

LCAP Local Indicators & Budget

Board of Education Meeting
June 17, 2025

LAUSD
UNIFIED



Ready for the World

LOS ANGELES UNIFIED SCHOOL DISTRICT

2022-26 Strategic Plan

Today's Update Will Highlight:

- Overview of 2025-26 LCAP and Local Indicators
- Presentation of the 2025-26 Budget

Overview

LCAP and Local Indicators

What is the Local Control Accountability Plan (LCAP)?



1

State Mandated

Three year plan (2024-25 to 2026-27)



2

Updated Annually

Supports student outcomes that address state and local priorities



3

Described in LCAP

Goals, actions, services and expenditures of Local Control Funding Formula funds



4

Focused on Student Success

Particular focus on low income, English Learners and foster youth



5

Partnering with Communities

LCAP development / updates in partnership with communities



Local Control Accountability Plan (LCAP)



This school year marked the completion of the first year of the three year cycle.

The LCAP indicates Local Control Funding Formula (LCFF) allocations and expenditures. The LCFF revenues account for 69% of LAUSD's total General Fund revenues in 2025-26.

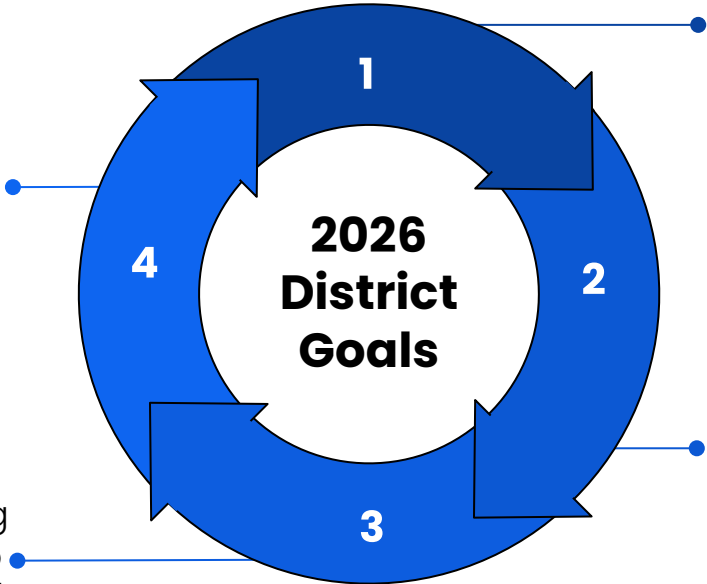
Systems Alignment

Budget Development

Financial commitment to programs to support our students, staff and communities, in alignment with the Strategic Plan.

2022-26 Strategic Plan

Continued progress monitoring and adjustments as needed to move forward the measures of success.



Ongoing Engagement

Gather input and feedback from our communities.

2025-26 LCAP

Aligned to the Strategic Plan and shares the LCFF-funded programs the District will implement in 2025-26.

Engagement for Development of the LCAP

Parent Advisory Committee

12 meetings per year

District English Learner Advisory Committee

5 meetings per year

LCAP Region Ambassador

12 meetings per year
(3 per Region)



Community and Labor Partners

7 community &
2 labor partner
meetings per year

Monthly Accountability Meetings

7 meetings per year

District Student Advisory Councils

16 meetings per year

Districtwide ThoughtExchange:
17,828 unique participants

Content of 2025 LCAP

LCAP Goals

LCAP is aligned to the **Strategic Plan** Pillars:

1. **Academic Excellence**
2. **Joy and Wellness**
3. **Engagement and Collaboration**
4. **Operational Effectiveness**
5. **Investing in Staff**
6. English Learner Supports
7. BSAP Implementation
8. Equity Multiplier Focus Goal

