs

There were no questioned costs identified as a result of the discrepancy in hours reported, as there was no difference in the amount of pay between regular time pay and full pay illness. Likewise, there were no questioned costs related to the missing or untimely signatures on timesheets, as the payroll costs incurred were still considered allowable under the respective programs (Title I and Perkins), despite the timing and documentation issues.

### Recommendation

We recommend that the District strengthen and reinforce internal controls over the preparation, review, and approval of employee timesheets to ensure the accuracy and completeness of payroll records. This should include implementing procedures to reconcile timesheet data with system records (e.g., SAP) prior to payroll processing, ensuring that hours worked and pay classifications are correctly reported. In addition, the District should enforce policies requiring all timesheets to be signed by employees and approved by supervisors prior to the submission deadline. The review and approval process should be adequately documented to provide evidence of compliance with established payroll and Federal grant requirements.

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#### **Views of Responsible Officials, Planned Corrective Actions, and Contact Information**

Payroll Administration concurs with the recommendation pertaining to the preparation, review, and approval of employee timesheets to ensure the accuracy and completeness of payroll records. Employee timesheets and payroll records are originated, reviewed, and retained at the respective work locations. Therefore, Payroll Administration does not have direct access to these site-level records.

To strengthen compliance, Payroll Administration will continue to provide targeted training and guidance to time reporters and time approvers on the timely review and approval of timesheets, the required time and effort certification, as well as the reconciliation of timesheet data with SAP entries. These topics will be reinforced during the monthly Time Reporter and Time Approver Virtual Office Hours.

Furthermore, Payroll Administration will continue to issue periodic communications and disseminate the Best Practices Worksheet, which outlines key payroll compliance requirements, including adherence to payroll cut-off deadlines and reconciliation of timesheets and time entry in SAP.

Payroll Administration remains committed to supporting District departments and school sites in maintaining full compliance with established payroll policies and procedures.

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# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

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### Section IV – Findings and Questioned Costs Relating to State Awards

#### S-2025-001 – Regular and Special Day Classes – Attendance Computations

**State Program:** Attendance Accounting: Attendance Reporting

**State Audit Guide Finding Codes:** 10000 and 40000

#### Schools Affected

- 4th Street Elementary
- 59th Street Elementary
- Audubon Middle School Gifted Magnet
- Bassett Street Elementary Media Arts/Technology Magnet
- Barton Hill Elementary
- Boys Academic Leadership Academy
- Charles Leroy Lowman Special Ed & Career Transition Center
- Charles Maclay Middle School
- Cowan Avenue Elementary
- Diego Rivera Learning Complex Performing Arts
- Edward R Roybal Learning Center
- Ford Boulevard Elementary DL Two-Way Im Spanish
- George K Porter Middle School Gifted Magnet
- Grand View Boulevard Elementary
- Hooper Avenue Elementary DL Two-Way Im Spanish
- James Madison Middle School Medical/Math/Science Magnet
- John F Kennedy Senior High Gifted Medical Magnet
- John Muir Middle School
- Lake Balboa College Preparatory Magnet K-12
- Lassen Elementary
- Lassen Elementary DL Two-Way Im Spanish
- Lucille Roybal-Allard Elementary DL Two-Way Im Spanish
- Marvin Elementary
- Maywood Elementary School
- Napa Street Elementary
- Napa Street Elementary DL Two-Way Im Spanish
- Panorama Senior High
- Panorama Senior High Sports Med/Info Tech Magnet
- Porter Ranch Community School
- Sonia Sotomayor Arts and Sciences Magnet
- Stoner Avenue Elementary
- Tweedy Elementary DL Two-Way Im Spanish
- Union Avenue Elementary
- Van Nuys Senior High Science/Tech/Math Magnet
- Venice Senior High
- Venice Senior High Science Tech Engineering Medical Math Mag
- Venice Senior High World Languages/Global Studies Magnet
- Warner Avenue Elementary
- Washington Irving Middle School Math Music Engineering Mag
- West Adams Prep Senior High Global Cuisine/Hosp. Magnet
- West Adams Prep Senior High Police Academy Magnet
- William Jefferson Clinton Middle School
- William Jefferson Clinton MS Medical/Health Careers Magnet

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### Criteria

*California Education Code, Section 46300(a)* – In computing average daily attendance of a school district or county office of education, there shall be included the attendance of pupils while engaged in educational activities required of those pupils under the immediate supervision and control of an employee of the district or county office who possessed a valid certification document, registered as required by law.

### Condition, Cause and Effect

For our sample of 135 schools, we obtained the Student Monthly Attendance Summary Reports (SMASRs) for a sample of teachers for school month seven (7). SMASRs are system-generated reports from the District's My Integrated Student Information System (MiSiS), a system utilized by the teachers to electronically input, submit and certify student attendance daily. We verified whether these SMASRs were reported accurately in the *Second Principal Report (P2)* and the *Annual Principal Report (P3)*. We obtained the monthly statistical reports where all the SMASRs are summarized, for our sampled schools and we verified whether the SMASRs were completely and accurately summarized. We then traced these monthly statistical reports to the Attendance Ledgers, which in turn were traced to the *Second Principal Report (P2)* and the *Annual Principal Report (P3)*.

To test the integrity of the data reported in the sampled SMASRs, we selected a sample of absences from notes, phone logs and other absence records and compared them to the SMASRs to verify that they were not included in the calculation of Average Daily Attendance reported in the P2. In addition, since the SMASRs are generated through MiSiS, we also tested the system's general internal controls which included but were not limited to appropriate access controls. We selected a sample of 156,430 days of attendance and 12,497 days of absences for testing and noted the following findings, resulting due to staff's untimely update of student's attendance records:

- **4th Street Elementary** - Out of the 719 days of attendance and 41 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.
- **59th Street Elementary** - Out of the 722 days of attendance and 47 days of absences sampled, we noted the following exceptions:
  - Three (3) students were absent for a total of three (3) days, as evidenced by an absence note, but were recorded as present in the SMASR.
- **Audubon Middle School Gifted Magnet** - Out of the 127 days of attendance and 6 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.
- **Bassett Street Elementary Media Arts/ Technology Magnet** - Out of the 392 days of attendance and 26 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

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- **Barton Hill Elementary** - Out of the 644 days of attendance and 74 days of absences sampled, we noted the following exception:
  - We identified one (1) teacher for which the school was unable to provide absence notes. As such, we were unable to perform procedures over the absence notes and unable to determine the existence of questioned costs.
  
- **Boys Academic Leadership Academy** - Out of the 1,270 days of attendance and 101 days of absences sampled, we noted the following exceptions:
  - Three (3) students were absent for a total of four (4) days, as evidenced by an absence note, but were recorded as present in the SMASR.
  
- **Charles Leroy Lowman Special Ed & Career Transition Center** - Out of the 1,159 days of attendance and 103 days of absences sampled, we noted the following exceptions:
  - Two (2) students were absent for a total of two (2) days, as evidenced by an absence note, but were recorded as present in the SMASR.
  
- **Charles Maclay Middle School** - Out of the 1,191 days of attendance and 72 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.
  
- **Cowan Avenue Elementary** - Out of the 450 days of attendance and 34 days of absences sampled, we noted the following exceptions:
  - Three (3) students were absent for a total of five (5) days, as evidenced by an absence note, but were recorded as present in the SMASR.
  
- **Diego Rivera Learning Complex Performing Arts** - Out of the 1,339 days of attendance and 162 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.
  
- **Edward R Roybal Learning Center** - Out of the 1,435 days of attendance and 66 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.
  
- **Ford Boulevard Elementary DL Two-Way Im Spanish** - Out of the 359 days of attendance and 13 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.
  
- **George K Porter Middle School Gifted Magnet** - Out of the 746 days of attendance and 14 days of absences sampled, we noted the following exceptions:
  - Two (2) students were absent for a total of two (2) days, as evidenced by an absence note, but were recorded as present in the SMASR.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

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- **Grand View Boulevard Elementary** - Out of the 412 days of attendance and 63 days of absences sampled, we noted the following exception:
  - We identified one (1) teacher for which the school was unable to provide absence notes. As such, we were unable to perform procedures over the absence notes and unable to determine the existence of questioned costs.
  
- **Hooper Avenue Elementary DL Two-Way Im Spanish** - Out of the 379 days of attendance and 20 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.
  
- **James Madison Middle School Medical/Math/Science Magnet** - Out of the 487 days of attendance and 26 days of absences sampled, we noted the following exceptions:
  - Two (2) students were absent for a total of two (2) days, as evidenced by an absence note, but were recorded as present in the SMASR.
  
- **John F Kennedy Senior High Gifted Medical Magnet** - Out of the 313 days of attendance and 10 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note but was marked as present in the SMASR.
  
- **John Muir Middle School** - Out of the 1,095 days of attendance and 110 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.
  
- **Lake Balboa College Preparatory Magnet K-12** - Out of the 2,747 days of attendance and 179 days of absences sampled, we noted the following exceptions:
  - Seven (7) students were absent for a total of thirteen (13) days, as evidenced by an absence note, but were marked as present in the SMASR.
  
- **Lassen Elementary** - Out of the 489 days of attendance and 43 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.
  
- **Lassen Elementary DL Two-Way Im Spanish** - Out of the 403 days of attendance and 20 days of absences sampled, we noted the following exceptions:
  - One (1) student was absent for a total of two (2) days, as evidenced by an absence note, but was marked as present in the SMASR.
  
- **Lucille Roybal-Allard Elementary DL Two-Way Im Spanish** - Out of the 322 days of attendance and 39 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

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- **Marvin Elementary** - Out of the 320 days of attendance and 60 days of absences sampled, we noted the following exceptions:
  - Two (2) students were absent for a total of two (2) days, as evidenced by an absence note, but were recorded as present in the SMASR.
- **Maywood Elementary School** - Out of the 792 days of attendance and 44 days of absences sampled, we noted the following exceptions:
  - Two (2) students were absent for a total of two (2) days, as evidenced by an absence note, but were recorded as present in the SMASR.
- **Napa Street Elementary** - Out of the 637 days of attendance and 96 days of absences sampled, we noted the following exceptions:
  - Five (5) students were absent for a total of six (6) days, as evidenced by an absence note, but were recorded as present in the SMASR.
  - We identified three (3) teachers for which the school was unable to provide absence notes. As such, we were unable to perform procedures over the absence notes and unable to determine the existence of questioned costs.
- **Napa Street Elementary DL Two-Way Im Spanish** - Out of the 331 days of attendance and 30 days of absences sampled, we noted the following exceptions:
  - Three (3) students were absent for a total of three (3) days, as evidenced by an absence note, but were recorded as present in the SMASR.
- **Panorama Senior High** - Out of the 777 days of attendance and 143 days of absences sampled, we noted the following exceptions:
  - Eighteen (18) students were absent for a total of twenty-eight (28) days, as evidenced by an absence note, but were recorded as present in the SMASR.
- **Panorama Senior High Sports Med/Info Tech Magnet** - Out of the 323 days of attendance and 38 days of absences sampled, we noted the following exceptions:
  - Three (3) students were absent for a total of three (3) days, as evidenced by an absence note, but were recorded as present in the SMASR.
- **Porter Ranch Community School** - Out of the 2,752 days of attendance and 121 days of absences sampled, we noted the following exceptions:
  - Four (4) students were absent for a total of four (4) days, as evidenced by an absence note, but were recorded as present in the SMASR.
- **Sonia Sotomayor Arts and Sciences Magnet** - Out of the 2,184 days of attendance and 172 days of absences sampled, we noted the following exceptions:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.
- **Stoner Avenue Elementary** - Out of the 334 days of attendance and 36 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.

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### Schedule of Findings and Questioned Costs

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- **Tweedy Elementary DL Two-Way Im Spanish** - Out of the 433 days of attendance and 43 days of absences sampled, we noted the following exceptions:
  - Three (3) students were absent for a total of three (3) days, as evidenced by an absence note, but were recorded as present in the SMASR.
  
- **Union Avenue Elementary** - Out of the 1,185 days of attendance and 82 days of absences sampled, we noted the following exceptions:
  - Two (2) students were absent for a total of two (2) days, as evidenced by an absence note, but were recorded as present in the SMASR.
  
- **Van Nuys Senior High Science/Tech/Math Magnet** - Out of the 413 days of attendance and 24 days of absences sampled, we noted the following exceptions:
  - One (1) student was absent for a total of four (4) days, as evidenced by an absence note, but was recorded as present in the SMASR.
  
- **Venice Senior High** - Out of the 423 days of attendance and 33 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.
  
- **Venice Senior High Science Tech Engineering Medical Math Mag** - Out of the 892 days of attendance and 58 days of absences sampled, we noted the following exceptions:
  - Three (3) students were absent for a total of three (3) days, as evidenced by an absence note, but were recorded as present in the SMASR.
  
- **Venice Senior High World Languages/Global Studies Magnet** – Out of the 828 days of attendance and 46 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.
  
- **Warner Avenue Elementary** – Out of the 1,175 days of attendance and 60 days of absences sampled, we noted the following exceptions:
  - Two (2) students were absent for a total of three (3) days, as evidenced by an absence note, but were recorded as present in the SMASR.
  
- **Washington Irving Middle School Math Music Engineering Mag** - Out of the 803 days of attendance and 52 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.
  
- **West Adams Prep Senior High Global Cuisine/Hosp. Magnet** - Out of the 653 days of attendance and 50 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

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- **West Adams Prep Senior High Police Academy Magnet** - Out of the 75 days of attendance and 20 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.
- **William Jefferson Clinton Middle School** - Out of the 1,032 days of attendance and 108 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.
- **William Jefferson Clinton MS Medical/Health Careers Magnet** - Out of the 297 days of attendance and 26 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.

These findings are repeat findings, having been reported previously at June 30, 2024 (S-2024-001), but for different schools.

#### Questioned Costs

- Grades TK/K-3: 29 days/140 days = 0.21 ADA overstated \* \$15,201.90 = \$3,192.40
- Grades 4 to 6: 16 days/140 days = 0.11 ADA overstated \* \$13,978.11 = \$1,537.59
- Grades 7 to 8: 13 days/140 days = 0.09 ADA overstated \* \$14,391.53 = \$1,295.24
- Grades 9 to 12: 59 days/140 days = 0.42 ADA overstated \* \$17,113.81 = \$7,187.80

- 4th Street Elementary
  - Grades 4 to 6: 1 day/140 days in single track school year
- 59th Street Elementary
  - Grades TK/K-3: 2 days/140 days in single track school year
  - Grades 4 to 6: 1 day/140 days in single track school year
- Audubon Middle School Gifted Magnet
  - Grades 7 to 8: 1 day/140 days in single track school year
- Bassett Street Elementary Media Arts/ Technology Magnet
  - Grades 4 to 6: 1 day/140 days in single track school year
- Boys Academic Leadership Academy
  - Grades 4 to 6: 3 days/140 days in single track school year
  - Grades 7 to 8: 1 day/140 days in single track school year
- Charles Leroy Lowman Special Ed & Career Transition Center
  - Grades 9 to 12: 2 days/140 days in single track school year
- Charles Maclay Middle School
  - Grades 7 to 8: 1 day/140 days in single track school year
- Cowan Avenue Elementary
  - Grades TK/K-3: 5 days/140 days in single track school year
- Diego Rivera Learning Complex Performing Arts
  - Grades 9 to 12: 1 day/140 days in single track school year
- Edward R Roybal Learning Center
  - Grades 9 to 12: 1 day/140 days in single track school year

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

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- Ford Boulevard Elementary DL Two-Way Im Spanish
  - Grades TK/K-3: 1 day/140 days in single track school year
- George K Porter Middle School Gifted Magnet
  - Grades 7 to 8: 2 days/140 days in single track school year
- Hooper Avenue Elementary DL Two-Way Im Spanish
  - Grades 4 to 6: 1 day/140 days in single track school year
- James Madison Middle School Medical/Math/Science Magnet
  - Grades 7 to 8: 2 days/140 days in single track school year
- John F Kennedy Senior High Gifted Medical Magnet
  - Grades 9 to 12: 1 day/140 days in single track school year
- John Muir Middle School
  - Grades 7 to 8: 1 day/140 days in single track school year
- Lake Balboa College Preparatory Magnet K-12
  - Grades TK/K-3: 1 day/140 days in single track school year
  - Grades 7 to 8: 1 day/140 days in single track school year
  - Grades 9 to 12: 11 days/140 days in single track school year
- Lassen Elementary
  - Grades TK/K-3: 1 day/140 days in single track school year
- Lassen Elementary DL Two-Way Im Spanish
  - Grades 4 to 6: 2 days/140 days in single track school year
- Lucille Roybal-Allard Elementary DL Two-Way Im Spanish
  - Grades TK/K-3: 1 day/140 days in single track school year
- Marvin Elementary
  - Grades TK/K-3: 2 days/140 days in single track school year
- Maywood Elementary School
  - Grades TK/K-3: 2 days/140 days in single track school year
- Napa Street Elementary
  - Grades TK/K-3: 6 days/140 days in single track school year
- Napa Street Elementary DL Two-Way Im Spanish
  - Grades TK/K-3: 3 days/140 days in single track school year
- Panorama Senior High
  - Grades 9 to 12: 28 days/140 days in single track school year
- Panorama Senior High Sports Med/Info Tech Magnet
  - Grades 9 to 12: 3 days/140 days in single track school year
- Porter Ranch Community School
  - Grades 4 to 6: 2 days/140 days in single track school year
  - Grades 7 to 8: 2 days/140 days in single track school year
- Sonia Sotomayor Arts and Sciences Magnet
  - Grades 9 to 12: 1 day/140 days in single track school year
- Stoner Avenue Elementary
  - Grades TK/K-3: 1 day/140 days in single track school year
- Tweedy Elementary DL Two-Way Im Spanish
  - Grades 4 to 6: 3 days/140 days in single track school year
- Union Avenue Elementary
  - Grades TK/K-3: 2 days/140 days in single track school year
- Van Nuys Senior High Science/Tech/Math Magnet
  - Grades 9 to 12: 4 days/140 days in single track school year

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

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- Venice Senior High
  - Grades 9 to 12: 1 day/140 days in single track school year
- Venice Senior High Science Tech Engineering Medical Math Mag
  - Grades 9 to 12: 3 days/140 days in single track school year
- Venice Senior High World Languages/Global Studies Magnet
  - Grades 9 to 12: 1 day/140 days in single track school year
- Warner Avenue Elementary
  - Grades TK/K-3: 2 days/140 days in single track school year
  - Grades 4 to 6: 1 day/140 days in single track school year
- Washington Irving Middle School Math Music Engineering Mag
  - Grades 4 to 6: 1 day/140 days in single track school year
- West Adams Prep Senior High Global Cuisine/Hosp. Magnet
  - Grades 9 to 12: 1 day/140 days in single track school year
- West Adams Prep Senior High Police Academy Magnet
  - Grades 9 to 12: 1 day/140 days in single track school year
- William Jefferson Clinton Middle School
  - Grades 7 to 8: 1 day/140 days in single track school year
- William Jefferson Clinton MS Medical/Health Careers Magnet
  - Grades 7 to 8: 1 day/140 days in single track school year

### Recommendation

We recommend that the District and the schools continue to strengthen their controls over implementing attendance policies for student attendance reporting by ensuring schools maintain adequate support for reported absences, accurately report student absences in the school's monthly attendance summary, and retain supporting documentation for instances in which students arrive at school late or leave early. Finally, we recommend that the District continue to support the schools by providing adequate training in attendance reporting so that proper attendance reporting procedures are adhered to and that the District maintains documentation reflecting that each of the schools identified above has been successfully trained.

