

# Fiscal and Program Update

*April 28, 2026*

*Meeting of the Committee of the Whole*

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# Agenda

## **Budget Overview**

### **Non-Labor Expenditures**

*Budget to Expenditure Comparison*

### **Special Education Program**

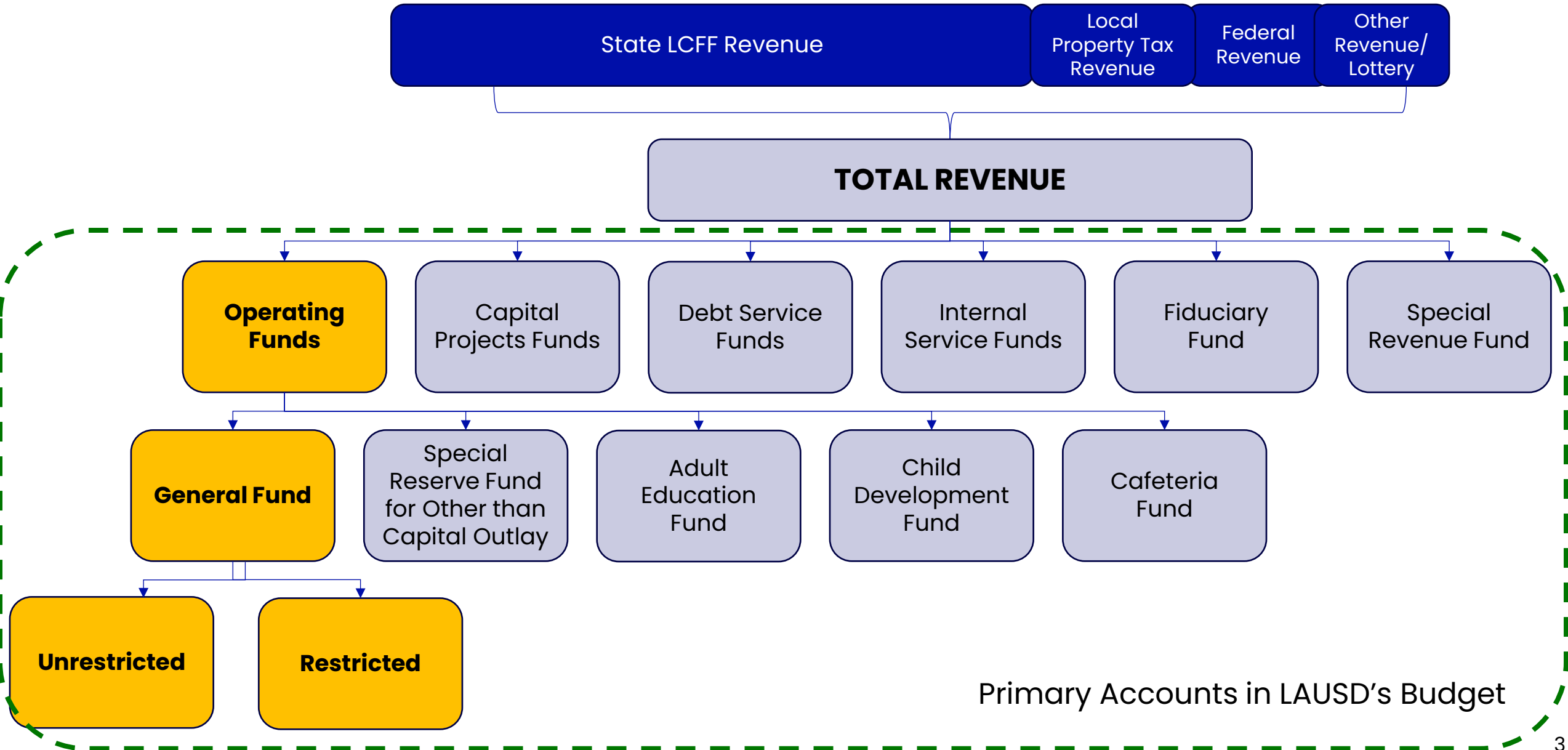
*Program Overview, Budget and Expenditure Summary*

### **Expanded Learning Opportunities Program (ELO-P)**

*Program Requirements, Funding History, and Expenditure Trends*

*Tutoring Programs, Funding History and FY 2027 Proposed Model*

# LAUSD's Overall Budget Accounting Structure

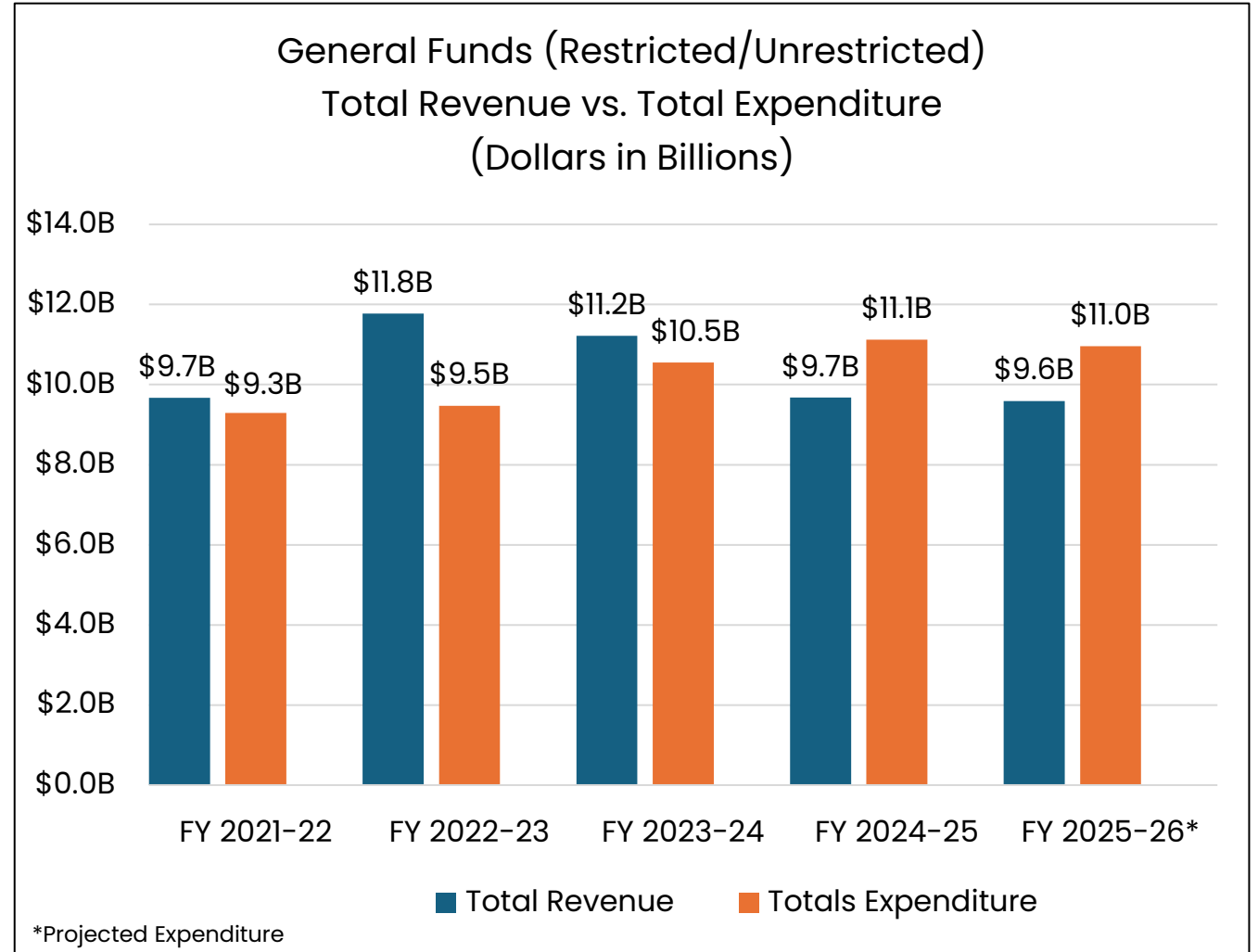


Primary Accounts in LAUSD's Budget

# General Fund Budget

*Shift from building reserves to deficit spending*

- ❑ Rising labor costs, one-time COVID-19 funding, declining enrollment, and the evolving needs of our student have driven the shift from building reserves to deficit spending.
- ❑ LAUSD has begun efforts to reduce deficit spending with measures outlined in the Fiscal Stabilization Plan (FSP) and more rigorous internal oversight of procurements.