LCAP Metrics

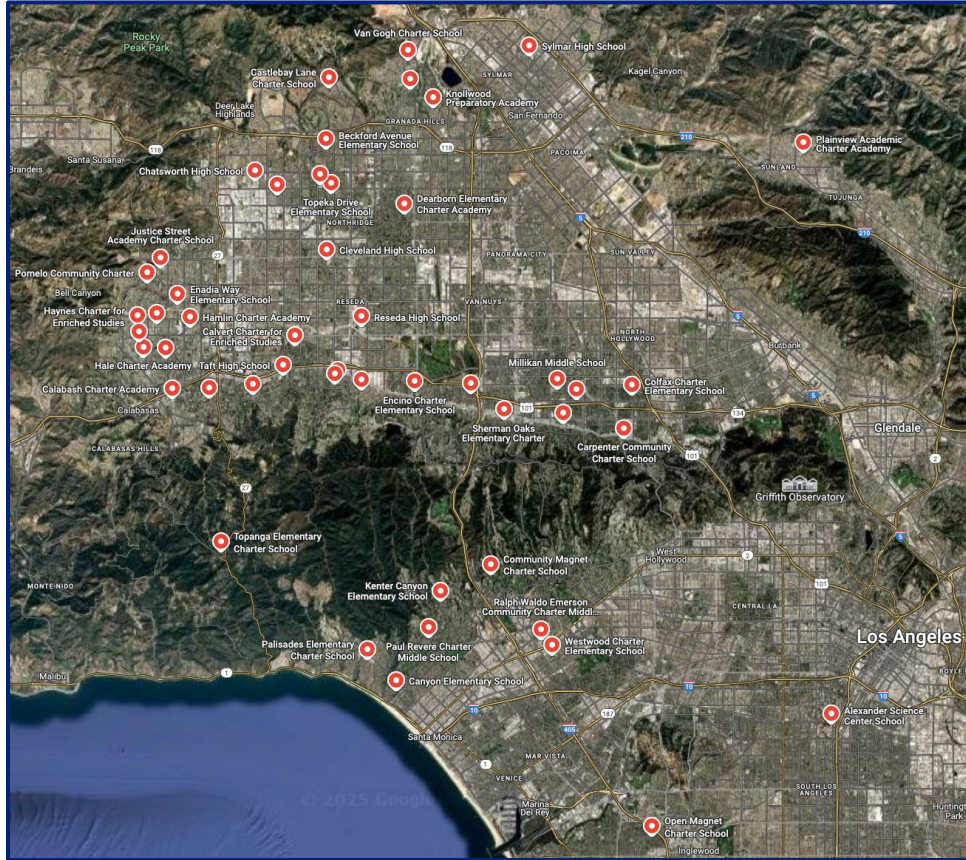
The LCAP indicates metrics the District is working towards during the three-year plan

Metrics include baseline data, year 1 outcome data, and the targets for year 3

Actions & Expenditures

LCFF-funded programs and services the District will implement and fund to support progress on LCAP metrics

Affiliated Charters LCAP



51 Affiliated Charter Schools in Los Angeles Unified

Affiliated charter schools are required by the CDE to develop and implement a LCAP

2025 Local Indicators

CA accountability system includes several LOCAL INDICATORS, for which districts evaluate and self-report to the state.

<i>Local Indicator</i>	<i>Rating</i>
Appropriately Assigned Teachers, Access to Curriculum-Aligned Instructional Materials, and Safe, Clean and Functional School Facilities	Standard Met <input checked="" type="checkbox"/>
Implementation of State Academic Standards	Standard Met <input checked="" type="checkbox"/>
Parent and Family Engagement	Standard Met <input checked="" type="checkbox"/>
School Climate	Standard Met <input checked="" type="checkbox"/>
Access to a Broad Course of Study	Standard Met <input checked="" type="checkbox"/>

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Note that Affiliated Charters also submit their own Local Indicators, which are available here: <https://tinyurl.com/ACS-2025-Local-Indicators>