### Views of Responsible Officials, Planned Corrective Action, and Contact Information

To improve accurate attendance reporting and alignment with SMASR, Pupil Services will implement the following actions:

1. **Student Attendance Policies and Procedures Resources:** Pupil Services will provide monthly reminders through the Schoology communication platform regarding attendance taking and reporting policies and procedures. These resources will be posted once a month starting in September 2025.
2. **Virtual Drop-In Sessions with Office of Organizational Excellence:** Pupil Services will participate in the Office of Organizational Excellence - *2025-2026 School-Based Office Hours* sessions via Zoom. These sessions provide timely support, resources, and guidance on school-related operational matters. They allow school staff to ask questions and address various topics including attendance, enrollment and withdrawal policies, procedures and supporting resources. Pupil Services will participate at least once per month beginning in August 2025 through June 2026.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

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3. **MyPLN Training - Tools to Support Accurate Attendance and Withdrawal Procedures:** Pupil Services and Attendance will obtain verification of completion for the MyPLN training from schools identified with audit findings. This training provides LAUSD staff with guidance on attendance policies, procedures and audit compliance. It also includes the following MiSiS reports: *Statistical/SMASR Report, Five-Column Rosters Report, Discrepancy Report* (secondary only) and *Attendance Not Submitted (ANS) Report* in addition to the following MiSiS screens: *Attendance at a Glance Screen* and *Student Contact Log* to support the attendance taking process, appropriate attendance codes, and required documentation by April 2026.
4. **SMASR Timeline and MiSiS Statistical/SMASR Report Self-Audit Tool:** Pupil Services will post regular reminders on Schoology for schools to use the *2025-26 SMASR Timeline* and the MiSiS Statistical/SMASR Report Self-Audit Tool. These tools assist schools in reviewing their attendance data monthly and assist with correcting attendance discrepancies. Pupil Services will also include the SMASR MiSiS job aid to support this process. Reminders with the mentioned tools will be posted via the Schoology platform monthly starting in September 2025.

These steps will strengthen the ability to maintain accurate attendance data and ensure compliance with attendance reporting.

Name: Rudy Gomez  
Title: Director, Pupil Services and Attendance  
Telephone: (213) 241-2925

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### S-2025-002 – Teacher Certification and Misassignments

**State Audit Guide Finding Codes:** 40000 and 71000

#### Schools Affected

- Arleta Senior High
- Audubon Middle School
- Boys Academic Leadership Academy
- Cesar E Chavez Learning Academy - Social Jst Humanitas Acad
- Charles Leroy Lowman Special Ed & Career Transition Center
- Charles Maclay Middle School
- Crenshaw Magnets: Science Tech Engineer Math & Medicine
- Diego Rivera Learning Complex Green Design STEAM Academy
- El Sereno Middle School
- Hubert Howe Bancroft Middle School
- Lake Balboa College Preparatory Magnet K-12
- Los Angeles Academy Middle School
- Marianna Avenue Elementary
- Panorama Senior High
- South East Senior High
- Valley Oaks Center for Enriched Studies (VOCES) Magnet
- Van Nuys Senior High
- Vinedale College Preparatory Academy

#### Criteria

*California Education Code, Section 44203(a)* - "Authorization" means the designation that appears on a credential, certificate, or permit that identifies the subjects and circumstances in which the holder of the credential, certificate, or permit may teach, or the services which the holder may render in the public schools of this state.

*Section 44256* - Authorization for teaching credentials shall be of four basic kinds, as defined below:

- (a) "Single subject instruction" means the practice of assignment of teachers and students to specified subject matter courses, as is commonly practiced in California high schools and most California junior high schools. The holder of a single subject teaching credential or a standard secondary credential or a special secondary teaching credential, as defined in this subdivision, who has completed 20 semester hours of coursework or 10 semester hours of upper division or graduate coursework approved by the commission at an accredited institution in any subject commonly taught in grades 7 to 12, inclusive, other than the subject for which he or she is already certificated to teach, shall be eligible to have this subject appear on the credential as an authorization to teach this subject. The commission, by regulation, may require that evidence of additional competence is a condition for instruction in particular subjects, including, but not limited to, world languages. The commission may establish and implement alternative requirements for additional authorizations to the single subject credential on the basis of specialized needs. For purposes of this subdivision, a special secondary teaching credential means a special secondary teaching credential issued on the basis of at least a baccalaureate degree, a student teaching requirement, and 24 semester units of coursework in the subject specialty of the credential.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

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- (b) "Multiple subject instruction" means the practice of assignment of teachers and students for multiple subject matter instruction, as is commonly practiced in California elementary schools and as is commonly practiced in early childhood education. The holder of a multiple subject teaching credential or a standard elementary credential who has completed 20 semester hours of coursework or 10 semester hours of upper division or graduate coursework approved by the commission at an accredited institution in any subject commonly taught in grades 9 and below shall be eligible to have that subject appear on the credential as authorization to teach the subject in departmentalized classes in grades 9 and below. The governing board of a school district by resolution may authorize the holder of a multiple subject teaching credential or a standard elementary credential to teach any subject in departmentalized classes to a given class or group of pupils below grade 9, provided that the teacher has completed at least 12 semester units, or six upper division or graduate units, of coursework at an accredited institution in each subject to be taught. The authorization shall be with the teacher's consent. However, the commission, by regulation, may provide that evidence of additional competence is necessary for instruction in particular subjects, including, but not limited to, world languages. The commission may establish and implement alternative requirements for additional authorizations to the multiple subject credential on the basis of specialized needs.
- (c) "Specialist instruction" means any specialty requiring advanced preparation or special competence, including, but not limited to, reading specialist, mathematics specialist, specialist in special education, or early childhood education, and such other specialties as the commission may determine.
- (d) "Designated subjects" means the practice of assignment of teachers and students to designated technical, trade, or career technical courses which courses may be part of a program of trade, technical, or career technical education.

#### Condition, Cause and Effect

During our procedures performed for each class sampled for attendance testing of regular and special day classes, and adult education, we reviewed the classroom teacher's credentials to determine if they possessed valid credentials, if their assigned teaching position was consistent with the authorization of their certification, and if the teachers held a valid English instruction certification in instances when the teacher taught a class in which more than 20% of the pupils were English learners.

We tested a total of 439 K-12 teachers and noted twenty-one (21) teachers who were assigned to teach in a position not consistent with the authorization of his/her certification, due to a teacher not being available to the school site with the appropriate authorization or the school site failing to submit the appropriate local assignment option form in a timely manner.

- **Arleta Senior High** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification as the consent form was not submitted.
- **Audubon Middle School** – Two (2) teachers were assigned to teach in a position not consistent with the authorization of their certifications.
- **Boys Academic Leadership Academy** – Two (2) teachers were assigned to teach in a position not consistent with the authorization of their certifications as the consent form was submitted late.
- **Cesar E Chavez Learning Academy - Social Jst Humanitas Acad** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

June 30, 2025

- **Charles Leroy Lowman Special Ed & Career Transition Center** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification.
- **Charles Maclay Middle School** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification as the consent form was submitted late.
- **Crenshaw Magnets: Science Tech Engineer Math & Medicine** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification as the consent form was not submitted.
- **Diego Rivera Learning Complex Green Design STEAM Academy** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification as the consent form was not submitted.
- **El Sereno Middle School** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification as the consent form was submitted late.
- **Hubert Howe Bancroft Middle School** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification as the consent form was submitted late.
- **Lake Balboa College Preparatory Magnet K-12** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification as the consent form was not submitted.
- **Los Angeles Academy Middle School** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification.
- **Marianna Avenue Elementary** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification.
- **Panorama Senior High** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification.
- **South East Senior High** – Two (2) teachers were assigned to teach in a position not consistent with the authorization of their certifications as the consent form was submitted late.
- **Valley Oaks Center for Enriched Studies (VOCES) Magnet** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification as the consent form was submitted late.
- **Van Nuys Senior High** – One (1) teacher was assigned to teach in two positions not consistent with the authorization of his/her certification as one consent form was submitted late and one consent form was not submitted.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

June 30, 2025

- **Vinedale College Preparatory Academy** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification.

We followed up on the prior year findings for teachers identified as misassignments to verify if their assigned teaching position was consistent with the authorization of their certification. In our review we identified three (3) substitute teachers that were assigned to teach in a position beyond the time period of 30 cumulative day assignments at the following schools: Elizabeth Learning Center, Young Empowered Scholars Academy, Woodcrest Elementary.

In our testing of Proposition 28 payroll expenditures, we identified the following:

- One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification.
- Three (3) teachers were assigned to teach in a position not consistent with the authorization of his/her certification, as the consent form was not submitted.
- Three (3) teachers were assigned to teach in a position not consistent with the authorization of their certifications, as the consent form was submitted late.

The teachers taught at the following schools: Alexander Hamilton Senior High, Francisco Bravo Senior High Medical Magnet, Phineas Banning Senior High, Sherman Oaks Center for Enriched Studies (SOCES) Magnet, Virtual Academy Bus & Entrepreneurship, Virtual Academy STEAM, and Woodrow Wilson Senior High.

These findings are repeat findings, having been reported previously at June 30, 2024 (S-2024-002) but for different schools and teachers.

#### **Questioned Costs**

Not Applicable.

#### **Recommendation**

We recommend that the District continue to monitor and strengthen internal controls to ensure teachers are appropriately assigned to teach in a position authorized by their certifications, have a consent form on file when necessary, and substitute teachers are correctly assigned to teach in a position within the time permitted by their credential(s). We also recommend that the schools and the District remediate the misassignments identified above.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

June 30, 2025

#### **Views of Responsible Official, Planned Corrective Action, and Contact Information**

Human Resources (HR) continues efforts to ensure every student is taught by an appropriately authorized teacher by providing professional development to certificated staff responsible for master scheduling. HR will also continue to leverage the *Office of Staff Relations Update* to remind principals of their responsibilities to ensure they make appropriate assignments and submit local assignment option forms. To reduce the number of late submissions, HR will distribute by May 2026 a list of candidates who utilized local assignment options during the current academic year. This proactive measure will help principals submit local assignment forms for the upcoming academic year in a timely manner. In addition, the four region directors will monitor compliance and schedule intervention meetings with non-responsive sites to address any misassignments. Lastly, the District will remediate the misassignments identified above during the current 2025-2026 academic year.

The Substitute Unit will continue its communication campaign to notify substitute teachers and school administrators of State assignment limits. Warnings will be issued for violations, and any unauthorized substitute teachers will be removed from assignments as necessary. To reinforce compliance, the Substitute Unit will participate in School Administrative Assistant (SAA) and Region Meetings where principals are present, ensuring both SAAs and principals are reminded of their responsibility to adhere to state requirements regarding substitute coverage. Additionally, school sites have been provided with a calculator tool that indicates the last day a substitute may legally remain in the assignment. This enables all schools to proactively monitor and transition substitutes in accordance with state regulations.

#### K-12 Assignment Monitoring

Name: Luz Ortega  
Title: Director, Certificated Employment  
Contact Information: luz.ortega@lausd.net

#### Substitute Unit

Name: Jorge Amador  
Title: Assistant Director, Certificated Substitute Unit  
Contact Information: jorge.amador@lausd.net

Name: Maria Sotomayor  
Title: Director, Organizational Effectiveness  
Contact Information: msotomay@lausd.net

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### S-2025-003 - Independent Study – Attendance Computations

**State Program:** Attendance Accounting: Attendance Reporting

**State Audit Guide Finding Codes:** 10000 and 40000

#### Schools Affected

- Broadway Elementary DL Two-Way Im Mandarin/Spanish
- Virtual Academy Int Studies & World Lang
- Virtual Academy Leadership & Pub Service

#### Criteria

*California Education Code, Section 51747.5 (b)(1)* – A local educational agency may claim apportionment credit for independent study only to the extent of the time value of pupil work products, as personally judged in each instance by a certificated teacher employed by the local educational agency, or the combined time value of pupil work product and pupil participation in synchronous instruction. It is the intent of the Legislature that teachers be given access to digital assignment tracking systems to reduce workload associated with evaluating and accounting for pupil work and synchronous instruction participation.

*California Education Code, Section 51747 (6)* - A statement of the number of course credits or, for the elementary grades, other measures of academic accomplishment appropriate to the agreement, to be earned by the pupil upon completion.

#### Condition, Cause and Effect

In our sample of three (3) schools with independent study programs, we noted the following, resulting due to incorrect attendance codes entered in MiSiS. Additionally, at one school site, two students were enrolled with Master Agreements with missing signatures, as the parent signed both the parent and student signature lines, resulting in missing student signatures.

- **Broadway Elementary DL Two-Way Im Mandarin**
  - Teacher Evaluations were incomplete for two (2) students. The students were marked present for 19 days.
  - Teacher Evaluations do not match the record of attendance for five (5) students. The students were marked present for 23 days.
- **Broadway Elementary DL Two-Way Im Spanish**
  - Teacher Evaluations were incomplete for one (1) student. The student was marked present for 3 days.
  - Teacher Evaluations do not match the record of attendance for one (one) student. The student was marked present for 7 days.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

- **Virtual Academy Int Studies & World Lang**
  - Attendance for one (1) student shows 11 days on the SMASR; however, the student's record of attendance shows 10 days. The student's days were overreported by 1 day.
  - Attendance for one (1) student shows 19 days on the SMASR; however, the student's record of attendance shows 16 days. The student's days were overreported by 3 days.
  
- **Virtual Academy Leadership & Pub Service**
  - Attendance for one (1) student shows 16 days on the SMASR; however, the student's record of attendance shows 15 days. The student's days were overreported by 1 day.
  - Attendance for one (1) student shows 19 days on the SMASR; however, the student's record of attendance shows 18 days. The student's days were overreported by 1 day.
  - Attendance for one (1) student shows 19 days on the SMASR; however, the student's record of attendance shows 18 days. The student's days were overreported by 1 day.
  - Attendance for one (1) student shows 15 days on the SMASR; however, the student's record of attendance shows 14 days. The student's days were overreported by 1 day.
  - Attendance for one (1) student shows 10 days on the SMASR; however, the student's record of attendance shows 9 days. The student's days were overreported by 1 day.
  - Student signatures of the master agreement for two (2) students were not on file before the first day of instruction. The students were marked present for 185 days.

These findings are repeat findings, having been reported previously at June 30, 2024 (S-2024-004), but for different schools.

### Questioned Costs

- Grades TK/K-3:  $52 \text{ days}/140 \text{ days} = 0.37 \text{ ADA overstated} * \$15,201.90 = \$5,624.70$
  - Grades TK/K-3:  $153 \text{ days}/176 \text{ days} = 0.87 \text{ ADA overstated} * \$15,201.90 = \$13,225.65$
  - Grades 4 to 6:  $4 \text{ days}/140 \text{ days} = 0.03 \text{ ADA overstated} * \$13,978.11 = \$419.34$
  - Grades 7 to 8:  $4 \text{ days}/140 \text{ days} = 0.03 \text{ ADA overstated} * \$14,391.53 = \$431.75$
  - Grades 9 to 12:  $1 \text{ day}/140 \text{ days} = 0.01 \text{ ADA overstated} * \$17,113.81 = \$171.14$
  - Grades 9 to 12:  $32 \text{ days}/176 \text{ days} = 0.18 \text{ ADA overstated} * \$17,113.81 = \$3,080.49$
- 
- Broadway Elementary DL Two-Way Im Mandarin
    - Grades TK/K-3: 42 days/140 days in single track school year
  - Broadway Elementary DL Two-Way Im Spanish
    - Grades TK/K-3: 10 days/140 days in single track school year
  - Virtual Academy Int Studies & World Lang
    - Grades 4 to 6: 4 days/140 days in single track school year
  - Virtual Academy Leadership & Pub Service
    - Grades TK/K-3: 153 days/176 days in single track school year
    - Grades 7 to 8: 4 days/140 days in single track school year
    - Grades 9 to 12: 1 day/140 days in single track school year
    - Grades 9 to 12: 32 days/176 days in single track school year

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### **Recommendation**

We recommend that the District strengthen its review process over independent study to ensure that all elements of the master agreements are complete and that all records of attendance contain readily available corresponding pupil work products, teacher evaluations, and daily participation reports. We also recommend that the District provide proper training to ensure attendance is reported accurately and policies are adhered to and to maintains documentation reflecting that each of the schools identified above has been successfully trained.

### **Views of Responsible Officials and Planned Corrective Actions**

#### Virtual Academy Schools

This is to acknowledge the importance of ensuring that the long-term independent study enrollment process includes ensuring the master agreement document is completed accurately with signatures from all three parties: Teacher, Parent, and Student, and attendance codes reflected in MiSiS accurately reflect the days earned, as indicated on the record of assignment.

Planned corrective actions are as follows:

1. Review findings and corrective actions with administrators from each of the six Virtual Academies in the long-term Independent Study Program.
2. Provide training to review enrollment process for clerical teams and administrators of Virtual Academies to include the master agreement being signed by all parties, parent, student, and teacher before the student is enrolled and attendance is reported into the school.
3. Trainings will be made available for teachers of all six Virtual Academies to review the analysis of student work to determine the accurate number of days earned on records of assignments and recording attendance in MiSiS according to the attendance days earned.

The target implementation date for the above corrective action plan is December 31, 2025.

Name: Connie L. Brandstetter

Title: Administrator of Instruction, Office of Virtual Academy and Educational Option Schools

Telephone: (213) 241-1933

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### Short Term Independent Study Program

The District will implement the following planned corrective actions:

1. The District will provide training to Principals and School Administrative Assistants (SAAs) on BUL-6779.6: Guidelines for Independent Study Programs to ensure the accurate implementation of Independent Study procedures. These trainings will be made available to schools District-wide.
2. The District will offer clinics and drop-in support sessions throughout the school year for teachers and school staff. These sessions will focus on the general procedures for all Independent Study Programs to promote accurate and compliant implementation.

The target date for implementation of the corrective action plan is May 2026.

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Name: Cristina Muñoz and Daniel Gettinger  
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Name: Dr. Alma Flores and Mylene Keipp  
Title: Administrator of Instruction, Region North  
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Name: Rafael Balderas and Dr. Afia Hemphill  
Title: Administrator of Instruction, Region South  
Contact Information: [rbald2@lausd.net](mailto:rbald2@lausd.net) and [afia.hemphill@lausd.net](mailto:afia.hemphill@lausd.net)

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### S-2025-004 – Classroom Teacher Salaries

**State Audit Guide Finding Codes:** 61000

#### Criteria

*California Education Code, Section 41372* - (a) “Salaries of classroom teachers” and “teacher” shall have the same meanings as prescribed by Section 41011 provided, however, that the cost of all health and welfare benefits provided to the teachers by the school district shall be included within the meaning of salaries of classroom teachers.

(b) “Current expense of education” means the gross total expended (not reduced by estimated income or estimated federal and state apportionments) for the purposes classified in the final budget of a school district (except one which, during the preceding fiscal year, had less than 101 units of average daily attendance) submitted to and approved by the county superintendent of schools pursuant to Section 42127 for certificated salaries other than certificated salaries for pupil transportation, food services, and community services; classified salaries other than classified salaries for pupil transportation, food services, and community services; employee benefits other than employee benefits for pupil transportation personnel, food services personnel, and community services personnel; books, supplies, and equipment replacement other than for pupil transportation and food services; and community services, contracted services, and other operating expenses other than for pupil transportation, food services, and community services. “Current expense of education,” for purposes of this section shall not include those expenditures classified as sites, buildings, books, and media and new equipment (object of expenditure 6000 of the California School Accounting Manual), the amount expended from categorical aid received from the federal or state government which funds were granted for expenditures in a program not incurring any teacher salary expenditures or requiring disbursement of the funds without regard to the requirements of this section, or expenditures for facility acquisition and construction; and shall not include the amount expended pursuant to any lease agreement for plant and equipment or the amount expended from funds received from the federal government pursuant to the “Economic Opportunity Act of 1964” or any extension of this act of Congress.

There shall be expended during each fiscal year for payment of salaries of classroom teachers:

- (1) By an elementary school district, 60 percent of the district’s current expense of education.
- (2) By a high school district, 50 percent of the district’s current expense of education.
- (3) By a unified school district, 55 percent of the district’s current expense of education.

#### Condition, Cause and Effect

We obtained the District’s general ledger (ledger) of expenditures and reconciled the ledger to the District’s Audited Financial Statements as of June 30, 2025, which accounts for all applicable audit adjustments.

We utilized the ledger to calculate the elements of the current expense formula, which amounted to \$8,824,765,121.23.

We then utilized the ledger to calculate the elements of the minimum classroom compensation, which amounted to \$4,809,288,722.00.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

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In our review over the resource codes related to the manual adjustments the District utilized to arrive at the 4b Reductions, we identified a program that included teacher salaries in the amount of \$4,393,623.14. This amount was subsequently adjusted to be excluded from the 4b Reductions calculation below.