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*Budget to Expenditure Comparison*

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*Program Requirements, Funding History, and Expenditure Trends  
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# Accounting Categories

## Labor (1000 – 3999)



### Certificated Salaries (1000 – 1999)

#### Examples

- Certificated Teachers' Salaries (1100)
- Other Certificated Salaries (1900)



### Classified Salaries (2000 – 2999)

#### Examples

- Classified Instructional Salaries (2100)
- Classified Support Salaries (2200)

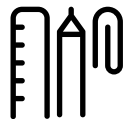


### Employee Benefits (3000 – 3999)

#### Examples

- CA State Teachers' Retirement (3101-3102)
- CA Public Employees' Retirement (3201-3202)

## Non-Labor (4000 – 6999)



### Books & Supplies (4000 – 4999)

#### Examples

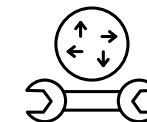
- Materials and Supplies (4300)
- Noncapitalized Equipment (4400)



### Services & Other Operating Budgets (5000 – 5999)

#### Examples

- Sub-agreements for Services (5100)
- Insurance (5400)
- Professional/Consulting Services and Operating Expenditures (5800)



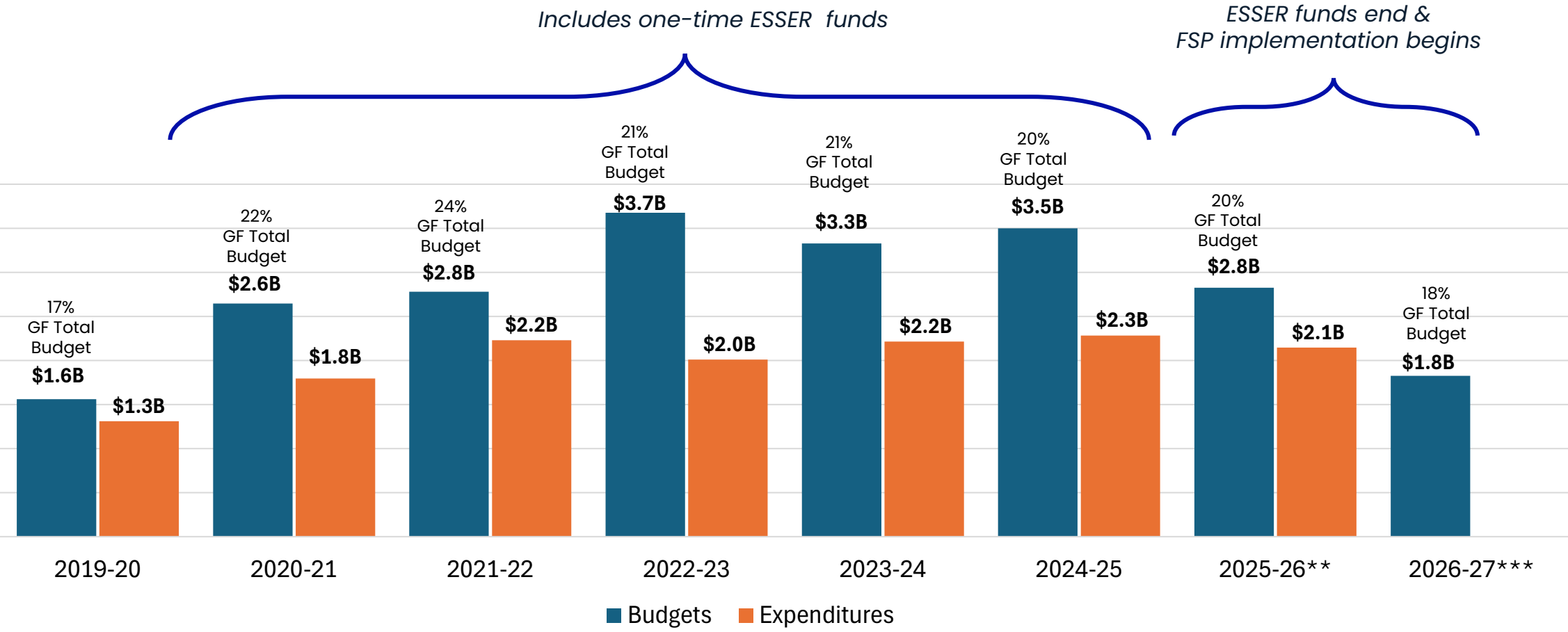
### Capital Outlay (6000 – 6999)

#### Examples

- New Equipment (6400)
- Equipment Replacement (6500)

# Total Non-Labor Expenses\*

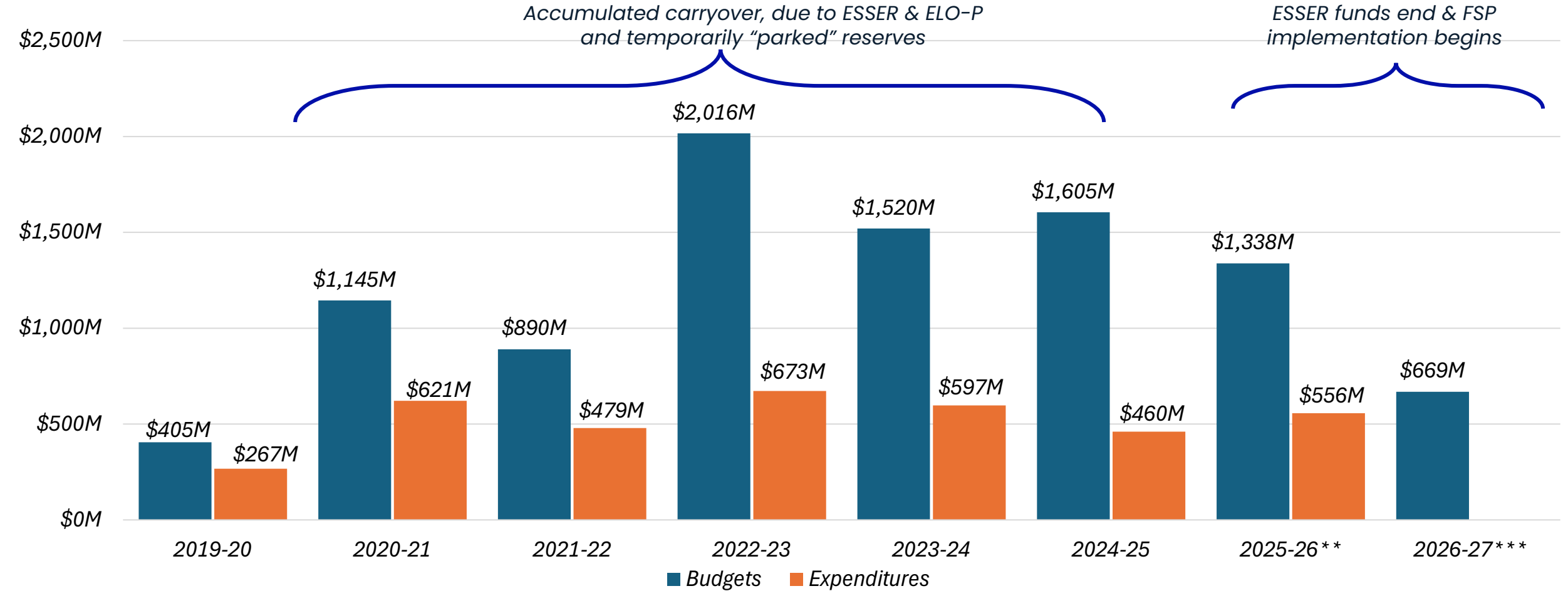
*Budget nears pre-pandemic levels after the one-time ESSER funds end and the FSP implementation begins*



\*Books and Supplies (4000s), Services & Other Operating Budgets (5000s) and Capital Outlay (6000s)  
 \*\*Projected Expenditure  
 \*\*\*Preliminary Budget

# Books & Supplies\*

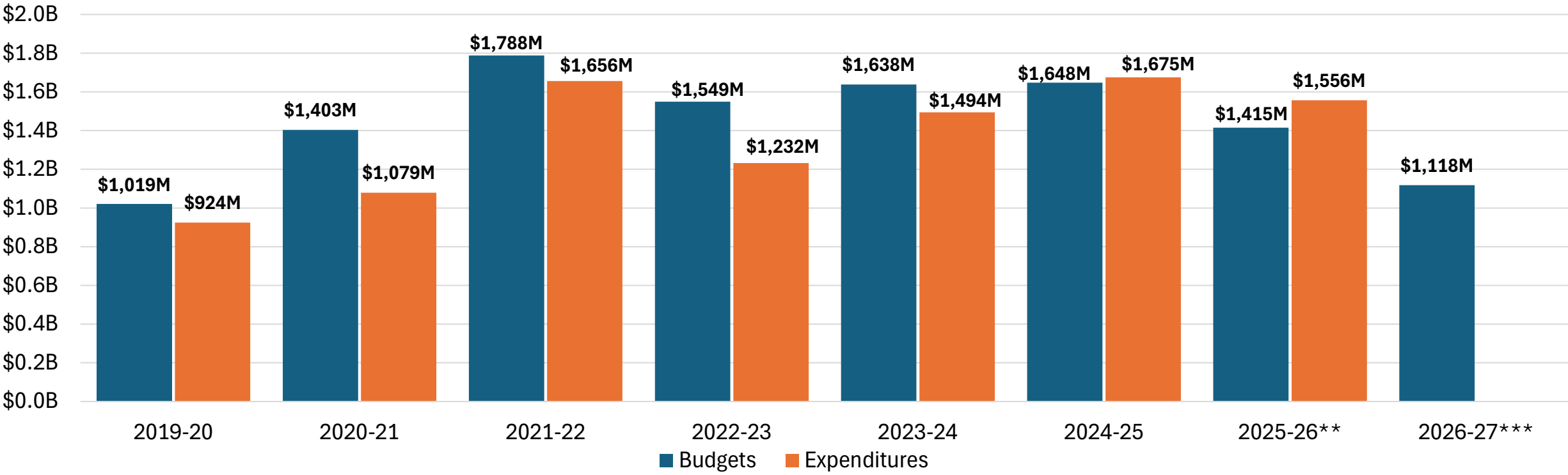
*Projected budget reduction in 2026-27, after several years of accumulated ESSER & ELO-P funds*