Presentation

2025-26 Budget

Overview

- Video – Living Beyond the Check
- Overview of Proposed FY26 Budget
 - FY26 Investment Highlights
 - Fiscal Sustainability in LAUSD
 - FY26 Budget Overview and Multi-Year Projections
- Proposed Fiscal Stabilization Plan
- Looking Ahead

Video

Living Beyond the Check



[Living Beyond The Check](#)

Guiding Principles

Align to 2022–26 Strategic Plan

- Align funds to implement Strategic Plan Priorities and Strategies in order to reach the District Goals: Postsecondary Success, Literacy, Numeracy, and Social-Emotional/Wellness

Empower Student Achievement

- Address the immediate needs in our schools
- Continue progress monitoring to pivot strategies as needed

Budget with Equity and Urgency

- Expend funds on students in the same year that they generate those funds
- Ensure an equitable distribution of resources that meets the immediate needs of students

Invest in Our Workforce

- Maintain staffing levels necessary to meet the needs of our students across the District, and to target interventions for our highest-need students

Protect Fiscal Sustainability

- Continue to leverage grants and one-time funding sources to preserve the continuity of general fund programs
- Address the District's long-term liabilities, like Other Post-Employment Benefits and non-General Obligation funded capital needs

This Budget Does Not...



- Reduce SENI
- Reduce BSAP
- Reduce Arts funding
- Reduce Transitional Kindergarten supports
- Lay off employees
- Reduce English Learner supports
- Reduce Community Schools investments
- Reduce mental health supports

FY 26 Investment Highlights

BSAP
\$125M
+\$25M for FY 26

Arts in Schools
\$238M
Supplemental TBA

SENI Commitment Maintained
\$700M

Transitional Kindergarten
\$186M
Teachers & Aides

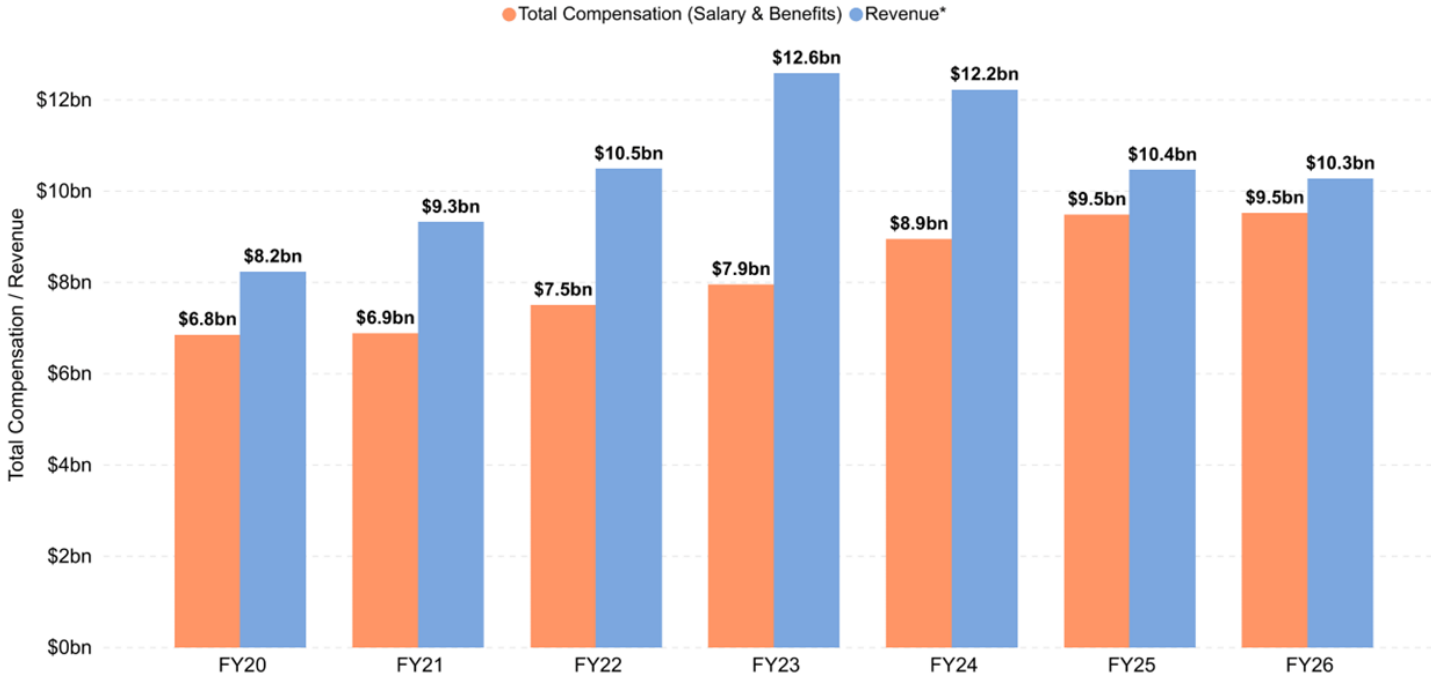
Student Centers
+\$1.2M
Expanded Supports