Based on the information derived above, we determined that the District's percent of current cost of education expended for classroom compensation to be 54.50%, which falls short of the 55.00% minimum percent required for unified school districts.

This leads to a deficiency percentage of 0.50% and a deficiency amount of \$44,332,094.68.

These calculations are illustrated below:

Total teacher salaries and benefits	\$ 4,809,288,722.00	(a)
Current expense	\$ 8,824,765,121.23	(b)
Percentage spent by the District	54.50%	(c) = (a) / (b)
Minimum percentage required	55.00%	(d)
Percentage below the minimum	0.50%	(e) = (d) - (c)
Deficiency Amount	\$ 44,332,094.68	(f) = (e) * (b)

This is a repeat finding, having been reported previously at June 30, 2024 (S-2024-005).

### Questioned Costs

Deficiency amount - \$44,332,094.68.

### Recommendation

We recommend that the District put mechanisms in place to track their percentage of teacher salaries and benefits to total expenses throughout the year in order to monitor compliance with the classroom teacher salary requirements.

### Views of Responsible Officials, Planned Corrective Actions, and Contact Information

The District remains committed to mitigating the impacts of fewer students, rising costs, and the end of COVID relief funds. A fiscal stabilization plan, approved by the Board of Education in June 2025, reflects the District's commitment to maintain staffing levels necessary to meet the needs of our students across the District. In addition, the District is enhancing the accuracy of reporting within specific resources, aligning budgets appropriately, and tracking the percentage of teacher salaries and benefits to total expenses throughout the year in order to monitor compliance with the classroom teacher salary requirements. As we work toward fiscal alignment, the District shall engage with the Los Angeles County Office of Education (LACOE) to seek a waiver request for this year as per Education Code Section 41372. The District will initiate this process upon receiving a letter from LACOE requiring corrective action, which is expected to be released in May 2026. The District anticipates to submit the waiver by September 2026.

Name: Victoria Reyes

Title: Deputy Controller

Contact Information: victoria.reyes@lausd.net

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### S-2025-005 – School Accountability Report Card

**State Program:** School Accountability Report Card

**State Audit Guide Finding Codes:** 72000

#### Schools Affected

- Alexandria Avenue Elementary
- Cheremoya Avenue Elementary
- Gardner Street Elementary
- Harvard Elementary
- Helen Bernstein Senior High Science Tech Engineering Math
- Hollywood Elementary
- Hubert Howe Bancroft Middle School
- Kingsley Elementary School
- Melrose Avenue Elementary Math/Science/Technology Magnet
- Ramona Elementary
- Richard A Alonzo Community Day School
- Valley View Elementary

#### Criteria

*California Education Code, Sections 33126 (a), (b)(5)&(8)*

(a) The school accountability report card shall provide data by which a parent can make meaningful comparisons between public schools that will enable him or her to make informed decisions on the school in which to enroll his or her children.

(b) The school accountability report card shall include, but is not limited to, assessment of the following school conditions:

(5) The total number of the school's fully credentialed teachers, the number of teachers relying upon emergency credentials, the number of teachers working without credentials, any assignment of teachers outside their subject areas of competence, misassignments, including misassignments of teachers of English learners, and the number of vacant teacher positions for the most recent three-year period.

(8) Safety, cleanliness, and adequacy of school facilities, including any needed maintenance to ensure good repair as specified in Section 17014, Section 17032.5, subdivision (a) of Section 17070.75, and subdivision (b) of Section 17089.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

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### Condition, Cause and Effect

In our sample of 135 elementary and secondary schools, we obtained the District's copy of its most recently completed "Facility Inspection Tool (FIT), School Facility Conditions Evaluation", and compared the information contained in the FIT to the information on safety, cleanliness, and adequacy of school facilities contained in the 2024-2025 School Accountability Report Card (SARC). We identified 3 schools within the sample with inconsistencies in the FIT data. As a result, we scanned the population of the FIT and noted the following inconsistencies due to miscommunication between site inspectors and supervisors, improper data translation from the raw file to the final published file, and a misunderstanding of the "N/A" entry:

- Nine (9) schools had the following system inspections results: Systems: Gas Leaks, Mechanical/HVAC, Interior: Interior Surfaces, Cleanliness: Overall Cleanliness, Pest/Vermin Infestation, Electrical: Electrical, Restrooms/Fountains: Restrooms, Sinks/ Fountains, Safety: Fire Safety, Hazardous Materials, Structural: Structural Damage, Roofs, External: Playground/School Grounds, Windows/ Doors/Gates/Fences, were reported as "N/A" on the FIT and the SARC, however, the schools' categories should have been reported as "Good".
- One (1) school had the following system inspections results: Electrical: Electrical, Restrooms/Fountains: Restrooms, Sinks/ Fountains, Safety: Fire Safety, Hazardous Materials, Structural: Structural Damage, Roofs, was reported as "N/A" on the FIT and the SARC, however, the school's categories should have been reported as "Good".
- One (1) school had the following system inspections results: Safety: Fire Safety, Hazardous Materials, was reported as "N/A" on the FIT and the SARC, however, the school's category should have been reported as "Good".
- One (1) school had the following system inspections results: Electrical: Electrical, Safety: Fire Safety, Hazardous Materials, was reported as "N/A" on the FIT and the SARC, however, the school's categories should have been reported as "Good".

### Questioned Costs

Not Applicable.

### Recommendation

We recommend that information reported on the District's FIT be reported accurately in the District's SARC by conducting a review of the reported information in SARC to ensure its accuracy and consistency with source documents. Additionally, we recommend that the District maintain documentation supporting the reviews conducted and their results.

### Views of Responsible Officials and Planned Corrective Actions

To ensure accuracy between the FIT and SARC reports, we will request the data file earlier in the process to allow additional time for review and validation. All data fields will be reviewed for completeness and to ensure that "N/A" entries are used appropriately. Additionally, a second layer of validation will be implemented to further ensure data accuracy prior to publication.

Name: Walter Flores

Title: Coordinator, State Reporting Services ODA

Telephone: (213) 241-2431

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### S-2025-006 – After School Education and Safety Program

**State Program:** After School Education and Safety Program

**State Audit Guide Finding Codes:** 30000 (Significant Deficiency), 40000

#### Schools Affected

- 15th Street Elementary
- 1st Street Elementary
- 52nd Street Elementary
- 75th Street Elementary
- Albion Street Elementary
- Alexander Fleming Middle School
- Andasol Avenue Elementary
- Andrew Carnegie Middle School
- Arroyo Seco Museum Science Magnet
- Barton Hill Elementary
- Bridge Street Elementary
- Broad Avenue Elementary
- Charles Drew Middle School
- Euclid Avenue Elementary
- Fair Avenue Elementary
- Fletcher Drive Elementary
- Florence Nightingale Middle School
- Fries Avenue Elementary
- Glenn Hammond Curtiss Middle School
- Gulf Avenue Elementary
- Harbor City Elementary
- Harry Bridges Span School
- Hart Street Elementary
- Hillside Elementary
- Hollenbeck Middle School
- James Madison Middle School
- John Adams Middle School
- Johnnie L Cochran Jr Middle School
- Langdon Avenue Elementary
- Loren Miller Elementary
- Lorena Street Elementary
- Malabar Street Elementary
- Micheltorena Street Elementary
- Miramonte Elementary
- Napa Street Elementary
- Newcastle Elementary School
- Normandie Avenue Elementary
- Olive Vista Middle School
- Pacoima Middle School
- Park Western Place Elementary
- Richard Henry Dana Middle School
- Robert E Peary Middle School
- Robert Louis Stevenson College & Career Prep
- San Jose Street Elementary
- West Vernon Avenue Elementary
- Western Avenue Tech/Eng/Comm/Hum Magnet
- Wilmington Middle School STEAM Magnet
- Wilmington Park Elementary

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

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#### Criteria

*California Education Code 8483(a) – (1)* Every after school component of a program established pursuant to this article shall commence immediately upon the conclusion of the regular school day and operate a minimum of 15 hours per week at least until 6:00 p.m. on every regular school day. Every after school component of the program shall establish a policy regarding reasonable early daily release of pupils from the program. For those programs or school sites operating in a community where early release policy does not meet the unique needs of that community or school, or both, documented evidence may be submitted to the department for an exception and a request for approval of an alternative plan.

(2) It is the intent of the Legislature that elementary school and middle school or junior high school pupils participate in the full day of the program every day during which pupils participate, except as allowed by the early release policy pursuant to subparagraph (B) of paragraph (1) of this section or paragraph (2) of subdivision (f) of Section 8483.76.

*California Education Code 8483.1 (a) – (1)* Every before school program component established pursuant to this article shall in no instance operate for less than one and one-half hours per regular school day. Every program shall establish a policy regarding reasonable late daily arrival of pupils to the program.

(2) (A) It is the intent of the Legislature that elementary school and middle school or junior high school pupils participate in the full day of the program every day during which pupils participate, except when arriving late in accordance with the late arrival policy described in paragraph (1) or as reasonably necessary.

(2) (B) A pupil who attends less than one-half of the daily program hours shall not be accounted for the purposes of the attendance.

*California Education Code 8482* – The purpose of this program is to create incentives for establishing locally driven before and after school enrichment programs both during schooldays and summer, intersession, or vacation days that partner public schools and communities to provide academic and literacy support and safe, constructive alternatives for youth. The term public school includes charter schools.

*California Education Code 8483.75 (a) – (4)* Each program shall provide an amount of cash or in-kind local funds equal to not less than one-third of the total grant from the school district, governmental agencies, community organizations, or the private sector. Facilities or space usage may fulfill not more than 25 percent of the required local contribution.

#### Condition, Cause and Effect

On a sample basis, we tested attendance documentation of 56 schools and 1,370 days of attendance for students who participated in the After/Before School Education and Safety Program. We examined the attendance records for the selected students and verified whether the attendance reporting was complete and accurate. We also verified whether the selected students complied with the attendance requirements established by the District, as required by the California Education Code. We noted the following exceptions due to school oversight and inconsistent application of the District's attendance policies and procedures.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

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### **After School Component of the Program**

On a sample basis, we tested the attendance documentation of 31 schools and 899 days of attendance in the after school component of the After School Education and Safety Program.

There were 203 students in 31 schools that did not comply with the established early release policy due to school oversight of early release procedures. As a result, the following schools had students that did not participate in the full day of the after school program on every day during which pupils participated.

- **52nd Street Elementary**
  - 2 students did not participate in the full period of the after school program for a total of 3 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  
- **Alexander Fleming Middle School**
  - 9 students did not participate in the full period of the after school program for a total of 19 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  - 8 students did not have a parent signature on the after school program sign-out time for a total of 25 days of participation.
  
- **Andasol Avenue Elementary**
  - 2 students did not participate in the full period of the after school program for a total of 10 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  
- **Andrew Carnegie Middle School**
  - 5 students did not participate in the full period of the after school program for a total of 11 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  
- **Arroyo Seco Museum Science Magnet**
  - 2 students did not participate in the full period of the after school program for a total of 7 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  - 1 student did not have a parent signature on the after school program sign-out time for a total of 4 days of participation.
  
- **Barton Hill Elementary**
  - 2 students did not participate in the full period of the after school program for a total of 7 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  - 7 students did not have a parent signature on the after school program sign-out time for a total of 20 days of participation.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

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- **Charles Drew Middle School**
  - 5 students did not participate in the full period of the after school program for a total of 6 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  - 2 students did not have a parent signature on the after school program sign-out time for a total of 5 days of participation.
  
- **Florence Nightingale Middle School**
  - 3 students did not participate in the full period of the after school program for a total of 8 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  - 4 students did not have a parent signature on the after school program sign-out time for a total of 12 days of participation.
  
- **Fries Avenue Elementary**
  - 2 students did not participate in the full period of the after school program for a total of 3 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  
- **Glenn Hammond Curtiss Middle School**
  - 2 students did not participate in the full period of the after school program for a total of 5 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  - 3 students did not have a parent signature on the after school program sign-out time for a total of 15 days of participation.
  
- **Gulf Avenue Elementary**
  - 9 students did not participate in the full period of the after school program for a total of 23 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  
- **Harbor City Elementary**
  - 8 students did not participate in the full period of the after school program for a total of 18 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  - 2 students did not have a parent signature on the after school program sign-out time for a total of 6 days of participation.
  
- **Harry Bridges Span School**
  - 13 students did not participate in the full period of the after school program for a total of 40 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  - 4 students did not have a parent signature on the after school program sign-out time for a total of 6 days of participation.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

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- **Hollenbeck Middle School**
  - 9 students did not participate in the full period of the after school program for a total of 26 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  - 3 students did not have a parent signature on the after school program sign-out time for a total of 12 days of participation.
  
- **James Madison Middle School**
  - 5 students did not participate in the full period of the after school program for a total of 13 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  - 3 students did not have a parent signature on the after school program sign-out time for a total of 11 days of participation.
  
- **John Adams Middle School**
  - 7 students did not participate in the full period of the after school program for a total of 22 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  - 3 students did not have a parent signature on the after school program sign-out time for a total of 8 days of participation.
  
- **Johnnie L Cochran Jr Middle School**
  - 7 students did not participate in the full period of the after school program for a total of 20 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  - 7 students did not have a parent signature on the after school program sign-out time for a total of 21 days of participation.
  
- **Lorena Street Elementary**
  - 1 student did not participate in the full period of the after school program for a total of 1 day that they participated and there was no properly filled out early release form to explain why such requirements was not complied with.
  
- **Malabar Street Elementary**
  - 2 students did not participate in the full period of the after school program for a total of 9 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  
- **Newcastle Elementary School**
  - 1 student did not participate in the full period of the after school program for a total of 1 day that they participated and there was no properly filled out early release form to explain why such requirements was not complied with.
  
- **Normandie Avenue Elementary**
  - 1 student did not participate in the full period of the after school program for a total of 1 day that they participated and there was no properly filled out early release form to explain why such requirements was not complied with.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

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- **Olive Vista Middle School**
  - 9 students did not participate in the full period of the after school program for a total of 24 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  - 9 students did not have a parent signature on the after school program sign-out time for a total of 29 days of participation.
  
- **Pacoima Middle School**
  - 8 students did not participate in the full period of the after school program for a total of 20 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  - 6 students did not have a parent signature on the after school program sign-out time for a total of 17 days of participation.
  
- **Park Western Place Elementary**
  - 10 students did not participate in the full period of the after school program for a total of 23 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  - 1 student did not have a parent signature on the after school program sign-out time for a total of 1 day of participation.
  
- **Richard Henry Dana Middle School**
  - 14 students did not participate in the full period of the after school program for a total of 33 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  - 3 students did not have a parent signature on the after school program sign-out time for a total of 10 days of participation.
  
- **Robert E Peary Middle School**
  - 10 students did not participate in the full period of the after school program for a total of 35 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  - 8 students did not have a parent signature on the after school program sign-out time for a total of 27 days of participation.
  
- **Robert Louis Stevenson College & Career Prep**
  - 7 students did not participate in the full period of the after school program for a total of 21 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  - 4 students did not have a parent signature on the after school program sign-out time for a total of 11 days of participation.
  
- **San Jose Street Elementary**
  - 3 students did not participate in the full period of the after school program for a total of 12 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

- **Western Avenue Tech/Eng/Comm/Hum Magnet**
  - 2 students did not participate in the full period of the after school program for a total of 5 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  - 1 student did not have a parent signature on the after school program sign-out time for a total of 4 days of participation.
  
- **Wilmington Middle School STEAM Magnet**
  - 8 students did not participate in the full period of the after school program for a total of 11 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  - 9 students did not have a parent signature on the after school program sign-out time for a total of 29 days of participation.
  
- **Wilmington Park Elementary**
  - 8 students did not participate in the full period of the after school program for a total of 21 days that they participated and there were no properly filled out early release forms to explain why such requirements were not complied with.
  - 1 student did not have a parent signature on the after school program sign-out time for a total of 1 day of participation.

We obtained the ASES Attendance Reports, which the District uses to report attendance, and compared the total attendance reported in the Monthly Attendance Report (MAR) to the Beyond the Bell Report (BTB) and to the Period 1 Assist Summary reported to CDE for the schools for a sampled month during the school year 2024-2025. Additionally, we tested the completeness and accuracy of the reports by selecting a sample of students and tracing the same students to attendance records and vice versa. We noted the following exceptions, resulting due to school and contracted agencies not consistently following standardized practices for recording attendance:

- **52nd Street Elementary**
  - Lack of supporting information (i.e., sign-in time, sign-out time) of 1 student to produce the attendance records for a total of 1 day but marked present on the MAR.
  
- **Glenn Hammond Curtiss Middle School**
  - Lack of supporting information (i.e., sign-in time, sign-out time) of 2 students to produce the attendance records for a total of 6 days but marked present on the MAR.
  
- **Lorena Street Elementary**
  - Lack of supporting information (i.e., sign-in time, sign-out time) of 1 student to produce the attendance records for a total of 5 days but marked present on the MAR.
  
- **James Madison Middle School**
  - Lack of supporting information (i.e., sign-in time, sign-out time) of 1 student to produce the attendance records for a total of 3 days but marked present on the MAR.
  
- **John Adams Middle School**
  - BTB report was overstated by 5 days, compared to the Period 1 Assist Summary report submitted to CDE.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

June 30, 2025

- **Newcastle Elementary School**
  - BTB report was overstated by 23 days, compared to the Period 1 Assist Summary report submitted to CDE.
- **Olive Vista Middle School**
  - Lack of supporting information (i.e., sign-in time, sign-out time) of 2 students to produce the attendance records for a total of 5 days but marked present on the MAR.

#### **Before School Component of the Program**

On a sample basis, we tested the attendance documentation of 25 schools and 471 days of attendance in the before school component of the Before School Education and Safety Program.

There were 58 students in 17 schools that did not comply with the established late arrival policy due to school oversight. As a result, the following schools had students that did not participate in the required hours of the before school program on every day during which pupils participated.

- **15th Street Elementary**
  - 4 students did not have a parent signature on the before school program sign-in sheet for a total of 18 days of participation.
- **1st Street Elementary**
  - 2 students did not have a parent signature on the before school program sign-in sheet for a total of 9 days of participation.
- **75th Street Elementary**
  - 2 students did not have a parent signature on the before school program sign-in sheet for a total of 4 days of participation.
- **Albion Street Elementary**
  - 3 students did not have a parent signature on the before school program sign-in sheet for a total of 11 days of participation.
- **Bridge Street Elementary**
  - 3 students did not have a parent signature on the before school program sign-in sheet for a total of 10 days of participation.
- **Broad Avenue Elementary**
  - 5 students did not have a parent signature on the before school program sign-in sheet for a total of 5 days of participation.
- **Euclid Avenue Elementary**
  - 8 students did not have a parent signature on the before school program sign-in sheet for a total of 32 days of participation.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

- **Fair Avenue Elementary**
  - 8 students did not have a parent signature on the before school program sign-in sheet for a total of 36 days of participation.
- **Fletcher Drive Elementary**
  - 2 students did not have a parent signature on the before school program sign-in sheet for a total of 2 days of participation.
- **Hart Street Elementary**
  - 2 students did not participate in the full period of the before school program for a total of 2 days that they participated and there were no properly filled out late arrival forms to explain why such requirements were not complied with.
  - 3 students did not have a parent signature on the before school program sign-in sheet for a total of 10 days of participation.
- **Hillside Elementary**
  - 3 students did not have a parent signature on the before school program sign-in sheet for a total of 14 days of participation.
- **Langdon Avenue Elementary**
  - 1 student did not have a parent signature on the before school program sign-in sheet for a total of 1 day of participation.
- **Loren Miller Elementary**
  - 1 student did not have a parent signature on the before school program sign-in sheet for a total of 4 days of participation.
- **Micheltorena Street Elementary**
  - 3 students did not have a parent signature on the before school program sign-in sheet for a total of 8 days of participation.
- **Miramonte Elementary**
  - 1 student did not participate in the full period of the before school program for a total of 2 days that they participated and there were no properly filled out late arrival forms to explain why such requirements were not complied with.
  - 2 students did not have a parent signature on the before school program sign-in sheet for a total of 2 days of participation.
- **Napa Street Elementary**
  - 5 students did not have a parent signature on the before school program sign-in sheet for a total of 5 days of participation.
- **West Vernon Avenue Elementary**
  - 2 students did not have a parent signature on the before school program sign-in sheet for a total of 5 days of participation.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

June 30, 2025

We obtained the ASES Matching Fund Summary and selected balances from the total cash or in-kind amounts to select samples. We noted the following exceptions, resulting due to staff oversight in maintaining proper supporting documentation:

- **Supper Match**
  - In our sample of 5 schools amounting to \$454,770.58 of supper matching contributions, we were not provided with sufficient supporting documentation for the supper counts.
- **Cash or in-kind Contributions**
  - In our sample of 5 BTB schools amounting to \$123,234.32 of matching contributions, and 1 agency accounting to \$5,629,691.10 of matching contributions, we were not provided with sufficient supporting documentation for the cash or in-kind amounts.