\*Object Codes 4000 – 4999  
 \*\*Projected Expenditure  
 \*\*\*Preliminary Budget

# Services & Other Operating Expenses\*

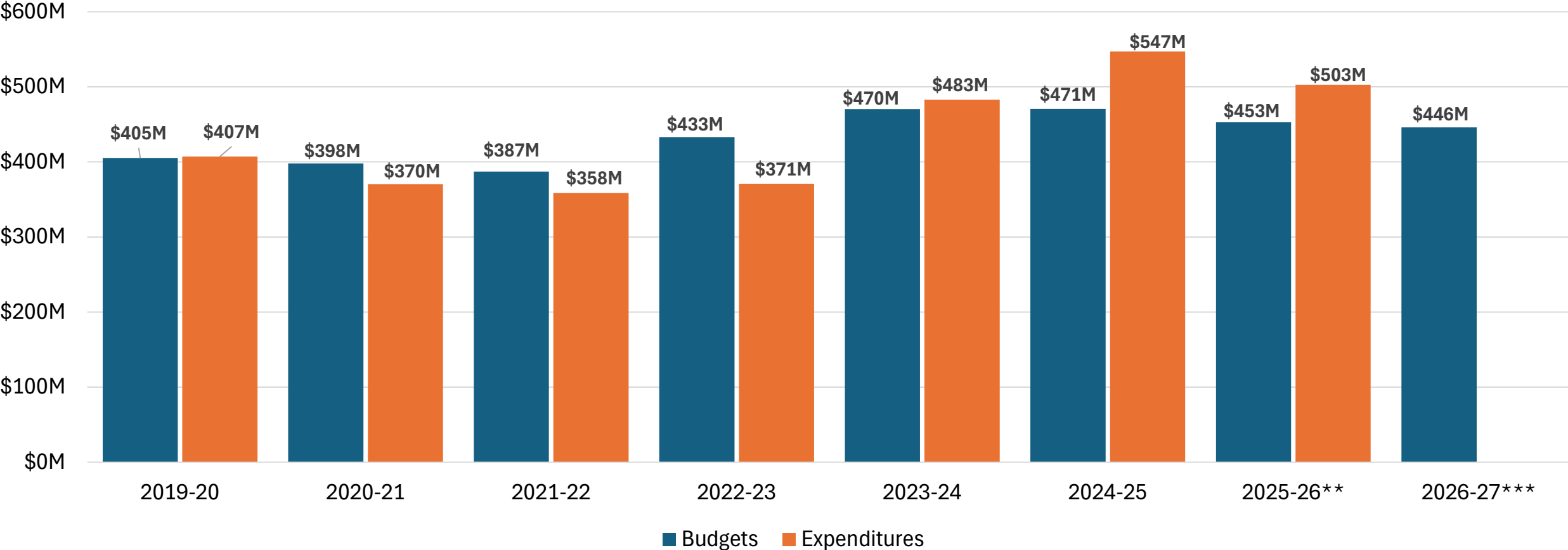
*Reflects a growing demand for sub-agreements to support mandated special education services and LAUSD's enrichment program expansion*



\*Object Codes 5000 – 5999  
 \*\*Projected expenditure  
 \*\*\*Preliminary budge

# Services & Other Operating Expenses: Sub-Agreements

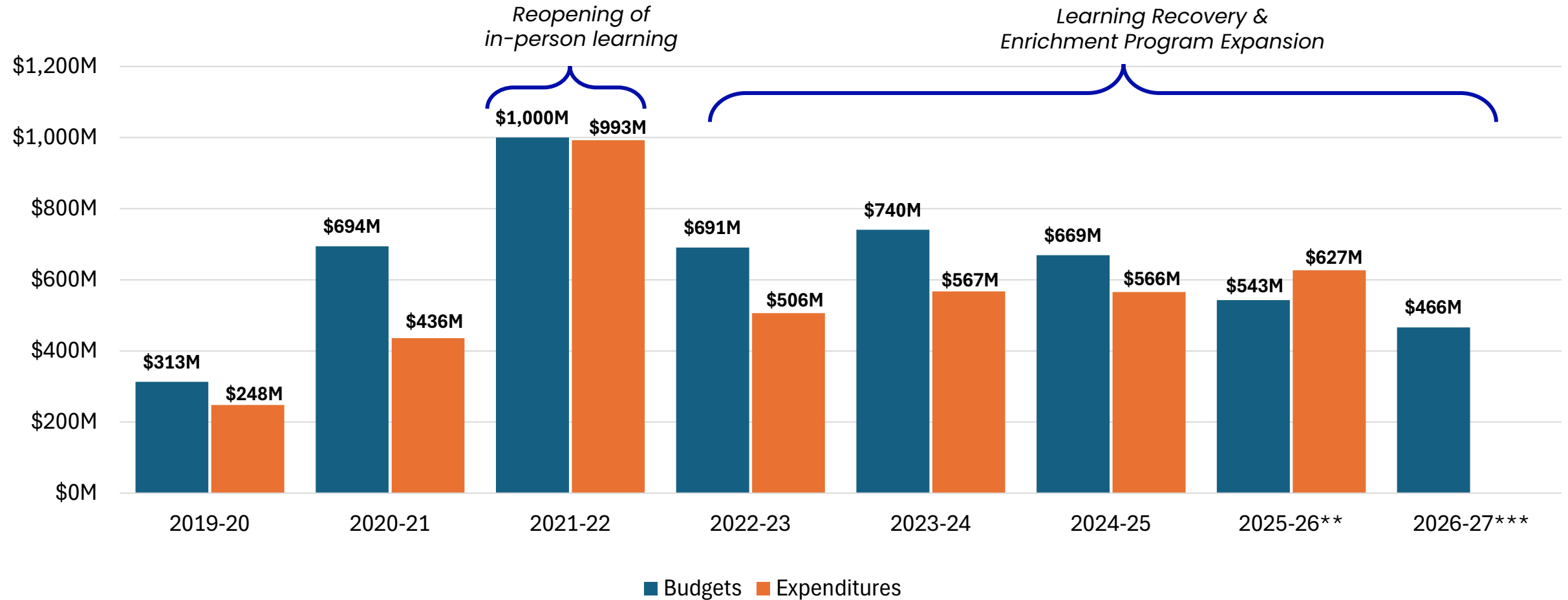
*Reflects an increased demand for mandated special education student support services from third parties*



\*Object Code 5100 only  
\*\*Projected Expenditure  
\*\*\*Preliminary Budget

# Services & Other Operating Expenses: Professional & Consulting\*

*Reflects LAUSD's enrichment program expansion, with reductions planned in 2025-26*



■ Budgets ■ Expenditures

\*Object Code 5800 (e.g. tutoring, professional development, field trips)

\*\*Projected Expenditure

\*\*\*Preliminary Budget

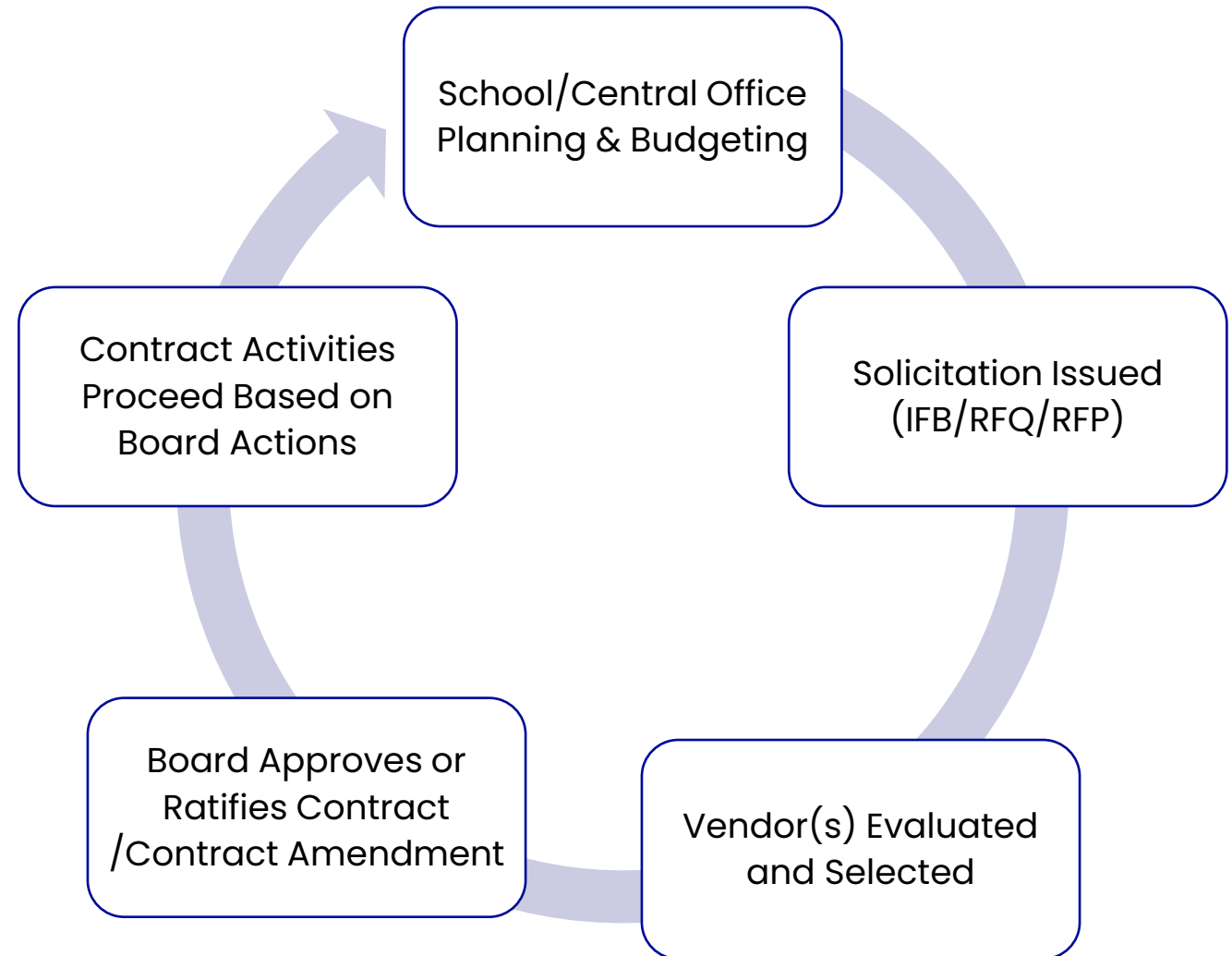
# Non-labor Contracts:

*Scope and volume have evolved with the District's needs*

Follows CA Education and Public Procurement Code

Leverages Benchmarks in targeted areas to streamline procurement

Bench capacity does not necessarily equate to the actual budgeted or expenditure amount



# Contracting Methods:

## *Solicitation Methods and District methodology*

### Request for Proposal (RFP)

- Specific Professional Services
- District Benches

### Invitation for Bid (IFB)

- General Goods
- General Services

### Request for Qualifications (RFQ)

- Qualifying vendors based on set criteria

### Informal Request for Proposal (iRFP)

- Specific professional services for work under \$250K

### Piggyback Contracts

- Formally competed contracts issued in association with other entities. Used for speed or commodity items.

### Single/Sole Source

- Used in certain circumstances where only one vendor can provide services (Apple computers)

✓ **District Benches** used to leverage multiple vendors for broader purposes. Often used as needed or across multiple scenarios for ease of access.

✓ **Individual Contracts** used to achieve specific purpose (or project) with capacity often tied to specific purpose and associated cost.

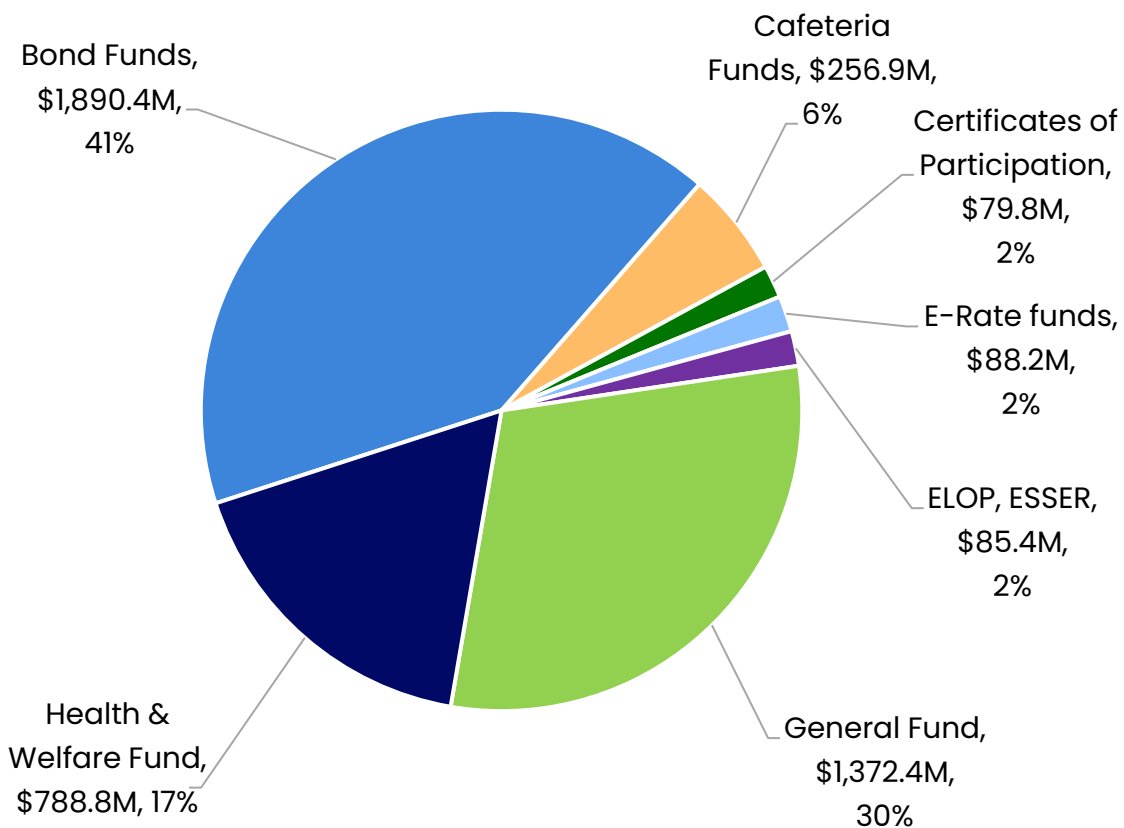
### **Contract Length Limits**

✓ Education code limits goods and materials or supplies to a maximum of 3 years

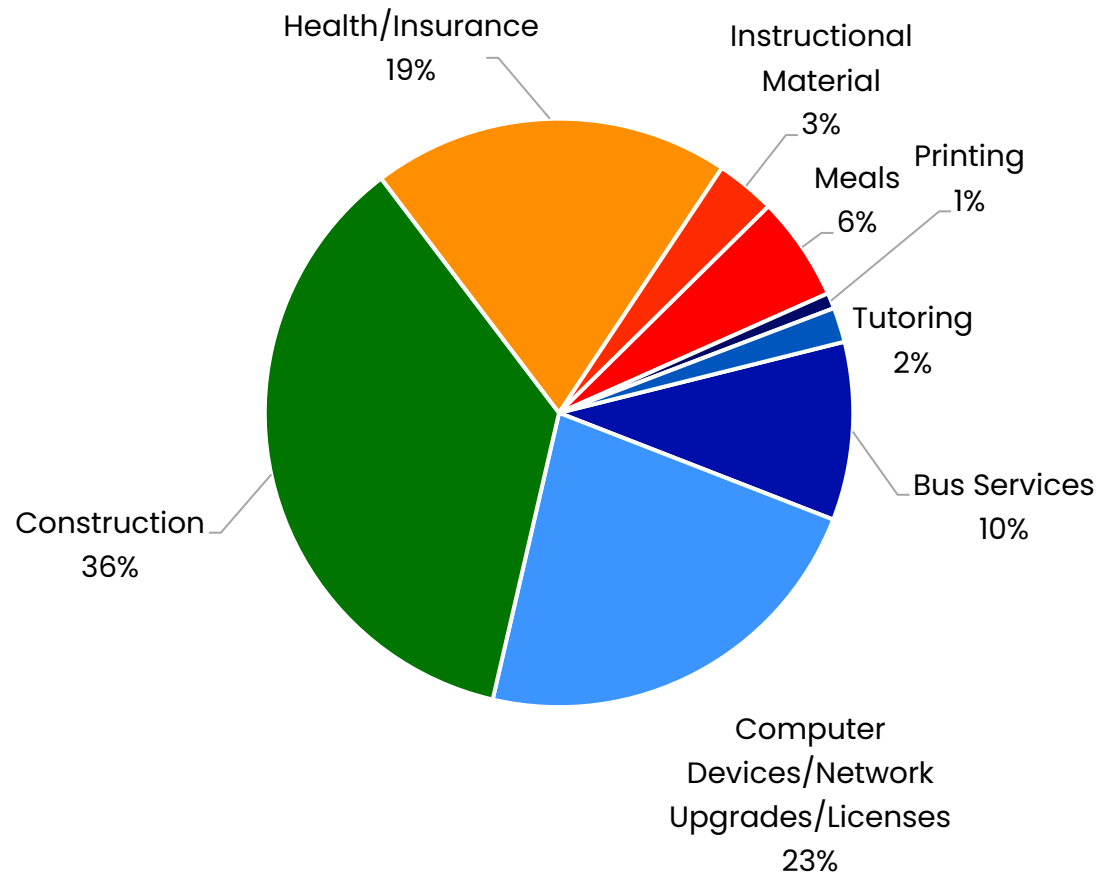
✓ Education code limits services to a maximum of 5 years.