Protecting Investments
+\$46M for FY 26
Federal Program Reserve

Workforce Protection Program
+\$60M for FY 26

Greening with Partners
+\$3M
\$1M/yr for 3 years

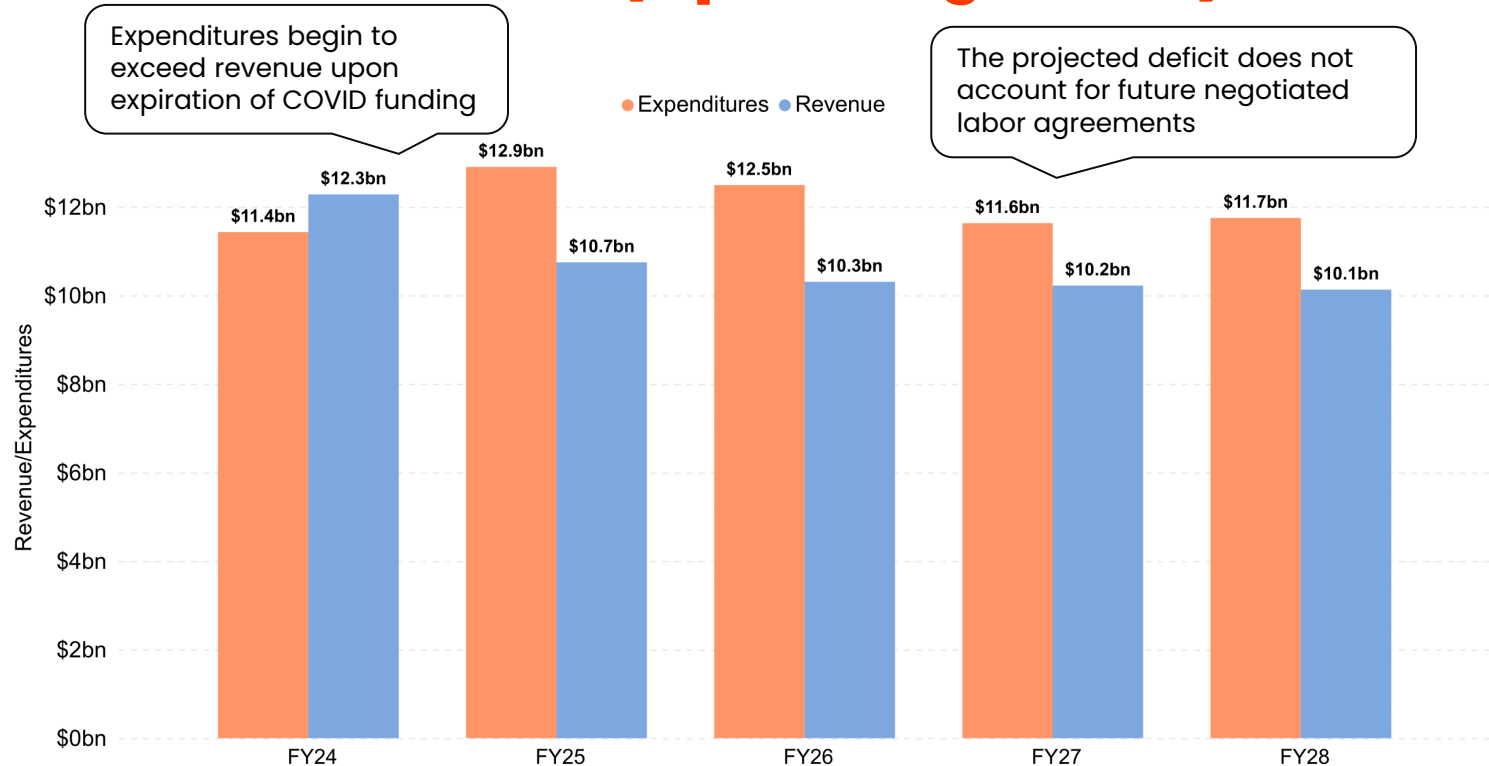
Fiscal Sustainability in LAUSD: Compensation vs. Revenue (Operating Funds)