In our review of the implementation of the BTB application the District is utilizing as the new method for parents to record the sign in/out of students attending ASES and the before school program, we noted the following due to the lack of standardized form, limited monitoring, and continued reliance on manual, physical sign-in/out sheets resulted in errors and inaccurate reported attendance:

- There was no consistent method of attendance recording within the BTB application amongst the agencies.
  - Along with utilizing the BTB application, all agencies continued to maintain physical sign-in/out sheets, which they would subsequently use to enter attendance records into the BTB application manually.
  - We identified 1 agency, utilizing both the BTB application and physical sign-in/out sheets, reconciled the attendance records by manually updating the physical sign-in/out sheets.
- The BTB application allowed for agency staff to modify sign-in/out time stamps and override parent signatures.

These findings are repeat findings, having been reported previously at June 30, 2024 (S-2024-007) but for different schools.

### Questioned Costs

As a result of our testing, the over and under reporting of attendance were summarized in the Condition, Cause and Effect section above. The California Department of Education will determine the impact of the above exceptions on the After School Education and Safety Program funding, if there is any.

### Recommendation

We recommend that the District strengthen its procedures on attendance documentation and maintain sufficient documentation reflecting compliance with matching requirements for the After School Education and Safety program. The District should ensure that the agencies providing services for these programs are aware of the District's policies, specifically regarding maintaining accurate attendance records and retaining supporting documentation for instances in which students arrive late or leave early. Further, the District should strengthen its policies and procedures regarding the use of the BTB application, maintaining that the application is the initial and primary source of attendance recording.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

June 30, 2025

#### **Views of Responsible Officials, Planned Corrective Actions, and Contact Information**

Beyond the Bell will implement the following Corrective Action Plan related to strengthening our procedures on attendance documentation and matching requirements for the After School Education and Safety Program:

1. Revise and issue a standardized Early Release/Late Arrival Form and clear written procedures for documenting early student departures from the expanded learning program.
2. Conduct training sessions for Beyond the Bell leadership (Field Coordinators), Beyond the Bell support staff (Out-of-School Regional Directors, Out-of-School Program Coordinators, and Out-of-School Area Program Supervisors), and site coordinators/front line staff on documenting and maintaining accurate attendance records. These trainings will address acceptable reasons for early release/late arrival, parent signature verification, and appropriate coding in the Beyond the Bell Attendance Application.
3. Implement a process for sites to audit current early release/late arrival documentation and collect any missing or incomplete information.
4. Implement a quarterly compliance review process in which Beyond the Bell support staff will conduct random checks of early release/late arrival forms and sign-out sheets to ensure documentation completeness.
5. Incorporate early release/late arrival compliance metrics into program provider performance reviews and provide technical assistance for providers/sites with repeated findings.
6. Conduct training for Beyond the Bell staff and contracted program providers on documentation standards, match requirements, and audit expectations.
7. Conduct semiannual compliance audits for District sites and program providers to ensure that match requirements are being implemented and met.

The target date for implementation of the corrective action plan is May 31, 2026.

The expected outcome is that all students participating in the After School Education and Safety Program will have accurate attendance records and documentation. Strengthening documentation controls and regular monitoring will ensure consistent compliance with state and district requirements.

Beyond the Bell will monitor the implementation of corrective actions through quarterly and semiannual internal audits. Non-compliant sites will be required to submit a corrective action follow-up plan within 30 days.

Name: Jose Carillo

Title: Field Coordinator, Beyond the Bell

Contact Information: (213) 241-3545

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### S-2025-007 – Unduplicated Local Control Funding Formula Pupil Counts

**State Program:** Unduplicated Local Control Funding Formula Pupil Counts

**State Audit Guide Finding Code:** 30000 (Significant Deficiency), 40000

#### Schools Affected

- 116th Street Elementary
- 49th Street Elementary
- Cantara Street Elementary
- Coldwater Canyon Elementary
- George K Porter Middle School
- Granada Elementary
- Grover Cleveland Charter High School
- John F Kennedy Senior High
- John H Francis Polytechnic Senior High
- Liggett Street Elementary
- Louis Armstrong Middle School
- Madison Elementary
- Nevada Avenue Elementary
- Richland Avenue Elementary
- South East Senior High
- State Street Elementary
- Tweedy Elementary
- Welby Way Charter Elementary and Gifted-High Ability Magnet
- Wilbur Charter for Enriched Academics

#### Criteria

*California Education Code, Section 2574(b)(3)(A):* In determining the enrollment percentage of unduplicated pupils, under procedures and timeframes established by the Superintendent, commencing with the 2013-14 fiscal year, a county superintendent of schools annually shall report the enrollment of unduplicated pupils, pupils classified as English learners, pupils eligible for free and reduced-price meals, and foster youth in schools operated by the county superintendent of schools to the Superintendent using the California Longitudinal Pupil Achievement Data System (CALPADS).

*(B):* The Superintendent shall make the calculations pursuant to this section using the data submitted through the California Longitudinal Pupil Achievement Data System.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### **Condition, Cause, and Effect**

On a sample basis, we tested the Free or Reduced Price Meal (FRPM) and English Learner (EL) eligibility of 3,112 students from 147 schools from the “1.18 – FRPM / English Learner / Foster Youth – Student List” reported in the CALPADS. We examined supporting documentation for the selected students and verified their respective eligibility.

Of the 3,112 students tested, 1,811 students were selected for verification of their Free and Reduced Price Meal (FRPM) eligibility as “181 - Free” or “182 - Reduced”, 444 students were selected for verification of their English Learner “EL”, and 857 students were selected for verification of either FRPM or EL eligibility in accordance with the audit guide.

- Based on our testing, we noted that sixteen (16) students from the District’s schools, and five (5) students from the District’s Dependent Charter Schools were reported as Free or Reduced eligible but were unsupported. This was due to the District’s sibling/household match process which might have incorrectly matched some students.
- Household Income Form Scans: Manual errors may occur on paper submissions during periods of high volume e.g., unclear written entries resulting in misinterpretation or by inexperienced temporary employees.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

The exceptions noted were extrapolated to the FRPM population of the District Schools and Dependent Charter Schools in question based on the error rate of the samples selected. The following is the extrapolated impact on the District Schools' and Dependent Charter Schools' UPC and UPP:

School	* Total Enrollment Applied	* UPC Applied	UPP	UPC adjusted based on eligibility of FRPM	UPC adjusted based on eligibility for EL funding	UPC adjusted based on eligibility for both FRPM and EL	Adjusted total UPC	Adjusted UPP
<b>Los Angeles Unified School District</b>	1,129,757	971,546	86.00%	(151)	-	-	971,395	85.98%
116th Street Elementary	1,198	1,164	97.16%	(1)	-	-	1,163	97.08%
49th Street Elementary	1,557	1,524	97.88%	(1)	-	-	1,523	97.82%
Cantara Street Elementary	1,062	1,014	95.48%	(1)	-	-	1,013	95.39%
Coldwater Canyon Elementary	1,763	1,692	95.97%	(1)	-	-	1,691	95.92%
George K Porter Middle School	3,006	2,113	70.29%	(1)	-	-	2,112	70.26%
Granada Elementary	1,049	894	85.22%	(1)	-	-	893	85.13%
John F Kennedy Senior High	6,587	4,699	71.34%	(1)	-	-	4,698	71.32%
John H Francis Polytechnic Senior High	6,571	6,166	93.84%	(1)	-	-	6,165	93.82%
Liggett Street Elementary	1,595	1,481	92.85%	(1)	-	-	1,480	92.79%
Madison Elementary	1,462	1,389	95.01%	(2)	-	-	1,387	94.87%
Nevada Avenue Elementary	1,065	943	88.54%	(1)	-	-	942	88.45%
Richland Avenue Elementary	812	182	22.41%	(1)	-	-	181	22.29%
South East Senior High	6,139	5,681	92.54%	(1)	-	-	5,680	92.52%
State Street Elementary	1,135	1,072	94.45%	(1)	-	-	1,071	94.36%
Tweedy Elementary	1,338	1,214	90.73%	(1)	-	-	1,213	90.66%
<b>Grover Cleveland Charter High School (Dependent Charter)</b>	8,284	5,872	70.88%	(23)	-	-	5,849	70.61%
Grover Cleveland Charter High School (Dependent Charter)	8,284	5,872	70.88%	(1)	-	-	5,871	70.87%
<b>Louis Armstrong Middle School (Dependent Charter)</b>	3,715	2,034	54.75%	(8)	-	-	2,026	54.54%
Louis Armstrong Middle School (Dependent Charter)	3,715	2,034	54.75%	(1)	-	-	2,033	54.72%
<b>Welby Way Charter Elementary and Gifted- High Ability Magnet (Dependent Charter)</b>	2,257	568	25.17%	(11)	-	-	557	24.68%
Welby Way Charter Elementary and Gifted-High Ability Magnet (Dependent Charter)	2,257	568	25.17%	(2)	-	-	566	25.08%
<b>Wilbur Charter for Enriched Academics (Dependent Charter)</b>	1,650	653	39.58%	(5)	-	-	648	39.27%
Wilbur Charter for Enriched Academics (Dependent Charter)	1,650	653	39.58%	(1)	-	-	652	39.52%

\* Total is the sum of the last two prior years and current year's results.

\*\* The adjustment represents the extrapolated impact of the error on the District's UPC. Refer to the Questioned Costs section for additional details.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

These findings are repeat findings, having been reported previously at June 30, 2024 (S-2024-008) but for different schools.

### **Questioned Costs**

We determined the total impact of the sixteen (16) findings on the District, and five (5) findings on the Dependent Charter Schools by extrapolating the noted errors to the total UPC. We determined that the total extrapolated impact on the District's UPC is 151; for the Dependent Charter Schools the extrapolated impact are: Grover Cleveland Charter High School, is 23; Louis Armstrong Middle School, is 8; Welby Way Charter Elementary and Gifted-High Ability Magnet, is 11; Wilbur Charter for Enriched Academics, is 5.

We decreased the District's UPC by the extrapolated impact of 151 students and calculated an Adjusted UPC of 85.98%.

We applied the Adjusted UPC to the District's LCFF State Aid, Adjusted for the Minimum State Aid Guarantee for fiscal year 2024-25, and computed the total questioned costs to be \$668,063.

We also decreased the Dependent Charter Schools' UPC by the extrapolated impact of 23 students and calculated an Adjusted UPC for Grover Cleveland Charter High School of 70.61%.

We applied the Adjusted UPC to the Dependent Charter Schools LCFF State Aid, Adjusted for Minimum State Aid Guarantee for fiscal year 2024-25, and we computed total questioned costs for Grover Cleveland Charter High School to be \$5,249.

We also decreased the Dependent Charter Schools' UPC by the extrapolated impact of 8 students and calculated an Adjusted UPC for Louis Armstrong Middle School of 54.54%.

We applied the Adjusted UPC to the Dependent Charter Schools LCFF State Aid, Adjusted for Minimum State Aid Guarantee for fiscal year 2024-25, and we computed total questioned costs for Louis Armstrong Middle School to be \$4,742.

We also decreased the Dependent Charter Schools' UPC by the extrapolated impact of 11 students and calculated an Adjusted UPC for Welby Way Charter Elementary and Gifted-High Ability Magnet of 24.68%.

We applied the Adjusted UPC to the Dependent Charter Schools LCFF State Aid, Adjusted for Minimum State Aid Guarantee for fiscal year 2024-25, and we computed total questioned costs for Welby Way Charter Elementary and Gifted-High Ability Magnet to be \$7,488.

We also decreased the Dependent Charter Schools' UPC by the extrapolated impact of 5 students and calculated an Adjusted UPC for Wilbur Charter for Enriched Academics of 39.27%.

We applied the Adjusted UPC to the Dependent Charter Schools LCFF State Aid, Adjusted for Minimum State Aid Guarantee for fiscal year 2024-25, and we computed total questioned costs for Wilbur Charter for Enriched Academics to be \$3,540.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### **Recommendation**

We recommend that the District continue monitoring English learners and free and reduced meal eligibility statuses to ensure students designated as English learners or free and reduced meal eligible have proper supporting documentation. We also recommend that the District continue to train staff on enrollment procedures so that students correct designations will be reflected in the student information system.

### **Views of Responsible Officials, Planned Corrective Actions, and Contact Information**

To address the free and reduced meal eligibility status, the following actions will be undertaken:

By Fall 2025, The Office of Data and Accountability will review the sibling match process with Information Technology Services (ITS) to determine any additional steps that need to be updated.

Name: David Heredia

Title: Director, State Reporting Service Branch, Office of Data and Accountability

Contact Information: (213) 241-2460

To address errors occurring during the submission of paper Household Income Form applications:

The Student Records and Data Management Branch will continue to conduct annual training to emphasize the importance of ensuring information submitted on paper applications is accurate. Staff, including temporary employees, will be reminded that the objective is accuracy over speed. Future training will incorporate a knowledge check in the form of an assessment.

Name: Rudy S. Ramirez

Title: Director, Student Records and Data Management Branch, Office of Data and Accountability

Contact Information: (213) 241-2425

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### **S-2025-008 – Home to School Transportation Reimbursement**

**State Audit Guide Finding Codes:** 30000 (Significant Deficiency), 40000

#### **Criteria**

*California School Accounting Manual, Procedure 325(Code 3600) Pupil Transportation* - Activities concerned with conveying students to and from school. Transportation other than from home to school is referred to as “Other Miles,” which includes field trips and transportation between school sites. Costs of “Other Miles” are instructional costs to the user program or project.

#### **Condition, Cause and Effect**

In our sample of thirty-nine (39) home to school transportation payroll expenditures (Resource 6770), we verified whether the employees’ time pertained to services allowable under Procedure 325 of the California School Accounting Manual and we tested whether appropriate payroll approval forms were made in a timely manner in accordance with the District’s Payroll Concepts Manual.

We noted the following findings:

- Three (3) employees had a total of 45 hours charged in excess to the Home to School Transportation fund in which the District misreported the timesheets for an unallowable amount of \$1,016. This issue resulted from time reporting errors caused by staffing challenges, which required Office Technicians to handle time reporting for multiple garages. Due to increased workload, reporting inconsistencies occurred leading to noncompliance with time reporting requirements.
- Twenty-six (26) employees were identified as having 74 instances of late or missing employee and supervisor dates on approval forms for the following types: illness requests, overtime requests, vacation requests and timesheets due to oversight.
- In our review of the administrative payroll charges, we identified employees which were being fully charged to the Home to School Transportation fund although their time was related to indirect costs for which not all their time was spent working on Home to School Transportation activities. The District performed an analysis and quantified the total allocation of unallowable charges for the fiscal year to be 9% of total expenditures which amount to a total of \$3,572,859. This occurred due to the absence of a formal time allocation procedures within the Transportation Services Branch to guide staff in properly classifying expenditures.

**LOS ANGELES UNIFIED SCHOOL DISTRICT**

Schedule of Findings and Questioned Costs

June 30, 2025

**Questioned Costs**

Estimated Dollar Impact - \$2,144,325.

	<b>Total Unadjusted HTS Transportation Expenditures</b>	<b>Total Unallowable HTS Transportation Expenditures</b>	<b>Total Adjusted HTS Transportation Expenditures</b>
<b>HTS Transportation Expenditures</b>	\$214,361,216	\$3,573,875	\$210,787,341
<b>Reimbursement percentage pursuant to EC 41850.1(a)(1)</b>	60%		60%
<b>Expenditure Amount for Reimbursement Calculation</b>	\$128,616,730		\$126,472,405
<b>Estimated Dollar Impact</b>			<b>\$2,144,325</b>

**Recommendation**

We recommend that the District strengthen its monitoring and review controls over expenditure charges to the Home to School Transportation fund to ensure that all costs are associated with allowable services and that all necessary adjustments are made timely. The District should also ensure that transportation personnel are aware of the District’s policies and procedures regarding maintaining appropriate audit evidence for all expenditures charged to Home to School Transportation fund in the form of annual trainings. Further, we recommend that the District strengthen controls over timesheet and payroll documentation approvals, along with overtime authorizations through enhanced monitoring and supervisory training to ensure full compliance with District policies and procedures.

**Views of Responsible Officials, Planned Corrective Actions, and Contact Information**

The Transportation Services Branch will implement the following corrective measures to strengthen monitoring controls over payroll and expenditure charges to the Home-to-School Transportation fund to ensure compliance with allowable cost requirements:

1. Training will be provided to transportation staff on proper time reporting, documentation requirements, and timely approvals by Spring 2026.
2. Designated administrative staff will conduct monthly audits to monitor adherence and document any repeated issues.
3. Reminders will be given to supervisors and managers during weekly staff meetings regarding time reporting and payroll process, overtime approval, and signature requirements. Reminder emails will be sent as well.
4. Transportation management will review the process to evaluate effectiveness and drive continuous improvement.

These corrective measures will be implemented immediately starting October 28, 2025.

Name: Daniel Kang  
 Title: Director, Transportation Services Branch  
 Contact Information: 213-580-2900

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### S-2025-009 – Proposition 28 Arts And Music in Schools

**State Audit Guide Finding Codes:** 30000 (Significant Deficiency), 40000

#### Criteria

*California Education Code, Section 8821(a)* - “Arts education program” includes, but is not limited to, instruction and training, supplies, materials, and arts educational partnership programs, for instruction in: dance, media arts, music, theatre, and visual arts, including folk art, painting, sculpture, photography, and craft arts, creative expressions, including graphic arts and design, computer coding, animation, music composition and ensembles, and script writing, costume design, film, and video.

#### Condition, Cause and Effect

In our sample of seventy-five (75) Proposition 28 payroll expenditures (Resource 6770), we verified whether the employees’ time pertained to services allowable under Education Code section 8821(a) and we tested whether appropriate payroll approval forms were made in a timely manner in accordance with the District’s Payroll Concepts Manual. Additionally, in our sample of five (5) non-payroll expenditures (Resource 6770) we verified whether costs were allowable under Education Code section 8821(a).

We noted the following findings occurred due to the District’s oversight and review processes for the Proposition 28 expenditures were not consistently communicated to ensure proper documentation, timely payroll approvals and accurate payments:

- Seven (7) employees had a total of 1,681.87 hours charged in excess to the Proposition 28 Arts and Music in School fund in which the District could not provide supporting documentation reflecting the employees’ work related to the Proposition 28 Arts and Music program.
- Twenty-eight (28) employees were identified as having 45 instances of late or missing employees and supervisor dates on approval forms for the following types: illness requests, overtime requests, and timesheets.
- One (1) expenditure related to a purchase of arts supplies resulted in overpayment to the vendor for \$552.91.

These findings are repeat findings, having been reported previously at June 30, 2024 (S-2024-006) but for different employees.

#### Questioned Costs

Unallowable amount - \$216,735.42.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### **Recommendation**

We recommend that the District strengthen its monitoring and review controls over expenditure charges to the Proposition 28 Arts and Music in School fund to ensure that all costs are associated with allowable services and that all necessary adjustments are made timely. The District should also ensure that schools are aware of the District's policies and procedures regarding maintaining appropriate audit evidence for all expenditures charged to the Proposition 28 Arts and Music in School fund in the form of annual trainings. Further, we recommend that the District strengthen controls over timesheet and payroll documentation approvals, along with overtime authorizations through enhanced monitoring and supervisory training to ensure full compliance with District policies and procedures.