# Aggregated Board Approved Capacity >\$75 Million

## By Funding Source



## By Expense Type



# Next Steps:

- Continue implementing strategic measures outlined in FSP
- Further reduce expenditures with rigorous internal oversight of District spending (including deeper analysis of contracts)

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*Budget to Expenditure Comparison*

## Special Education Program

*Program Overview, Budget and Expenditure Summary*

## Expanded Learning Opportunities Program (ELO-P)

*Program Requirements, Funding History, and Expenditure Trends*

*Tutoring Programs, Funding History and FY 2027 Proposed Model*

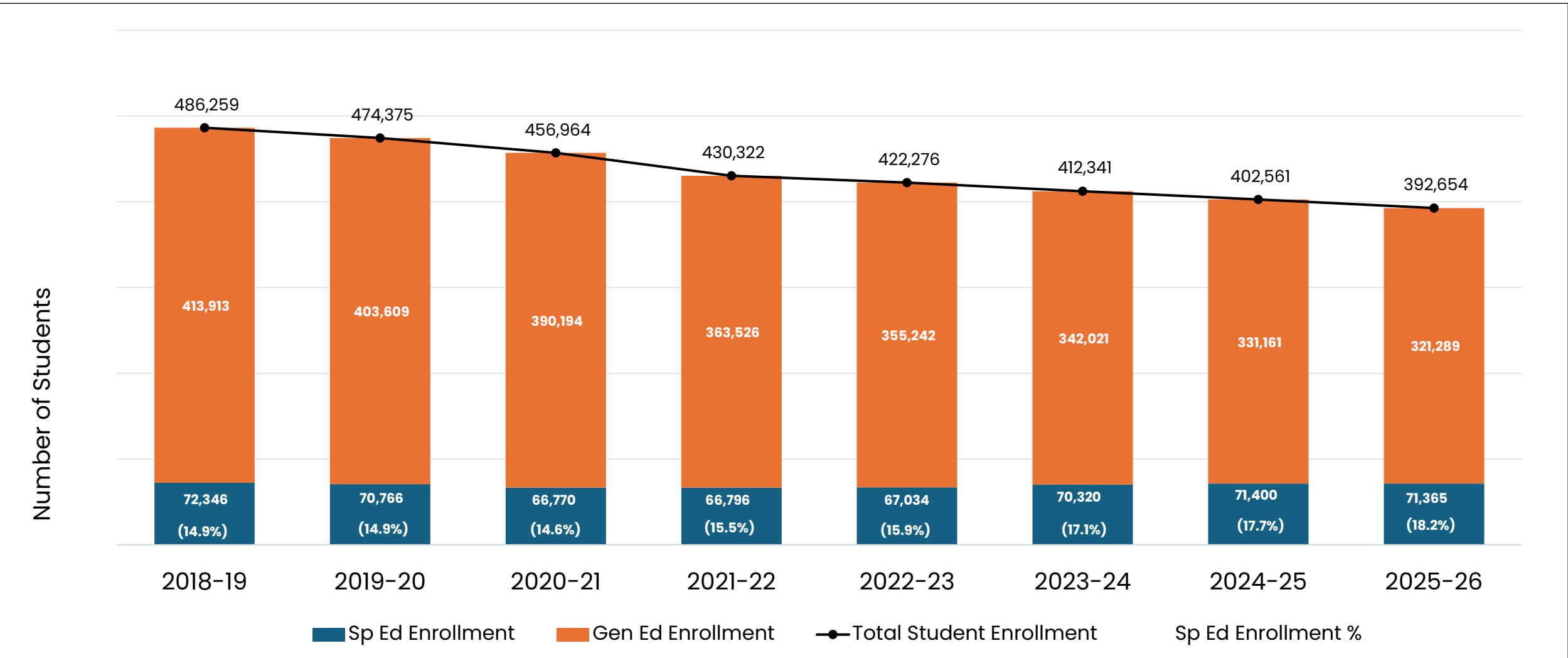
# Special Education

- ❑ LAUSD, as a Special Education Local Plan Area (SELPA), supports a wide range of services to address the needs of all students.
- ❑ Over the past five years:
  - Special education enrollment has increased
  - Students requiring mild-to-moderate support has decreased while students who require moderate-to-severe support has increased



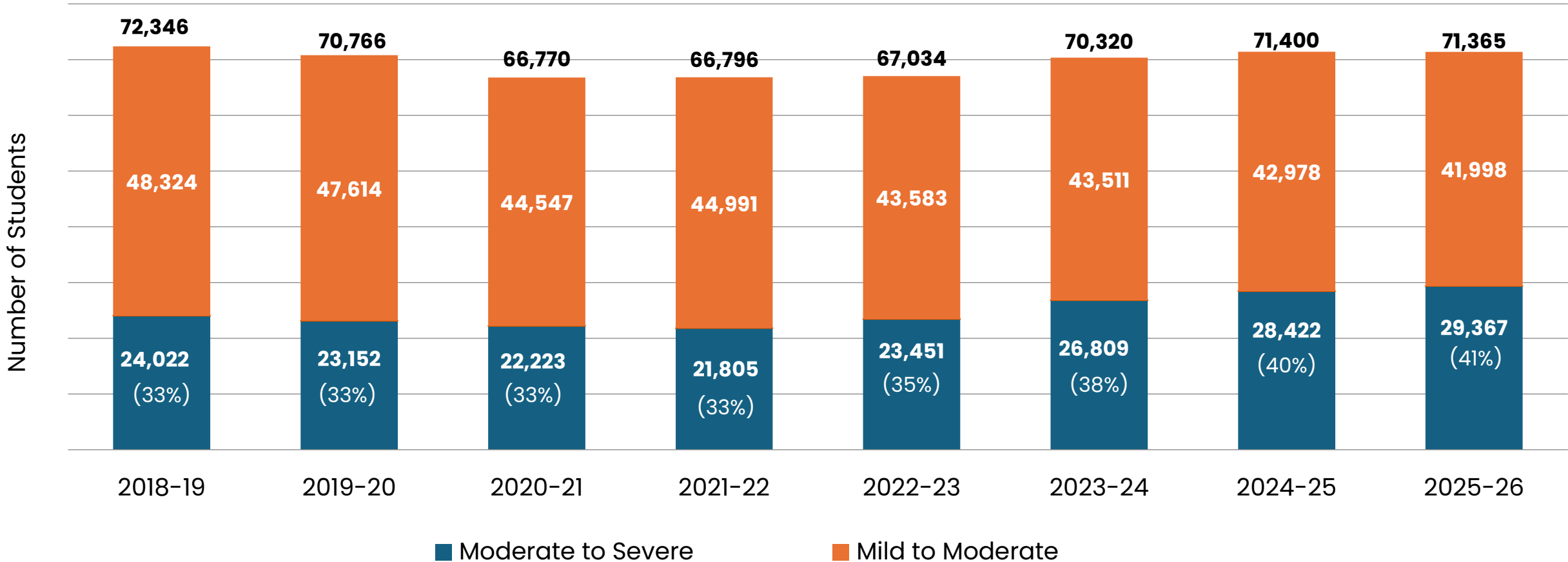
# LAUSD: Enrollment and Students with Disabilities

*As Gen. Ed. Enrollment Declines, Sp. Ed. Enrollment has Increased*



# Special Education Enrollment

*Students with moderate-to-severe needs have increased*



# Special Education:

## *Disability Categories Impact Student Supports*

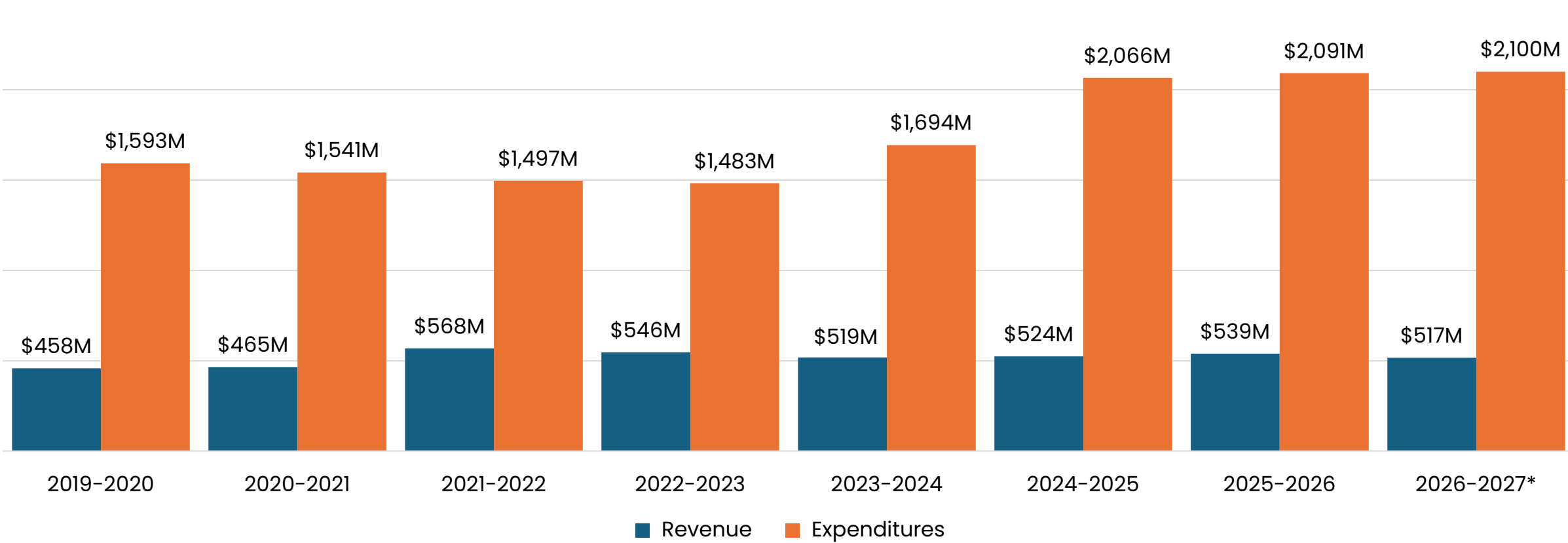
### **Why does the shift in category matter?**