Total Compensation as Percent of Total Revenue	FY20	FY21	FY22	FY23	FY24	FY25	FY26
	83%	74%	72%	63%	73%	91%	93%

*Revenue excludes other financing sources

Fiscal Sustainability in LAUSD: Expenses vs Revenues (Operating Funds)



Difference Between
Revenue and
Expenditures

\$0.9bn

(\$2.2bn)

(\$2.2bn)

(\$1.4bn)

(\$1.6bn)

Fiscal Sustainability in LAUSD:

Multi-Year Outlook

FY25

- Implemented Strategic Budgeting for Central Office; swept unspent dollars and used hiring freeze (over \$100m saved across all funds)
- Maximized restricted funds for over \$100m of General Fund Relief
- Eliminated carryover for Central Office
- **Adopt qualified budget and present fiscal stabilization plan**

FY26

- Begin action steps to implement the FSP and update on progress at each interim projection
- Continue maximization of restricted funds
- **Identify reduction opportunities, including closing vacancies, sweeping unspent dollars, and implementing tiered equitable strategies to optimize workforce in FY27**

FY27

- Implement fiscal stabilization plan with revised fiscal information
- Assess additional vacancy closures, maintaining hiring freezes and enacting staff reassignments and reduction in force.
- **Identify and revise cost saving strategies for FY28**

FY28

- Enact reductions identified for FY 28, which may include Reductions in Force
- Implement necessary budget balancing strategies to **close the deficit and avoid negative certification**

Fiscal Sustainability in LAUSD: Outlook in FY26

Ongoing Community Engagement Town Halls, Staff Engagement, Board Engagement, etc.

Sept. 2025

- Unaudited Actuals for FY25

Dec. 2025

- First Interim
- **Progress check on Fiscal Stabilization Plan**

Jan. 2026

- Governor's Proposed FY27 Budget

March 2026

- Second Interim
- **Staffing Decision Notices**

Proposed FY26 Budget Assumptions

Preserves unfunded positions (a result of no layoff)

Maintains Board reserve (i.e. Fund 17) at 5% in FY26

The June adopted budget will be qualified

LACOE requires that a fiscal stabilization plan be approved in tandem with June adopted budget