### **Views of Responsible Officials, Planned Corrective Actions, and Contact Information**

The District acknowledges the recommendation to enhance its monitoring and review processes for expenditure charges to Proposition 28 Arts and Music in Schools Fund.

In response, the District will implement the following steps:

- Provide District administrators with clear guidance of Proposition 28 program expectations and policies through the maintenance of the Arts Funding communication toolkit. A section will be added to support schools with the Time Reporting and Time Approval Policy, based on Payroll Bulletin 6638.2. This bulletin contains District policy on time reporting and approval, and establishes expectations for administrators regarding payroll responsibilities.
- Compose and distribute an Inter-Office Correspondence (IOC) memo to District principals, Regional Directors, and Central Office administrators about FY 2024-25 audit findings. This IOC will also contain a program overview, links to CDE resources, and Prop 28 plan requirements.
- Collaborate with the Counseling department to identify targeted supports for master scheduling positions funded by Proposition 28, clarifying expectations for instructor credentials to align with course assignments and support Proposition 28 program goals and intended purpose.
- Schedule training for school staff about arts funding to include FY24-25 Prop 28 audit results, timesheet and payroll documentation approvals, along with overtime authorizations. Training will be mandatory for school teams, impacted by the audit findings.

The target date for implementation of the corrective action plan is May 2026.

By taking these actions, the District is committed to improving oversight and ensuring the appropriate use of Proposition 28 funds.

Name: Jantré Christian

Title: Administrator, Arts Education Branch

Telephone: (213) 241-8222

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### S-2025-010 - Immunizations

**State Audit Guide Finding Codes:** 30000 (Significant Deficiency), 40000

#### Schools Affected

- 107th Street Elementary
- 118th Street Elementary
- 42nd Street Elementary
- 42nd Street Elementary DL World Lang Im Spanish
- 52nd Street Elementary
- 99th Street Elementary
- 9th Street Elementary
- Aldama Elementary
- Angeles Mesa Elementary
- Arminta Street Elementary
- Cimarron Avenue Elementary
- Esperanza Elementary
- Gerald A Lawson Academy of the Arts Math Science Elementary
- Gridley-Montanez Elementary Dual Language Academy
- Hillcrest Drive Elementary
- Hope Street Elementary
- Jack London Community Day School
- Loreto Street Elementary
- Loreto Street Elementary DL Two-Way Im Spanish
- Los Feliz Science/Tech/Engineer/Math/Medicine Magnet
- Lovelia P Flournoy Elementary
- Normandie Avenue Elementary
- Ranchito Avenue Elementary
- Ranchito Avenue Elementary DL Two-Way Im Spanish
- Saticoy Elementary
- Saticoy Elementary DL Two-Way Im Armenian
- South Park Elementary
- Thomas Bradley Global Awareness Magnet

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### Criteria

*California Code of Regulations, Title 17, Section 6025:* (a) A school or pre-kindergarten facility shall unconditionally admit or allow continued attendance to any pupil age 18 months or older whose parent or guardian has provided documentation of any of the following for each immunization required for the pupil's age or grade, as defined in Table A or B of this section:

Table B: California Immunization Requirements For Grades K-12

Grade	Number of Doses Required of Each Immunization				
K-12 Admission	4 Polio	5 DTap	3 Hep B	2 MMR	2 Varicella
(7th - 12th)	1 Tdap				
7th Grade Advancement	2 Varicella	1 Tdap			

*California Code of Regulations, Title 17, Section 6040:*

(a) If a pupil attending a school or pre-kindergarten facility who was previously believed to be in compliance is subsequently discovered to not be in compliance with either the unconditional admission requirements specified in section 6025 or the conditional admission requirements specified in section 6035:

- (1) The governing authority shall notify the parent or guardian of the time period within which the doses must be received. This time period may be no more than 10 school days after notification.
- (2) The pupil shall continue in attendance only if the parent or guardian provides documentation that the immunization requirements have been met within the time period designated by the governing authority.

(b) The parent or guardian shall submit documentation that seventh grade immunization requirements have been met to the governing authority prior to first 7th grade attendance.

*California Code of Regulations, Title 17, Section 6051(b)* - The fact of the permanent medical exemption for specific immunization(s) shall be recorded in the pupil's record in accordance with section 6070.

*California Code of Regulations, Title 17, Section 6055* - The governing authority shall exclude any pupil who does not meet the requirements for admission or continued attendance as specified in Article 2 of this subchapter and Health and Safety Code section 120335.

*California Code of Regulations, Title 17, Section 6070*

(a) Pre-kindergarten facility and school personnel must record information for each pupil regarding all doses of required immunizations and the status of all requirements, as defined in Article 2 of this subchapter, using an immunization record that is provided by the parent or guardian that complies with the documentary proof requirements of section 6065, from a prior school, or in an immunization registry or information system governed by Health and Safety Code section 120440. The governing authority of each school and pre-kindergarten facility shall maintain this information for each pupil in the pupil's record.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

- (b) The immunization information shall include the following elements:
- (1) Pupil Name (Last, First, Middle).
  - (2) Statewide Student Identifier (SSID) (if assigned).
  - (3) Name of Parent/Guardian (Last, First).
  - (4) Birthdate (month, day, and year).
  - (5) Sex.
  - (6) Ethnicity (Hispanic/Latino, Non-Hispanic/Non-Latino).
  - (7) Race (African-American/Black, American Indian/Alaska Native, Asian, Native Hawaiian/Other Pacific Islander, White, Other).
  - (8) As specified in Table A or B of section 6025 for age or grade, the date (month, day, and year) each of the following required vaccine doses were given:
    - (A) IPV/OPV (Polio).
    - (B) DTaP/DTP (Diphtheria, Tetanus and [acellular] Pertussis).
    - (C) MMR (Measles, Mumps, and Rubella).
    - (D) Hib (Haemophilus influenzae type b; required for pre-kindergarten only).
    - (E) Hep B (Hepatitis B).
    - (F) VAR/VZV (Varicella or Chickenpox).
    - (G) Tdap (Tetanus, reduced Diphtheria and [acellular] Pertussis; required for 7th grade advancement and 7th-12th grade admission).
  - (9) Permanent medical exemption (indicate for each vaccine as applicable).
  - (10) Status of requirements at admission to pre-kindergarten:
    - (A) Name of staff who reviewed the pupil's immunization record.
    - (B) (If applicable) Pupil is currently up-to-date but more doses are due as specified in Tables A and C of sections 6025 and 6035, respectively.
      - i. Follow-up date (month, day and year).
    - (C) (If applicable) Pupil has Temporary Medical Exemption as specified in section 6050.
      - i. Follow-up date (month, day and year).
    - (D) The date (month, day and year) pupil met requirements for admission as specified in section 6025.
  - (11) Status of requirements at admission to K-12:
    - (A) Name of staff who reviewed the pupil's immunization record.
    - (B) (If applicable) Pupil is currently up-to-date but more doses are due as specified in Tables B and D of sections 6025 and 6035, respectively.
      - i. Follow-up date (month, day and year).
    - (C) (If applicable) Pupil has Temporary Medical Exemption as specified in section 6050.
      - i. Follow-up date (month, day and year).
    - (D) The date (month, day and year) pupil met requirements for admission as specified in section 6025.
  - (12) Status of requirements at admission or advancement to 7th grade:
    - (A) Name of staff who reviewed the pupil's immunization record.
    - (B) (If applicable) Pupil is currently up-to-date but more doses are due as specified in Tables B and D of sections 6025 and 6035, respectively.
      - i. Follow-up date (month, day and year).
    - (C) (If applicable) Pupil has Temporary Medical Exemption as specified in section 6050.
      - i. Follow-up date (month, day and year).
    - (D) The date (month, day and year) pupil meets requirements for admission as specified in section 6025.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

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(c) Pursuant to subdivision (c) of section 120375 of the Health and Safety Code, the local health department shall have access to the health information as it relates to immunization of each pupil.

#### **Condition, Cause and Effect**

For the 48 schools identified as reporting a conditional admission rate greater than 10 percent in Kindergarten pupils to the California Department of Public Health (CDPH), we selected a sample of 223 Kindergarten pupils, excluding students in independent study and students with an individualized education program that includes special education and related services, and verified that each pupil has a California School Immunization Record, CDPH 286 (01/19) on file (prior version of form or equivalent electronic or hard copy record are acceptable), and verified that the pupils had 2 doses of varicella vaccine and 2 doses of a measles vaccine prior to admission, or had a current medical exemption on file. For pupils who only had 1 dose of either vaccine prior to admission, we verified that the 2<sup>nd</sup> dose was received within 4 calendar months and 10 school days after the 1<sup>st</sup> dose.

We noted the following findings, which occurred because the schools were not familiar with immunization requirements. As a result, the schools enrolled students who may not have been fully compliant with the requirements.

- **107th Street Elementary** – Out of the 13 pupils sampled, we noted the following exceptions:
  - Three (3) pupils did not receive the required 2<sup>nd</sup> dose of the measles and varicella vaccines within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - One (1) pupil did not receive the required 2<sup>nd</sup> dose of the measles vaccine within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - One (1) pupil did not receive the required 2<sup>nd</sup> dose of the varicella vaccine within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - The pupils were marked present in the school’s monthly attendance summary for a total of 249 days during the time in which the pupil was not compliant with immunization requirements.
  
- **118th Street Elementary** – Out of the 6 pupils sampled, we noted the following exception:
  - One (1) pupil did not receive the required 2<sup>nd</sup> dose of the measles vaccine within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - The pupil was marked present in the school’s monthly attendance summary for a total of 45 days during the time in which the pupil was not compliant with immunization requirements.
  
- **42nd Street Elementary** – Out of the 3 pupils sampled, we noted the following exception:
  - One (1) pupil did not receive the required 2<sup>nd</sup> dose of the measles and varicella vaccines within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - The pupil was marked present in the school’s monthly attendance summary for a total of 21 days during the time in which the pupil was not compliant with immunization requirements.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

June 30, 2025

- **42nd Street Elementary DL World Lang Im Spanish** – Out of the 2 pupils sampled, we noted the following exception:
  - One (1) pupil did not receive the required 2<sup>nd</sup> dose of the measles and varicella vaccines within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - The pupil was marked present in the school’s monthly attendance summary for a total of 29 days during the time in which the pupil was not compliant with immunization requirements.
  
- **52nd Street Elementary** – Out of the 8 pupils sampled, we noted the following exception:
  - One (1) pupil did not receive the required 2<sup>nd</sup> dose of the measles and varicella vaccines within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - The pupil was marked present in the school’s monthly attendance summary for a total of 84 days during the time in which the pupil was not compliant with immunization requirements.
  
- **99th Street Elementary** – Out of the 8 pupils sampled, we noted the following exception:
  - One (1) pupil did not receive the required 2<sup>nd</sup> dose of the measles and varicella vaccines within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - The pupil was marked present in the school’s monthly attendance summary for a total of 7 days during the time in which the pupil was not compliant with immunization requirements.
  
- **9th Street Elementary** – Out of the 6 pupils sampled, we noted the following exceptions:
  - One (1) pupil did not receive the required 1<sup>st</sup> dose of the measles and varicella vaccines before the first day of school.
  - One (1) pupil did not receive the required 2<sup>nd</sup> dose of the measles vaccine within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - The pupils were marked present in the school’s monthly attendance summary for a total of 6 days during the time in which the pupil was not compliant with immunization requirements.
  
- **Aldama Elementary** – Out of the 4 pupils sampled, we noted the following exception:
  - One (1) pupil did not receive the required 2<sup>nd</sup> dose of the measles and varicella vaccines within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - The pupil was marked present in the school’s monthly attendance summary for a total of 12 days during the time in which the pupil was not compliant with immunization requirements.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

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- **Angeles Mesa Elementary** – Out of the 6 pupils sampled, we noted the following exceptions:
  - One (1) pupil did not receive the required 1<sup>st</sup> dose of the varicella vaccine before the first day of school and did not receive the required 2<sup>nd</sup> dose of the varicella vaccine within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - One (1) pupil did not receive the required 1<sup>st</sup> dose of the measles vaccine before the first day of school.
  - One (1) pupil did not receive the required 2<sup>nd</sup> dose of the measles and varicella vaccines within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - The pupils were marked present in the school’s monthly attendance summary for a total of 141 days during the time in which the pupil was not compliant with immunization requirements.
  
- **Arminta Street Elementary** – Out of the 5 pupils sampled, we noted the following exception:
  - One (1) pupil did not receive the required 2<sup>nd</sup> dose of the varicella vaccine within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - The pupil was marked present in the school’s monthly attendance summary for a total of 22 days during the time in which the pupil was not compliant with immunization requirements.
  
- **Cimarron Avenue Elementary** – Out of the 5 pupils sampled, we noted the following exceptions:
  - Two (2) pupils did not receive the required 2<sup>nd</sup> dose of the measles and varicella vaccines within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - The pupils were marked present in the school’s monthly attendance summary for a total of 122 days during the time in which the pupil was not compliant with immunization requirements.
  
- **Esperanza Elementary** – Out of the 9 pupils sampled, we noted the following exception:
  - One (1) pupil did not receive the required 2<sup>nd</sup> dose of the measles and varicella vaccines within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - The pupil was marked present in the school’s monthly attendance summary for a total of 64 days during the time in which the pupil was not compliant with immunization requirements.
  
- **Gerald A Lawson Academy of the Arts Math Science Elementary** – Out of the 8 pupils sampled, we noted the following exception:
  - One (1) pupil did not receive the required 2<sup>nd</sup> dose of the measles and varicella vaccines within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - The pupil was marked present in the school’s monthly attendance summary for a total of 147 days during the time in which the pupil was not compliant with immunization requirements.
  
- **Gridley-Montanez Elementary Dual Language Academy** – Out of the 6 pupils sampled, we noted the following exception:
  - One (1) pupil did not receive the required 2<sup>nd</sup> dose of the measles and varicella vaccines within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - The pupil was marked present in the school’s monthly attendance summary for a total of 37 days during the time in which the pupil was not compliant with immunization requirements.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

June 30, 2025

- **Hillcrest Drive Elementary** – Out of the 5 pupils sampled, we noted the following exception:
  - One (1) pupil did not receive the required 1<sup>st</sup> dose of the measles and varicella vaccines before the first day of school.
  - The pupil was marked present in the school’s monthly attendance summary for a total of 1 day during the time in which the pupil was not compliant with immunization requirements.
  
- **Hope Street Elementary** – Out of the 6 pupils sampled, we noted the following exception:
  - One (1) pupil did not receive the required 2<sup>nd</sup> dose of the measles and varicella vaccines within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - The pupil was marked present in the school’s monthly attendance summary for a total of 21 days during the time in which the pupil was not compliant with immunization requirements.
  
- **Loreto Street Elementary** – Out of the 3 pupils sampled, we noted the following exceptions:
  - Two (2) pupils did not receive the required 2<sup>nd</sup> dose of the measles and varicella vaccines within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - The pupil was marked present in the school’s monthly attendance summary for a total of 20 days during the time in which the pupil was not compliant with immunization requirements.
  
- **Loreto Street Elementary DL Two-Way Im Spanish** – Out of the 2 pupils sampled, we noted the following exception:
  - One (1) pupil did not receive the required 2<sup>nd</sup> dose of the varicella vaccine within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - The pupil was marked present in the school’s monthly attendance summary for a total of 11 days during the time in which the pupil was not compliant with immunization requirements.
  
- **Los Feliz Science/Tech/Engineer/Math/Medicine Magnet** – Out of the 8 pupils sampled, we noted the following exception:
  - One (1) pupil did not receive the required 2<sup>nd</sup> dose of the measles and varicella vaccines within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - The pupil was marked present in the school’s monthly attendance summary for a total of 15 days during the time in which the pupil was not compliant with immunization requirements.
  
- **Lovelie P Flournoy Elementary** – Out of the 4 pupils sampled, we noted the following exception:
  - One (1) pupil did not receive the required 2<sup>nd</sup> dose of the measles and varicella vaccines within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - The pupil was marked present in the school’s monthly attendance summary for a total of 3 days during the time in which the pupil was not compliant with immunization requirements.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

June 30, 2025

- **Normandie Avenue Elementary** – Out of the 4 pupils sampled, we noted the following exception:
  - One (1) pupil did not receive the required 2<sup>nd</sup> dose of the varicella vaccine within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - The pupil was marked present in the school’s monthly attendance summary for a total of 60 days during the time in which the pupil was not compliant with immunization requirements.
  
- **Ranchito Avenue Elementary** – Out of the 6 pupils sampled, we noted the following exceptions:
  - One (1) pupil did not receive the required 2<sup>nd</sup> dose of the measles and varicella vaccines within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - One (1) pupil did not receive the required 2<sup>nd</sup> dose of the varicella vaccine within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - One (1) pupil did not receive the required 1<sup>st</sup> dose of the varicella vaccine before the first day of school and did not receive the required 2<sup>nd</sup> dose of the varicella vaccine within four calendar months and ten school days after receiving the 1<sup>st</sup> dose
  - The pupils were marked present in the school’s monthly attendance summary for a total of 82 days during the time in which the pupil was not compliant with immunization requirements.
  
- **Ranchito Avenue Elementary DL Two-Way Im Spanish** – Out of the 2 pupils sampled, we noted the following exception:
  - One (1) pupil did not receive the required 1<sup>st</sup> dose of the varicella vaccine before the first day of school.
  - The pupil was marked present in the school’s monthly attendance summary for a total of 5 days during the time in which the pupil was not compliant with immunization requirements.
  
- **Saticoy Elementary** – Out of the 5 pupils sampled, we noted the following exceptions:
  - One (1) pupil did not receive the required 2<sup>nd</sup> dose of the measles and varicella vaccines within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - One (1) pupil did not receive the required 1<sup>st</sup> dose of the measles and varicella vaccines before the first day of school.
  - The pupils were marked present in the school’s monthly attendance summary for a total of 161 days during the time in which the pupil was not compliant with immunization requirements.
  
- **Saticoy Elementary DL Two-Way Im Armenian** – Out of the 5 pupils sampled, we noted the following exceptions:
  - Two (2) pupils did not receive the required 2<sup>nd</sup> dose of the measles and varicella vaccines within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - The pupils were marked present in the school’s monthly attendance summary for a total of 136 days during the time in which the pupil was not compliant with immunization requirements.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

June 30, 2025

- **South Park Elementary** – Out of the 13 pupils sampled, we noted the following exceptions:
  - Two (2) pupils did not receive the required 2<sup>nd</sup> dose of the varicella vaccine within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - The pupils were marked present in the school’s monthly attendance summary for a total of 173 days during the time in which the pupil was not compliant with immunization requirements.
- **Thomas Bradley Global Awareness Magnet** – Out of the 1 pupil sampled, we noted the following exceptions:
  - One (1) pupil did not receive the required 2<sup>nd</sup> dose of the measles and varicella vaccines within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
  - The pupil was marked present in the school’s monthly attendance summary for a total of 49 days during the time in which the pupil was not compliant with immunization requirements.

For the 4 schools identified as reporting a conditional admission rate greater than 10 percent in 7<sup>th</sup> Grade pupils to the California Department of Public Health (CDPH), we selected a sample of 4 7<sup>th</sup> Grade pupils, excluding students in independent study and students with an individualized education program that includes special education and related services, and verified each pupil has a California School Immunization Record, PM 286 (01/02) or CDPH 286 (01/14) on file (a later version or equivalent electronic or hard copy record is acceptable), and verified that each pupil obtained 2 doses of varicella vaccine prior to admission into 7<sup>th</sup> Grade. For pupils who only had 1 dose of varicella vaccine prior to admission, we verified that the 2<sup>nd</sup> dose was received within 4 calendar months and 10 school days after the 1<sup>st</sup> dose.

We noted the following findings, which occurred because some schools have not been consistently following the state immunization requirements. As a result, the schools enrolled students who may not have been fully compliant with the immunization requirements.

- **Jack London Community Day School** - Out of the 1 pupil sampled, we noted the following exception:
  - One (1) pupil did not receive the required 1<sup>st</sup> dose of the Tdap vaccine before the first day of school.
  - The pupil was marked present in the school’s monthly attendance summary for a total of 167 days during the time in which the pupil was not compliant with immunization requirements.