- Moderate to severe disabilities typically require smaller class sizes with more adult support. E .g.,
  - **Specific Learning Disability (Core)** has a norm of 12 students; the program requires one (1) teacher and one (1) baseline
  - **Autism – Modified Core** has a norm of 6 students, the program requires one (1) teacher and two (2) baselines
    - Norms vary by program type; the modified core is the program with lowest norm

# Special Education:

*Federal and State Revenues do not meet the District's needs*

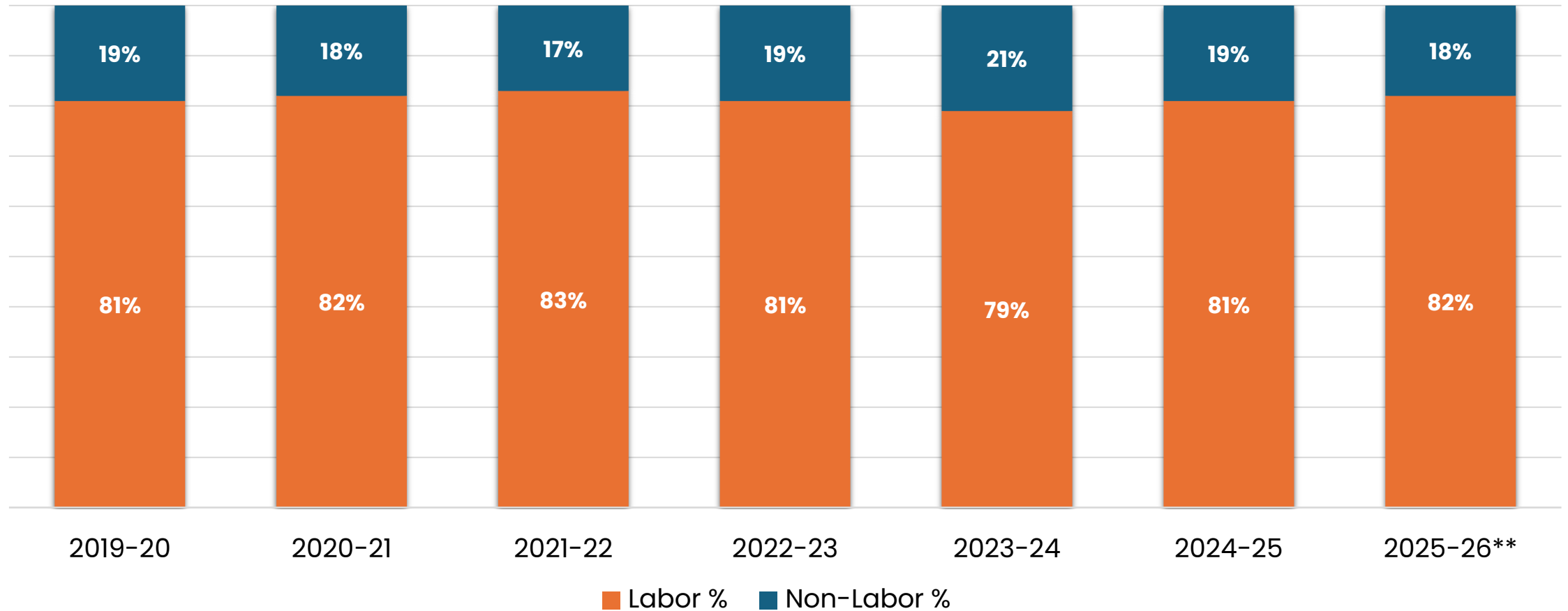
Federal/State Revenue and LAUSD's Expenditures  
(Dollars in Millions)



Excludes charter pass-through and indirect costs \* Projected budget and expenditures

# Total Budget

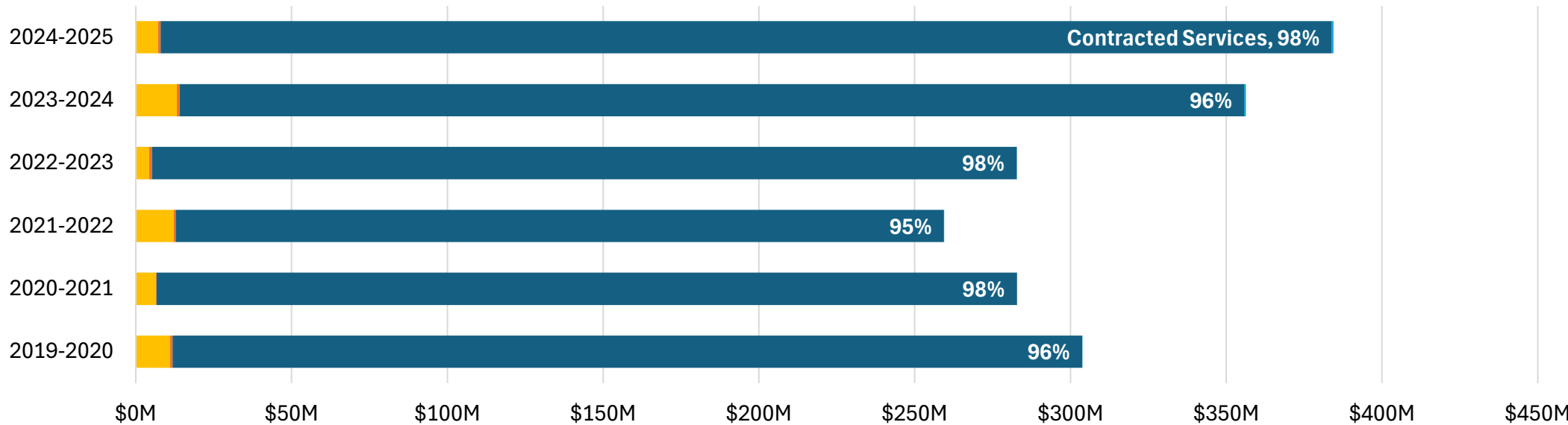
*Most Special Education costs are Labor. 80% labor and 20% Non-labor (e.g., Due Process, Non-public agencies, and Transportation)*



# Special Education:

*Contracted services are required for Individualized Education Program behavioral & health supports*