Includes funding to protect against federal uncertainties pending board approval

Includes lower COLA and TK Add-on funding

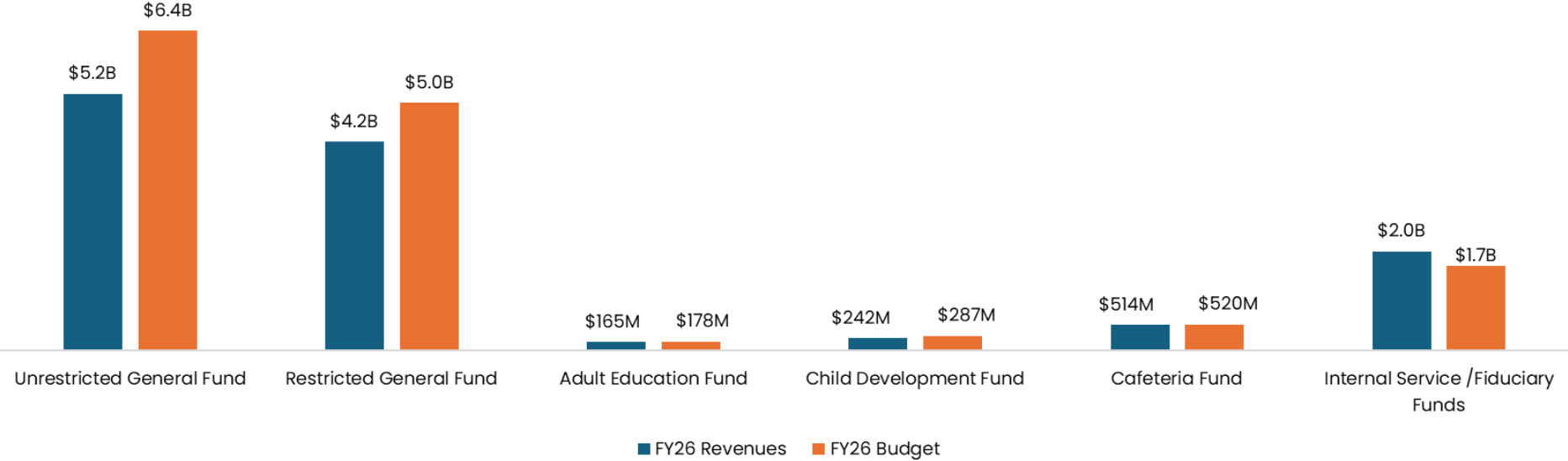
FY26 Budget at a Glance



Proposed FY26 Budget Overview

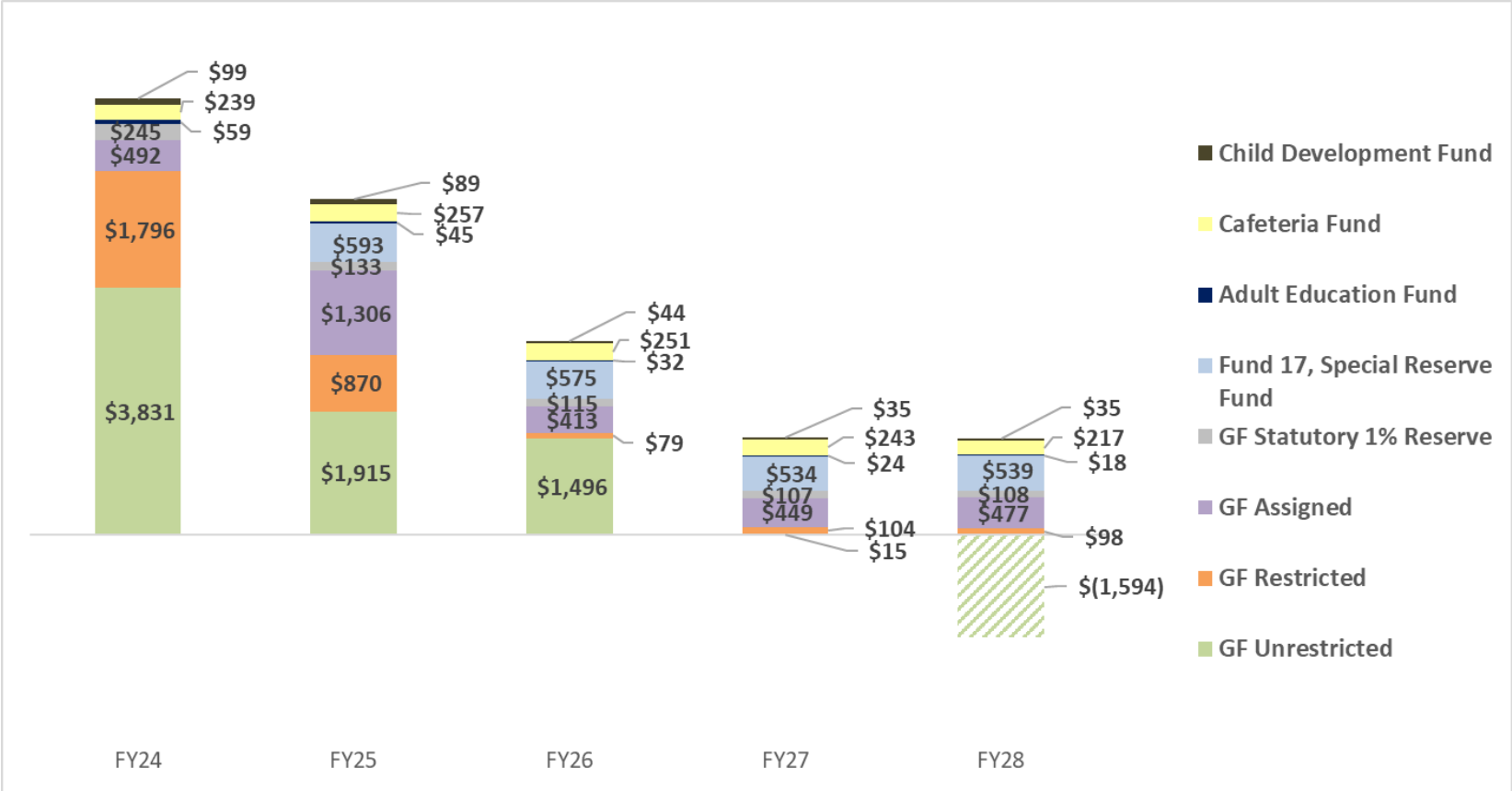
Total Revenues = \$15.9B

Total Planned Budget = \$18.8B



*Note that chart does not reflect Special Reserve Fund, Student Body Fund, Debt Service, and Capital Funds. These funds are reflected in the totals in the chart header.

Preliminary FY26 Budget Fund Balances – Operating Funds*



*Amounts in millions – The projected deficit does not account for future negotiated labor agreements.

What is a Fiscal Stabilization Plan?

- A required critical plan for school districts facing structural budget deficits
- Oversight designed to ensure districts:
 - Meet current fiscal year financial obligations
 - Fulfill multiyear financial commitments
 - Maintain minimum reserve requirements
- Proposed actions that are well-defined and grounded in a solid, detailed plan rather than general objectives
- Required aspect of oversight by the Los Angeles County of Education when a school district submits a qualified or negative budget due to a structural budget deficit and/or deficit spending