We tested the accuracy of the Welligent report, the District’s immunization database of records, by comparing the original source data to the data from this system. In our sample 18 original vaccine cards or California Immunization Registry (CAIR) reports we noted the following finding:

- **Thomas Bradley Global Awareness Magnet** – Out of the 1 pupil sampled for original supporting documentation, we noted the following exception:
  - The first dose and second dose dates for measles appeared as January 26, 2022, and May 20, 2024, on the Welligent report; however, the CAIR report showed the first and second dose dates as May 20, 2024, and January 23, 2025.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

- The pupil did not receive the required 2<sup>nd</sup> dose of the measles vaccine within four calendar months and ten school days after receiving the 1<sup>st</sup> dose.
- The pupil was marked present in the school's monthly attendance summary for a total of 48 days during the time in which the pupil was not compliant with immunization requirements.

These findings are repeat findings, having been reported previously at June 30, 2024 (S-2024-009).

### Questioned Costs

- Grades TK-K – 1,771 days / 176 days = 10.06 ADA overstated \* \$15,201.90 = \$152,931.11

#### *Kindergarteners:*

- 107th Street Elementary – 249 days overstated/176 days in single track school year
- 118th Street Elementary – 45 days overstated/176 days in single track school year
- 42nd Street Elementary – 21 days overstated/176 days in single track school year
- 42nd Street Elementary DL World Lang Im Spanish – 29 days overstated/176 days in single track school year
- 52nd Street Elementary – 84 days overstated/176 days in single track school year
- 99th Street Elementary – 7 days overstated/176 days in single track school year
- 9th Street Elementary – 6 days overstated/176 days in single track school year
- Aldama Elementary – 12 days overstated/176 days in single track school year
- Angeles Mesa Elementary – 141 days overstated/176 days in single track school year
- Arminta Street Elementary – 22 days overstated/176 days in single track school year
- Cimarron Avenue Elementary – 122 days overstated/176 days in single track school year
- Esperanza Elementary – 64 days overstated/176 days in single track school year
- Gerald A Lawson Academy of the Arts Math Science Elementary – 147 days overstated/176 days in single track school year
- Gridley-Montanez Elementary Dual Language Academy – 37 days overstated/176 days in single track school year
- Hillcrest Drive Elementary – 1 day overstated/176 days in single track school year
- Hope Street Elementary – 21 days overstated/176 days in single track school year
- Loreto Street Elementary – 20 days overstated/176 days in single track school year
- Loreto Street Elementary DL Two-Way Im Spanish – 11 days overstated/176 days in single track school year
- Los Feliz Science/Tech/Engineer/Math/Medicine Magnet – 15 days overstated/176 days in single track school year
- Lovelia P Flournoy Elementary – 3 days overstated/176 days in single track school year
- Normandie Avenue Elementary – 60 days overstated/176 days in single track school year
- Ranchito Avenue Elementary – 82 days overstated/176 days in single track school year
- Ranchito Avenue Elementary DL Two-Way Im Spanish – 5 days overstated/176 days in single track school year
- Saticoy Elementary – 161 days overstated/176 days in single track school year
- Saticoy Elementary DL Two-Way Im Armenian – 136 days overstated/176 days in single track school year
- South Park Elementary – 173 days overstated/176 days in single track school year

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

June 30, 2025

- Thomas Bradley Global Awareness Magnet – 97 days overstated/176 days in single track school year
- Grades 7 –  $167 \text{ days} / 176 \text{ days} = 0.95 \text{ ADA overstated} * \$14,391.53 = \$13,671.95$

#### *7<sup>th</sup> Graders:*

- Jack London Community Day School – 167 days overstated/176 days in single track school year

### **Recommendation**

We recommend that the District strengthen its controls over implementing District policies regarding pupil immunization record tracking, along with the implementation of a proper review of immunization records throughout the school year to monitor pupil compliance with immunization requirements. Furthermore, we recommend that the District continue providing adequate training to the schools to ensure proper monitoring of pupil immunization and that the District maintains documentation reflecting that each of the schools identified above has been successfully trained.

### **Views of Responsible Officials and Planned Corrective Actions**

The District has established the following action steps to address the audit findings.

- Share audit findings with the Chief Medical Director and Deputy Superintendent of Operations – December 2025
- Chief Medical Director to distribute immunization inter-office correspondence and compliance reports weekly to Region Superintendents, Administrators of Operations (AOOs), Nursing Administrators, and school nurses – Weekly
- Present immunization requirements, policies, and consequences of non-compliance at Region Principal meetings, including a slide showing the number of schools audited per Region and the District's fine history – December 2025
- Present immunization data at monthly school nurse staff meetings – Monthly
- Notify Region Superintendents and Administrators of Operations of the schools included in the audit and their individual findings – January 2026
- Contact Principals at audited schools directly regarding audit findings and any questioned costs for their school – January 2026
- Perform California Immunization Registry (CAIR) look-ups and enter immunization data into the District's student information system – Ongoing
- Provide training to schools on state immunization requirements. Participation will be mandatory for the schools identified above – Ongoing

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Title: Director, District Nursing Services

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# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### S-2025-011 – Expanded Learning Opportunities Program

**State Audit Guide Finding Codes:** 30000 (Significant Deficiency), 40000

#### Schools Affected

- Canterbury Avenue Elementary
- Fries Avenue Elementary
- Hawaiian Avenue Elementary
- Jaime Escalante Elementary School
- John B Monlux Elementary
- Lake Balboa College Preparatory Magnet K-12
- Logan Academy of Global Ecology
- Plummer Elementary
- Primary Academy for Success School
- RFK Comm Schls - New Open World Academy K-12
- Sunland Elementary
- Thomas Starr King Middle School Magnet: Film and Media
- Tweedy Elementary
- Vista del Valle Dual Language Academy

#### Criteria

*California Education Code, Section 46120(g)(6)* – “Provide access,” with respect to an “expanded learning opportunity program,” means to enroll in the expanded learning opportunity program. If a parent or guardian has a signed expanded learning opportunity program registration form and that form is on file, the pupil shall be considered enrolled in the expanded learning opportunity program. For a local educational agency receiving an expanded learning opportunity program apportionment, transportation shall be provided for any pupil who attends a school that is not operating an expanded learning opportunity program to attend a location that is providing an expanded learning opportunity program and to return to their original location or another location that is established by the local educational agency.

*California Education Code, Section 46120(c)(2)* – Commencing with the 2023–24 fiscal year, if a local educational agency either fails to offer or provide access to expanded learning opportunity programs to eligible pupils pursuant to paragraph (2) or (3) of subdivision (b), the Superintendent shall withhold from the local educational agency’s apportionment of funds pursuant to subdivision (d) an amount proportionate to the number of pupils to whom the local educational agency failed to offer or provide access to expanded learning opportunity programs. Pupils opting not to participate in the expanded learning opportunity program shall not generate a penalty for a local educational agency pursuant to this paragraph.

#### Condition, Cause and Effect

In our sample of 24 District schools and 1 Charter school, we selected 314 students enrolled in the expanded learning opportunity program. We verified whether a pupil has been “provided access”, by verifying that a registration form is on file and signed by the parent/guardian.

We identified the following:

- Forty-eight (48) students did not have a completed registration form on file. This was due to enrollment documentation procedures not being consistently followed or monitored resulting in incomplete collection and retention of parent-signed forms.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### Questioned Costs

ELO-P Entitlement ( <i>Rate 1</i> )	455,462,020.00	(a)
Total Classroom-Based Enrollment, Grades TK/K-6	203,029.00	(b)
Eligible Students Not Offered and Provided Access to ELO-P	48.00	(c)
Proportional Penalty Factor	0.000236	(d) = (c) / (b)
<b>ELO-P Offering and Access Penalty</b>	<b>\$ 107,680.07</b>	(e) = (a) * (d)

### Recommendation

We recommend that the District strengthen its internal controls over enrollment documentation for the Expanded Learning Opportunities Program to ensure all student registration forms are properly completed, signed by the parent or guardian, and retained on file as evidence of enrollment.

### Views of Responsible Officials, Planned Corrective Action, and Contact Information

Beyond the Bell will implement the following Corrective Action Plan related to strengthening internal controls pertaining to enrollment documents for the Expanded Learning Opportunities Program:

1. Develop and distribute a standardized enrollment checklist outlining required documentation (including parent-signed registration forms) and procedures for the enrollment of students in the Beyond the Bell expanded learning program.
2. Conduct a training session for Beyond the Bell leadership (Field Coordinators), Beyond the Bell support staff (Out-of-School Regional Directors, Out-of-School Program Coordinators, and Out-of-School Area Program Supervisors), and site coordinators on enrollment documentation requirements, retention protocols, and audit expectations.
3. Implement a process to review current student files to verify the presence of completed registration forms for enrolled students and to obtain any missing or incomplete documentation.
4. Implement a quarterly compliance review process in which Beyond the Bell support staff will conduct random checks of student enrollment files to ensure documentation completeness.
5. Incorporate enrollment documentation compliance metrics into program provider performance reviews and provide technical assistance for providers/sites with repeated findings.

The target date for implementation of the corrective action plan is May 31, 2026.

The expected outcome is that all students participating in ELO-P expanded learning programs will have a completed and signed registration form on file prior to participation. Strengthening documentation controls and regular monitoring will ensure consistent compliance with state and district requirements.

Beyond the Bell will monitor the implementation of corrective actions through quarterly internal audits. Non-compliant sites will be required to submit a corrective action follow-up plan within 30 days.

Name: Jose Carillo  
Title: Field Coordinator, Beyond the Bell  
Contact Information: (213) 241-3545

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### S-2025-012 – Kindergarten Continuance

**State Audit Guide Finding Codes:** 40000

#### Schools Affected

- El Dorado Avenue Elementary
- Grand View Boulevard Elementary
- Woodland Hills Charter Elementary for Enriched Studies

#### Criteria

*California Education Code, Section 46300 (g)(1)* - In computing the average daily attendance of a school district or charter school, there shall be included the attendance of pupils in kindergarten after they have completed one school year in kindergarten or pupils in a transitional kindergarten program after they have completed one year in that program if one of the following conditions is met:

- (A) The school district or charter school has on file for each of those pupils an agreement made pursuant to Section 48011, approved in form and content by the department and signed by the pupil's parent or guardian, that the pupil may continue in kindergarten for not more than one additional school year.
- (B) The pupils participated in a transitional kindergarten program pursuant to subdivision (c) of Section 48000

#### Condition, Cause and Effect

Using a total of 104 schools offering Kindergarten from the schools sampled for attendance reporting, we selected students enrolled in kindergarten for school year 2024-25 and kindergarten in school year 2023-24 and verified that a signed kindergarten continuance parental agreement (agreement) was maintained. We noted the following exceptions due to school oversight.

- **El Dorado Avenue Elementary** – A signed Agreement, approved in form and content by the CDE, was not on file before the start of the school year for one (1) student.
- **Grand View Boulevard Elementary** – A signed agreement, approved in form and content by the CDE, was signed after the start of the school year or after the student began their second year of kindergarten for one (1) student.
- **Woodland Hills Charter Elementary for Enriched Studies** – A signed Agreement, approved in form and content by the CDE, was not on file before the start of the school year for one (1) student.

These findings are repeat findings, having been reported previously at June 30, 2024 (S-2024-003), but for different schools.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

June 30, 2025

#### Questioned Costs

- Grades K-3 – 208 days / 176 days = 1.18 ADA overstated \* \$15,201.90 = \$17,938.24
  - El Dorado Avenue Elementary
    - 31 days overstated / 176 days in single track school year
  - Grand View Boulevard Elementary
    - 177 days overstated / 176 days in single track school year

#### *Charter School*

- Woodland Hills Charter Elementary for Enriched Studies
  - Grades K-3: 18 days / 180 days in single track school year
    - Grades K-3: 18 days / 180 = 0.10 ADA overstated \* \$11,788.75 = \$1,178.86

#### Recommendation

We recommend that schools offering Kindergarten understand and adhere to the District's policy by retaining evidence of the signed and dated parental agreement for continuance forms, approved in form and content by the CDE, for all students repeating kindergarten prior to the start of the school year to support the inclusion of such pupils in the average daily attendance computation. The District should continue to communicate and train all schools on the District's Kindergarten Continuance policy.

We also recommend that the District obtain a written acknowledgment from the schools identified above that they have been provided with the most updated District policy on Kindergarten Continuance and have implemented a system of tracking students who continue in Kindergarten. The District should also continue ensuring that schools are notified in circumstances where a pupil is transferred after attending Kindergarten with another school.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

June 30, 2025

#### **Views of Responsible Officials, Planned Corrective Actions, and Contact Information**

To ensure compliance with Kindergarten Continuance requirements, the following actions will be taken during the 2025-2026 school year:

- Share the Elevate Report Data by Region with Regional Administrators monthly for schools to engage in corrective action.
- Provide Kindergarten Continuance Form Informational Sessions for schools.
- Update the Kindergarten Continuance Reference Guide.
- Continue to review the Kindergarten Continuance policy throughout the school year in the Weekly Instructional News, at principal organization meetings, etc.
- Continue to reach out to individual schools that were found to be out of compliance to provide assistance and guidance.
- Continue to secure a signed copy of the Kindergarten Audit Principal Certification and Acknowledgement form.

The target date for implementation of the corrective action plan is Spring 2026.

Name: Elizabeth Bernal

Title: Administrator, Elementary Instruction

Telephone: (213) 241-6603

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### S-2025-013 – Attendance Accounting – Dependent Charters – Attendance Computations

**State Program:** Attendance Accounting: Attendance Reporting

**State Audit Guide Finding Codes:** 10000 and 40000

#### Schools Affected

- Louis Armstrong Middle School Performing Arts Magnet
- Nestle Avenue Charter
- Open Charter Magnet
- Reseda Charter High School
- Reseda Charter HS Arts/Media/Ent Magnet
- Reseda Charter HS Science Magnet
- Wilbur Charter for Enriched Academics
- Woodland Hills Charter Elementary for Enriched Studies

#### Criteria

*California Education Code, Section 47612(b)* – The average daily attendance in a charter school may not, in any event, be generated by a pupil who is not a California resident. To remain eligible for generating charter school apportionments, a pupil over 19 years of age shall be continuously enrolled in public school and make satisfactory progress towards award of a high school diploma. The state board shall, on or before January 1, 2000, adopt regulations defining “satisfactory progress.”

#### Condition, Cause, and Effect

For our sample of twelve (12) schools, we obtained the Student Monthly Attendance Summary Reports (SMASRs) for a sample of teachers for school month seven (7). SMASRs are system-generated reports from the District’s My Integrated Student Information System (MiSiS), a system utilized by the teachers to electronically input, submit, and certify student attendance daily. We verified whether these SMASRs were reported accurately in the *Second Principal Report (P2)* and the *Annual Principal Report (P3)*. We obtained the monthly statistical reports where all the SMASRs are summarized for our sampled schools, and we verified whether the SMASRs were completely and accurately summarized. We then traced these monthly statistical reports to the Attendance Ledgers, which in turn were traced to the *Second Principal Report (P2)* and the *Annual Principal Report (P3)*.

To test the integrity of the data reported in the sampled SMASRs, we selected a sample of absences from notes, phone logs, and other absence records and compared them to the SMASRs to verify that they were not included in the calculation of Average Daily Attendance reported in the P2. In addition, since the SMASRs are generated through MiSiS, we also tested the system’s general internal controls, which included, but were not limited to, appropriate access controls. We selected a sample of 16,708 days of attendance and 1,299 days of absences for testing and noted the following findings, resulting from staff’s untimely updating of student’s attendance records:

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

June 30, 2025

- **Louis Armstrong Middle School Performing Arts Magnet** - Out of the 436 days of attendance and 20 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.
- **Nestle Avenue Charter** - Out of the 1,314 days of attendance and 122 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.
- **Open Charter Magnet** - Out of the 1,313 days of attendance and 74 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.
- **Reseda Charter High School** - Out of the 1,443 days of attendance and 184 days of absences sampled, we noted the following exceptions:
  - Three (3) students were absent for a total of seven (7) days, as evidenced by an absence note, but were recorded as present in the SMASR.
  - We identified four (4) teachers for which the school was unable to provide absence notes. As such, we were unable to perform procedures over the absence notes and unable to determine the existence of questioned costs.
- **Reseda Charter HS Arts/Media/Ent Magnet** - Out of the 240 days of attendance and 7 days of absences sampled, we noted the following exceptions:
  - Three (3) students were absent for a total of three (3) days, as evidenced by an absence note, but were recorded as present in the SMASR.
- **Reseda Charter HS Science Magnet** - Out of the 444 days of attendance and 12 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.
- **Wilbur Charter for Enriched Academics** - Out of the 1,234 days of attendance and 96 days of absences sampled, we noted the following exception:
  - One (1) student was absent for a total of one (1) day, as evidenced by an absence note, but was recorded as present in the SMASR.
- **Woodland Hills Charter Elementary for Enriched Studies** - Out of the 1,305 days of attendance and 97 days of absences sampled, we noted the following exceptions:
  - Six (6) students were absent for a total of six (6) days, as evidenced by an absence note, but were recorded as present in the SMASR.

These findings are repeat findings, having been reported previously at June 30, 2024 (S-2024-013), but for different schools.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

June 30, 2025

#### Questioned Costs

- Louis Armstrong Middle School Performing Arts Magnet
  - Grades 7 to 8: 1 day/146 days in single track school year
    - Grades 7 to 8: 1 day/146 = 0.01 ADA overstated \* \$11,625.34 = \$116.25
  
- Nestle Avenue Charter
  - Grades 4 to 6: 1 day/146 days in single track school year
    - Grades 4 to 6: 1 day/146 days = 0.01 ADA overstated \* \$12,736.77 = \$127.37
  
- Open Charter Magnet
  - Grades TK/K-3: 1 day/146 days in single track school year
    - Grades TK/K-3: 1 day/146 days = 0.01 ADA overstated \* \$11,473.09 = \$114.73
  
- Reseda Charter High School
  - Grades 9 to 12: 7 days/145 days in single track school year
    - Grades 9 to 12: 7 days/145 days = 0.05 ADA overstated \* \$17,189.57 = \$859.48
  
- Reseda Charter HS Arts/Media/Ent Magnet
  - Grades 9 to 12: 3 days/145 days in single track school year
    - Grades 9 to 12: 3 days/145 days = 0.02 ADA overstated \* \$17,189.57 = \$343.79
  
- Reseda Charter HS Science Magnet
  - Grades 9 to 12: 1 day/145 days in single track school year
    - Grades 9 to 12: 1 day/145 days = 0.01 ADA overstated \* \$17,189.57 = \$171.90
  
- Wilbur Charter for Enriched Academics
  - Grades 4 to 6: 1 day/146 days in single track school year
    - Grades 4 to 6: 1 day/146 days = 0.01 ADA overstated \* \$10,982.61 = \$109.83
  
- Woodland Hills Charter Elementary for Enriched Studies
  - Grades TK/K-3: 4 days/145 days in single track school year
    - Grades TK/K-3: 4 days/145 days = 0.03 ADA overstated \* \$11,788.75 = \$353.66
  - Grades 4 to 6: 2 days/145 days in single track school year
    - Grades 4 to 6: 2 days/145 days = 0.01 ADA overstated \* \$10,839.73 = \$108.40

#### Recommendation

We recommend that the District and the schools continue to strengthen their controls over implementing attendance policies for student attendance reporting by ensuring schools maintain adequate support for reported absences, accurately report student absences in the school's monthly attendance summary, and retain supporting documentation for instances in which students arrive at school late or leave early. Finally, we recommend that the District continue to support the schools by providing adequate training in attendance reporting so that proper attendance reporting procedures are adhered to and that the District maintains documentation reflecting that each of the schools identified above has been successfully trained.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

June 30, 2025

#### Views of Responsible Officials, Planned Corrective Action, and Contact Information

To improve accurate attendance reporting and alignment with SMASR, Pupil Services will implement the following actions:

1. **Student Attendance Policies and Procedures Resources:** Pupil Services will provide monthly reminders through the Schoology communication platform regarding attendance taking and reporting policies and procedures. These resources will be posted once a month starting in September 2025.
2. **Virtual Drop-In Sessions with Office of Organizational Excellence:** Pupil Services will participate in the Office of Organizational Excellence - *2025-2026 School-Based Office Hours* sessions via Zoom. These sessions provide timely support, resources, and guidance on school-related operational matters. They allow school staff to ask questions and address various topics including attendance, enrollment and withdrawal policies, procedures and supporting resources. Pupil Services will participate at least once per month beginning in August 2025 through June 2026.
3. **MyPLN Training - Tools to Support Accurate Attendance and Withdrawal Procedures:** Pupil Services and Attendance will obtain verification of completion for the MyPLN training from schools identified with audit findings. This training provides LAUSD staff with guidance on attendance policies, procedures and audit compliance. It also includes the following MiSiS reports: *Statistical/SMASR Report*, *Five-Column Rosters Report*, *Discrepancy Report* (secondary only) and *Attendance Not Submitted (ANS) Report* in addition to the following MiSiS screens: *Attendance at a Glance Screen* and *Student Contact Log* to support the attendance taking process, appropriate attendance codes, and required documentation by April 2026.
4. **SMASR Timeline and MiSiS Statistical/SMASR Report Self-Audit Tool:** Pupil Services will post regular reminders on Schoology for schools to use the *2025-26 SMASR Timeline* and the MiSiS Statistical/SMASR Report Self-Audit Tool. These tools assist schools in reviewing their attendance data monthly and assist with correcting attendance discrepancies. Pupil Services will also include the SMASR MiSiS job aid to support this process. Reminders with the mentioned tools will be posted via the Schoology platform monthly starting in September 2025.