Non-Labor Breakdown

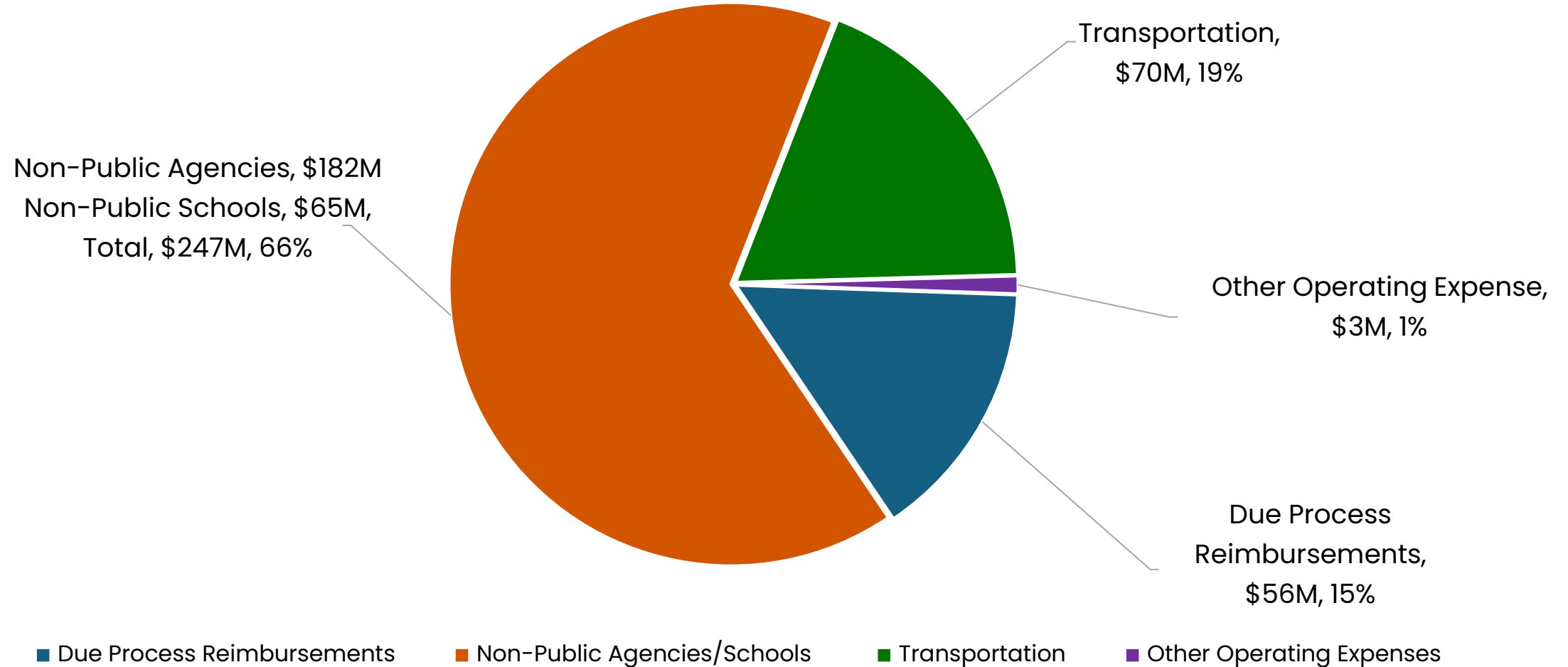


	2019-2020	2020-2021	2021-2022	2022-2023	2023-2024	2024-2025
Books & Supplies (4000)	\$11M	\$6M	\$12M	\$4M	\$13M	\$7M
Operating Expenses (5000-5999)	\$1M	\$0.16M	\$1M	\$1M	\$1M	\$1M
Contracted Services (5100 & 5800)	\$292M	\$276M	\$247M	\$278M	\$342M	\$376M
Capitalized Equipment (6000)	\$0.01M	\$0.00M	\$0.07M	\$0.03M	\$1M	\$0M

\*Contracts include sub-agreements and professional services contracts with non-public agencies

# Special Education: Contracted Services by Category

*Contracts primarily provide direct services to students with disabilities*



# Summary

- ❑ Given the increase in special education students and required services, the District anticipates a need for continued investment in special education resources.
- ❑ Federal and state revenues continue to fall short of the District's total investment in educating students with disabilities.

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# LAUSD ELO-P


- ❑ 2021-22 school year: Received the first ELO-P grant (*Restricted Funds, with 24-month award period*)
- ❑ 2021-22 to 2025-26: Strategically improved and expanded student enrichment activities.
- ❑ 2026-27 onward: Established preliminary plans to maintain effective enrichment programs that meet new requirements, with less ELO-P funds.

# LAUSD: ELO-P Instructional Program




## ACADEMIC EXPANDED LEARNING OPPORTUNITIES

(Math Enrichment, ELA Enrichment, Science Enrichment incl. iDREAM Mobile Lab & Robotics)



**INTERSESSION**  
(Summer School,  
Winter & Spring  
Academies)



**HIGH  
DOSAGE  
TUTORING**




**CULTURAL  
ARTS  
PASSPORT**



**STUDENT  
INTERNSHIPS**



**EXPANDED  
LEARNING  
FIELD TRIPS**



**EXTENDED  
SCHOOL  
YEAR (ESY)**

## BEYOND THE BELL ENRICHMENT

Before and After School Program Investments



# ELO-P: Program Restrictions

## 9-Hour Rule

CDE requires districts to offer eligible TK-6 students **access to at least nine (9) hours of programming per instructional day.**

### The 9 hours may include:

- Part of Instructional Day (regular school day)+After School
- Before-School Expanded Learning
- After-School Expanded Learning
- Summer and Intersession Programming
- Tutoring

### Key Compliance Principle:

The 9-hour requirement refers to program **access and availability**, not mandatory daily participation for every student.

## Allowable Program Offerings

Academic and enrichment program offerings that expand the school day include, but not limited to:

- Tutoring and academic intervention (literacy, numeracy)
- STEM/STEAM, robotics, and coding
- Visual and performing arts

### Intersession & Extended-Year Programs

- Summer School / Summer Enrichment
- Winter and Spring

### Important:

Intersession and enrichment programs count toward the 9-hour access requirement when offered as part of the district's comprehensive expanded learning program.

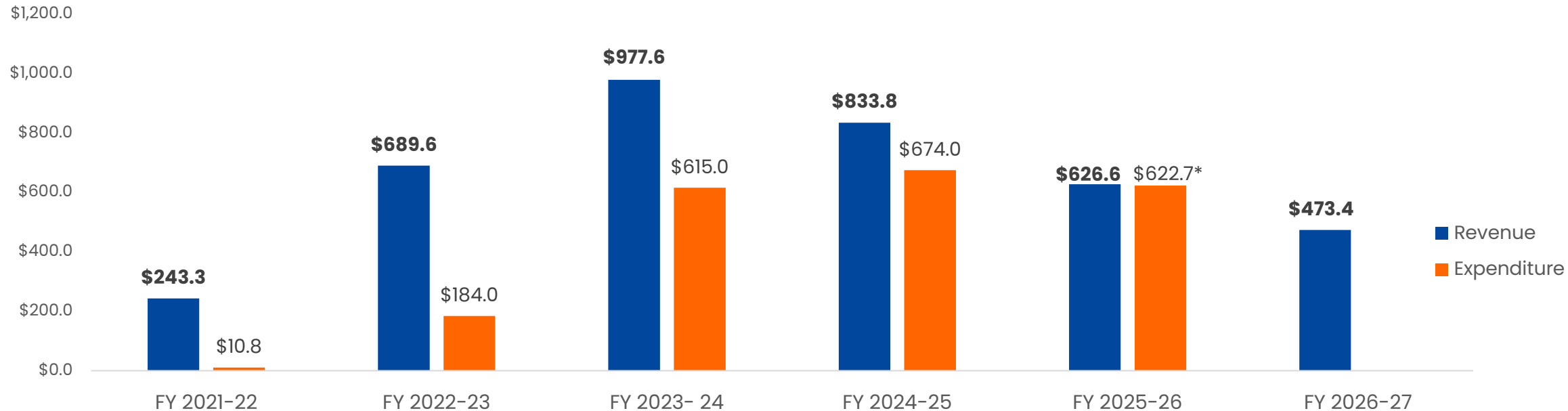
# ELO-P: CDE Grant Allocation History & Spending Deadlines

Fiscal Year	ELO-P Entitlement Grant Amount*	CDE Spending Deadline
2021-22	\$243.3 M	September 30, 2024
2022-23	\$457.1 M	September 30, 2024
2023-24	\$472.0 M	June 30, 2025
2024-25	\$471.2 M	June 30, 2026
2025-26	\$469.5 M	June 30, 2027
2026-27 Estimated	\$469.5 M	June 30, 2028

- 2021-21: First ELO-P Allocation
- 2021-22 and 2022-23: Allocations were permitted to carry over for several years: spending deadline of September 2024
- 2023-24 onward: Limited spending deadlines to two years

# ELO-P: FY 2021-22 to 2026-27 Revenue & Expenditures

(Dollars in Millions)



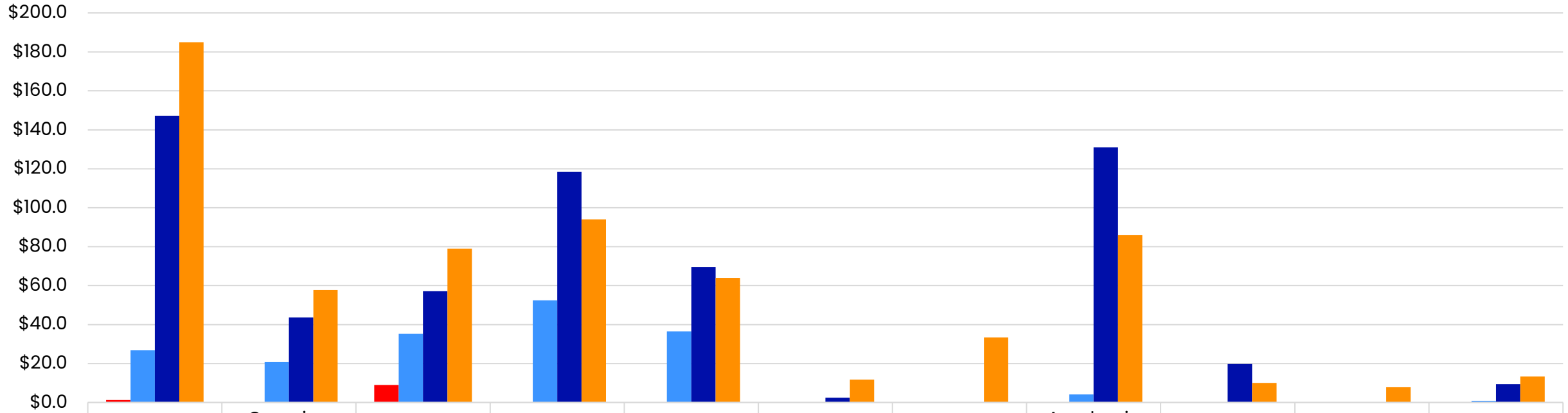
Carryover		\$232.4 M	\$505.6 M	\$362.2 M	\$157.1 M	\$3.9 M (estimated)
New Entitlement	\$243.3 M	\$457.1 M	\$472.0 M	\$471.2 M	\$469.5 M	\$469.5 M (estimated)
<b>Revenue</b>	<b>\$243.3 M</b>	<b>\$689.6 M</b>	<b>\$977.6 M</b>	<b>\$833.8 M</b>	<b>\$626.6 M</b>	<b>\$491 M</b>