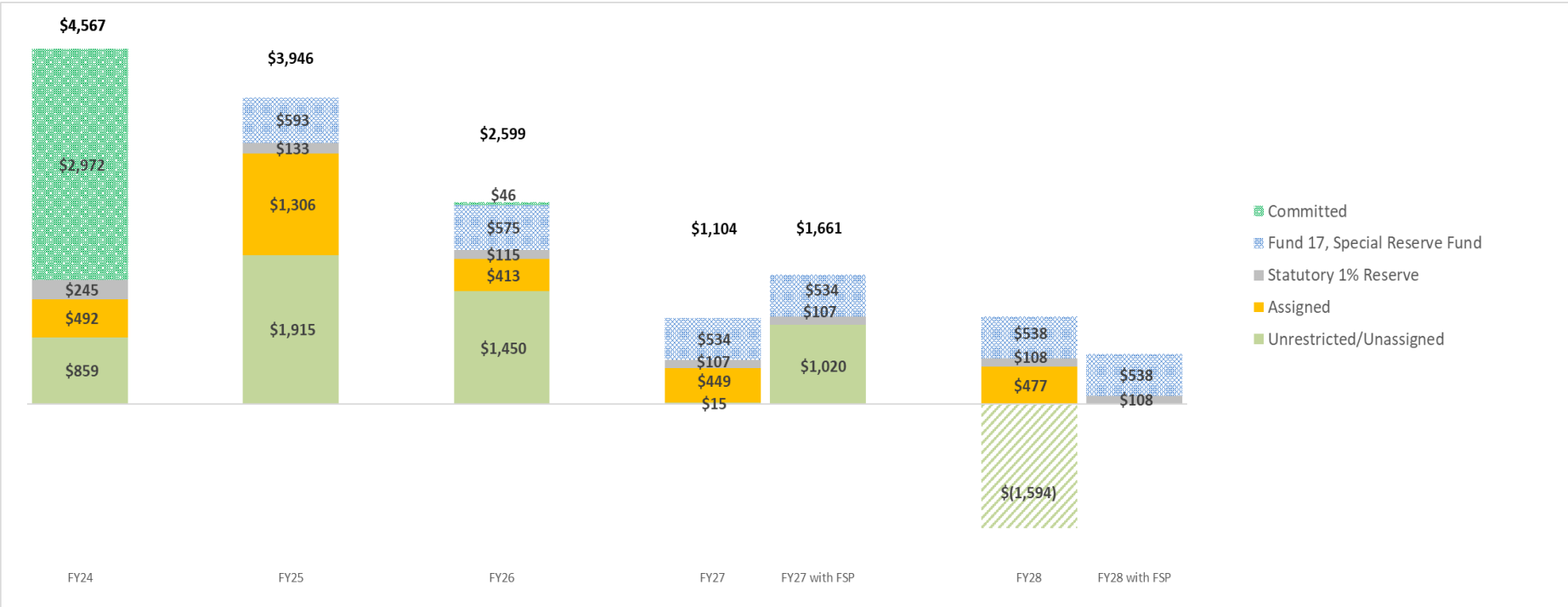
Proposed Fiscal Stabilization Plan to address \$1.6B Deficit

Action	FY 26 Estimated Savings	FY 27 Estimated Savings	FY 28 Estimated Savings
Reassess school carryover policies by need for FY 27	\$0	\$360m	\$65m
Targeted Funding Allocation Reductions in FY 27	\$0	\$200m	\$200m
Reduction of unfunded positions in FY 27	\$0	\$60m	\$60m
Consolidate district footprint (campuses and programs) and evaluate academic ROI	\$0	\$30m	\$30m
Reassess effectiveness of earmarked, unspent Investments	\$0	\$115m	\$0
Strategic closure of vacant school positions annually in February (except GF restricted)	\$0	\$100m	\$100m
Bring students closer to their school of residence	\$0	\$15m	\$15m
Central operations, non-school-based reductions	\$0	\$125m	\$125m
Total	\$0	\$1,005m	\$595m
		Grand Total	\$1.6B

*Fund 17 has a balance of \$534m; or 5% of General Fund expenditures in FY 27
 FSP assumes all non-required assignments and commitments dropped in FY 27
 Numbers are rounded.

Preliminary Unrestricted General Fund MYP with Fiscal Stabilization Plan*

Includes Fund 17



*Amounts in millions - The projected deficit does not account for future negotiated labor agreements. The FSP yields an estimated unrestricted/unassigned ending balance of \$6m in FY 28.

Factors Not Included



- Future changes in compensation
- Additional reductions in federal funding that have not yet been announced
- Potential new major programmatic investments
- Unrecognized claims
- Annual increases in health and welfare benefits, insurance, and other standard operating costs

Looking Ahead

- Final Governor's Budget in July
- Contingent on approval, begin action steps to implement Fiscal Stabilization Plan and monitor progress at each Interim Projection
- Monitor Federal Budget development



Thank you

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#AcceleratingSuccess