These steps will strengthen the ability to maintain accurate attendance data and ensure compliance with attendance reporting.

Name: Rudy Gomez  
Title: Director, Pupil Services and Attendance  
Telephone: (213) 241-2925

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Schedule of Findings and Questioned Costs

June 30, 2025

### S-2025-014 – Mode of Instruction – Dependent Charters

**State Audit Guide Finding Codes:** 40000

#### **Schools Affected**

- Louis Armstrong Middle School
- Reseda Charter High School

#### **Criteria**

*California Education Code, Section 47605(l)* - (1) Teachers in charter schools shall hold the Commission on Teacher Credentialing certificate, permit, or other document required for the teacher's certificated assignment. These documents shall be maintained on file at the charter school and are subject to periodic inspection by the chartering authority. A governing body of a direct-funded charter school may use local assignment options authorized in statute and regulations for the purpose of legally assigning certificated teachers, in accordance with all of the requirements of the applicable statutes or regulations in the same manner as a governing board of a school district. A charter school shall have authority to request an emergency permit or a waiver from the Commission on Teacher Credentialing for individuals in the same manner as a school district.

#### **Condition, Cause and Effect**

During our procedures performed for each class sampled for attendance testing of regular and special day classes, adult education, and continuation, we reviewed the classroom teacher's credentials to determine if they possessed valid credentials, if their assigned teaching position was consistent with the authorization of their certification, and if the teachers held a valid English instruction certification in instances when the teacher taught a class in which more than 20% of the pupils were English learners.

We tested a total of forty-one (41) K-12 teachers and noted two (2) teachers who were assigned to teach in a position not consistent with the authorization of his/her certification, due to a teacher not being available to the school site with the appropriate authorization or the school site failing to submit the appropriate form to remedy the misassignment.

- **Louis Armstrong Middle School** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification as the consent form was submitted late.
- **Reseda Charter High School** – One (1) teacher was assigned to teach in a position not consistent with the authorization of his/her certification as the consent form was not submitted.

#### **Questioned Costs**

Not Applicable

#### **Recommendation**

We recommend that the District continue to monitor and strengthen internal controls to ensure teachers are appropriately assigned to teach in a position authorized by their certifications, have a consent form on file when necessary, and substitute teachers are correctly assigned to teach in a position within the time permitted by their credential(s). We also recommend that the schools and the District remediate the misassignments identified above.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Schedule of Findings and Questioned Costs

June 30, 2025

#### **Views of Responsible Official, Planned Corrective Action, and Contact Information**

Human Resources (HR) continues efforts to ensure every student is taught by an appropriately authorized teacher by providing professional development to certificated staff responsible for master scheduling. HR will also continue to leverage the *Office of Staff Relations Update* to remind principals of their responsibilities to ensure they make appropriate assignments and submit local assignment option forms. To reduce the number of late submissions, HR will distribute by May 2026 a list of candidates who utilized local assignment options during the current academic year. This proactive measure will help principals submit local assignment forms for the upcoming academic year in a timely manner. In addition, the four region directors will monitor compliance and schedule intervention meetings with non-responsive sites to address any misassignments. Lastly, the District will remediate the misassignments identified above during the current 2025-2026 academic year.

The Substitute Unit will continue its communication campaign to notify substitute teachers and school administrators of State assignment limits. Warnings will be issued for violations, and any unauthorized substitute teachers will be removed from assignments as necessary. To reinforce compliance, the Substitute Unit will participate in School Administrative Assistant (SAA) and Region Meetings where principals are present, ensuring both SAAs and principals are reminded of their responsibility to adhere to state requirements regarding substitute coverage. Additionally, school sites have been provided with a calculator tool that indicates the last day a substitute may legally remain in the assignment. This enables all schools to proactively monitor and transition substitutes in accordance with state regulations.

#### K-12 Assignment Monitoring

Name: Luz Ortega  
Title: Director, Certificated Employment  
Contact Information: luz.ortega@lausd.net

#### Substitute Unit

Name: Jorge Amador  
Title: Assistant Director, Certificated Substitute Unit  
Contact Information: jorge.amador@lausd.net

Name: Maria Sotomayor  
Title: Director, Organizational Effectiveness  
Contact Information: msotomay@lausd.net

**LOS ANGELES UNIFIED SCHOOL DISTRICT**

Status of Prior Year Findings and Recommendations

June 30, 2025

**Section V - Findings Relating to the Prior Year Basic Financial Statements which are Required to be Reported in Accordance with Government Auditing Standards**

**Finding – FS-2024-001 Vulnerability Management (Significant Deficiency)**

**Finding – FS-2023-002 Vulnerability Management (Significant Deficiency)**

**Finding – FS-2022-002 Vulnerability Management (Significant Deficiency)**

**State Audit Guide Finding Code: 30000**

**SAP Vulnerability**

**Recommendation**

We recommend that District management monitor and remediate sensitive vulnerabilities in a timely manner. At a minimum, “Critical” and “High” severity level vulnerabilities should be remediated within 30 days of identification.

**Current Status**

Implemented.

**MiSiS Vulnerability**

**Recommendation**

We recommend that District management monitor and remediate sensitive vulnerabilities in a timely manner. At a minimum, “Critical” and “High” severity level vulnerabilities should be remediated within 30 days of identification.

**Current Status**

Partially implemented; see item FS-2025-001 within the accompanying schedule of findings and questioned costs.

**CMS Vulnerability**

**Recommendation**

We recommend that District management monitor and remediate sensitive vulnerabilities in a timely manner. At a minimum, “Critical” and “High” severity level vulnerabilities should be remediated within 30 days of identification.

**Current Status**

Implemented.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Status of Prior Year Findings and Recommendations

June 30, 2025

#### **Welligent Vulnerability**

##### **Recommendation**

We recommend that District management monitor and remediate sensitive vulnerabilities in a timely manner. At a minimum, “Critical” and “High” severity level vulnerabilities should be remediated within 30 days of identification.

##### **Current Status**

Partially implemented; see item FS-2025-001 within the accompanying schedule of findings and questioned costs.

#### **Maximo Vulnerability**

##### **Recommendation**

We recommend that District management monitor and remediate sensitive vulnerabilities in a timely manner. At a minimum, “Critical” and “High” severity level vulnerabilities should be remediated within 30 days of identification.

##### **Current Status**

Partially implemented; see item FS-2025-001 within the accompanying schedule of findings and questioned costs.

#### **SAP, MiSiS & Welligent Application Code Vulnerability Management**

##### **Recommendation**

We recommend that District management monitor and remediate sensitive vulnerabilities in a timely manner. At a minimum, “Critical” and “High” severity level vulnerabilities should be remediated within 30 days of identification.

##### **Current Status**

Implemented.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Status of Prior Year Findings and Recommendations

June 30, 2025

### **Maximo, CMS & Colin Application Code Vulnerability Management**

#### **Recommendation**

We recommend that District management monitor and remediate sensitive vulnerabilities in a timely manner. At a minimum, “Critical” and “High” severity level vulnerabilities should be remediated within 30 days of identification.

#### **Current Status**

Partially implemented:

- Maximo Application Code Vulnerability Management
  - o Vulnerability application-level scans are not generated by ITS for the period under review due to vendor software access restrictions.
- CMS Application Code Vulnerability Management
  - o Vulnerability application-level scans are not generated by ITS for the period under review due to vendor software access restrictions.
- Colin Application Code Vulnerability Management
  - o Vulnerability application-level scans were not generated by ITS for the period under review as a source code scanning tool was not available. However, as of June 2025, ITS has implemented the code scans for COLIN.

**LOS ANGELES UNIFIED SCHOOL DISTRICT**

Status of Prior Year Findings and Recommendations

June 30, 2025

**Section VI - Findings Relating to the Prior Year Federal Awards**

No matters were reported.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Status of Prior Year Findings and Recommendations

June 30, 2025

### Section VII – Findings Relating to the Prior Year State Awards

#### S-2024-001 – Regular and Special Day Classes – Attendance Computations

**State Program:** Attendance Accounting: Attendance Reporting

**State Audit Guide Finding Codes:** 10000 and 40000

#### Schools Affected

- 7th Street Elementary Arts Integration Magnet
- Balboa Elementary Gifted/Highly Gifted/High Ability Magnet
- Benjamin Banneker Career and Transition Center
- Bret Harte Preparatory Middle School
- Burton Street Elementary
- Caroldale Learning Community
- Century Park Elementary
- Cesar E Chavez Learning Academy - Academy of Sci Exploration
- Compton Avenue Elementary
- Daniel Pearl Senior High Journalism & Communications Magnet
- Danube Avenue Elementary
- Diane S Leichman Career Preparatory and Transition Center
- Dr James Edward Jones Primary Center
- Dyer Street Elementary
- Elizabeth LC DL Two-Way Im Arabic
- Elizabeth Learning Center
- Fairburn Avenue Elementary
- Garvanza Elementary Technology/Leadership Magnet
- Glenwood Elementary
- Grape Street Elementary
- Halldale Elementary
- Hancock Park Elementary
- Haskell Elementary STEAM Magnet
- Horace Mann UCLA Community School
- Lanai Road Elementary
- Lankershim Elementary
- Legacy Senior High Sci Tech Engineering Arts Math
- Leo Politi Elementary
- Liberty Boulevard Elementary
- Lillian Street Elementary
- Los Angeles Senior High STEAM Magnet
- Los Feliz Science/Tech/Engineer/Math/Medicine Magnet
- Loyola Village Elementary Fine/Performing Arts Magnet
- Mark Twain Middle School
- Mark Twain Middle School World Languages Magnet
- Narbonne SH-Humanities & Arts (HArts) Academy of Los Angeles
- Orthopaedic Hospital Senior High Medical Magnet
- Oxnard Street Elementary
- Panorama City Elementary
- RFK Comm Schls - New Open World Academy K-12
- Rowan Avenue Elementary
- Samuel Gompers MS University Pathways Medical Magnet Academy
- Sharp Avenue Elementary
- Sierra Park Elementary
- Sylvan Park Elementary
- Theodore Roosevelt Senior High
- Thomas Bradley Global Awareness Magnet
- Toland Way Elementary

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Status of Prior Year Findings and Recommendations

June 30, 2025

- Virgil Middle School
- Walnut Park Middle School - Sci Tech Eng and Math Academy
- Wilmington Middle School STEAM Magnet
- Young Empowered Scholars Academy

### Recommendation

We recommend that the District and the schools continue to strengthen their controls over implementing attendance policies over student attendance reporting by ensuring schools maintain adequate support for reported absences, accurately report student absences in the SMASR, and retain supporting documentation for instances in which students arrive to school late or leave early. Additionally, we recommend that the District strengthen its controls over properly retaining attendance-supporting documentation at school sites. Finally, we recommend that the District continue to support the schools by providing adequate training in attendance reporting so that proper attendance reporting procedures are adhered to and that the District maintains documentation reflecting that each of the schools identified above has been successfully trained.

### Current Status

The District has implemented the Corrective Action Plan as stipulated in their response to the prior year audit finding. This is a repeat finding which has been reported in the current year (S-2025-001) but for different schools.

### S-2024-002 – Teacher Certification and Misassignments

**State Audit Guide Finding Codes:** 40000 and 71000

### Schools Affected

- 92nd Street Elementary
- Century Park Elementary
- Elizabeth Learning Center
- Henry T Gage Middle School
- International Studies Learning Center
- John Marshall Senior High
- Legacy Senior High Sci Tech Engineering Arts Math
- Linda Esperanza Marquez Senior High HPIAM
- Mark Twain Middle School
- Maywood Center for Enriched Studies (MaCES) Magnet
- Narbonne SH-Humanities & Arts (HArts) Academy of Los Angeles
- Oliver Wendell Holmes Middle School
- Orville Wright Engineering and Design Magnet
- Wilmington Middle School STEAM Magnet
- Young Empowered Scholars Academy

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Status of Prior Year Findings and Recommendations

June 30, 2025

#### **Recommendation**

We recommend that the District continue to monitor and strengthen internal controls to ensure teachers are appropriately assigned to teach in a position authorized by their certifications, have a consent form on file when necessary, and substitute teachers are properly assigned to teach in a position within the time period permitted by their credential. We also recommend that the schools and the District remediate the misassignments identified above.

#### **Current Status**

The District has implemented the Corrective Action Plan as stipulated in their response to the prior year audit finding. This is a repeat finding which has been reported in the current year (S-2025-002) but for different schools and teachers.

#### **S-2024-003 – Kindergarten Continuance**

**State Audit Guide Finding Codes:** 40000

#### **Schools Affected**

- Germain Academy for Academic Achievement
- Haskell Elementary STEAM Magnet
- Hope Street Elementary
- Lankershim Elementary
- Riverside Drive Charter School
- Topanga Elementary Charter School
- Valerio Street Elementary
- Young Empowered Scholars Academy

#### **Recommendation**

We recommend that schools offering Kindergarten understand and adhere to the District's policy by retaining evidence of the signed and dated parental agreement for continuance forms, approved in form and content by the CDE, for all students repeating kindergarten prior to the start of the school year to support the inclusion of such pupils in the average daily attendance computation. The District should continue to communicate and train all schools on the District's Kindergarten Continuance policy.

We also recommend that the District obtain a written acknowledgment from the schools identified above that they have been provided with the most updated District policy on Kindergarten Continuance and have implemented a system of tracking students who continue in Kindergarten. The District should also continue ensuring that schools are notified in circumstances where a pupil is transferred after attending Kindergarten with another school.

#### **Current Status**

The District has implemented the Corrective Action Plan as stipulated in their response to the prior year audit finding. This is a repeat finding which has been reported in the current year (S-2025-012) but for different schools.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Status of Prior Year Findings and Recommendations

June 30, 2025

#### **S-2024-004 Independent Study – Attendance Computations**

**State Program:** Attendance Accounting: Attendance Reporting

**State Audit Guide Finding Codes:** 10000 and 40000

#### **Schools Affected**

- Franklin Avenue Elementary
- Virtual Academy Arts & Entertainment
- Virtual Academy STEAM

#### **Recommendation**

We recommend that the District strengthen its review process over independent study to ensure that all elements of the master agreements are complete and that all records of attendance contain readily available corresponding pupil work products, teacher evaluations, and daily participation reports. We also recommend that the District provide proper training to ensure attendance is reported accurately and policies are adhered to.

#### **Current Status**

The District has implemented the Corrective Action Plan as stipulated in their response to the prior year audit finding. For the corrective action of short-term independent study, the District provided trainings to principals and school administrative assistants with the intent of training the west region. This is a repeat finding which has been reported in the current year (S-2025-003) but for different schools.

#### **S-2024-005 – Classroom Teacher Salaries**

**State Audit Guide Finding Codes:** 61000

#### **Recommendation**

We recommend that the District put mechanisms in place to track their percentage of teacher salaries and benefits to total expenses throughout the year in order to monitor compliance with the classroom teacher salary requirements.

#### **Current Status**

The District has implemented the Corrective Action Plan as stipulated in their response to the prior year audit finding. This is a repeat finding which has been reported in the current year (S-2025-004).

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Status of Prior Year Findings and Recommendations

June 30, 2025

### S-2024-006 – Proposition 28 Arts And Music in Schools

**State Audit Guide Finding Codes:** 40000

#### Recommendation

We recommend that the District strengthen its monitoring and review controls over expenditure charges to the Proposition 28 Arts and Music in School fund to ensure that all costs are associated with allowable services and that all necessary adjustments are made timely.

#### Current Status

The District has implemented the Corrective Action Plan as stipulated in their response to the prior year audit finding. This is a repeat finding which has been reported in the current year (S-2025-009).

### S-2024-007 – After School Education and Safety Program

**State Program:** After School Education and Safety Program

**State Audit Guide Finding Codes:** 40000

#### Schools Affected

- 4th Street Primary Center
- 59th Street Elementary
- Beethoven Street Elementary
- Benjamin Franklin High School
- Breed Street Elementary
- Brentwood Elementary Science Magnet
- Broadway Elementary
- Carmen Lomas Garza Primary Center
- Carthay Elementary of Environmental Studies Magnet
- Charnock Road Elementary
- Dr James Edward Jones Primary Center
- El Sereno Middle School
- Emelita Street Elementary
- Eshelman Avenue Elementary
- Gardner Street Elementary
- Humphreys Avenue Elementary
- John W Mack Elementary
- Kester Avenue Elementary
- Knollwood Preparatory Academy
- Leland Street Elementary
- Loyola Village Elementary Fine/Performing Arts Magnet
- MacArthur Park Elementary Visual and Performing Arts
- Melrose Avenue Elementary Math/Science/Technology Magnet
- Nora Sterry Elementary
- Northridge Middle School
- Parthenia Academy of Arts and Technology
- RFK Comm Schls - UCLA Community School K-12
- Richard E Byrd Middle School
- Richland Avenue Elementary
- Robert F Kennedy Elementary
- Soto Street Elementary
- Virgil Middle School
- Walgrove Avenue Elementary
- Woodland Hills Academy

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Status of Prior Year Findings and Recommendations

June 30, 2025

#### **Recommendation**

We recommend that the District strengthen its procedures on attendance documentation for the After School Education and Safety program. The District should ensure that the agencies performing the services for these programs are aware of the District's policies, specifically on maintaining accurate attendance records and retain supporting documentation for instances in which students arrive to the programs late or leave early.

#### **Current Status**

The District has implemented the Corrective Action Plan as stipulated in their response to the prior year audit finding. This is a repeat finding which has been reported in the current year (S-2025-006) but for different schools.

#### **S-2024-008 – Unduplicated Local Control Funding Formula Pupil Counts**

**State Program:** Unduplicated Local Control Funding Formula Pupil Counts

**State Audit Guide Finding Code:** 40000

#### **Schools Affected**

- Grape Street Elementary
- Halldale Elementary
- Joseph Pomeroy Widney Career Preparatory & Transition Center
- King-Drew Senior High Medicine and Science Magnet
- Los Feliz Science/Tech/Engineer/Math/Medicine Magnet
- Mar Vista Elementary
- Ramon C Cortines School of Visual & Performing Arts
- Palisades Charter Elementary (Dependent Charter)

#### **Recommendation**

We recommend that the District continue monitoring English learners and free and reduced meal eligibility statuses to ensure students designated as English learners or free and reduced meal eligible have proper supporting documentation. We also recommend that the District continue to train staff on enrollment procedures so that students' correct designations will be reflected in the student information system.

#### **Current Status**

The District has implemented the Corrective Action Plan as stipulated in their response to the prior year audit finding. This is a repeat finding which has been reported in the current year (S-2025-007) but for different schools.