\*FY 2025-26 expenditures are projected as of Second Interim

- 2022-23 and 2023-24: Carryover accumulated over the first two years of program planning and implementation
- 2023-24 and 2024-25: Carryover reduced with expanded student enrichment and site allocations (i.e., CAP, field trips, and tutoring)
- 2026-27 and beyond: The District anticipates minimal ELO-P carryover

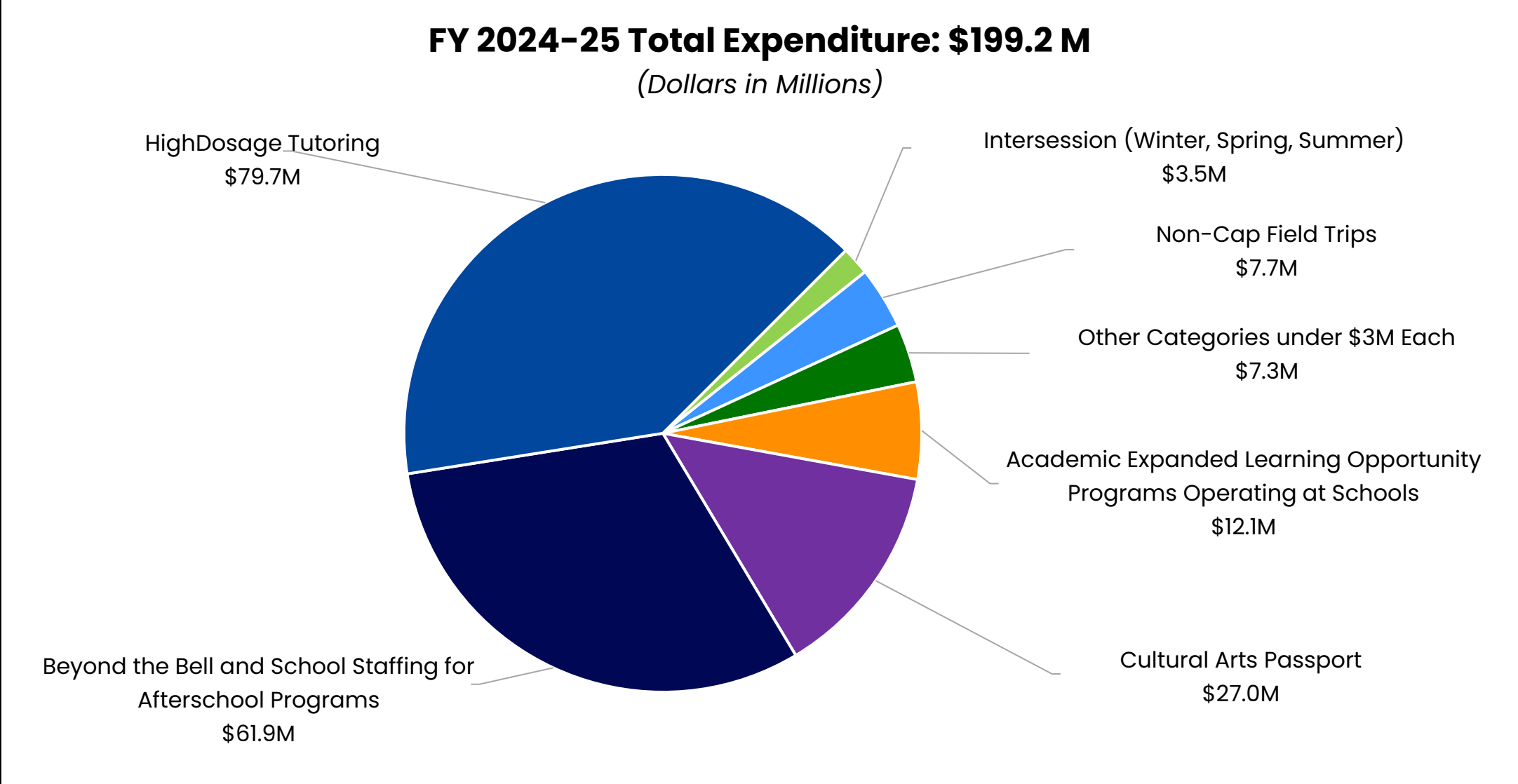
# ELO-P: Expenditures by Program

(Dollars in Millions)



	Beyond the Bell	Greening and M&O for ELO-P Programs	Intersession	High Dosage Tutoring	Cultural Arts Passport	Field Trips	Extended School Year	Academic Extended Learning Opportunities	Summer PD	Multilingual Expanded Learning	Other
■ 2021-22	\$1.3	\$0.0	\$9.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
■ 2022-23	\$26.9	\$20.7	\$35.3	\$52.4	\$36.5	\$0.0	\$0.0	\$4.1	\$0.0	\$0.0	\$0.9
■ 2023-24	\$147.2	\$43.7	\$57.2	\$118.5	\$69.6	\$2.4	\$0.0	\$131.0	\$19.8	\$0.0	\$9.4
■ 2024-25	\$185.0	\$57.7	\$79.0	\$94.0	\$64.0	\$11.7	\$33.4	\$86.0	\$10.1	\$7.8	\$13.3

# ELO-P: Contracted Services by Program Category



# ELO-P: FY2027 Planned Allocations

Program	Budgeted Amount
Academic Expanded Learning Opportunity Programs Operating at Schools	\$6,962,125
Affiliated Charters	\$6,458,338
Athletics	\$20,903,864
Beyond the Bell and School Staffing for Afterschool Programs	\$147,142,712
Cultural Arts Passport	\$65,000,000
Extended School Year	\$30,000,000
Foster Youth	\$500,000
Greening, Utilities, and M&O for ELO-P Programs	\$22,700,000
High Dosage Tutoring	\$74,000,000
Internships	\$1,000,000
Intersession (Summer, Winter, Spring)	\$45,000,000
Non-CAP Field Trips	\$5,500,000
<b>Total</b>	<b>\$425,167,039</b>

*\*Note: Does not include Potential Funding Variance and Indirect Cost*

# Summary of Expenditures and Tutoring for SY 27

- ❑ The District remains committed to sustaining meaningful enrichment programs for students.
- ❑ As the District navigates the fiscal environment, the FY 2027 ELO-P model aligns available resources to student academic and enrichment needs.
- ❑ Tutoring remains a priority in our District.
- ❑ Research shows that tutoring is one of the academic programs that yield results for students.

# Tutoring: Program Evolution

- 2021–22 and prior: Supported two tutoring methods:
  - *Centrally managed*: With Beyond the Bell using Title I Funds
  - *School-site managed*: Locally Designed using Discretionary Funds
  
- 2022–23: Introduced *High Dose Tutoring* using ESSER and ELO–P Funds
  
- 2024–25: Began allocating additional ELO–P funds to schools for locally designed tutoring
  
- 2026–27: New High Dose Tutoring model led by teachers

# Tutoring: ELO-P Funded High Dose & On Demand Tutoring

	FY 2022-23 Actuals	FY 2023-24 Actuals	FY 2024-25 Actuals
Contracts	\$35.5 M 12 vendors	\$98.6 M 13 vendors	\$79.5 M 16 vendors
Staff Salaries & Benefits	\$7.0 M	\$15.1 M	\$12.6 M
Transportation / Books & Supplies	\$11.7 M	\$8.1 M	\$0.3 M
<b>TOTAL</b>	<b>\$54.2 M</b>	<b>\$121.8 M</b>	<b>\$92.4 M</b>

- ELO-P was primary funding source for all three years
- 2022-23 and 2023-24 includes ESSER funds
- Over the past three years, District staff costs averaged approx. 13% of the High Dose and OnDemand tutoring expenditures.

# Tutoring: School Year 2026–27 Planning

## Considerations:

- Centrally managed by Beyond the Bell and supported with ELO–P funds only
- Tutoring funding allocations will be provided to schools
- Prioritize teacher–led delivery model taught by LAUSD teachers as done in previous years
  - Professional Development, guidance and toolkit will be provided to teachers
- Program designed to align with the Shaw Settlement
  - 45 hours of tutoring per year offered to eligible students in small groups of 3–5 students

# Tutoring: School Year 2026–27 Planning

□ New **High Dose Tutoring model led by teachers** added as a choice for schools.

- High-Dose Tutoring **services provided by LAUSD teachers**
- Schools **strongly encouraged** to adopt the teacher-led model
- Limited number of in-person and virtual vendors still available

□ **High-Dose Tutoring model meets Shaw Settlement requirements**

- **Dosage:** three times per week, 45 minutes per session, 45 hours total over 20 weeks in small groups of 3–5 students for three academic years (2025–28).
  - Potential increase in parents requesting tutoring services for students.
  - **Tutoring Bench will need to be increased for the 2026–27 school year** due to the possible increase in overall student participation.

□ Annual internal program evaluation, as required by the Shaw v. LAUSD settlement, and external engagement with national experts for targeted evaluations.



- ❖ Anticipates non-labor expenditure reductions and ongoing efforts to further improve budget transparency.
- ❖ Continues to advocate for adequate state funding and for the federal government to honor its commitment to fund 40% of special education costs through the IDEA.
- ❖ Remains committed to ensuring that our students have the resources and opportunities they need to succeed.