# LOS ANGELES UNIFIED SCHOOL DISTRICT

## Status of Prior Year Findings and Recommendations

June 30, 2025

### S-2024-009 Immunizations

**State Audit Guide Finding Codes:** 40000

#### Schools Affected

- 107th Street Elementary
- 109th Street Elementary
- 153rd Street Elementary
- 15th Street Elementary
- 42nd Street Elementary
- 52nd Street Elementary
- 61st Street Elementary
- 96th Street Elementary
- 96th Street Elementary DL Two-Way Im Spanish
- 9th Street Elementary
- Angeles Mesa Elementary
- Baldwin Hills Elementary
- Budlong Avenue Elementary
- Carthay Elementary of Environmental Studies Magnet
- Columbus Avenue Elementary
- Esperanza Elementary
- Fairburn Avenue Elementary
- Figueroa Street Elementary
- Hubert Howe Bancroft Middle School
- Hubert Howe Bancroft Middle School Performing Arts Magnet
- La Salle Avenue Elementary
- MacArthur Park Elementary Visual and Performing Arts
- Manhattan Place Elementary
- Mariposa-Nabi Primary Center
- Marquez Charter
- Mountain View Elementary DL Two-Way Im Armenian
- Rancho Dominguez Preparatory School
- Rio Vista Elementary
- Saticoy Elementary DL Two-Way Im Armenian
- South Park Elementary DL Two-Way Im Spanish
- West Athens Elementary
- Wisdom Elementary

#### Recommendation

We recommend that the District strengthen its controls over implementing District policies regarding pupil immunization record tracking. Furthermore, we recommend that the District continue providing adequate training to the schools to properly monitor pupil immunization.

#### Current Status

The District has implemented the Corrective Action Plan as stipulated in their response to the prior year audit finding. This is a repeat finding which has been reported in the current year (S-2025-010) but for different schools.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Status of Prior Year Findings and Recommendations

June 30, 2025

#### **S-2024-010 – Expanded Learning Opportunities Grant**

**State Audit Guide Finding Codes:** 40000

##### **Recommendation**

We recommend that the District strengthen its monitoring and review controls over expenditure charges to the ELO-G fund to ensure that all costs are associated with allowable services and that all necessary adjustments are made timely.

##### **Current Status**

The District has implemented the Corrective Action Plan as stipulated in their response to the prior year audit finding.

#### **S-2024-011 – Expanded Learning Opportunities Program**

**State Audit Guide Finding Codes:** 40000

##### **Recommendation**

We recommend that the District strengthen its controls over the master enrollment list to ensure it includes all students who submit a registration form.

##### **Current Status**

The District has implemented the Corrective Action Plan as stipulated in their response to the prior year audit finding. This is a repeat finding which has been reported in the current year (S-2025-011).

#### **S-2024-012 – Transitional Kindergarten**

**State Audit Guide Finding Codes:** 40000

##### **Recommendation**

We recommend that the District implement mechanisms to track their compliance with transitional kindergarten and early enrollment average class enrollment and adult-to-pupil ratio throughout the year to monitor compliance with transitional kindergarten average class enrollment and adult-to-pupil ratio requirements.

##### **Current Status**

The District has implemented the Corrective Action Plan as stipulated in their response to the prior year audit finding.

## LOS ANGELES UNIFIED SCHOOL DISTRICT

### Status of Prior Year Findings and Recommendations

June 30, 2025

#### **S-2024-013 – Attendance Accounting – Dependent Charters – Attendance Computations**

**State Program:** Attendance Accounting: Attendance Reporting

**State Audit Guide Finding Codes:** 10000 and 40000

##### **Schools Affected**

- El Oro Way Charter for Enriched Studies
- Paul Revere Charter Middle School
- Plainview Academic Charter Academy
- Sylmar Charter High School

##### **Recommendation**

We recommend that the District and the schools continue to strengthen their controls over implementing attendance policies over student attendance reporting by ensuring schools maintain adequate support for reported absences, accurately report student absences in the school's monthly attendance summary and retain supporting documentation for instances in which students arrive to school late or leave early. Finally, we recommend that the District continue to support the schools by providing adequate training in attendance reporting so that proper attendance reporting procedures are adhered to and that the District maintains documentation reflecting that each of the schools identified above has been successfully trained.

##### **Current Status**

The District has implemented the Corrective Action Plan as stipulated in their response to the prior year audit finding. This is a repeat finding which has been reported in the current year (S-2025-013) but for different schools.

#### **S-2023-005 – Instructional Time**

**State Audit Guide Finding Codes:** 40000

##### **Recommendation**

We recommend the District put mechanisms in place to track their compliance with instructional days and instructional minutes offered throughout the year to monitor compliance with the instructional days and instructional minutes requirements.

##### **Current Status**

Implemented.

**INDEPENDENT AUDITOR'S MANAGEMENT LETTER**



SIMPSON & SIMPSON  
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December 15, 2025

The Honorable Board of Education  
Los Angeles Unified School District  
Los Angeles, California

Members of the Board:

In planning and performing our audit of the financial statements of the **Los Angeles Unified School District** (District) as of and for the year ended June 30, 2025, in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item FS-2025-001 and FS-2025-002 that we consider to be significant deficiencies.



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Although not considered to be significant deficiencies or material weaknesses, we also noted certain items during our audit, which we would like to bring to your attention. These comments are summarized in the following report to management on pages 359 to 366. Our observations and recommendations have been discussed with appropriate members of management and are intended to strengthen internal controls and operating efficiency.

The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

This communication is intended solely for the information and use of the Board of Education, District management, the State Controller's office, federal awarding agencies, and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in black ink that reads "Simpson &amp; Simpson". The signature is written in a cursive style with a small ampersand between the two names.

## **Current Year Management Letter Comments**

### **ML-2025-001 – Colin User Access**

#### **Condition**

Our review of Colins users revealed 42 (forty-two) user accounts assigned to retired status District employees and 43 (forty-three) user accounts assigned to withdrawn status District employees.

#### **Recommendation**

Application user accounts of retired and withdrawn employees be deactivated and subsequently deleted in a timely manner.

#### **Management Response**

Concur.

We are implementing an automated process to deactivate the COLIN user accounts of employees that have retired or withdrawn from LAUSD using employee status information gathered from SAP. The process will go into production on September 4th, 2025, when the production release freeze is lifted (MOC: CHG0030435).

Compensating Controls:

Colin is set-up in four VLANs that are only accessed by FSD authorized users through specific AD Groups. Colin is available to the outside via Global Protect and is set up to traverse the WAF.

Target Completion: Completed September 4, 2025

Name: Joseph Holop  
Title/Division: Senior Administrator, IT Infrastructure  
Information Technology Services (ITS)

## **Current Year Management Letter Comments**

### **ML-2025-002 – Annual Form 700**

#### **Condition**

The District’s Office of the General Counsel, through Form 700 – Statement of Economic Interests Filing Requirements (BUL-162112, February 24, 2025), establishes procedures to ensure compliance with the Political Reform Act and related Fair Political Practices Commission (FPPC) regulations. Section E, *Late Filing Fees and Referral for Non-Compliance*, provides the following directive for late filers:

“If, after two late filing notifications, a filer fails to submit their relevant Form 700 (assuming/annual/leaving), the Ethics Office is required by law to refer the filer to the FPPC for ‘non-compliance.’ Violations of the Act can result in personal penalties assessed to the filer of up to \$5,000 per violation (Government Code Section 91005.5).”

In addition, the FPPC Notification Guidelines for Filing Officers establish timelines for notifying delinquent filers and initiating referrals:

“If a filer fails to file by the statutory deadline, the filing officer should, no later than 120 days after the filing deadline, send a written notification to the non-filer that his or her statement has not been received. If the non-filer’s statement has not been received in response to the first notification, the filing officer should send a second non-filer notification within 60 days of the first notification letter.”

We tested the submission of Form 700 for 43 employees and identified 2 employees whose Form 700 filing procedures did not align with District policy, as follows:

- For 1 employee, the District should have notified the filer of the requirement to submit the Form 700 upon returning from maternity leave. The employee returned on October 3, 2024, but did not submit the required Form 700 until June 1, 2025.
- For 1 employee who separated from the District on January 15, 2025, the District sent the first notice of non-filing on June 25, 2025, but should have issued the notice within 120 days of the employee’s separation. The employee has not yet submitted the required Form 700 to the District.

#### **Recommendation**

We recommend that the Ethics Office strengthen controls over the timely notifications of late Form 700 filers in accordance with District policies and FPPC guidelines.

## **Current Year Management Letter Comments**

### **Management Response**

The Ethics Office agrees with the above recommendation. When the Ethics Office receives information that a Form 700 filer is on leave, it will work with the filer's manager to arrange notification of the employee's return to work date so the Ethics Office may send an additional notice to file upon their return to work. The Ethics Office will also consult with the Personnel Commission and Human Resources Divisions to determine if it is possible to receive early notification of when an employee holding a Form 700 is set to separate with the District due to an exhaustion of benefit time by the end of the first quarter of 2026 (March 31, 2026).

Name: Darlene L. Vargas  
Title: Ethics Officer  
Contact Information: Darlene.vargas@lausd.net

### **ML-2025-003 – Liability Self-Insurance (LSI) Claims Processing**

#### **Condition**

The District's Risk Management and Insurance Services Division, through its Liability and Property Unit, oversees the administration of all liability claims under the Liability Self-Insurance (LSI) Program. The District maintains a self-insured retention (SIR) limit of \$5,000,000 per occurrence, with all claims processed through the District's Third-Party Administrator (TPA), Carl Warren & Company, and subject to review and approval by authorized levels of management and the Office of General Counsel (OGC).

Settlements are governed by established authorization thresholds requiring approval by the OGC for amounts up to \$250,000, and by the Board of Education for settlements exceeding \$250,000. The Board's formal approval, evidenced by a Board Memorandum, serves as the document authorizing the execution of a settlement agreement. This memo should be issued immediately following the closed session meeting and prior to the execution of any settlement agreement.

We tested a total of 40 claims for Fiscal Year 2025 and identified the following exceptions:

- 1 sample where the Board approval memorandum was prepared subsequent to our request, rather than immediately following the Board's closed session.
- 9 samples with a significant time lapse between the Board's closed session date and the date on which the Board approval memorandum was finalized summarizing the results of the closed session. As a result, in 8 of the 9 samples, the settlement agreements were signed by OGC prior to the preparation and availability of the Board approval memorandum.

#### **Recommendation**

We recommend that the District strengthen controls to ensure the Board approval memorandum is prepared and finalized immediately following the closed session. Further, we recommend the District prepare a formal written policy regarding these controls.

## **Current Year Management Letter Comments**

### **Management Response**

The Office of General Counsel (“OGC”) agrees with the recommendation to strengthen controls and the General Liability Litigation Team within the OGC has already implemented controls and written procedures to ensure timely issuance of Board approval memorandum following closed session action.

Name: Mampre R. Pomakian  
Title: Chief General Liability Litigation Counsel  
Telephone: (213) 241-7634

### **ML-2025-004 – Payroll and Human Resources**

#### **Condition**

##### Request for Personnel Assignment (RPAs)

The District’s Budget Services and Financial Planning Division, through its publication Request for Personnel Action (RPA) Job Aid – Revised July 2020, establishes the following requirements for the use and processing of RPAs:

“RPAs are used:

1. To assign personnel to positions
2. To make changes to an employee’s assignment.”

Each RPA must be completed to identify the type of personnel action being requested, such as establishing a new position, modifying an existing position, or closing an assignment. The form requires completion of employee and funding information, including position ID, job code, effective dates, and organizational unit details. The form must also include the signature of the principal, administrator, or supervisor authorizing the RPA, along with the date, contact information, and verification of funding by a Fiscal Specialist prior to submission to Personnel for processing. After all authorizations and dates are recorded, the signed RPA is forwarded to Personnel for entry and final processing.

We tested a sample of 125 employees for select positions in Fiscal Year 2025 and identified the following:

- 9 employees for whom the District was unable to provide the corresponding Request for Personnel Action (RPA) forms.

### **Current Year Management Letter Comments**

#### New Hires Form I-9, Employment Eligibility Verification Form Processing

Pursuant to Title 8 of the Code of Federal Regulations, Section (8 C.F.R) 274a.2(b)(1)(i)(A):

“Completes section 1—“Employee Information and Verification”—on the Form I-9 at the time of hire and signs the attestation with a handwritten or electronic signature in accordance with paragraph (h) of this section...”

Further, Section (8 C.F.R) 274a.2(b)(1)(ii) stipulates:

“Except as provided in paragraph (b)(1)(viii) of this section, an employer, his or her agent, or anyone acting directly or indirectly in the interest thereof, must within three business days of the hire:

- A. Physically examine (or otherwise examine pursuant to an alternative procedure authorized by the Secretary under paragraph (b)(1)(ix) of this section) the documentation presented by the individual establishing identity and employment authorization as set forth in paragraph (b)(1)(v) of this section and ensure that the documents presented appear to be genuine and to relate to the individual; and
- B. Complete section 2—“Employer Review and Verification”—on the Form I-9 within three business days of the hire and sign the attestation with a handwritten signature or electronic signature in accordance with paragraph (i) of this section.”

We tested a sample of I-9 Forms for 60 newly hired employees in Fiscal Year 2025 and identified the following:

- 2 employees entered their date of birth in the “Today’s Date” field instead of the actual date of completion. The District did not obtain updated forms prior to employment.
- 1 employee’s I-9 form was missing the employer’s “Today’s Date.” The District did not obtain an updated or corrected form prior to employment.
- 1 employee failed to properly record the “Today’s Date” on the I-9 form. The District did not obtain a corrected form prior to employment.
- 1 employee’s I-9 form contained alterations made with white-out. The District did not obtain an updated or corrected form prior to employment.

## **Current Year Management Letter Comments**

### Timesheet Approvals

The District's Payroll Concepts Manual, Appendix M: Time Reporting and Time Approval Policy – BUL-6638.0, stipulates the following regarding timesheet approvals:

“Principals have oversight responsibility to ensure school site timekeepers are in compliance with payroll policies and procedures. Local Districts have oversight responsibilities to ensure school time approvers are in compliance with payroll policies and procedures. Directors and Division-level administrators have oversight responsibility to ensure non-school timekeepers and non-school time approvers are in compliance with payroll policies and procedures.

Below is a list of time approver guidelines that must be followed in order to ensure compliance. Local Districts and Division administrators have oversight responsibility over administrators to ensure that the guidelines are being followed:

1. Review and approve all employees by the cut-off deadline for each payroll area: Classified (CL), Certificated (CE), and Semi-Monthly (SM)”

We tested a sample of timesheets for 145 employees covering various pay periods in Fiscal Year 2025 and identified the following:

- 2 timesheets did not contain evidence of approval.
- 10 timesheets were approved after the payroll processing deadline and not prior to the employees' payroll processing.

### Overtime Authorization

The District's Payroll Concepts Manual, Appendix H: Overtime Policy – Classified Employees BUL-5996.0, stipulates the following regarding overtime authorization:

“Overtime must be approved in advance except in the case of extreme circumstances. The approval must always be confirmed in writing by the site administrator within the next three working days. Administrators must ensure that funds are available for authorized overtime, except when the health and safety of students or staff members is in severe and immediate danger. For audit purposes, written authorization for overtime must be retained at the work location for five years from the date that the overtime is approved.”

We tested a sample of overtime charges for 20 employees covering various pay periods in Fiscal Year 2025 and identified the following:

- 3 employees worked overtime that was not pre-approved by an authorized supervisor.
- 9 employees worked overtime that was approved by an authorized supervisor subsequent to the overtime being worked.

## **Current Year Management Letter Comments**

### **Recommendation**

We recommend that the District strengthen controls over Request for Personnel Action (RPA) retention, I-9 Form preparation and processing, timesheet approvals, and overtime authorizations through enhanced monitoring and supervisory training to ensure full compliance with District policies and procedures.

### **Management Response**

#### Payroll Administration

Payroll Administration concurs with the recommendation pertaining to timesheet approvals and overtime authorizations. Employee timesheets and overtime pre-approval forms are originated, reviewed, and retained at the respective work locations. Therefore, Payroll Administration does not have direct access to these site-level records.

To strengthen compliance, Payroll Administration will continue to provide targeted training and guidance to time reporters and time approvers on the timely review and approval of timesheets, as well as the requirement for advance authorization of overtime. These topics will be reinforced during the monthly Time Reporter and Time Approver Virtual Office Hours.

Furthermore, Payroll Administration will continue to issue periodic communications and disseminate the Best Practices Worksheet, which outlines key payroll compliance requirements, including adherence to payroll cut-off deadlines and pre-approval of overtime. The Best Practice Worksheet will be sent out to all Time Reporters and Time Approvers on a quarterly basis.

The target date to commence the corrective actions is November 2025.

Payroll Administration remains committed to supporting District departments and school sites in maintaining full compliance with established payroll policies and procedures.

Name: Araceli Pineda  
Title: Director, Payroll Administration  
Contact Information: [araceli.pineda@lausd.net](mailto:araceli.pineda@lausd.net)

## **Current Year Management Letter Comments**

### Personnel Commission

The District's hiring process for Classified employees continued to evolve during FY2024-25 to align with system improvements, enhance operational efficiency, and maintain the internal control and documentation standards previously supported by the Request for Personnel Action (RPA) form.

As part of this transition, the Information Technology Services (ITS) Division initiated the move to a self-service hiring system designed to automate Classified hiring actions and gradually replace the manual RPA process. The Classified Employment Services Branch (CESB) continues to maintain responsibility for key control activities, including background and fingerprint verification, nepotism review, onboarding coordination, SAP/BTS data entry, and issuance of mandated assignment letters.

During FY 2024-25, the District initiated a pilot process for the SuccessFactors platform, which further streamlines the hiring process and electronically captures approvals and documentation previously recorded on the RPA. As a result, the RPA form was not utilized for all hiring actions in FY2024-25, as these activities were documented and approved within the self-service and SuccessFactors systems. CESB continues to perform the same control activities to ensure accuracy, compliance, and proper documentation of personnel actions.

The PC Form 5109 (Nepotism Form)—signed by the hiring manager—together with the Classified assignment letter specifying final employment terms, will serve as documentation supporting each hiring action and collectively replace the RPA form under District's new hiring process.

Name: Maria Underwood  
Title: Deputy Personnel Director, Personnel Commission  
Contact Information: maria.underwood@lausd.net

### Human Resources and Personnel Commission

The Division of Human Resources and the Personnel Commission will jointly develop training materials, compliance checklists, and monitoring tools by Fall 2025, with training to be completed by Spring 2026. The District will continue to coordinate among the Personnel Commission and Human Resources to ensure that hiring workflows within the SuccessFactors platform are fully documented, compliant with applicable policies and procedures, and consistently applied across all departments. Management will also review and update related procedures and guidance to ensure that documentation supporting personnel actions remains complete, standardized, and documented.

Name: Leanne Hannah  
Title: Director, Division of Human Resources  
Contact Information: leanne.hannah@lausd.net

Name: Maria Underwood  
Title: Deputy Personnel Director, Personnel Commission  
Contact Information: maria.underwood@lausd.net

## **Status of Prior Year Management Letter Comments**

### **ML-2024-001 – Colin User Access**

#### **Recommendation**

Application user accounts of retired and withdrawn employees be deactivated and subsequently deleted in a timely manner.

#### **Current Status**

Implemented.

### **ML-2024-002 – Maximo User Access**

#### **Recommendation**

Application user accounts of retired, withdrawn and inactive employees should be deactivated and subsequently deleted in a timely manner.

#### **Current Status**

Implemented.

### **ML-2024-003 – Annual Form 700 ML-2023-004 – Annual Form 700**

#### **Recommendation**

We recommend that the Ethics Office strengthen its controls over collecting Form 700s by adopting remediation guidelines stipulated by the FPPC to ensure timely submission. Additionally, we recommend the Ethics Office identify and notify required filers timely.

#### **Current Status**

Implemented.

## **Status of Prior Year Management Letter Comments**

### **ML-2024-004 – Procurement of Professional Service Contracts**

#### **Recommendation**

We recommend that the District strengthen controls over the procurement of professional service agreements to ensure adherence to its Procurement Manual, particularly regarding payments for services performed prior to the execution of an agreement. Additionally, we recommend implementing procedures to promptly correct and resolve any errors identified after an agreement has been executed by amending the agreement and ensuring the purchase order is corrected.

#### **Current Status**

Implemented.





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